

[Translation]

### Shortage of Power

\*222. SHRI DATTA MEGHE : Will the Minister of POWER be pleased to state :

(a) whether there is acute shortage of power in many parts of the country particularly in Maharashtra;

(b) if so, the actual demand and supply of power at present, State-wise;

(c) the details of the power projects being run with World Bank assistance;

(d) whether the World Bank has asked the State Governments to withdraw the subsidy on power in agriculture sector;

(e) if so, the reasons therefor; and

(f) the time by which the supply of power is likely to improve in the States particularly in Maharashtra?

[English]

THE MINISTER OF STATE OF THE MINISTRY OF SCIENCE AND TECHNOLOGY AND MINISTER OF STATE OF THE MINISTRY OF POWER (SHRI YOGINDER K. ALAGH) : (a) to (f) A Statement is laid on the Table of the House.

### Statement

(a) Power shortage continues to persist in many parts of the country including Maharashtra on account of the fact that power generation has not kept pace with increase in demand. However, during the last two months, there has been a marked improvement in power generation. Energy generation in June and July, 1997 recorded a significant increase of 8.2% and 8.4% over the generation level during the corresponding months of the previous year, which has taken place after 21 months.

The energy shortage and peak deficit during June, 1997 was 9.6% and 19% respectively. The corresponding figures for Maharashtra was 4.5% and 13.2%.

(b) The State-wise details of energy shortage and peak deficit during June, 1997 is given at Annexure-I.

(c) The details of the World Bank assisted power projects is given at Annexure-II.

(d) & (e) The World Bank as expressed concern about the financial viability of investments in the power sector. The World Bank has also stressed the need to improve the financial health of State Electricity Boards by ensuring that the tariffs are fixed in a rational manner to generate surplus and to provide an adequate return on the capital employed. In the case of Maharashtra (IInd Maharashtra Power

Project Loan No. 3498-IN, which is intended for Chandrapur Unit No. VII (500 MW) and construction of HVDC Chandrapur and Padghe Line), the loan was suspended due to the inability of the Government of Maharashtra to comply with a number of the provisions of the Project Agreement. The World Bank had suggested that a tariff increase should be implemented in order to achieve an annual rate of return of 4.5 per cent of the average net value of fixed assets in operation.

(f) Power supply position in the country is likely to improve as a result of long term measures and short term measures proposed to be implemented during the 9th Five Plan period (1997-2002).

The Government of Maharashtra has identified several projects for capacity addition during the Ninth Five Year Plan (1997-2002). The details of the projects and their present status of implementation/clearance is as under :

Sl. No.	Name of the Project	Installed Capacity	Remarks
1.	Chandrapur Unit-VII	500 MW	Under execution
2.	Khaparkheda Unit II & IV	420 MW	Funding modalities are being tied up
3.	Koyna Project	1000 MW	On going.
4.	Small Hydro	341 MW	Being promoted by Government of Maharashtra.
5.	Bhirra	150 MW	Being promoted by Government of Maharashtra/Tata.
6.	Bhirpuri	90 MW	Being promoted by Government of Maharashtra/Tata.
7.	Dhabol	2184 MW	Phase-I (740 MW) under execution. Phase-II (1275 MW) to be taken up.
8.	Patalganga	410 MW	In principle clearance has been accorded by DEA.
9.	Bhadrawati	1082 MW	The project has obtained the techno-economic clearance from DEA. The Government of India has approved issue of counter guarantee to the project on March 22, 1977. The GOM/MSEB are finalising the coal supply and price agreements.
10.	Sardar Sarovar Vindhyachal	555 MW	Maharashtra's share.
		<u>6732 MW</u>	

The Government has also constituted a Task Force under the Chairmanship of Chairman, CEA in June, 1977 to identify the additional projects which would augment capacity by 10,000 MW over and above the projects already identified for benefits in the Ninth Plan.

The Central Electricity Authority (CEA) has identified 18 Pumped Storage Schemes in Maharashtra which could

add 27,070 MW to the installed capacity. Several Mini/Micro Hydel Schemes in Maharashtra have also been identified by CEA. The Government of India would be requesting the State Government to quickly formulate Projects, tie up funding modalities and undertake execution of these projects on a priority basis. Financial assistance to these projects will be organised through the Power Finance Corporation (PEC).

#### Annexure-I

##### State-wise actual power supply position in the country during the Month of June 1997

Region/State/ System	Energy (MU Net)				Peak (MW)			
	Requi- rement	Availa- bility	Shor- tage	%	Peak demand	Peak met	Shor- tage	%
<b>NORTHERN REGION</b>								
Chandigarh	84	84	0	0.0	166	166	0	0.0
Delhi	1330	1313	17	1.3	2240	2150	90	4.0
Haryana	1080	1039	41	3.8	1970	1926	44	2.2
Himachal Pradesh	276	276	0	0.0	661	661	0	0.0
Jammu & Kashmir	395	371	24	6.1	900	805	95	10.6
Punjab	2300	2289	11	0.5	3951	3951	0	0.0
Rajasthan	1565	1552	13	0.8	2700	2640	60	2.2
Uttar Pradesh	3350	2989	361	10.8	6500	4903	1597	24.6
N.R.	10380	9913	467	4.5	17900	16064	1836	10.3
<b>WESTERN REGION</b>								
Gujarat	2825	2602	223	7.9	6200	5148	1052	17.0
Madhya Pradesh	2375	2172	203	8.5	5000	3641	1359	27.2
Maharashtra	5000	4776	224	4.5	9350	8117	1233	13.2
Goa	102	102	0	0.0	179	179	0	0.0
W.R.	10302	9652	650	6.3	20125	15966	4159	20.7
<b>SOUTHERN REGION</b>								
Andhra Pradesh	3150	2614	536	17.0	5407	4455	952	17.6
Karnataka	2120	1422	698	32.9	4102	2798	1304	31.8
Kerala	830	615	215	25.9	1874	1434	440	23.5
Tamil Nadu	3225	2765	460	14.3	5754	4622	1132	19.7
S.R.	9325	7416	1909	20.5	16321	12675	3646	22.3
<b>EASTERN REGION</b>								
Bihar	705	566	139	19.7	1690	996	694	41.1
D.V.C.	660	649	11	1.7	1475	1156	319	21.6
Orissa	870	855	15	1.7	1800	1561	239	13.3
West Bengal	1330	1319	11	0.8	2775	2535	240	8.6
E.R.	3565	3389	176	4.9	7485	5280	2205	29.5
<b>NORTH-EASTERN REGION</b>								
Arunachal Pradesh	13.0	6.7	6.3	48.5	47	38	9	19.1
Assam	240.8	228.8	12.0	5.0	541	513	28	5.2
Manipur	42.7	30.7	12.0	28.1	90	70	20	22.2
Meghalaya	33.3	33.3	0.0	0.0	85	85	0	0.0
Mizoram	14.8	10.6	4.2	28.4	52	43	9	17.3
Nagaland	18.8	13.0	5.8	30.9	37	37	0	0.0
Tripura	44.6	33.9	10.7	24.0	96	68	28	29.2
N.E.R.	406.0	357.0	51.0	12.5	935	848	87	9.3
<b>ALL INDIA</b>	<b>33980</b>	<b>30727</b>	<b>3253</b>	<b>9.6</b>	<b>62766</b>	<b>50833</b>	<b>11933</b>	<b>19.0</b>

## Annexure-II

## Ongoing World Bank Funded Power Project as on 31.05.1997

Sl. No.	Loan No.	Name of Project	Project Cost (Rs. in crores)	Loan Amount Million US(\$)	Terminal Date	Cumulative Disbursement upto May'97 US(\$ Million)	Capacity (State)
1	2	3	4	5	6	7	8
<b>NTPC</b>							
1.	3632-IN	Time Slice loan for Power Generation Projects (a) VINDHYACHAL-II  (b) KAYAMKULAM	4063.960	400.00	30/9/97	138.349	2X500MW Thermal Units (MP)  400 MW 2x119.6 MW Gas Units 1 x115 MW Thermal Units (Kerala)
<b>POWERGRID</b>							
2.	3577-IN	Powergrid System Development Project	2368.577	350.00	30/6/2000	158.208	400 KV (MP, Maharashtra, AP, Karnataka)
3.	3237-IN	Northern Region Transmission Project	1882.330	495.0000	30/9/98	210.273	400/800KV (Punjab, Haryana, Raj. J&K, UP, HP)
<b>POWER FINANCE CORPORATION</b>							
4.	3436-In	Power Utilities Eff. Improvement Project.	1963.640	265.000	31/12/97	166.703	Not Applicable Multistate Project (AP, MP, Gujarat, Haryana, Raj. & Durgapur Pro. Ltd.)
5.	3630-IN	Technical Assistance for Pvt. Power Development	71.260	20.000	31/12/96	1.251	Not Applicable Multistate Project (AP, Guj., T.N.)
<b>MAHARASHTRA</b>							
6.	3096-IN	Maharashtra Power (Koyna Hydro Elect. Power Project)	1118.000	373.330	31/12/97	246.585	4x250MW

1	2	3	4	5	6	7	8
7.	3498-IN	Second Maharashtra Power Project HVDC line, Consultancy & Resettlement of Earthquake affected villages Chandrapur Units.	1887.410	350.000	30/6/98	112.254	Not Applicable
NAPTHA JHAKRI POWER CORPORATION							
8.	3024-IN	Naptha Jhakri Hydro Electric Projects	4337.950	485.000	31/12/97	257.030 6x250MW (HP)	
ORISSA							
9.	4014-IN	Orissa Power Sector Restructuring Project	Not applicable	350.000	31/12/02	15,416	Not Applicable
MINISTRY OF POWER							
10.	2310-IN	PHRD Pvt. Power Development	—	214.000	31/12/97	76.410	—

## [Translation]

SHRI DATTA MEGHE : Mr. Deputy Speaker, Sir, the supply of power in our country is very less than its demand. The maximum number of industries in our country is in Maharashtra State. Its power demand is 9350 megawatts but the supply of power is 8117 megawatts. There is a shortage of 1233 megawatts of power. Whatever projects are within Maharashtra - the Chandrapur project, the Khaparkera project, the Koyana, the Dhabhol, the Bhadravati etc. all the big projects, the work on all these projects is going at a very slow pace. The work is also being undertaken in the private sector like the Enron and the work on 740 megawatt project has commenced but what is the position of work there? Whether the work thereon is going on satisfactorily? What ever plans have been formulated in this sector? The work had not been commenced on them. What the hon. Minister is going to do in this regard? What are the Government's scheme to start work early on these projects in Maharashtra? Why is the work not being undertaken on all these projects, are you going to do something in this regard by constituting a Committee of MPs representing all the parties?

SHRI YOGINDER K. ALAGH : Mr. Deputy Speaker, Sir, there has been some improvement in the power generation during the last two months. After a period of 21 months the power generation has increased at the rate of 8.2 per cent in June. I have the figures for the month of July in which it has increased by 8.4 per cent. The deficit of power supply in Maharashtra has been lower in comparison to months prior to June. But the hon. Member is right in saying that picking deficit is still very high and that causes a great deal of loss to a progressive State like Maharashtra. We have been trying that those M.O.U. projects or Counter Guarantee Projects like Bhadravati should be accorded

approval in some weeks or months so that the entrepreneurs there could complete their work relating to closing of accounts and undertake work soon on them as per schedule. As the hon. members know that many entrepreneurs now say that they could complete the work on such projects in three years or in forty months. Secondly, we have requested the State Government that the funds they need for renovation and modernisation, for that purpose we are making efforts this time to make available funds to the State from the Power Finance Corporation at subsidised interest rate. Thirdly, the Maharashtra Government has undertaken some small hydel projects.

But C.E.A. has also conducted study in respect of such projects so that these could be implemented in next one to two years. I am happy to know that plant load factor has increased from 70 percent to 72 percent in Maharashtra. But for that also if the State Government requires some assistance, we have made provision for that also. One Hon'ble member has suggested that some hon'ble members of the state or all the members may discuss it with me. If they do it, it would be good. Some hon'ble member of Bihar discussed it with me on Monday. It's being a complex issue if some members of the state like to discuss it with me or my Ministry we would be even more happy. We would also call CEA and place all the information before you. I hope all the hon'ble members of the House would help us in finding a solution of this precarious situation.

SHRI DATTA MEGHE : Mr. Deputy Speaker, Sir, my second question is that I had sought details of the State Power Project which is being executed with the assistance of the World Bank. You have not given that details in your reply. But it is a fact that all the work which was being executed with the assistance of World Bank in Maharashtra for example at Chandrapur and Koradi was sanctioned.

The work was to be undertaken. But the World Bank imposed conditions with a view to increase tariff. The Chief Minister of Maharashtra Shri Manohar Joshi, has been doing very good work, leave aside the issue of law and order ..... (*Interruptions*) But he should take every body in Power sector into confidence because it is the developmental work. We would also have helped in it, He is also helping in it. But so far as the issue of tariff is concerned, the Union Government should formulate some scheme for increasing tariff in the entire country. The loan had been received, both of those projects were being started, but now they are not being implemented. What the Union Government has been doing to assist in that project from that point of view. The number of schemes which have been completed, its use in agricultural sector by the States is very low. I want to know whether the Government of India has been making any such policy so that power may be supplied to poor farmers on subsidised rates or free of cost, as is being done in Haryana and Punjab. I would like to request the Minister that power should be supplied at minimum rates to the poor farmers of the country and alongwith it the tariff on industrial and domestic consumption may be increased further. If it is not increased, the loss would not be covered up. By when the Government is likely to implement such a policy in Maharashtra? Secondly, I would like to know whether the review committee of M.P.'s of all parties would be constituted for which I had given a suggestion?

SHRI YOGINDER K. ALAGH : The loan conditionalities imposed on the Government of Maharashtra are in regard to achieve rate of returns on net asset value and some conditions have been imposed on their receivables. Our Ministry has told the World Bank that the Government of Maharashtra is trying to achieve those conditions. I hope that World Bank would discuss it again with the Government of Maharashtra and would remove these conditionalities associated with this loan. Secondly, Power Finance Corporation also gives funds to the Government of Maharashtra and there are some conditionalities in that case also, but that is only this that a tariff review is required once a year. There are such conditionalities also in which the Agencies of the Government of India are trying to do feasible programme of reforms.

I am glad to tell the hon'ble member that the draft Bill regarding Central Electricity Regulatory Commission and State Electricity Regulatory Commission has been prepared by the Government of India, and I hope that as soon as I get the opportunity I would present it to the House. It has been decided after the conference of Chief Ministers that an independent commission to determine tariff rates would be set up. I remember, because I was the Planning Minister at that point of time. The Chief Ministers of many states also agree that we should pass such a Bill at national level so that people may get power supply. As the hon'ble member said, that if there is a reliable and good power supply, the power should be supplied at the rate of 50 paise per unit or at some what higher rate than that to the rural areas.... (*Interruptions*)

SHRI VIJAY GOEL : Mr. Minister, you should give specific reply, it is a long answer. We have to ask question ..... (*Interruptions*)

SHRI YOGINDER K. ALAGH : I am giving a specific reply to a specific question. The question is regarding tariff policy ..... (*Interruptions*)

[*English*]

He asked a specific question and I am giving him a specific reply ..... (*Interruptions*)

MR. DEPUTY SPEAKER : Please let him reply.

[*Translation*]

SHRI YOGINDER K. ALAGH : I would like to ask the hon'ble Minister that we should pass this Bill at the earliest because it would be the policy of the Government of India and the State Government would also be to make some improvement.

SHRI DATTA MEGHE : Mr Minister, should also tell something about the committee of M.P.s involving members of all parties in that.

SHRI YOGINDER K. ALAGH : I suggest that we should fix the time after talking to a senior M.P., and the members of Parliament of all the States should participate in that. I am happy to arrange it.

[*English*]

For all the States, we discuss it in the Consultative Committee of my Ministry. But for each State or for those States whose hon. Members are interested, I will be very happy to organise a separate meeting in my university, rather in my Ministry. For example, on Monday, the hon. Members from Bihar are meeting me in my Ministry.

[*Translation*]

SHRI SATYA PAL JAIN : Mr Deputy Speaker Sir, it seems to me that the hon'ble Minister is likely to go back to the University shortly from the Ministry.

SHRI YOGINDER K. ALAGH : No, Sir, I would like to tell the hon'ble member that I am still a professor of Sardar Patel Institute of Gujarat University and I am not ashamed of that. I am proud of being a Professor.

[*English*]

MR. DEPUTY SPEAKER : Please avoid these things.

[*Translation*]

DR. MURLI MANOHAR JOSHI : Are you ashamed that you have come here?

SHRI YOGINDER K. ALAGH : No, Sir.

DR. MURLI MANOHAR JOSHI : I am neither ashamed of it nor that I am proud of both.

[English]

MR. DEPUTY SPEAKER : I am sorry, please avoid these things.

[Translation]

SHRI YOGINDER K. ALAGH : I am also proud of being so.

SHRI RAM NAIK : Mr. Deputy Speaker, Sir, now I will be allowed to ask question with your permission.

Sir, when I come to the matter of shortage, I find that there is a 4.5 per cent shortage in Maharashtra, 32 per cent in Karnataka, 25 per cent in Kerala, 14 per cent in Tamil Nadu and even in Bihar where plenty of coal is available, the shortage is 17 per cent. It will be better to make an effort to make up deficit of 4.5 per cent at the earliest. You have not stated in your reply anything about one thousand megawatt Atomic Energy project in Tarapur in Maharashtra. Your reply does not indicate whether you keep account of how much energy is generated. Therefore, I would like to ask hon. Minister if he intends to increase the pace work of the project, which has been undertaken by the Central Government for over seven years and which is still undercompletion so that the Maharashtra may get one thousand megawatt energy generated by this project at the earliest, whether he would take some step in this regard soon.

SHRI YOGINDER K. ALAGH : Mr. Deputy Speaker, Sir, it also included the figures for nuclear energy. Even though other Minister is holding charge of this Ministry, I will furnish information about the same only as a Member of Planning Commission. I would like to inform that the provision for required amount has been made in the budget for expansion project in Tarapur, it will be implemented this year. It will be better for hon. Member if he asks for the concerned Minister for detailed information.

SHRI P. NAMGYAL : Mr. Deputy Speaker, Sir, I would like to know from hon. Minister through you whether the information of peak hours regarding Jammu and Kashmir stating that there is a demand of 900 megawatt and the supply is 805 megawatt and there will be shortfall of 95 megawatt. These figures do not seem to me correct, because this shortage was stated 10 per cent in the reply to one of the questions asked last year. According to that reply, there was 48 per cent leakage including transmission loss. That means that the figures given in the reply are not correct. The figures of peak hours of June have been given in the reply. That is why I would like to ask hon. Minister in part 'A' of my question, how much power is generated and supplied in the peak hours when there is cold in Jammu and Kashmir. Secondly, I would like to have information in

regard to part 'B' which is related to our Laddakh region. We have been demanding that Niyemo Hydel Project should be got constructed only through NHPC but you are not ready to handover the same to NHPC because of some reasons. Would you assure us that the scheme of Niyemo Hydel Project would be constructed by NHPC only.

THE MINISTER OF STATE OF THE MINISTRY OF SCIENCE AND TECHNOLOGY AND MINISTER OF STATE OF THE MINISTRY OF POWER (SHRI YOGINDER K. ALAGH) : Mr. Deputy Speaker, Sir, the figures may change every month. These figures relate to the month of June. Central Electricity Authority prepare the figures and they prepare in detail. They have got the figures relating to the availability of power and generation and since they are handing the demand of each day, their figures of last month will be reliable. Regarding further projection it can be said that there can be controversy.

Particularly, there is problem regard a Hydel project Commissioned recently in Jammu and Kashmir. The capacity of one of the projects is 380 megawatt. There are other transmission bottlenecks. But we are hopeful that we would be able to clear the transmission bottlenecks upto September, October and make electricity available in the Valley before the winter season.

SHRI P. NAMGYAL : What about Laddakh.

SHRI YOGINDER K. ALAGH : I shall examine it.

SHRI JAGDAMBI PRASAD YADAV : Mr. Deputy Speaker, Sir, I would like to point out that while we should have been in a position to export foodgrains but we have been importing the same for many years due to shortage of foodgrains. I would like to know whether Government propose to formulate a scheme for supply of power to the farmers throughout the country as it provides to the industry and the cities so that our country could achieve the first place in field of agriculture, fruit and vegetables in the world. The Government should provide electricity to the farmers of the country. Unless the Government of India makes special plans to supply electricity for agriculture the State Governments are unable to do so.

The second part relates to Bihar. I do not know whether all except Mr. Laloo are using electricity in Bihar. I would like to refer the point raised by Mr. Naik that only Coal is not available in Bihar.

[English]

MR. DEPUTY SPEAKER : Please be brief.

SHRI JAGDAMBI PRASAD YADAV : The electricity can be generated through circuit by coal dust. But so far any plan for generating electricity through coal dust has not been materialised. Will the Government increase the electricity generation by using dust?

SHRI YOGINDER K. ALAGH : Although the Rural Electrification Corporation has funds for rural areas, but many state Governments have not returned old loans so we want to make special provisions for its restructuring. We have a plan to strengthen the existing system. Now I will cite under which they are privatising the distribution system in nine districts below 32 KW. Secondly the Government has started a "Tatkal" scheme under which the assured supply of electricity is made to those who could pay tariff etc. We will have to make such reforms  
(Interruptions)

MR. DEPUTY SPEAKER : The whole House is interested in this subject.

[English]

SHRI BASU DEB ACHARIA : In peak period the deficit is as high as 21.6 per cent. Tailpool Dam Project of Panchet Dam under Damodar Valley Corporation was sanctioned in 1978 to generate electricity during peak period to the extent of 60 MW. The construction work was started in 1990. Subsequently it was abandoned after spending Rs. 12 crore. An expert committee was appointed; that expert committee has also submitted its report. Two participating governments- the Government of Bihar and the Government of West Bengal - also want that the project should not be abandoned, though Damodar Valley Corporation wants that the project should be abandoned. May I know from the hon. Minister, when both the participating State Governments of Bihar and West Bengal want that project should not be abandoned and the construction work should be started, whether the construction of Tailpool Project of Panchet Dam under Damodar Valley Corporation would be restarted after monsoon, so that within one year the project can be completed and electricity can be generated to the extent of 60 MW during peak period.

SHRI YOGINDER K. ALAGH : There were some operational problems of mobilising the labour force on account of some local law and order reasons. We have written to the Chief Ministers of the two States. We have received one reply. As soon as the conditions are favourable, we will start work on the project again .....  
(Interruptions)

SHRI E. AHAMED : We are in a precarious position in Kerala. Where shall we go? We must be allowed. Sir, he did not mention about Kerala. ....  
(Interruptions)

MR. DEPUTY SPEAKER : I will allow, please take your seats.

[Translation]

SHRI PRAMOD MAHAJAN : Mr. Deputy Speaker, Sir, there are no two opinions that the pace of generation of electricity should be increased. Private Electricity producing companies generate electricity and sell it to State

Electricity Corporations. State Electricity Corporations purchase it and supply it to the consumers. The Central Government have a insignificant role to play in this regard. If in regard to a project a project counter-guarantee or national counter guarantee is to be given then the Central Government has some role to play. If foreign exchange is involved the Central Government has also a role to play otherwise the Central Government has no role. But unfortunately due to the presence of the Central Electricity Authority.

[English]

The entire process is repeated and duplicated. Everything is cleared at the State Electricity Board level who are real people who pay the money and get the electricity. They have to go to the Central Electricity Authority and then the Central Electricity Authority goes into all techno-economic clearance of it, spends six months more on it and again sends it back.

[Translation]

They have nothing to do. They are not paying any money. They are generating, purchasing and selling the electricity. All this is being done at State level. I would like to ask whether the Government would disband the Central Electricity Authority and the States will be empowered to take decision at their own level to speak of power generation. When you are not giving us anything, why are you calling us in Delhi, time and again. You please empower us to take decisions. Disband the Central Electricity Authority. What is the reaction of the Government thereto?

SHRI YOGINDER K. ALAGH : Mr. Deputy Speaker, Sir, some issues were to be negotiated in regard to the old projects such as counter-guarantee projects or negotiated projects and for these projects the way of approval was different. But the provision of International competitive bidding made this year adjust the PPA appropriately and bidding is arranged accordingly. There is no need to take approval of capital cost from the Central Electricity Authority. The type of detailed approval which used to be sought earlier through the Central Electricity Authority involved huge amount of foreign exchange, now has been discontinued. As the hon. Member are aware that in the case of small projects we have decentralised them.

Secondly, there will be a Central Electricity Regulatory Commission for fixing tariff and in the same way Electricity Regulatory Commission will be set up at the State level also and most of the regulatory functions of State Government will be done by them. I would like to request the hon. Member who want to disband the Central Electricity Authority to think over it again.

MR. DEPUTY SPEAKER : This is a policy matter. It is difficult to give a reply forthrightly during Question Hour. This is the Question Hour. The policy matters cannot be resolved during this period.

*[English]*

SHRI N.K. PREMCHANDRAN : Mr. Deputy-Speaker, Sir, thank you. The State of Kerala is suffering from acute power shortage. Even the figures which were given by the hon. Minister would go to show that the power shortage is 25.9 per cent. The original proposal for the Kayamkulam thermal power project was 1200 MW; now it has come down to 400 MW. Considering the acute power shortage there was a hundred per cent high tension power cut there - the situation is worse. The monsoon has also failed. Considering the present situation of the State, I would like to know whether there is any proposal to increase or enhance the capacity of the present power project and whether any new project is going to be commissioned?

SHRI YOGINDER K. ALAGH : We should like to expedite the completion of the existing Kayamkulam project for which full funds are being made available and the entire power will be made available to the State of Kerala. In fact, it is the first .... *(Interruptions)*

SHRI N.K. PREMCHANDRAN : When is it going to be completed?

SHRI YOGINDER K. ALAGH : It is expected to be completed, if I remember correctly, in another twelve to eighteen months.

SHRI E. AHAMED : Till then, we will have to live in darkness!

SHRI YOGINDER K. ALAGH : You do not have to live in darkness because .... *(Interruptions)*

SHRI E. AHAMED : Yes. We are in darkness. The Government of India has no time to apply its mind to the difficulties that we are facing. That is our complaint. The Government has no time ..... *(Interruptions)*

MR. DEPUTY-SPEAKER : I have not allowed you as yet.

..... *(Interruptions)*

MR. DEPUTY SPEAKER : Nothing will go on record.

*(Interruptions)..... (not recorded)*

SHRI YOGINDER K. ALAGH : I would like to submit to the hon. Member that we have provided..... *(Interruptions)*

MR. DEPUTY SPEAKER : I have not allowed his question. Why are you replying to him when nothing is on record?

SHRI YOGINDER K. ALAGH : I was answering the other hon. Member from Kerala.

*[Translation]*

MR. DEPUTY SPEAKER : Yes reply him.

*[English]*

SHRI YOGINDER K. ALAGH : I would also like to inform the hon. Member from Kerala that we are making a provision for renovation and modernisation programmes of the existing hydel units in Kerala which will increase their capacity considerably. We have also arranged for Canadian assistance to the Kerala State Electricity Board. If there are any problem in raising the plant load factor right now, in raising the utilisation right now, we are making a provision for that. Also, when Kerala was short of power in June, we rushed supplies from the Central pool to them to alleviate the temporary shortage.

*[Translation]*

SHRI ANANT GANGARAM GEETE : Mr. Deputy Speaker, Sir, the generation of power in Maharashtra is less than of its demand in the State. Thus construction work of various power projects of 6732 MW is going at different levels. In one of the replies given here, it has been stated that hurdles are being created at different levels. Efforts are being made to create problems in these projects only because of political interests therein.

I would like to know from the hon. Minister as to whether they want to create problem because of political interests or to gain political mileage. If so, what action the Government would like to take in this regard?

SHRI YOGINDER K. ALAGH : My Ministry would try to complete these power projects as earlier as possible technically and these are also provided resources.

*[English]*

SHRI E. AHAMED : Sir, I am very glad that the hon. Minister has given this much of information about Kerala ..... *(Interruptions)*

MR. DEPUTY SPEAKER : Please let him put the question.

SHRI E. AHAMED : Mr. Deputy-Speaker, Sir, I am very grateful to you for having given me an opportunity to speak. What I wanted to say is that the State of Kerala has been suffering from the shortage of electricity. Ordinary people are not able to view even television there. As far as industries are concerned, there is 100 per cent power cut; for ordinary people the power cut is 75 per cent and for the agriculture sector it is 50 per cent. Under these circumstances, unless the Government of India takes some expeditious steps, the State of Kerala will not be able to recover from the present acute shortage of power.

I would like to ask the hon. Minister whether the Government have any short-term scheme so as to enable the State of Kerala to have more electricity from the neighbouring States. With the help of the State of Tamil Nadu only, we have been able to get relief from the acute



shortage of power. I would like to ask the hon. Minister whether the Government of India have any short-term plan to help the State of Kerala to get rid of the present predicament.

SHRI YOGINDER K. ALAGH : Mr. Deputy-Speaker, Sir, we have a set of projects which are mainly hydel and small projects. I can give the names of the projects to the hon. Member separately for which we are making financial provisions in this year for modernisation and completion. On the transmission side, I will be very happy to look into those projects which need expeditious completion. We will be very happy to look into it. .... (Interruptions)

[Translation]

MR. DEPUTY SPEAKER : Hon. Member may please listen to my one point. 12 supplementaries have already been asked. There are so many States, which had not been referred.

... (Interruptions)

MR. DEPUTY SPEAKER : Please keep quiet and listen to me. I am expressing your feeling. Nothing has been said about Rajasthan. The Members from Goa are also raising their hands.

... (Interruptions)

MR. DEPUTY SPEAKER : I am sorry, you are not listening to me. Please listen, what I say. It would be better to start half an hour discussion on this matter so that all Members may take part in the discussion. Those who are interested may give notices.

[English]

### Restructuring of DOT

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\*223. SHRI MOHAN RAWALE :  
SHRI SANAT KUMAR MANDAL :

Will the Minister of COMMUNICATIONS be pleased to state :

(a) whether some committees were set up on the question of restructuring the Department of Telecommunication;

(b) if so, the details thereof;

(c) whether one of the recommendations of these committees was to declare the Mahanagar Telephone Nigam Limited a full-fledged public sector enterprise with full autonomy; and

(d) if so, the action taken by the Government in this regard?

[Translation]

THE MINISTER OF COMMUNICATIONS (SHRI BENI PRASAD VARMA) : (a) to (d) A Statement is laid on the Table of the House.

### Statement

In December, 1990 a Committee headed by Dr. M.B. Athreya was set up to recommend the most appropriate organizational structure for management of telecom services in the country. In its report, the Committee recognised the need for separating the "policy and regulation" tier from the "operations" tier. While there was unanimity on ending the duality of structure of the Mahanagar Telephone Nigam Ltd. (MTNL), the committee was divided on the form of future organisation of the Department of Telecommunications (DOT). The recommendations (reflecting the majority opinion) in respect of corporatisation were not pursued, at that stage, in view, *inter-alia*, of the financial implications involved and reservations expressed by telecom staff.

2. Subsequently, during 1995, a Committee chaired by a retired Member of the Telecom Commission went into the question of restructuring of DOT headquarters and recommended separation of the functions of operations (which were suggested for being undertaken by a new entity to be called "India Telecom") from those of policy and planning as also an independent corporate status for the MTNL. In the same year, a Committee headed by the then Chief General Manager, Calcutta Telephones reported, *inter-alia*, on ways and means designed to enable DOT to compete effectively in the emerging scenario of privatisation of basic services.

3. It may be mentioned that the MTNL is already a Corporation registered under the Indian Companies Act, 1956.

4. In the light of implementation of the National Telecom Policy, 1994, the future requirements of telecommunications growth and other relevant factors, the various issues involved in DOT's restructuring and reorganisation require to be examined and assessed in detail for a further view to be taken in this regard.

[Translation]

SHRI MOHAN RAWALE : Mr. Deputy Speaker, Sir, I have been raising this question for the last five years. In the reply given to unstarred question No. 7929 on April 27, 1992, the Minister of Communications had told me that the MTNL had been declared a full fledged public sector company on 1.4.1986. Today when we are celebrating the golden jubilee of Independence, 65,000 employees of the MTNL have not been paid deputation allowance for the last 11 years and the MTNL do not consider them as its employees. Not only that out of the 34 percent shares which were disinvested without taking employees into