

[English]

MR. SPEAKER: It is a very long question.

DR. S. VENUGOPALACHARI: Mr. Speaker, Sir, the requirement depends on the level of industrialisation and demands for other sectors. In order to promote more projects and reduce the demand and supply gap, the hon. Prime Minister had convened a meeting of all the Chief Ministers. We had sent to the Chief Ministers the Common Minimum Action Plan for the States. We have also provided a lot of incentives like, for projects up to Rs. 1,000 crore, the States need not come to the Central Electricity Authority. Again, in addition to that, we have proposed restructuring of the Electricity Boards and are insisting on the rationalisation of tariff as well.

Keeping in view the scenario in the power sector, this Government is giving more emphasis on the hydro-based projects. It is because, as has been rightly said by the hon. Member, there has been decline of 6.2 per cent in the hydro based power sector. Even though there has been an over all increase of 3.8 per cent in the power sector—6.1 per cent increase in the thermal power, 12.7 per cent in nuclear power—yet there has been a decline in the hydro-based power sector. This Government is going to improve the position of the hydel sector power projects.

SHRI NITISH KUMAR: What is the criterion?
...*(Interruptions)*

MR. SPEAKER: I know that. We would have half an hour discussion on this subject. I cannot possibly accommodate everybody here now. We would have half an hour discussion on this.

Now, we are going on to the next question.

DR. S. VENUGOPALACHARI: Sir, the criterion is that.
...*(Interruptions)*

MR. SPEAKER: Mr. Minister, you need not answer now. I am on the next question.

SHRI NITISH KUMAR: Sir, we would like to know as to what is the criterion that has been adopted.

[Translation]

MR. SPEAKER: Nitish ji, we shall have Half-an-hour discussion on it. You can participate in that.

(Interruptions)

[English]

SHRI NITISH KUMAR: It is a policy matter and the hon. Prime Minister should reply to it.

MR. SPEAKER: Shri Nitish Kumar, I can assure one thing that when we take up the discussion for half an hour on this subject, I would not ask you sit in the Chair.

Use of Propane

*65. SHRI SATYAJITSINH DULIPSINH GAEKWAD:
SHRI MRUTYUNJAYA NAYAK:

Will the PRIME MINISTER be pleased to state:

- (a) whether Supreme Court has directed the Government to make use of propane in automobile sector;
- (b) if so, the reaction of the Government thereto;
- (c) whether the Government propose to undertake a pilot project in this regard and use propane; and
- (d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI T.R. BAALU): (a) The Supreme Court in its hearing on 9.12.1996 on a public interest litigation has desired that the Government should facilitate a private company to undertake an experiment as a pilot project on 50 number, each of 3-wheelers and 2-wheelers, with 2-stroke engines to ascertain whether propane could be an eco-friendly substitute and viable alternative to petrol-cum-oil, which is causing pollution at present.

(b) Steps have been initiated to comply with the order of Supreme Court.

(c) No Sir.

(d) Does not arise.

SHRI SATYAJITSINH DULIPSINH GAEKWAD: Sir, I have two supplementaries to ask.

First, I would like to know from the hon. Minister whether the Government has involved or proposes to involve the Central Research Laboratory in this research or not. If so, the amount allocated or proposed to be allocated for this purpose keeping in view the vital impact of this research on the entire economy.

SHRI T.R. BAALU: Sir, we have to abide by the Order of the Supreme Court. On 2nd December, 1996, the Supreme Court has directed the Government to report on the technical feasibility of using propane and the technology proposed by the private company.

An Expert Committee was set up on 3rd December, 1996. Subsequently the company filed an application in the Supreme Court saying that they were willing to undertake the pilot project at their cost. On this application, the Supreme Court has also directed the Government to facilitate the private company to undertake the experimental pilot project on 50 vehicles of two-wheelers and three-wheelers each. The Government is fully committed to providing all facilities to the private company.

SHRI SATYAJITSINH DULIPSINH GAEKWAD: This is not the answer to what I have asked. I specifically asked as to whether the hon. Minister or the Ministry of Petroleum

has allocated any amount, or given a pilot project or given any instructions to the Central Research Laboratory keeping in view the impact of this research on the entire economy.

SHRI T.R. BAALU: There is no such proposal.

SHRI SATYAJITSINH DULIPSINH GAEKWAD: My second supplementary is, whether the Government has tested the efficiency of propane driven vehicles? If so, in what way it is different from CNG or petrol driven vehicles?

SHRI T.R. BAALU: The technology is being looked into.

SHRI SATYAJITSINH DULIPSINH GAEKWAD: Sir, both the answers are not satisfactory.

SHRI T.R. BAALU: This is the direction of the Supreme Court. Whatever the Supreme Court say, we have to adhere to that.

SHRI SATYAJITSINH DULIPSINH GAEKWAD: Sir, the Petroleum Ministry is one of the most important Ministries. How come the Ministry is not prepared? This is an important question as it is going to decide the entire economy.

MR. SPEAKER: Whether you are satisfied or not satisfied, this is a subjective thing.

[Translation]

SHRI LAKSHMAN SINGH: The Bijoypur plant of GAIL has sent a proposal to Government of India stating that it can produce 700 MT. of propane daily. Whether you are going to accept this proposal? If not, the reasons therefor?

[English]

SHRI T.R. BAALU: In fact, the Bijoypur Plant has been instructed to help the private companies. As per the High Court's order, we have to help the private company. GAIL is ready to supply Propane from the Bijoypur Plant. Let us wait for the technical feasibility study.

Dul-Hasti Hydel Power Project

*66. SHRI CHAMAN LAL GUPTA: Will the PRIME MINISTER be pleased to state:

(a) whether the execution of dul-hasti Hydel Power Project has been taken over by the NHPC;

(b) if so, present estimated cost; the original cost of the project and amount spent thereon so far, year-wise;

(c) the amount paid to French Consortium, the details of the agreement and the penalty imposed for violation of the agreement;

(d) whether the services of any new foreign agency are being acquired or the task will be completed by the NHPC on its own;

(e) the works done during 1995-96 and also during the current year; and

(f) the time schedule for completion of the project?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (DR. S. VENUGOPALACHARI): (a) to (f) A Statement is laid on the Table of the House.

Statement

(a) Yes. Sir.

(b) The project was sanctioned in 1989 for turn-key execution at a cost of Rs. 1,262.97 crores (at 1988 price level) to a French consortium of firms consisting of M/s Coyne Et Bellier (COB); M/s Dumez, Sogea & Borie (DSB); M/s CEGELEC; M/s COMELEX; and M/s SEITP.

The revised cost of the project is Rs. 3,559.77 crores (November 1996 price level). The amount spent year-wise on the project is given in the annexure enclosed.

(c) The original agreement with the Consortium had envisaged completion of the project within 57 months from the date of order i.e. October 1989. However, the work on the project was suspended in August 1992 by the French Consortium due to disturbed law and order conditions at the project site. With a view to resuming the work on the project, discussions were held and a Memorandum of Understanding (MOU) was executed between National Hydro-electric Power Corporation (NHPC) and the French Consortium. In pursuance of the MOU, a rescission agreement was signed in June 1995, according to which M/s DSB, the civil contractor, paid to NHPC an amount of 50 million French Francs (about Rs. 28 crores) as full and final settlement. However, the MOU permitted other four members of the Consortium to continue with the implementation of the project. The French Consortium has been paid Rs. 968 Crores upto January, 1997.

(d) After withdrawal of M/s DSB, NHPC took over the plant and machinery of M/s DSB and the civil works were taken up departmentally in 1995. With a view to completing the balance civil works, NHPC has issued a letter of intent to a new civil contractor. (a Consortium comprising of Indian and Norwegian firms). The letter of award will be issued shortly. Required funds for completion of the project will be provided.

(e) During 1995-96 and 1996-97 excavation works in the head race tunnel, power house, switchyard and transformer cavern have been carried out.

(f) The estimated time schedule for completion of the project is March, 2001.

Annexure

Year-wise amount spent on Dulhasti Hydro-electric Project (J & K) is as under:

Year	Amount (Rs. in crores)
1	2
1980-81	0.03
1981-82	1.83