

**ESTIMATES COMMITTEE
(1965-66)**

EIGHTY-NINTH REPORT

(THIRD LOK SABHA)

MINISTRY OF IRRIGATION AND POWER

**Action taken by Government on the recommendations
contained in the Thirtieth Report of the Estimates
Committee (Third Lok Sabha) on the Ministry of
Irrigation and Power (Power)**



**LOK SABHA SECRETARIAT
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C O R R I G E N D A

Eighty-Ninth Report of the Estimates Committee (Third Lok Sabha) on the Ministry of Irrigation and Power relating to action taken by Government on the recommendations contained in the 30th Report of the Estimates Committee (Third Lok Sabha) on the Ministry of Irrigation and Power

- Page 2, line 2, for 'Sserial' read
'Serial'
- Page 6, line 3, for 'quanta' read
'quantum'
- Page 9, line 15, for 'schtmes' read
'schemes'
- Page 10, line 16, for 'been' read
'taken'
- Page 16, line 25, for 'vally' read
'valley'

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ESTIMATES COMMITTEE

(1965-66)

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Shri B. K. Mukherjee—*Under Secretary.*

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INTRODUCTION

I, the Chairman of the Estimates Committee, having been authorised by the Committee to submit the Report on their behalf, present this Eighty-Ninth Report on action taken by Government on the recommendations contained in the Thirtieth Report of the Estimates Committee (Third Lok Sabha) on the Ministry of Irrigation and Power (Power)—Central Water and Power Commission (Power Wing), Central Electricity Authority, Central Electricity Board, Central Board of Irrigation and Power (Power)—Power Research Institute.

2. The Thirtieth Report of the Estimates Committee was presented to Lok Sabha on the 23rd March, 1963. Government furnished replies indicating action taken on all the recommendations on the 9th March, 1964. Government's replies to all the recommendations were considered by the Study Group 'D' of the Estimates Committee (1964-65) on the 1st October, 1964 who desired that further information in respect of 15 recommendations might be called for. Further information in respect of 15 recommendations was called for from the Government on the 13th October, 1964 which they furnished between the 7th January, 1965 and the 7/8th April, 1965 and was considered by Study Group 'D' of the Estimates Committee (1964-65) on the 23rd and 29th April, 1965. The draft Report was adopted by the Committee on the 27th January, 1966.

3. The Report has been divided into the following Chapters:—

I Report.

II Recommendations that have been accepted by Government.

III Recommendations which the Committee do not desire to pursue in view of Government's reply.

IV Recommendations in respect of which replies of Government have not been accepted by the Committee.

4. An analysis of the action taken by Government on the recommendations contained in the Thirtieth Report (Third Lok Sabha) of the Estimates Committee is given in Appendix III. It would be observed therefrom that out of 53 recommendations made in the Report, 48 recommendations i.e., 90.5 per cent have been accepted

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by the Government. The Committee do not desire to pursue 3 recommendations i.e., 5.6 per cent in view of Government's reply. The reply of Government in respect of 2 recommendations i.e. 3.9 per cent has not been accepted by the Committee.

NEW DELHI;

February 11, 1966.

Magha 22, 1887 (Saka).

ARUN CHANDRA GUHA,

Chairman,

Estimates Committee

CHAPTER I

REPORT

The Committee in para 7 of their Thirtieth Report (Third Lok Sabha) on the Ministry of Irrigation and Power—Central Water and Power Commission (Power Wing), Central Electricity Authority, Central Electricity Board, and Central Board of Irrigation and Power (Power)—Power Research Institute, noted that though the Damodar Valley Corporation had initiated the proposal for installing the fourth power generation unit at Bokaro as early as April, 1953, the project was cleared for execution by the Government of India only in May, 1956. This period of more than three years was passed in correspondence and conference between the Ministry of Irrigation and Power, Damodar Valley Corporation, Central Water and Power Commission, the participating Governments and the Planning Commission. The Committee observed that this was but one of the instances which showed how multiplicity of organisations for vetting power schemes had resulted in delay. Further the multiplicity of organisations also made it difficult to pinpoint the responsibility for such delays. They, therefore, stressed the need for streamlining the procedure so that power schemes were vetted and sanctioned more expeditiously.

In reply, Government have stated that after a scheme report involving power generation is received from the State Government/State Electricity Board in the Central Water and Power Commission, immediate arrangements are made to distribute copies thereof to the various Directorates of the Commission and to the Technical Section of the Ministry of Finance for scrutiny and comments. After the comments are received and coordinated, the State Government/State Electricity Board concerned is addressed in case any clarification is required or in case it is found necessary to modify the scope of the scheme. Clarifications/data received from the State Government/State Electricity Board are examined and, if found satisfactory, final comments are prepared and submitted for consideration of the Advisory Committee on Irrigation, Flood Control and Power Projects set up by the Planning Commission. After clearance of the project report by this Advisory Committee, formal sanction to the scheme report is issued by the Planning Commission. The Government have further added that this procedure has to be followed unless the scope of the technical examination of schemes is revised. They are of the view that such a revision is not possible as it is essential to ensure the technical feasibility and soundness of the schemes.

The Committee feel that there is still scope to obviate delays in vetting the power schemes by suitably streamlining the procedure. They, therefore, reiterate their earlier recommendation.

CHAPTER II

RECOMMENDATIONS THAT HAVE BEEN ACCEPTED BY GOVERNMENT

Recommendation (Sserial No. 2) Para No. 8

The Committee suggest that the proposed review of the Electricity (Supply) Act, 1948 may be made at an early date.

REPLY OF GOVERNMENT

The Ministry of Irrigation and Power have had under their active consideration a Bill further to amend the Electricity (Supply) Act, 1948. The draft Bill was discussed at the Second Conference of the Chairmen, State Electricity Boards held in New Delhi on the 3rd and 4th April, 1963, and was also forwarded to State Governments for their comments. The comments of the State Governments have been received and the draft Bill is being further examined.

[Ministry of Irrigation & Power O.M. No. 11(1)/63-Policy dated the 9th March, 1964].

FURTHER INFORMATION CALLED FOR BY THE COMMITTEE

The latest position regarding the draft Bill and the date on which it is expected to be introduced in Parliament, may be indicated.

[L.S.S. O.M. No. 5(13) EC/64 dated the 13th October, 1964].

FURTHER REPLY RECEIVED FROM GOVERNMENT

The draft Bill circulated to the State Governments earlier was not commented upon favourably by them. On the basis of the review of the Working of the Electricity (Supply) Act, 1948 during the last few years, certain amendments are now proposed to be made to the Act for changes in the regulatory measures etc. A few amendments are also proposed to be made with a view to tightening control over the financial operations of private licensees. Some amendments are also proposed to be made as recommended by the Committee on the Working of the State Electricity Boards set up with Shri R. Venkataraman, Minister for Industries, Madras as its convenor.

An Electricity (Supply) Amendment Bill has been drafted and is being considered further in consultation with other Ministries

concerned. It will be introduced in the Parliament as soon as possible.

[Ministry of Irrigation & Power O.M. No. 11(1)/63-Policy dated 7/8th April, 1965].

Recommendation (Serial No. 3) Para No. 9

The Committee feel that there is need to establish closer contact with the Chairmen of the State Electricity Boards in the matter of Planning for power. They recommend that meetings may be held by the Ministry with the Chairmen of the State Electricity Boards periodically, which may not be less than once a year.

REPLY OF GOVERNMENT

The second Conference of the State Electricity Boards was held on 3rd and 4th April, 1963 to discuss the various problems or difficulties that have been experienced in the day-to-day administration of the Boards, and the draft Electricity (Supply) Amendment Bill, 1963. In this Conference, it was *inter alia* decided that, in future, such conferences should be convened by the Ministry of Irrigation and Power more frequently with a view to securing close coordination between the working of the various State Electricity Boards and the concerned Ministries of the Central Government.

[Ministry of Irrigation & Power O.M. No. 11(1)/63-Policy dated the 9th March, 1964].

Recommendation (Serial No. 4) Para No. 12

The Committee feel that time has come when the power plan should not merely be related to the resources and requirements of an individual State but should be related also to the interests of a region. It may well be that power resources in one State may have to be developed at an accelerated pace to enable utilization of power in the neighbouring States. Similarly, the pattern of hydro-electric development in a State may have to be shaped in the light of requirements for coordinated operation of nuclear or thermal stations in adjacent States.

REPLY OF GOVERNMENT

This subject was discussed in the Irrigation and Power Seminar at Ootacamund and also in a meeting of the Chairmen and Chief Engineers of the State Electricity Boards, representatives of the Federation of Electricity Undertakings and major private sector utilities, convened by the Central Water and Power Commission in

February, 1963 at New Delhi. It was generally agreed that planning for power should in future be on regional basis, having regard to the most economical sites for generating stations regardless of State boundaries. This aspect was covered by the recommendations of the Committee on Organizational set-up for Super-Grids (*Vide* reply at S. No. 5 below).

Instances of this principle being adopted in practice on the Satpura Thermal Power Station in Madhya Pradesh which will benefit both Madhya Pradesh and Rajasthan, and Delhi Thermal Station extension for benefits to Delhi and Punjab, for the Fourth Plan, however, proposals have been framed so that each State would have sufficient generating capacity, as far as possible, to meet its power demands as assessed by the first Annual Power Survey of July, 1963. Even though some inter State transmission links have been provided in the Third Plan and Regional Electricity Boards are being formed and inter State exchanges of power within a region are contemplated, it is felt that pooling of power resources and completely co-ordinated and integrated operation may not materialise fully during the Fourth Plan. Benefits of inter-connected and integrated operation would generally be the availability of the necessary spinning reserve for maintaining stability of supply in the region and minimising interruptions, and also partly the making good of the loss of generating capacity due to scrapping or closing down of old and inefficient plants.

[Ministry of Irrigation & Power O.M. No. 11(1)/63-Policy dated the 9th March, 1964].

Recommendation (Serial No. 5) Para No. 19

The Committee note that the studies indicate that large scale economies could be achieved by integrated operation of power systems in the country.

The Committee feel that the establishment of regional grids and regional agencies seem to be developments in the right direction. They note that a Committee composed of representatives of the State Electricity Boards and Centre will examine the scope of the regional agencies and the central agencies and their powers and ancillary matters. The proposal is of sufficient importance for a Committee to go into the question in detail and bring out all the implications after ascertaining the reactions in the places which would be affected by the proposal for it is necessary to have the fullest co-operation of the States concerned in such a development.

REPLY OF GOVERNMENT

A meeting of the Committee on the Organizational set-up for Super-Grids comprising the representatives of the various State Electricity Boards/Undertakings and other concerned authorities was convened at New Delhi in February, 1963 by the Central Water and Power Commission. The organizational set-up for Super-Grids was discussed at length and the following recommendations were made by the Committee:—

- (a) Tentative demarcation of the country into seven regions keeping in view the power resources, the proximity of the power systems in adjacent States, etc.
- (b) Formation of Regional Power Agencies for each region which shall be vested with the responsibility for planning of new Power Stations and major transmission lines and integrated operation of power systems in the region as a whole.
- (c) Necessary supervision over the working of the Regional Power Agencies to be exercised by the Central Electricity Authority which should be adequately strengthened and made more effective.

It is proposed to divide the country into five regions, viz., Northern (Punjab, Rajasthan, Himachal Pradesh, Jammu and Kashmir, Delhi and Uttar Pradesh), Western (Madhya Pradesh, Maharashtra and Gujarat), Eastern (West Bengal, Orissa and Bihar—including DVC), Southern (Andhra Pradesh, Kerala, Madras and Mysore), and Assam which, because of its isolated location, would remain separate. Electricity Boards for the first two regions, viz., Northern and Southern Regional Electricity Boards have already been set up. So far as the formation of the remaining three Regional Electricity Boards is concerned, the matter is being actively pursued with the respective State Governments. The functions of the Boards would be as indicated below:—

- (1) Reviewing the progress of power development schemes in the region.
- (2) Planning and ensuring integrated operation of the systems in the region in such a manner that at any time the total amount of electricity generated and transmitted shall give the maximum possible benefits to the region as a whole.
- (3) Preparation of a coordinated overhaul and maintenance programme for the generating plants in the region.

- (4) Determining the generation schedule to be followed by the constituent systems.
- (5) Determining the quanta of power available for exchange from time to time between the States; over and above the requirements of each State.
- (6) Determination of a suitable tariff structure to govern exchanges of power within the region.
- (7) Consideration of any other relevant matter for appropriate action thereon.

The question of strengthening the Central Electricity Authority and enabling it to discharge all the functions contemplated for it in the Electricity (Supply) Act is being actively considered:

[Ministry of Irrigation & Power O.M. No. 11(1)/63-Policy dated the 9th March, 1964].

Recommendation (Serial No. 6) Para No. 20

As "kWh generated per capita" is a sure index of country's growth, the Committee feel that if India is to advance along the path of industrialization, planning for power should receive high priority.

REPLY OF GOVERNMENT

Recognising the importance of making adequate power available to meet the demands in the different years of the IV Plan in the various regions of the country, advance action in respect of sanctioning and implementation is proposed to be taken up on a number of Fourth Plan schemes. So far, 9 generation schemes for the Fourth Plan have already been authorized by the Planning Commission for commencement of works thereon in the Third Plan itself. Authorization of others is under consideration. Proposals have been framed for the IV Plan, and individual schemes listed for sanction for such action in 1963-64 and 1964-65.

[Ministry of Irrigation & Power O.M. No. 11(1)/63-Policy dated the 9th March, 1964].

Recommendation (Serial No. 7) Para No. 22

Since the cost of installing 1 KW of electric power is but a fraction of the capital investment required to utilize it, it is obvious that if in any eventuality power generating capacity was under utilized it would entail less over-all loss to national economy than would be the case if productive machinery was to be rendered idle on account of power deficit. Past experience in India and other countries, clearly shows that in a developing economy, the demand for power nearly always out-runs the available supply. Planning for surplus power is therefore, essential for achieving an

optimum rate of growth in the country. The Committee strongly recommend that power being a primary source of energy should be one step ahead of industrial and other requirements.

REPLY OF GOVERNMENT

The recommendation has been noted. While preparing the programme for the Fourth Five Year Plan, it has been specifically suggested that this margin should be of the order of 15 to 20 per cent. Most of the advanced countries in the world allow such margins to meet unforeseen developments. Past experiences in this country also bear out this need.

[Ministry of Irrigation & Power O.M. No. 11(1)/63-Policy dated the 9th March, 1964].

Recommendation (Serial No. 8) Para No. 23

The Committee hope that Government would not allow the phenomenon of shortage of power, which has handicapped the industrial and developmental plans in the first two years of the Third Plan, to recur in the next Plan period. They would like to emphasise that Government should sanction in time the power projects required to meet the additional requirements in 1966-67 and 1967-68.

The Committee are glad to note that perspective plans of power requirements till 1981 have been drafted. Planning for power is in fact a continuous process and the perspective plans have to be reviewed in the light of requirements revealed by power surveys. The Committee would like the Government to pay close and continuous attention to perspective planning so that the targets fixed are fully in consonance with the requirements.

REPLY OF GOVERNMENT

Recognising the need for close and continuous attention to perspective planning the programme of power development in the Third Plan was reviewed in 1963. This study disclosed that the total generating capacity in the country by the end of the Third Plan is expected to be of the order of 12.5 million KW. The benefits in the Fourth Plan from schemes continuing from Third Plan were estimated at about 5 million KW bringing the total capacity to about 17.5 million KW. The First Annual Power Survey by the Electric Power Survey Committee appointed by the Government of India disclosed that all States except Mysore, Kerala, Delhi, Assam and J & K, will have power shortage if additional generating units are not commissioned by the middle of the Fourth Plan. This Committee had also observed that "if the unfortunate experience of

India during the early years of Second and Third Five Year Plans is not to be repeated during the Fourth Plan period, it is necessary for the appropriate agencies to take decisions on the quantum of power that should be generated in the Fourth Plan immediately and to proceed to sanction such schemes and take all effective steps urgently to bring these stations into commission."

Working on the same approach, a draft report suggesting power development programme for the Fourth Plan was prepared by the C.W. & P.C., and forwarded to the State Governments in June, 1962. The proposals were also discussed by the CW & PC with the States concerned on the technical level. With a view to catering for the load demands arising in various States, the CW & PC have suggested a list of schemes which need to be authorised in 1963-64 and 1964-65. As stated against S. No. 6, some of these schemes have already been sanctioned for implementation.

[Ministry of Irrigation & Power O.M. No. 11(1)/63-Policy dated the 9th March, 1964]

Recommendation (Serial No. 9) Para No. 24

As it is an established fact that hydel is the cheapest source of power in India, the Committee would urge the Government to investigate and prepare blue prints of all the remaining hydro electric schemes so that they can be readily available for being taken up to meet the increasing demands. This is all the more desirable as India has all the requisite experience for undertaking investigation and preparation of project reports as also the implementation of hydel schemes.

REPLY OF GOVERNMENT

The Government of India entirely agree with the conclusion of the Estimates Committee in this regard. Hydel development in this country has to be implemented to the maximum possible extent in view of its economic advantages, low foreign exchange requirements, operational flexibility and available expertise for designs and construction. The potential sites for hydel development have already been pin-pointed by the Power Wing of the Commission, during the course of the hydro-electric survey of the entire country conducted during the period 1953 to 1958. As explained in para 24 of the Estimates Committee Report, the country's potential has been estimated at 41.155 million KW on the basis of about 238 hydro electric schemes, of which 28 are in operation, 45 have been included in the Third Plan and 62 are to be investigated by the State Governments with the help of the United Nations' Special Fund. The suggestion of the Estimates Committee is that arrangements should be made to investigate the rest of the schemes also, and that

blueprints should be prepared to enable them to be implemented as and when required. There is considerable force in the recommendation of the Estimates Committee. Lack of properly investigated schemes has been a great handicap in formulating programmes of power development in this country in the past and this limitation persists. The bulk of the investigations of hydro-electric projects are being conducted by various States and other authorities. The CW & PC, through its Field Investigations, Organisation of the Water Wing, undertakes investigations of some hydro-schemes at the request of the State Organisations.

This recommendation of the Estimates Committee has been brought to the notice of the State Governments/State Electricity Boards which generally conduct investigations of hydro-schemes, and they have been requested:

- (a) to plan investigations of hydro-schemes in their respective areas in a suitable phased manner; and
- (b) to keep the Ministry of I & P and the CW & PC informed of the progress made from time to time.

[Ministry of Irrigation & Power O.M. No. 11(1)/63-Policy dated the 9th March, 1964]

Recommendation (Serial No. 10) Para No. 25

The Committee consider it unfortunate that there was shortfall of 1.20 million KW in the installed generating capacity during the Second Five Year Plan due firstly to a number of power schemes being relegated into the non-core group of the Plan on the ground of foreign exchange difficulties and secondly on account of delays in the execution of some of the important projects such as, Bhakra Nangal, Koyna, Rihand and Hirakud.

REPLY OF GOVERNMENT

According to the latest assessment of the load demands expected in the remaining years of the Third Plan by the Power and Energy Survey Committee, it is expected that there will be a shortfall of about 1.5 million kW in the Power demand by the end of the Third Plan from the figure estimated at the time of formulation of the Third Plan. This is due to delay in the establishment of some industries. The power supply position is, therefore, expected to be fairly satisfactory. Even in the Bihar-DVC-West Bengal region, some surplus is expected in the last two years of the Plan.

[Ministry of Irrigation & Power O.M. No. 11(1)/63-Policy dated the 9th March, 1964]

FURTHER INFORMATION CALLED FOR BY THE COMMITTEE

Steps taken to avoid repetition of shortfall during the Third Five Year Plan, may be indicated.

[Lok Sabha Secretariat O.M. No. 5 (13) EC/63 dated the 13th October, 1964]

FURTHER REPLY RECEIVED FROM GOVERNMENT

All the projects that are due for commissioning during the Third Plan have already been tied up with foreign assistance and the situation that arose in the Second Plan does not exist. Also, the progress of power projects is being watched very closely and every assistance is being rendered to the project authorities for the expeditious implementation of projects.

[Ministry of Irrigation & Power O.M. No. 11(1)/63-Policy dated the 7th January, 1965]

Recommendation (Serial No. 12) Para No. 27

The Committee are glad to note that Government have been some measures in 1962 to augment power generation. It is yet to be seen as to how far in actual practice these measures are able to relieve the acute shortage of power which is already being experienced in several States in the current year and which is likely to become even more acute in 1964. The Committee hope that Government would ensure that the additional capacity sanctioned by them is brought into commission as early as possible to relieve shortage. In particular, they would like to suggest that package units, for which orders have already been placed be imported at an early date. These could be installed with expedition in areas which are experiencing the most acute shortage of power for industrial and defence needs. The Committee would also suggest that the position may be kept constantly under review so that necessary steps can be taken without avoidable delay to relieve power shortage as much as possible.

REPLY OF GOVERNMENT

The matter of installing the package units in question is being vigorously pursued, in order to relieve the acute shortage of power for industrial and defence needs. The position is being kept constantly under review with a view to avoiding delays in overcoming bottle-necks in the installation programmes.

[Ministry of Irrigation & Power O.M. No. 11(1)/63-Policy dated the 9th March, 1964]

FURTHER INFORMATION CALLED FOR BY THE COMMITTEE

The actual progress made in the installation of the Package Units may be indicated.

[Lok Sabha Secretariat O.M. No. 5 (13) EC/63 dated the 13th October, 1964]

FURTHER REPLY RECEIVED FROM GOVERNMENT

(i) Six package units of 1.5 MW each were ordered, out of which two units have been installed at Farraka Barrage site. The other four sets are under installation in Dishergarh Collieries and are expected to be commissioned by the end of this year.

(ii) Four 10 MW package gas turbo-generating sets, two each in Mysore and Andhra Pradesh, have been commissioned.

[Ministry of Irrigation & Power O.M. No. 11(1)/63-Policy dated the 7th January, 1965]

Recommendation (Serial No. 15) Para No 30

The generating units which were either not in use or required repairs as revealed in the census carried out by the Ministry should serve not only as additional standby capacity but also to augment the present short supply in the country. The Committee would therefore, urge the Government to devise suitable measures where by the existing power resources could be exploited to the best advantage of the country by (i) pressing into service all small units which may have been closed down on grounds of economy; (ii) ensuring full availability of power supply by careful operation and maintenance of both new and old plants; and (iii) taking good and timely care to see that all essential spare parts are kept in stock for carrying out immediate repairs in case of breakdowns.

REPLY OF GOVERNMENT

Action is being taken on the following lines:—

- (i) Based on the survey in question, the concerned authorities have been addressed to bring into service and maintain in satisfactory condition all units which have been shut down, whether these sets belong to private licensees or to industrial undertakings.
- (ii) The concerned authorities have been advised to press into service all small units (which may have been closed down on grounds of economy) at appropriate locations. This is being already done, e.g., in Madhya Pradesh, Assam, etc., to meet urgent defence power requirements.

- (iii) A detailed programme of site inspection of all running Thermal Power Stations, with a view to rooting out weaknesses and shortcomings in operation and maintenance techniques, and to imparting specialised instructions to plant operators in latest approved methods of heat economy and trouble-shooting, has been made out and approved for implementation. This scheme is being put into effect.
- (iv) The authorities of all important power stations have been requested to forward immediately their requirements for spare parts for their plant installations which are likely to be needed during the next two/three years, so that immediate procurement action can be taken and, where necessary, import can be arranged. A large number of import proposals, based on such responses, have been processed.

[Ministry of Irrigation & Power O.M. No. 11(1)/63-Policy dated the 9th March, 1964]

Recommendation (Serial No. 16) Para No. 32

The Committee would urge that high priority should be given to power for irrigation pumping as this is one of the most practical ways of stepping up the agricultural production.

REPLY OF GOVERNMENT

This was recommended to the States by this Ministry. The subject was also considered at the Irrigation and Power Seminar held at Ootacamund in September, 1962. The Sub-Committee which was set up by the Seminar confirmed the view that priority was already being given to rural loads, particularly the pumping and other agricultural loads, that there was already an emphasis on rural electrification and that every State had a certain target for each year in each Five Year Plan.

[Ministry of Irrigation & Power O.M. No. 11(1)/63-Policy dated the 9th March, 1964]

Recommendation (Serial No. 17) Para No. 32

The Committee hope that decision on the recommendation of the Eighth Irrigation and Power Seminar (1962) that (i) the deficit in return from the rural areas may be made good by other Development Departments of Government; or alternatively (ii) Government may give loans to the State Electricity Boards at no interest for a period of at least five years to cover the capital cost of rural

electrification, would be taken soon so that the important schemes of rural electrification make rapid headway.

REPLY OF GOVERNMENT

The tariffs already fixed by various State Electricity Boards are such that the deficit on rural electrifications is made good, to the extent possible, by other consumers. The States where the rates for agricultural purposes are higher than 9 np. per unit were requested to readjust their tariffs with a view to lowering this rate. The suggestion has not been found acceptable by them.

Grant of interest-free loans to State Govts. for first five years, was one of the recommendations of the Study Group which was set up for rural electrification in 1956. This recommendation could not be accepted. It was however, subsequently decided that loans to States might be advanced on easier terms i.e., for first five years, only interest be charged and the principal and interest thereon, might be recovered in 25 annual equated instalments thereafter. This pattern of assistance to the State Governments in so far as their approved rural electrification schemes are concerned, continued to be operative till very recently when a slight modification has been decided upon by which the loan would be recovered in 20 years after the first 5 year period when interest only would be recovered.

[Ministry of Irrigation & Power O.M. No. 11(1)/63-Policy dated the 9th March, 1964]

Recommendation (Serial No. 18) Para No. 33

The Committee suggest that the reasons for poor progress in installation of microhydel sets may be investigated with a view to extend their use.

REPLY OF GOVERNMENT

The importance of micro installations for power generation in the mountainous regions of the country has been recognised. To give a fillip to this work, an Investigation Division was constituted under the Hdro-Electric Directorate of the Power Wing of the Commission in 1959 and this functioned from December 1959 to August, 1961. This Division conducted extensive reconnaissance in Jammu & Kashmir, Himachal Pradesh, Manipur, Tripura, etc., and prepared eight reports, in which about 103 sites capable of development through micro installations were indicated. These reports were sent to the concerned State authorities who were requested to prepare programmes for implementation based on the expected demands

etc. The Central Water & Power Commission also undertook studies to enable indigenous manufacture of standard micro installations in order to hasten the implementation of these schemes. One or two local manufacturers have now organized themselves to undertake the manufacture of the generating sets indigenously.

The progress of the various micro-hydel schemes is being carefully watched with a view to expediting their implementation.

[Ministry of Irrigation & Power O.M. No. 11(1)/63-Policy dated the 9th March, 1964]

Recommendation (Serial No. 19) Para No. 35

The Committee are surprised to note that out of the total plan provision of Rs. 1039 crores in public sector, an amount of Rs. 100 crores i.e. 9.6 per cent of the total provision, has been provided on account of 58 schemes in respect of which reports have not been received by the Central Government.

It is obvious that project schemes would have to be prepared and sanctioned before any start can be made in the implementation of the projects. Since two years of the Plan period are nearly over without the submission of power development schemes envisaged in the plan, there is bound to be delay in their execution.

The Estimates Committee recommend that work relating to investigation of schemes included in the Third Five Year Plan may be completed without delay.

They would also urge that project studies relating to the Fourth Five Year Plan may be taken in hand forthwith. These should be completed sufficiently early so that as far as possible, fully investigated schemes may be included in the Fourth Five Year Plan.

REPLY OF GOVERNMENT

Greater attention is now being paid to the problem of investigations of projects. Efforts are also being made to get the scheme reports under reference from the project authorities concerned. Special note has been taken of the need for advancing the investigations and preliminary works of schemes, so that their smooth implementation during the Fourth Five Year Plan could be ensured.

[Ministry of Irrigation & Power O.M. No. 11(1)/63-Policy dated the 9th March, 1964]

Recommendation (Serial No. 20) Para No. 36

The Committee consider that now that the Central Water and Power Commission have a fund of experience of more than a decade, it should be possible for them to conduct technical examination of

proposals received from the State Electricity Boards in a more expeditious manner. They recommend that the CW and PC may carefully review the procedure for processing such schemes so as to reduce the time to the minimum.

REPLY OF GOVERNMENT

Measures for elimination of possible delays are being considered by the Central Water and Power Commission as well as the Advisory Committee on Irrigation, Flood Control and Power Projects from time to time and suitable action is being taken to expedite technical examination of project reports.

[Ministry of Irrigation & Power O.M. No. 11(1)/63-Policy dated the 9th March, 1964]

FURTHER INFORMATION CALLED FOR BY THE COMMITTEE

The date on which the procedure was last reviewed, the nature of modifications made, and the average time thus saved in processing proposals received from State Governments may be indicated.

[Lok Sabha Secretariat O.M. No. 5(13) EC/64 dated the 13th October, 1964]

FURTHER REPLY RECEIVED FROM GOVERNMENT

The question was last reviewed by CW & PC in January 1965. Analysis made on the subject shows that in a large number of cases, delay has occurred due to the long time taken by the States in furnishing clarifications on the comments made by the CW & PC on the project reports. However, certain changes in the procedure so far as it relates to power projects have been enforced in the CW & PC with effect from 4th January, 1965. A copy of the instructions issued by CW & PC in this respect is placed at Appendix I.

As the time taken from the date of receipt of scheme report to its processing through the Advisory Committee on Irrigation, Flood Control & Power Projects varies from three to six months, the average time saved in processing proposals received from State Government as a result of the procedure introduced in January 1965 can be realistically assessed only after August, 1965.

[Ministry of Irrigation & Power O.M. No. 11(1)/63-Policy dated 23rd April, 1965]

Recommendation (Serial No. 21) Para No. 38

It is unfortunate that the erection of the first two units of the Sharadathy Hydro-Electric Project would be delayed by about 18

months. In view of the acute shortage of power being experienced in Mysore State particularly by Defence Industries, the Committee have no doubt that Government would make every endeavour to speed up the execution of the Sharavathy Power Project.

REPLY OF GOVERNMENT

Every effort is being made to speed up the execution of the Sharavathy Power Project. The progress is being reviewed periodically in consultation with the State authorities. According to the present indications, the first six units are expected to be commissioned during the Third Plan.

[Ministry of Irrigation & Power O.M. No. 11(1)/63-Policy dated the 9th March, 1964].

Recommendation (Serial No. 22) Para No. 39

The Committee stress the need for timely receipt of periodical progress reports on major projects from State authorities. Such progress reports should be analysed immediately on receipt in the Central Water and Power Commission in order that immediate action could be taken to resolve the bottlenecks.

They are firmly of the view that once the Government have sanctioned a particular project, all impediments coming in the way of its smooth progress should be removed expeditiously to ensure adherence to plan targets.

REPLY OF GOVERNMENT

This Ministry is fully alive to the need for timely receipt of periodical progress reports on all river vally projects from the State Govts./Project authorities. For this purpose, the set of forms in use since 1955, which was considered to be too elaborate and was made an excuse for delayed submission of the reports, was revised and a simpler set of proformae containing all the essential details was drawn up and circulated to the States in October, 1962. The need for timely submission of these reports has once again been emphasised on the State Govts./Project Authorities.

These reports, on their receipt, are examined in the Control Room of the CW & PC and periodical reviews are sent to this Ministry, indicating the bottlenecks impeding progress. In addition to these periodical reviews individual cases are also brought to the notice of the Ministry by officers of the CW & PC after their visit to various State projects. Immediate action both in the Ministry

and the CW & PC is taken for removing the bottlenecks. In 1963, officers of the Ministry, the CW & PC and the Planning Commission were sent out to various States to review the progress of irrigation and power and flood control projects and report on factors retarding speedy implementation of these projects. Action on the reports of these officers has already been initiated and suitable steps taken, wherever necessary, to remove the reported difficulties.

[Ministry of Irrigation & Power O.M. No. 11(1)/63-Policy dated the 9th March, 1964].

Recommendation (Serial No. 23) Para No. 41

Since a number of Ministries are intimately connected in finding a solution to these problems, the Committze suggest that the question of setting up a Committee composed of representatives of the Ministries of Irrigation and Power (including Central Water and Power Commission), Finance, Commerce and Industry, Steel and Heavy Industries and Economic and Defence Coordination for removing the bottlenecks encountered by the project authorities in the procurement of foreign exchange, machinery, equipment, steel, cement, explosives etc. may be examined. They also suggest that early action should be taken to rationalise the procedure for release of foreign exchange and issue of import licences so as to cut out all delays.

REPLY OF GOVERNMENT

This Ministry is of the opinion that failure of timely and adequate supplies of essential materials like steel, cement, Explosives etc. to the projects is primarily due to the following two reasons rather than lack of co-ordination among Departments concerned in the centre in the procurement action.

(1) The projects do not often make a realistic forecast of their requirements as these commodities sufficiently in advance due to faulty construction planning and come up at the last moment with urgent indents. Steps are being continuously taken to improve the position in this respect.

(2) Owing to the urgent and over-riding needs of the Ministry of Defence, the supply position of these articles has further deteriorated.

It is, therefore, felt that no useful purpose will be served by setting up a standing inter-departmental committee as suggested so

long as the current circumstances prevail. Bottlenecks reported to the Ministry are being removed through correspondence and discussion with officers concerned in other departments/Ministries to the extent possible within the limitation of supply.

[Ministry of Irrigation & Power O.M. No. 11(1)/63-Policy dated the 9th March, 1964].

FURTHER INFORMATION CALLED FOR BY THE COMMITTEE

Steps taken to improve the position in regard to the question of making precise forecast of essential material like steel, cement, explosives etc. by the project authorities, may be indicated.

Action taken on the following recommendation of the Estimates Committee may also be indicated.

"They also suggested that early action should be taken to rationalise the procedure for release of foreign exchange and issue of import licences so as to cut out all delays."

[Lok Sabha Secretariat O.M. No. 5(13) EC/64 dated the 13th October, 1964].

FURTHER REPLY RECEIVED FROM GOVERNMENT

Various steps have been taken by the Ministry of Industry and this Ministry to ensure that project authorities send more realistic demands for cement. Certain proformae have been prescribed. The project authorities have been asked to furnish full data and details of the consumption, off take and stock in hand in the previous quarters along with their cement demand. Similarly action has been taken in respect of steel requirements also. The position of course has improved now, but due to acute shortage of these materials in the country, the Ministry of Industry and Supply and Iron & Steel Controller have not been releasing sufficient quantities to meet full requirements of the Irrigation and Power Projects.

No complaints have been received in this Ministry regarding shortage of Explosives.

With a view to devising measures to reduce the time taken by each of the organisations concerned with release of foreign exchange and also to eliminating certain unnecessary and wasteful exercises

that have hitherto been carried out in the release of foreign exchange, the following improvements have been brought about:—

- (i) All cases for foreign exchange used to go to the Directorate General of Technical Development as a matter of routine in the past. It has now been agreed that the concurrence of DGTD need not be obtained if quotations have been invited for machinery or spare parts by an open tender for a period of 21 days and there is no indigenous offer. The DGTD have also given general clearance from indigenous angle for certain items of plant & equipment for a period of six months and in some cases for a period of one year.
- (ii) Where tenders are invited and examined by the DGS&D and the indigenous offers are not technically acceptable the clearance of DGTD from indigenous angle is not necessary.
- (iii) Consultation with the Internal Finance has been dispensed with except where the finances of the Central Govt. are involved.
- (iv) After foreign exchange is sanctioned the import licence applications are forwarded to the CCI & E for issue of import licences. This is only a routine affairs but under this system, import applications upto a certain monetary values had to be sent to various regions like Madras, Bombay & Calcutta etc. Correspondence with these regions asking them to expedite import licences was a time consuming process. In consultation with the CCI&E it has been decided to centralise issue of all licences in Delhi. It has also been agreed by CCI & E that he would issue import licences within 15 days in respect of any project.
- (v) The Ministry of Finance (DEA) have also enhanced this Ministry's powers to Rs. 1 lakh in each case under IBRD/IDA loans and Rs. 2 lakhs in each case under AID loans, subject to a calling of Rs. 40 lakhs in the case of each tied project.

[Ministry of Irrigation and Power O.M. No. 11(1)/63-Policy dated the 5th/8th March, 1965]

Recommendation (Serial No. 24) Para No. 42

The Committee would urge that the manufacture of generators, transformers, high tension switch gears and heavy industrial motors, etc., may be geared up to meet the plan requirements.

REPLY OF GOVERNMENT

The recommendation has been brought to the notice of the Ministry concerned for appropriate action.

With a view to ensuring that projects tied up with indigenous production programme are not held up due to late deliveries, the programme of deliveries of the HEL is reviewed from time to time in consultation with HEL authorities.

[Ministry of Irrigation & Power O.M. No. 11(1)/63-Policy dated the 9th March, 1964]

Recommendation (Serial No. 25) Para No. 43

The Committee consider that there should be close liaison between Heavy Electricals Ltd., Bhopal, on the one hand and the Central Water and Power Commission and the State Electricity Boards on the other.

REPLY OF GOVERNMENT

Necessary steps to ensure a close liaison between the Heavy Electricals Ltd., and the CW & PC and the State Electricity Boards have been taken. One of the Members of the Power Wing of the CW & PC is a Director of this Company. The Chairman of a State Electricity Board has also been appointed on the Board of Directors some time back.

[Ministry of Irrigation & Power O.M. No. 11(1)/63-Policy dated the 9th March, 1964]

Recommendation (Serial No. 26) Para No. 44

The Committee are glad to note that the Ministry have initiated action to standardise power equipment. The Committee feel that with the setting up of the Power Research Institute and the Specialised Engineering Organisation, it should be possible to extend standardization to other important items of electrical equipment.

REPLY OF GOVERNMENT

The Power Research Institute is already paying a good deal of attention to the standardisation of power equipment. The Director and some senior officer of the Institute served on as many as eight Committees of the Indian Standards Institution dealing with the formulation of standards and codes of practices for such electrical equipment as switchgear, rotating machines, instruments, insulating materials, etc. The experimental facilities in the Power Research

Institute will also be made use of for developing standard specifications and designs for various items of electrical equipment. Besides, certain preferred methods of practice are also being evolved and recommended for adoption by electricity undertakings so that uniformity can be achieved, which in turn will reduce the multiplicity in the type and size of equipment required for use.

The specialised Engineering Organisation has been set up only recently. A number of officers who have been posted to this organisation are in need of intense and adequate training in specialized branches of work before any large-scale attempt can be made for the standardization of equipment. However, a start has been made for the standardization of equipment in respect of purchases under the scheme of Bulk Purchase of equipment from USA for various power stations in India.

[Ministry of Irrigation & Power O.M. No. 11(1)/63-Policy dated the 9th March, 1964]

Recommendation (Serial Nos. 27, 28 and 29) Para Nos. 46 and 47

The need for accurate load forecasting as a pre-requisite condition for systematic planning for power development requires hardly any stress. Unless power load surveys are carried out and results made known early, they lose their value as basis for power planning and economic development. It is, therefore, a matter of regret that the work of power load survey of different regions and the country as a whole which was taken up in 1954 and has already cost the Government about Rs. 20 lakhs has not been completed so far.

The Committee hope that load surveys would be completed shortly and that work relating to power forecasting would be completed speedily. They would urge that broad principles for undertaking load surveys and powers forecasting may be laid down by the CW & PC at an early date for the guidance of the State Electricity Boards so that there is uniformity of approach in the detailed load surveys to be carried out by the State Electricity Boards.

The Committee would also urge that as in the United States, arrangements may be made to bring out periodically, at least once every year, a publication containing vital statistics about load surveys and power development programmes for the different States and Union Territories and the Country as a whole.

REPLY OF GOVERNMENT

An Electric Power Survey Committee, consisting of Indian and Foreign experts, was set up by the Government of India in December 1962. The Committee completed the First Load Survey Report

of the country which has since been published. According to this report, the load picture in the country during the remaining years of the Third Plan would be as under:—

	Capacity fore- cast Megawatts	Peak Load fore- cast Megawatts	Gross margins Megawatts
1963-64	6126	5315	811
1964-65	7880	6479	1401
1965-66	10953	8264	2689

This survey is being made an annual feature.

The Committee, in its preliminary report, had *inter alia* made the under-mentioned observations in regard to the load surveys—

“The Committee feels that the Load Survey Directorate along with the field units in the various regions have gained valuable experience through 8 years of load survey work on all-India basis and as such, this experience and knowledge should not be lost and the Directorate should continue as a permanent organization. They have also gained valuable experience as Secretariat for the Power Energy Survey Committee and, therefore, they should serve as a permanent secretariat for the annual Electric Power Surveys that are to be carried out in the future.

The regional offices of the Directorate would be useful in effecting coordination for the various regions, among the knowledgeable people in the Load Survey work. These local field survey units could look into the State Power load figures and through discussion and coordination submit agreed load figures for incorporation in the future annual surveys.

There would be annual surveys under the Central Group with regional representation embracing all power supply authorities in the country. The Secretariat for this group will be furnished by the permanent load survey organization in the Central Water and Power Commission and will be located at New Delhi.”

This observation is under consideration of the Government.

[Ministry of Irrigation & Power O.M. No. 11(1)/63-Policy dated the 9th March, 1964]

FURTHER INFORMATION CALLED FOR BY THE COMMITTEE

Action taken by Government on the observation of the Electric Power Survey Committee referred to in the reply of Government; may be indicated.

[Lok Sabha Secretariat O.M. No. 5(13) EC/64 dated the 13th October, 1964].

FURTHER REPLY RECEIVED FROM GOVERNMENT

Under the "All India Load Survey Scheme", the Government of India entrusted the work of carrying out the systematic power load survey of the country with the CW & PC. The Load Survey and Load Development Directorate with its four regional offices undertook this work. The survey was conducted in two stages i.e., a Preliminary Load Survey to be followed by a Detailed Load Survey.

The preliminary survey based on readily available data and in the nature of a quick appraisal was carried out and the results were published in the form of a compendium "Forecast of Power demand in India 1955/56 to 1970/71."

The Detailed Load Surveys adopted the technique of micro-approach, necessitated by the need for reliable and long-term load forecast. These have been brought out in the form of detailed reports for all the States and Union Territories in the country barring NEFA, Nagaland, Manipur, Tripura and Andaman & Nicobar Islands.

Besides doing the above, the LS & LD Directorate continues to function as the Secretariat to the Annual Electric Power Survey Committees constituted by the Government of India. As a sequel to the first survey, the second Annual Survey was completed and the results were published under the auspices of the Central Electricity Authority in the shape of a report viz., 'Second Annual Electric Power Survey of India— May, 1964'. A number of new features have been added in the report like the section on electric energy output, annual load factors and an analysis of the authorized additions to the electric generating capacity during the survey period, covering the next four years upto 1967/68. Also the manufacture of heavy electrical equipment has been dealt with in much greater detail than in the First Report, in addition to giving details of boiler equipment

on order. A summary of the basic findings of the Second Survey is given below:—

	Capability Fore- cast Megawatts	Peak Load Fore- cast Megawatts	Gross Margin Megawatts
1963-64*	5380	4682	698
1964-65	7132	6248	884
1965-66	9434	8052	1382
1966-67	11704	9760	1944
1967-68	12764	11772	992

The Third Annual Electric Power Survey Committee has also since been set up by the Ministry of Irrigation and Power. The relevant questionnaire forms have been already issued to the concerned authorities by the L.S. & L.D. Directorate of the CW & PC which along with the four Regional Offices would continue to assist the Committee in its deliberations and act as the Secretariat for the Committee. The Regional Offices are also in close touch with the State Authorities with regard to their load development and exercise the necessary coordination as envisaged in the recommendation of the Electric Power Survey Committee.

[Ministry of Irrigation & Power O.M. No. 11(1)/63-Policy dated the 7th January, 1965].

Recommendation (Serial No. 30) Para No. 52

The Committee hope that the Ministry of Irrigation and Power would take necessary action to ensure that the power requirements of Railways which constitute the nation's life-line are fully met. The West Bengal and Bihar State Electricity Boards should supply power as envisaged by the Sachdev Committee or in the alternative Rihand and Hirakud Power should continue to be made available. They would also like to emphasise that the generation of power in Chandrapura should be advanced to as early a date as possible, but not later than September, 1964 so as to meet fully the railways requirements.

REPLY OF GOVERNMENT

A close watch is already being kept on the progress of construction of transmission lines and sub-stations required for meeting the

*Actual.

demands of railway electrification. A Co-ordination Committee with a Member of CW & PC as Chairman has been set up and periodical meetings are held with the Railway Electrification Authorities and the concerned State Electricity Boards to review the progress. The transmission lines required for the electrification of Sealdah Division will be ready in time. The Chanderpura power station is expected to be commissioned by October, 1964.

[Ministry of Irrigation & Power O.M. No. 11(1)/63-Policy dated the 9th March, 1964]

Recommendation (Serial No. 31) Para No. 53

The Committee also hope that the Ministry of Irrigation and Power would similarly ensure that the requisite power for the Third Five Year Plan is made available for electrification on Northern Railway by U.P. State Electricity Board, on Central Railway by the Maharashtra State Electricity Board and on the Southern Railway by the Madras State Electricity Board.

REPLY OF GOVERNMENT

Please see reply to Serial No. 30.

[Ministry of Irrigation & Power O.M. No. 11(1)/63 Policy dated the 9th March, 1964]

Recommendation (Serial No. 32) Para No. 54

The Committee would also urge that a close watch may be kept on the installation of transmission lines so that there is no delay on this account in making the power available at the points needed for Railway electrification. In this connection, they would particularly like to draw attention to the need for completing the transmission lines to carry power for electrification of Sealdah-Ranaghat and Dum Dum-Bongoan Section of Sealdah Division of Eastern Railway.

REPLY OF GOVERNMENT

Please see reply to Serial No. 30.

[Ministry of Irrigation & Power O.M. No. 11(1)/63—Policy dated the 9th March, 1964].

Recommendation (Serial No. 33) Para No. 56

The Committee urge that high priority may be accorded for meeting the urgent requirements of Railway Workshops so that the Railways maintenance and production programmes do not suffer.

REPLY OF GOVERNMENT

The power requirements of railway workshops have been taken into account in the load estimates. Regarding the question of giving high priority for meeting these loads, the recommendations has

been brought to the notice of the State Authorities concerned for necessary action.

[Ministry of Irrigation & Power O.M. No. 11(1)/63—Policy dated the 9th March, 1964].

Recommendation (Serial No. 34) Para No. 56

The Committee cannot too strongly emphasise the need for undertaking perspective planning for electric traction in greater detail and with greater expedition so that the railway requirements can fully be taken into account while sanctioning the power projects for the first two years of the fourth Five Year Plan. Where hydel power is available at reasonable rates the advantage of it should be taken for electrification of railway in the areas especially when they are far removed from coal bearing areas. The Committee would suggest a comprehensive examination of the possibilities of electrification in the different zonal railways.

REPLY OF GOVERNMENT

Details of the Railway Electrification Programme during the Fourth Plan have been intimated by the Railway Board and their power demands have been taken into account in the estimates of the Power Survey Committee.

Perspective planning in the field of electric traction should be the responsibility of the Ministry of Railways to whom the recommendations of the Estimates Committee have been referred.

[Ministry of Irrigation & Power O.M. No. 11(1)/63—Policy dated the 9th March, 1964].

FURTHER INFORMATION CALLED FOR BY THE COMMITTEE

Please communicate the action taken by the Ministry of Railways on this recommendation.

[Lok Sabha Secretariat O.M. No. 5(13)EC/64, dated the 13th October, 1964].

FURTHER REPLY RECEIVED FROM GOVERNMENT

The Ministry of Railways (Railway Board) who were requested to intimate the action taken by them in this regard, have replied that they had advised the State Electricity Boards concerned of the electrification programme of Railways in the Fourth Five Year Plan period.

[Ministry of Irrigation & Power O.M. No. 11(1)/63—Policy dated the 7th January, 1965].

Recommendation (Serial No. 36) Para No. 57

The Committee would also like to emphasise the need for closer coordination between the generation and supply authorities so that the work progresses according to schedule in a most economical manner. In this connection the Ministry of Railways had pointed out in the earlier stages that there was lack of coordination between the Bihar State Electricity Board, D.V.C. and Rihand in the commissioning of Pipri-Sonenagar Transmission Line in the matter of metering and synchronising equipment, arrangement for parallel operation, settlement of energy charges etc. with the result that the Scheduled date of June, 1961 had to be put off by one year. Similar lack of coordination between Bihar State Electricity Board, D.V.C. and Hirakud authorities was alleged to be responsible for the delay in utilisation of Goillkerea-Rourkela Transmission line which was required to feed reliable supply for the vital railway lines to steel mills to carry raw materials.

It was also pointed out by the Ministry of Railways that there was duplication of sub-station at Purulia and Sonenagar between D.V.C. and West Bengal State Electricity Board which resulted in needless over-capitalisation and duplication of operating personnel. The Committee would urge the Central Water and Power Commission to use its good offices to ensure close coordination between the diverse generation and supply authorities who are catering for Railway traction.

REPLY OF GOVERNMENT

A close watch is already being kept on the progress of construction of transmission lines and sub-stations required for meeting the demands of railway electrification. A Coordination Committee with a Member of the C.W.&P.C. as Chairman has been set up and periodical meetings are held with the Railway Electrification Authorities and the concerned State Electricity Boards to review the progress. Every effort will be made to implement the recommendation of the Estimates Committee in this regard.

[Ministry of Irrigation & Power O.M. No. 11(1)/63—Policy dated the 9th March, 1964].

Recommendation (Serial No. 37) Para No. 58

The Committee are surprised to note that there are wide variation in the overall charges, for example, from 7.35 P. for D.V.C.

power to 13.78 P. for Hirakud Power for Railway Electrification at 40 per cent load factor.

The Committee understand that the proposals made by the Railways for rationalization of tariffs for Railway electrification had been examined by the Ministry of Irrigation and Power who had furnished their comments to the Planning Commission.

The Committee hope that Government would go into the matter at an early date and in the larger interest of the country would lay down general principles as far as possible, for determining equitable tariffs rates for supply of power for railway electrification.

REPLY OF GOVERNMENT

Noted.

[Ministry of Irrigation & Power O.M. No. 11(1)/63—Policy dated the 9th March, 1964].

FURTHER INFORMATION CALLED FOR BY THE COMMITTEE

Action taken on the following recommendation may be indicated:

“The Committee hope that Government would go into the matter at an early date and in the larger interest of the country would lay down general principles, as far as possible, for determining equitable tariff rates of supply of power for railway electrification.”

[Lok Sabha Secretariat O.M. No. 5(13)EC/64, dated the 13th October, 1964].

FURTHER REPLY RECEIVED FROM GOVERNMENT

The position regarding the electricity tariffs for railway electrification schemes offered by the D.V.C., West Bengal State Electricity Board and the Bihar State Electricity Board has been examined and indicated below:—

(1) The rate offered by the DVC for direct supplies to the Railways for traction is their standard tariff for supply at 132 kV with a maximum overall rate of 6 P. per kWh., excluding the fuel clause adjustment and the annual fixed charge of 10 per cent of cost of the transmission and sub-stations erected for providing supplies to the Railways. The present average rate per kWh realised from the Railways by the DVC is 7.074 P. per kWh at 40 per cent load factor

and is expected to go down to 5·783 P at 60 per cent load factor. The above rates compare favourably with the rate offered by the DVC for large bulk supplies in the area. The average rate paid by the Railways in the Madras area works out to 9·3 P/kWh with coal costing as much as Rs. 50 per tonne. The corresponding rate per kWh for power generated by Railways themselves at their Kalyan Power Station in Maharashtra and delivered at the various points, works out to 8·87 P/kWh.

(2) The West Bengal Board purchases power from DVC in bulk to resell to the Railways in their area of operation at the average rate of 8·805 P/kWh at 40 per cent load factor, which rate is 24 per cent higher than the rate at which the Railways purchase directly from the DVC. However, the average rate is likely to go down to 7·019 P at 60 per cent load factor which would be realised with the increase in traffic and greater frequency of trains in the area. The rate offered by the Board to Railways appears to be 20 per cent higher than their rates for large industrial supplies at comparable load factors.

(3) The tariff offered by the Bihar Board to the Railways for DVC power is 8·44 P/kWhs at 40 per cent load factor and this is similarly about 19 per cent higher than the DVC rate. The Bihar Board's offer of a rate of 12·37 P/kWh for Hirakud Hydro power also appears to be very high and would need examination. The rate for resale by Bihar Board to Rihand Hydro Power to Railways is 8·78 P/kWh, which again is higher than the DVC rate to Railways. This aspect would need examination. The cost of generation and supply at various points would depend upon the location of the generating station, cost of fuel delivered and the magnitude of the transmission lines.

(4) *One source—one tariff.*—The Railways receive supply for traction purposes in the Eastern Zone from DVC (directly) and also from the State Electricity Boards of West Bengal and Bihar. The West Bengal Board purchases power from the DVC, while the Bihar Board gets from the DVC, Hirakud, and Rihand, and in turn these Boards resell to the Railways. The Bihar Board effects its purchase from the 3 above mentioned sources presumably at different rates. They have worked out their tariffs taking into consideration the capital investments on their system, the operating expenses and other allied factors which are different from those of the West Bengal Board or the DVC. Under such circumstances, it does not appear feasible to expect these different suppliers to sell power to

Railways at one and the same rate.

The cost of power generation depends upon various factors. States are independent in the matter of fixation of tariff rates for supply of power. However, the Venkataraman Committee which was set up by the Government of India for studying the financial working of the State Electricity Boards, has recommended that Boards should supply power at rates which provide for operation and maintenance costs, depreciation and interest charges and a net return of not less than 3 per cent. This recommendation has been accepted by the Government of India.

[Ministry of Irrigation & Power O.M. No. 11(1)/63—Policy dated the 7/8th April, 1965].

Recommendation (Serial No. 38) Para No 60

The Committee are constrained to note that even though 134 proposals for amending the Rules have been pending, the Central Electricity Board has not met even once during the last 5 years. They cannot too strongly emphasise the need for prompt processing of all proposals which are received for amending the rules so that the shortcomings brought to the notice in the application of Rules are rectified without delay.

The Committee hope that the meeting of the Central Electricity Board will be held at an early date and that in future also such meetings will be held as often as necessary at least once a year, so that the pros and cons of important proposals received for amendment of Electricity Rules are discussed before decisions are reached.

REPLY OF GOVERNMENT

A meeting of the Central Electricity Board was held at Simla from the 21st to the 24th May, 1963, to consider the proposals for amendment of the Indian Electricity Rules, 1956 and some safety manuals/codes. The amendments which were prepublished in GSR 145, dated the 20th January, 1960, have since been promulgated as approved by the Central Electricity Board, vide this Ministry's notification No. EL-II-6(4)/63 dated the 26th September, 1963. The other proposals as approved by the Board have been prepublished as required under Section 38 of the I.E. Act, 1910, vide this Ministry's Notification No. EL-II-6(6)/63 dated the 27th September, 1963.

The meetings of the Board will hereafter be held at least once a year. Steps have also been taken to have the safety manuals/codes printed within the period of six months as approved by the Board.

[Ministry of Irrigation & Power O.M. No. 11(1)/63—Policy dated the 9th March, 1964].

Recommendation (Serial No. 39) Para No. 60

It would also be useful to review periodically the Electricity Rules as a whole once in five years so as to take full cognisance of advances made in power transmission, electrical appliances and other allied matters which have a bearing on the working of Rules.

REPLY OF GOVERNMENT

The Indian Electricity Rules, 1956, have been and are being periodically reviewed and revised from time to time. All possible efforts will continue to be made to keep the Rules up-to-date in the light of the advancement made in the power supply industry in the country.

[Ministry of Irrigation & Power O.M. No. 11(1)/63—Policy dated the 9th March, 1964].

Recommendation (Serial No. 40) Para No. 62

The Committee feel that the Union Government should have kept a watch on the composition and working of the Electricity Boards from their very inception so as to ensure uniform development. They would urge the Government to complete their proposed study of composition, functioning and financial structure of the State Electricity Boards at an early date and use their good offices to bring about uniformity as far as possible.

REPLY OF GOVERNMENT

This function has been included in the terms of reference of the Electric Survey Committee appointed by the Government of India. Their report is awaited.

[Ministry of Irrigation & Power O.M. No. 11(1)/63—Policy dated the 9th March, 1964].

Recommendation (Serial No. 41) Para No. 63

The Committee consider that as the Electrical Inspectors are intimately connected with the working of the Indian Electricity Rules, which are framed by the Central Electricity Board, it is but appropriate that an annual report may be called for from the State Electrical Inspectors. The Report may prove of use to the Central Elec-

tricity Board to review annually the working of the Indian Electricity Rules. The Ministry may examine how best the Electrical inspectors can be enabled to discharge their statutory responsibility in an independent manner.

REPLY OF GOVERNMENT

Submission of annual reports giving merely the statistics of inspections carried out by the several Inspectorate, such as, the inspection of extra high, high and medium voltage installations, fees collected for such inspection and the details of postings and transfers that are generally mentioned in an annual report may not be of any use to the Central Electricity Board. The Board at its meeting held from 21st to 24th May 1963 has taken a decision that it would hold meetings in future annually when the working of the Indian Electricity Rules would be reviewed. Under the circumstances, the suggestion of the Estimates Committee does not appear to be useful in this regard. In some of the States, the inspectorates are manned by staff loaned by the State Electricity Boards. Obviously, such staff would hesitate to point out defects in the works carried out by their seniors in their parent departments, namely, the State Electricity Boards, in an independent and unbiased manner, as it may not be in the interest of their future prospects in the Boards. As such this cannot be considered to be a healthy arrangement. On the other hand, the Inspectorate, being a small unit, does not offer sufficiently bright future prospects to those who join it. In the circumstances, it would appear desirable to post the Inspecting Officers in each State by drawing suitable officers on deputation from the other States or the Centre.

[Ministry of Irrigation & Power O.M. No. 11(1)/63—Policy dated the 9th March, 1964].

FURTHER INFORMATION CALLED FOR BY THE COMMITTEE

Action taken in pursuance of the following reply may be indicated: "In the circumstances, it would appear desirable to post the Inspecting Officers in each State by drawing suitable officers on deputation from the other States or the Centre."

[Lok Sabha Secretariat O.M. No. 5(13)EC/64, dated the 13th October, 1964].

FURTHER REPLY RECEIVED FROM GOVERNMENT

The scheme pre-supposes the creation of a common service cadre for the Electrical Inspectors so that they could be posted wherever

necessary. The main point, however, is if the Central Inspectorial activity should be expanded to cover all the electrical installations which are at present being inspected by the respective States, the responsibility at present carried out by the State Governments will have to be assumed by the Central Government. Such a step would require amendments to the Indian Electricity Act, 1910. To what extent the State Governments themselves would react to such a proposal is a matter for consideration. The desirability of posting the Inspecting Officers in each State by drawing suitable officers on deputation from the other States has been impressed upon the State Governments. The question how best the Electrical Inspectors can be enabled to discharge their statutory responsibilities in an independent manner is being considered in consultation with State Governments.

[Ministry of Irrigation & Power O.M. No. 11(1)/63—Policy dated the 7/8th April, 1964].

Recommendation (Serial No. 42) Para Nos. 65-66

The Committee understand that the question of introducing compulsory quality control for domestic electrical appliances is still under the consideration of Government. They also understand that in several foreign countries, such as Sweden, Australia, Germany, Denmark, Norway, Finland, and Canada, compulsory testing of electrical equipment is in force. They feel that the Government should take appropriate legislative and administrative and other requisite measures for ensuring the manufacture and supply of intrinsically safe domestic electrical equipment, accessories and wiring materials for use in homes and other non-industrial premises.

REPLY OF GOVERNMENT

The recommendation has been brought to the notice of the Ministry of Industry.

[Ministry of Irrigation & Power O.M. No. 11(1)/63—Policy dated the 9th March, 1964].

FURTHER INFORMATION CALLED FOR BY THE COMMITTEE

Action taken on the recommendation, may be indicated.

[Lok Sabha Secretariat O.M. No. 5(13)EC/64, dated the 18th October, 1964].

FURTHER REPLY RECEIVED FROM GOVERNMENT

The Ministry of Industry and Supply (Department of Industry) vide their letter No. 39(23)/56-LEEL, dated the 16th October, 1964, addressed to the Directors of Industries of all State Governments, stressed the need for ensuring the manufacture and supply of intrinsically safe domestic electrical equipment etc. for use in the homes and other non-industrial premises. They also forwarded along with that letter the standards on domestic electrical appliances and accessories, prescribed by the Indian Standards Institution.

[Ministry of Irrigation & Power O.M. No. 11(1)/63—Policy dated the 7/8th April, 1965].

Recommendation (Serial No. 43) Para No. 67

The Committee recommend that in view of its importance the Code for safe operation and maintenance of transmission and distribution systems should be finalised and implemented at an early date.

REPLY OF GOVERNMENT

The Code was, *inter alia*, considered by the Central Electricity Board at its meeting held in May, 1963, and approved. The Code is being printed along with other Codes/Manuals as Model Codes| Manuals.

[Ministry of Irrigation & Power O.M. No. 11(1)/63—Policy dated the 9th March, 1964].

Recommendation (Serial Nos. 44 & 45) Para Nos. 68 & 70

The Committee understand that there are only 12 Power Research Institutes in the World. They are happy that the Government have decided to set up the Power Research Institute in the country. They hope that the Institute will fulfil the long-felt need of a central organisation for applied research in power.

The Committee suggest that a phased programme for development of the two units of Power Research Institute at Bangalore and Bhopal may be drawn up. They feel that as foreign exchange required for the equipment of the Institute has been assured by the United Nations Special Fund, there should be no difficulty in adhering to the schedule.

REPLY OF GOVERNMENT

A programme for the development of the two Units of the Power Research Institute at Bangalore and Bhopal for the Third Five Year Plan has already been drawn up and approved by the Government

of India as well as by UNESCO. Out of the total provision of Rs. 83 lakhs for imported equipment, UNESCO has already placed orders for more than Rs. 60 lakhs of foreign equipment and orders for the rest of the equipment are under finalization. The initial work programme has been adopted in consultation with a technical committee comprising representatives of the Central Water and Power Commission and the Indian Institute of Science. A long-term phased programme would be drawn up towards the latter part of the Third Plan so that further arrangements for equipment through foreign aid, etc., could be explored.

[Ministry of Irrigation & Power O.M. No. 11(1)/63—Policy dated the 9th March, 1964].

Recommendation (Serial No. 46) Para No. 72

The Committee are glad that a practical beginning in undertaking studies for optimum voltage for regional power grids is being made in the Power Research Institute. They recommend that these studies should be expedited so that concrete suggestions for adoption of optimum voltage for transmission on the regional grids are forthcoming early.

REPLY OF GOVERNMENT

Preliminary investigations have revealed that 400 KV would be the optimum transmission voltage for regional power grids and investigations are being taken up in respect of technical aspects such as, voltage regulation, corona loss, radio interference, etc. One officer has been deputed to France, Sweden, Czechoslovakia and U.K. to study the methods and practices followed by these countries. Studies will also be made in collaboration with the Indian Institute of Science on the 400 KV experimental transmission line which is being erected by them.

[Ministry of Irrigation & Power O.M. No. 11(1)/63—Policy dated the 9th March, 1964].

Recommendation (Serial No. 47) Para No. 72

Another important matter which the Committee would like the Power Research Institute to examine expeditiously is the development of most economical and practical methods for making supports for power lines, particularly in the rural areas. The Committee are glad to note that the Power Research Institute is conducting some studies on the subject. They would like these to be expedited so that their suggestions can be put to practical use.

REPLY OF GOVERNMENT

The Power Research Institute has in hand investigations on the development of economical supports for rural power lines. In this connection, experiments are being conducted with pre-stressed concrete sections which could be easily transported and assembled at site and various types of composite poles made of concrete, wood etc.

[Ministry of Irrigation & Power O.M. No. 11(1)/63—Policy dated the 9th March, 1964].

Recommendation (Serial No. 48) Para No. 73

The Committee were informed during evidence that only five State Electricity Boards had so far established research units for undertaking research on fundamental and basic problems on power. The Committee would urge the Govt. to stress on the remaining State Boards the necessity of setting up research units at an early date.

REPLY OF GOVERNMENT

The State Electricity Boards have no doubt been rather slow in setting up individual research units despite considerable persuasion by the Central Board of Irrigation & Power and the Central Water & Power Commission. The Director, Power Research Institute, Bangalore, is the convener of the Research Sub-Committee on power in the Central Board of Irrigation & Power. During the meetings of this Committee, held on 10th January, 1963 and 13th November, 1963 the need and urgency for setting up research centres in the various Boards have been strongly urged and a number of other States have since agreed to set up the Research Units.

[Ministry of Irrigation & Power O.M. No. 11(1)/63—Policy dated the 9th March, 1964].

Recommendation (Serial No. 49) Para No. 73

It has been represented to the Committee that financial assistance given by the Central Board of I.&P. to the State Electricity Boards is not sufficient for obtaining the necessary equipment for research. It has also been represented that the procedure for import of research equipment is cumbersome and needs to be simplified.

The Committee would like the Government to look into these and other related difficulties being experienced by the State Electricity Boards so that the State Research units do not feel handicapped in the matter of equipment.

REPLY OF GOVERNMENT

The financial assistance of Rs. 30 lakh earmarked for this purpose is considered adequate, as only a small fraction of this amount has been availed of by the State Electricity Boards during the first two years of the Third Five Year Plan. The release of foreign exchange for certain essential imported equipment has also been recommended. It is expected that, during the next two to three years, a number of Research Centres would be functioning under different State Electricity Boards.

[Ministry of Irrigation and Power O.M. No. 11(1)/63-Policy dated the 9th March, 1964].

Recommendation (Serial No. 50) Para No. 75

The Committee are glad to learn of the progress made in imparting training in the method of hot line maintenance of high voltage transmission lines. They hope that the training would enable the electricity undertakings to increase the reliability of supply.

REPLY OF GOVERNMENT

This Ministry is keeping a careful watch on the progress made in the various States in implementing hot-line techniques and thereby ensuring a greater degree of reliability of power supply. This Ministry are continuing to render the necessary advice and assistance to all the Electricity Undertakings for expanding progressively the application of hot-line techniques in which a beginning only has been made in this country in recent years.

[Ministry of Irrigation & Power O.M. No. 11(1)/63—Policy dated the 9th March, 1964].

Recommendation (Serial No. 51) Para No. 77

The Committee consider that as power targets are likely to be perceptibly increased in the Fourth and succeeding Plans, there is bound to be steep increase in the requirements of technical personnel. They are glad to note that one of the terms of reference of the Power and Energy Committee is to go into the requirements of skilled manpower for construction, operation and maintenance of power systems. The Committee hope that suitable action would be taken by Government to augment training facilities to meet the requirements of technical personnel in the light of findings of the Power and Energy Survey Committee.

REPLY OF GOVERNMENT

The first Electric Power Survey Committee, in its preliminary report, had recommended that a Working Group should carry out a survey of skilled man-power requirements for construction, operation and maintenance of power systems under the direction of Prof. M. S. Thacker, Member, Planning Commission. Accordingly, the Working Group has been set up. Its report is awaited.

[Ministry of Irrigation and Power O.M. No. 11 (1)/63-Policy dated the 9th March, 1964].

FURTHER INFORMATION CALLED FOR BY THE COMMITTEE

The recommendations of the Working Group and action taken by the Government thereon may be indicated.

[Lok Sabha Secretariat O.M. No. 5 (13) EC/64, dated the 13th October 1964]

FURTHER REPLY RECEIVED FROM GOVERNMENT

The Working Group (Committee) to carry out the survey of skilled man-power requirements for construction, operation and maintenance of power projects connected with the power supply industry held 3 meetings on 14th October 1963, 13th April 1964 and 16th June 1964 respectively, under the Chairmanship of Prof. M. S. Thacker, Member, Planning Commission. The Working Group (Committee on Skilled Man Power) recommended that a new Directorate for survey of Skilled Man Power may be set up in the Central Water and Power Commission. Consequently, a Man Power Directorate has been set up in the Commission. This Directorate is now working on collection of data for assessing the Skilled Man Power requirements at various levels in the country for construction, operation and maintenance of Power Projects connected with the Power Supply Industry. These data will be placed before the Working Group (Committee on Skilled Man Power) to bring out its report.

[Ministry of Irrigation and Power O.M. No. 11 (1)/63-Policy dated the 7th January, 1965]

Recommendation (Serial No. 52) Para No. 78

The Committee feel that as India has enough of experience in the designing and construction of hydel works, it should be possible to persuade the International agencies and countries giving foreign aid not to insist on employment of foreign consultants.

REPLY OF GOVERNMENT

The Specialized Engineering Organization is in the process of being set up. When this is in a position to give adequate services as technical consultants, it would be possible to persuade International agencies and countries giving foreign aid not to insist on employment of foreign consultants.

[Ministry of Irrigation & Power O.M. No. 11(1)/63—Policy dated the 9th March, 1964].

Recommendation (Serial No. 53) Para Nos. 81-82

(i) The Committee are glad to learn that the Planning Cell at Madras had been able to effect a substantial saving to the tune of several lakhs, which would have otherwise been paid to the Russians by way of consultation fees for designing, installation etc. of the Neyveli Thermal Power Stations. The Study Group were also glad to learn that the Planning Cell was confident of preparing detailed designs for power equipment and supervise its installation and operation thus discharging all the functions of the technical consultants.

(ii) Certain shortages in the category of technical officers in the Planning Cell were brought to the notice of the Study Group during its visit to Madras in September, 1962. The Committee hope that the shortage of technical staff in the Planning Cell would be made good at an early date.

(iii) The Committee would like the Government to so organize the specialised Engineering Organization that it is able to discharge fully the responsibilities of technical consultants.

(iv) The Committee are also glad to note that Tatas have set up a consultant organization (Tata Ebasco Services Ltd.) in collaboration with a foreign firm which would be largely manned by Indian Engineers.

(v) The Committee hope that no effort would be spared in developing the specialized Engineering Organisation and other consultancy service within the country without further loss of time. They feel confident that if a proficient technical consultant service is built up within the country, it should not be too difficult to persuade even the countries giving aid for power schemes not to insist on employment of foreign consultants so that as much of foreign exchange as possible is saved.

REPLY OF GOVERNMENT

53 (i) Noted.

53 (ii). The shortage of staff has been made good by filling up of a number of vacancies. However, these officers need specialised training before they could take up their job. The training is being arranged.

53 (iii) The staff required for the Specialized Engineering Organization is being trained and some trained staff is already in position. The complementary staff to enable these officers to form an agency so as to discharge fully the responsibilities of technical consultants is being placed in position. Arrangements are also being made to provide adequate working space to enable the staff function efficiently. Vigorous action is already being taken to establish the Specialized Engineering Organization to its full operating capacity.

53 (iv) Noted.

53 (v) As already stated under Serial No. 52 above, vigorous steps are being taken to establish the Specialized Engineering Organization. Proficient technical consultancy services are already available to a large extent. The availability of these services would, no doubt, be taken into consideration when the question of further foreign aids involving employment of foreign consultants is examined and negotiated.

[Ministry of Irrigation & Power O.M. No. 11(1)/63—Policy dated the 9th March, 1964].

CHAPTER III

RECOMMENDATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF THE GOVERNMENT'S REPLY

Recommendation (Serial No. 11) Para No. 26

It is a matter of concern that the firm generating capacity in the country would continue to lag behind the anticipated demand throughout the Third Five Year Plan. The position is likely to improve somewhat during the last year of the Third Plan but the Committee note that the over-all shortage would in fact increase from 353.1 MW in 1961 to 455.7 MW in 1966. Power-supply at the end of the Plan is expected to be short in all the States except Jammu and Kashmir, Kerala, Rajasthan and Delhi. The shortage is expected to be the heaviest (202.5 MW) in Bihar-DVC-West Bengal region. The additional requirements of power for the defence-based industries may further aggravate the shortage.

REPLY OF GOVERNMENT

Recognizing the need for close and continuous attention to perspective planning the programme of power development in the Third Plan was reviewed in 1963. This study disclosed that the total generating capacity in the country by the end of the Third Plan is expected to be of the order of 12.5 million kW. The benefits in the Fourth Plan from schemes continuing from Third Plan were estimated at about 5 million kW bringing the total capacity to about 17.5 million kW. The first Annual Power Survey by the Electric Power Survey Committee appointed by the Government of India disclosed that all States except Mysore, Kerala, Delhi, Assam and J.&K. will have power shortage if additional generating units are not commissioned by the middle of the Fourth Plan. This Committee had also observed that "if the unfortunate experience of India during the early years of Second and Third Five Year Plans is not to be repeated during the Fourth Plan period, it is necessary for the appropriate agencies to take decisions on the quantum of power that should be generated in the Fourth Plan immediately and to proceed to sanction such schemes and take all effective steps urgently to bring these stations into commission.

Working on the same approach, a draft report suggesting power development programme for the Fourth Plan was prepared by the

CW&PC., and forwarded to the State Governments in June, 1962. The proposals were also discussed by the CW&PC with the States concerned on the technical level. With a view to catering for the load demands arising in various States, the CW&PC have suggested a list of schemes which need to be authorised in 1963-64 and 1964-65. As stated against S. No. 6, some of these schemes have already been sanctioned for implementation.

[Ministry of Irrigation & Power O.M. No. 11(1)/63-Policy dated the 9th March, 1964]

FURTHER INFORMATION CALLED FOR BY THE COMMITTEE

As stated in para 26 of the 30th Report, the Committee were informed that due to certain subsequent changes, the statement furnished to the Estimates Committee at that time (Appendix 7 of the 30th Report) was under revision. In view of this, the Ministry may furnish a revised statement.

[Lok Sabha Secretariat O.M. No. 5(13) EC/63 dated the 13th October, 1964]

FURTHER REPLY RECEIVED FROM GOVERNMENT

Revised statement is attached herewith. (Appendix II).

[Ministry of Irrigation & Power O.M. No. 11(1)/63-Policy dated the 23rd April, 1965]

Recommendation (Serial No. 13) Para No. 28

The Committee understand that Government have only sanctioned upto 25,000 kW for the present and that the proposal for the remaining 75,000 kW had been kept in suspense.

In view of the need for meeting power requirements on emergency basis, the Committee recommend that urgent action may be taken to procure the standby units to the entire capacity of 1,00,000 kW.

REPLY OF THE GOVERNMENT

Against the original plan to procure standby mobile thermal generating plants for meeting emergent requirements, to the extent of 1,00,000 kW, for want of foreign exchange, the purchases have, for

the present, been restricted to 25,000 KW. The question of adding more mobile sets, as contemplated earlier, has not been dropped.

[Ministry of Irrigation & Power O.M. No. 11(1)/63-Policy dated the 9th March, 1964]

FURTHER INFORMATION CALLED FOR BY THE COMMITTEE

The latest position about the remaining units of 75,000 kW may be indicated.

[Lok Sabha Secretariat O.M. No. 5(13) EC/64, dated the 13th October, 1964]

FURTHER REPLY RECEIVED FROM GOVERNMENT

The proposal for the purchase of the remaining units of 75,000 kW has been shelved for the present owing to foreign exchange difficulties.

[Ministry of Irrigation & Power O.M. No. 11(1)/63-Policy dated the 7th January, 1965]

COMMENTS OF THE COMMITTEE

The Committee may be informed about any further progress made in this matter.

Recommendation (Serial No. 35) Para No. 56

The Committee would further suggest that to end uncertainty about the supply of power for railway traction, the Central Electricity Authority may at the time of sanctioning new projects of State Electricity Boards and other generating authorities earmark the power which they have to make available for railway traction.

REPLY OF GOVERNMENT

The present procedure of sanctioning the power Projects takes into account the load survey and assessment made by the CWPC in respect of load demands in the various States in consultation with the concerned State Electricity Boards and other Power Supply Authorities. The State Electricity Boards, on the basis of the agreed estimated demand, draw up their Power Supply, Generation, Transmission and Distribution Schemes, which include all the important loads proposed to be served by the schemes. These schemes are scrutinized by the CW&PC and are submitted to the Advisory Committee on Irrigation, Flood and Power Projects for their approval.

If, therefore, the Railways were to draw up a schedule of their power requirements and the location where it is intended to be utilized in advance and advise the concerned State Electricity Boards (under advice to the CW&PC), these would be taken into account by these agencies in their planning for power development.

Ear-marking of generating capacity for Railway Electrification is not considered advisable as the Power Project Authorities who have executed projects at enormous cost cannot afford to keep their plant capacity idle, if the anticipated Railway Electrification loads do not materialise. When the Generating Stations etc. are commissioned, reservation of generating capacity etc. is feasible only when the Railways have co-ordinated their programme of electrification in such a way as to fit in with the programme of commissioning of the plant capacity by the Project Authorities. The Central Electricity Authority is not a sanctioning authority but only a recommendatory body in respect of projects costing more than Rs. 100 lakhs and, as such, it is not competent to direct the Project Authorities to reserve power for Railway Electrification.

[Ministry of Irrigation & Power O.M. No. 11(1)/63-Policy dated the 9th March, 1965]

COMMENTS OF THE COMMITTEE

The Committee while recognising the limited authority of the Central Electricity Authority would, however, desire the Government to develop some co-ordination with the Railways so that the Railway electrification schemes may not have to face the problem of shortage of power.

CHAPTER IV

RECOMMENDATIONS IN RESPECT OF WHICH REPLIES OF GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE

Recommendation (Serial No. 1) Para No. 7

The Committee note that though the D.V.C. had initiated the proposal for installing the fourth power generating unit at Bokaro as early as April, 1953 the project was cleared for execution by the Government of India only in May, 1956. This period of more than three years was passed in correspondence and conferences between the Ministry of Irrigation and Power, Damodar Valley Corporation, Central Water and Power Commission, the participating Governments, and the Planning Commission. This is but one of the instances which goes to show how multiplicity of organizations for vetting power schemes result in delay. The multiplicity of organizations also make it difficult to pin-point the responsibility for such delays. The Committee cannot, therefore, too strongly stress the need for streamlining the procedure so that power schemes are vetted and sanctioned more expeditiously.

REPLY OF GOVERNMENT

The present procedure for technical examination of schemes is as follows:—

After a scheme report involving power generation is received from the State Government/State Electricity Board in the Central Water and Power Commission, immediate arrangements are made to distribute copies thereof to the various Directorates of the Commission and to the Technical Section of the Ministry of Finance for scrutiny and comments. Then, after the comments are received and coordinated, the State Governments/State Electricity Board concerned is addressed in case any clarification is required or in case it is found necessary to modify the scope of the scheme. Clarifications/data received from the State Government/State Electricity Board are examined and, if found satisfactory, final comments are prepared and submitted for consideration of the Advisory Committee on Irrigation, Flood Control and Power Project set up by the

Planning Commission. After clearance of the project report by this Committee, formal sanction to the scheme report is issued by the Planning Commission.

This procedure has to be followed unless the scope of technical examination is revised. Such a revision is not possible as it is essential to ensure the technical feasibility and soundness of the schemes.

In this connection, the factual position in regard to the technical examination of a few important schemes is given below:—

Name of the Scheme	Date of receipt of scheme report	Date when sanction was received	Time involved
1. Vidharbha Grid Scheme	3-5-1961	26-10-1961	5 months 23 days
2. Koyna-Sholapur supplementary scheme	13-5-1961	26-10-1961	5 months 13 days
3. Koyna-Sholapur scheme stage-II	5-6-1961	26-10-1961	4 months 21 days
4. Nasik-Niphad Scheme	4-2-1961	26-10-1961	8 months 22 days

The technical examination in the various Directorates of the Central Water and Power Commission and in the Technical Section of the Ministry of Finance as well as enquiries for obtaining necessary clarification from the project authorities normally takes a period of three to six months. In case the examination of a scheme report indicates need for major amendments this period extends, sometimes up to two years. No such difficulty was, however, experienced in the case of projects referred to above and, considering the fact that no meeting of the Advisory Committee was held between 19th June 1961 and 26th October 1961, it will be seen that there was no delay in sanctioning the schemes.

[Ministry of Irrigation and Power O.M.No. 11(1)/63-Policy dated the 9th March, 1964].

COMMENTS OF THE COMMITTEE

Please see Chapter I.

Recommendation (Serial No. 14) Para No. 29

The Committee have given careful thought to the question of smooth and effective functioning of the Damodar Valley Corporation in so far as it relates to generation and transmission of power in Bihar-West Bengal region. They cannot but agree with the following views expressed by the Public Accounts Committee in their Fifth Report (Third Lok Sabha) on the Audit Report on the Accounts of the Corporation for the year 1960-61:—

“.....They feel that time has come to make an overall assessment of the working of the Corporation and also to examine what amendments, if any, in the Damodar Valley Corporation Act are called for to achieve the objectives for which the Corporation was set up.”

REPLY OF GOVERNMENT

The question of re-organisation of the Damodar Valley Corporation is under consideration of the Government of India in consultation with the two participating State Governments.

[Ministry of Irrigation & Power O.M. No. 11(1)/63-Policy dated the 9th March, 1965]

COMMENTS OF THE COMMITTEE

The Committee agree with the following views expressed by the Public Accounts Committee in their Fifteenth Report (Third Lok Sabha) on the Audit Report of the Accounts of the Damodar Valley Corporation for the year 1961-62:

“The Committee trust that vigorous steps will be taken to settle the outstanding differences between the participating Governments and to reorganise the Corporation by suitably amending the Act where necessary”.

NEW DELHI;

February, 11, 1966.

Magha 22, 1887 (Saka).

ARUN CHANDRA GUHA,

Chairman.

Estimates Committee.

APPENDIX I

(Vide Serial No. 20 in Chapter II)

Instructions issued by C.W. and P.C.

C.W. & P.C. (PW)—T.E.C. DTE.

SUBJECT: *Technical Examination*

The Minister, Deputy Minister and Secretary, Ministry of Irrigation and Power have recently been discussing with the Chairman Vice-Chairman and Members of the Commission the question regarding delays in the examination of scheme reports received from the various States/State Electricity Boards. It is important that the processing of the Project reports is completed in the minimum possible time. With this object in view, the following procedure may be followed in future:—

(1) *Thermal Schemes.*

Immediately on receipt, three copies of the project report will be forwarded by Director, T.E.C. to Member (Thermal). He will have all aspects of the scheme i.e. civil, mechanical and electrical examined as quickly as possible. It may be stated that at the project stage, the proposals have to be examined in a broad manner. The chief points which will need examination, are: sources of supply of coal, transport of coal, availability of water, etc. If after examination, certain clarifications are necessary or the scheme report needs to be modified in some manner, comments on the same will be forwarded by Member (Thermal) to the respective project authorities. Copies of such correspondence will be endorsed to Director, T.E.C. The matter will be followed up by Member (Thermal) to ensure that the scheme can be finalised at as early a date as possible so that the same can then be placed before the Technical Advisory Committee. After the Thermal Wing is satisfied about the technical feasibility of the scheme, a detailed note will be forwarded by them to Director, T.E.C. who will then take necessary further action for placing the case before the Technical Advisory Committee.

(2) *Hydro-electric Projects.*

Immediately on receipt, one copy of the project report will be forwarded to Director, Hydro-electric Planning and four copies

forwarded to Director, Technical Examination, Water Wing. Director, Hydro-electric Planning will examine the general planning of the project and if it is found to be unsatisfactory, comments on this aspect will be forwarded by him with the approval of Member (HE) to the State authorities stating further that the comments on other aspects of the project such as, designs, and estimates for civil works, etc. will follow. Copies of all such correspondence will be endorsed to Director, T.E.C. The Water Wing should be reminded at regular intervals to ensure that their comments are received at an early date. On receipt, these should be forwarded to Director, Hydro-electric Planning who will prepare a suitable note for putting up the case to the Technical Advisory Committee. Financial statements, etc. will be scrutinised and prepared by Director, Technical Examination.

(3) *Transmission Schemes.*

Immediately on receipt, three copies of the project report will be forwarded by Director Technical Examination to Director, Transmission who will then examine the same. If the proposals are not considered satisfactory, Director, Transmission, with the approval of Member (U), will take up the matter with the State authorities. Copies of all such correspondence will be endorsed to Director, Technical Examination. After the Transmission Directorate is satisfied about the technical feasibility of the proposals, a detailed note for putting up the case to the Technical Advisory Committee will then be prepared by them and forwarded to Director, Technical Examination for necessary further action. The scrutiny and preparation of financial statements etc. will be done by Director, Technical Examination.

(4) *Rural Electrification Schemes.*

These schemes will be dealt with by Director, Rural Electrification on lines similar to as outlined in the case of Transmission Schemes.

(5) In the case of the Project reports which include both generation and transmission, copies will be forwarded to the Directorates concerned. However, in regard to the aspects concerning them such as Director, Hydro-electric Planning for generation and Director, Transmission for Transmission they will deal with the matter in the

same manner as outlined above. After they are satisfied about the technical feasibility etc., detailed notes will then be forwarded by them to Director, Technical Examination.

The above procedure should be enforced with immediate effect.

Sd/K. P. S. NAIR,
Vice-Chairman.

No. 2/101/G/65-TEC.

Dated, the 4th January, 1965.

APPENDIX II

(Vide S. No. 11 in Chapter III)

Statement of Installed Capacity, Firm Capacity, Demand, Shortage/Surplus during Third Plan

Year commencing April	Installed capacity (MW)	Firm Capacity Bulk Supply (MW)	Estimated Demand (MW)	Estimated shortage (—) or Surplus (+) (MW)	REMARKS
1	2	3	4	5	6
ANDHRA PRADESH					
1961	214	103	172*	—69	*The peak demand was met by Orissa's share of Machkund, not utilised by Orissa.
1962	213	109	170*	—61	
1963	243	127	204*	—77	
1964	295	205	261	—56	
1965	278	205	432	—227	
1966	518	393	572	—179	
ASSAM					
1961	27	18	13	+5	
1962	38	26	20	+6	
1963	41	30	21	+9	
1964	127	67	27	+40	
1965	154	116	49	+67	
1966	192	161	78	+83	
BIHAR—DVC—WEST BENGAL					
1961	1062	771	806	—35	
1962	1065	898	929	—31	
1963	1166	987	1032	—45	
1964	1497	1100	1088	+12	
1965	2203	1543	1577	—34	
1966	2630	1915	1883	+32	

I	2	3	4	5	6
GUJARAT					
1961	338	255	245	+10	
1962	338	255	250	+5	
1963	401	298	294	+4	
1964	586	353	331	+22	
1965	638	465	451	+24	
1966	637	474	554	-80	
JAMMU AND KASHMIR					
1961	21	22	20	+2	
1962	25	27	21	+6	
1963	26	28	25	+3	
1964	27	29	29	..	
1965	42	32	45	-13	
1966	47	45	52	-7	
KERALA					
1961	148	137	136	+1	
1962	148	152	144	+8	
1963	193	190	153	+37	
1964	193	200	200	..	
1965	347	322	312	+10	
1966	572	461	352	+109	
MADHYA PRADESH					
1961	222	158	123	+35	
1962	220	156	130	+26	
1963	235	166	169	-3	
1964	293	218	200	+18	
1965	456	340	257	+83	
1966	599	450	329	+121	
MADRAS					
1961	560	439	460	-21	
1962	660	519	541	-22	
1963	815	598	650	-52	
1964	945	736	673	+63	
1965	1320	881	962	-81	
1966	1540	1025	1102	-77	

1	2	3	4	5	6
MAHARASHTRA					
1961	724	527	560	-33	
1962	958	729	615	+114	
1963	958	727	738	-11	
1964	1002	813	829	-16	
1965	1439	1190	1024	+166	
1966	1599	1273	1247	+26	
MYSORE					
1961	203	156	186	-30	
1962	217	157	187	-30	
1963	248	184	227	-43	
1964	371	314	314	..	
1965	615	462	462	..	
1966	881	729	590	+139	
ORISSA					
1961	164	152	132	+20	
1962	250	184	159	+25	
1963	310	183	168	+15	
1964	310	178	176	+2	
1965	435	293	251	+42	
1966	560	415	328	+87	
PUNJAB					
1961	574	338	280	+58	
1962	575	318	349	-31	
1963	585	364	395	-31	
1964	590	378	440	-62	
1965	708	422	520	-98	
1966	1208	561	580	-19	
RAJASTHAN					
1961	179	67	36	+31	
1962	179	67	46	+21	
1963	191	78	74	+4	
1964	199	79	72	+7	
1965	232	93	110	-17	
1966	372	194	151	+43	

1	2	3	4	5	6
UTTAR PRADESH					
1961	608	466	275	+191	
1962	664	438	368	+70	
1963	732	400	418	-18	
1964	757	526	507	+19	
1965	941	673	694	-21	
1966	1404	1010	924	+86	
DELHI					
1961	76	85	103	-18	
1962	76	102	106	-4	
1963	112	143	135	+8	
1964	112	153	138	+15	
1965	119	167	165	+2	
1966	239	251	200	+51	

APPENDIX III

Analysis of the action taken by Government on the recommendations contained in the Thirtieth Report of the Estimates Committee (Third Lok Sabha).

1. Total number of recommendations	53
2. Recommendations that have been accepted by Government. (<i>Vide</i> recommendation Nos. 2 to 10, 12, 15 to 34 and 36 to 53 referred to in Chapter II).	
Number	48
Percentage to total	90.5%
3. Recommendations which the Committee do not desire to pursue in view of the Government's reply. (<i>Vide</i> recommendation Nos. 11, 13 and 35 referred to in Chapter III).	
Number	3
Percentage to total	5.6%
4. Recommendations in respect of which replies of Government have not been accepted by the Committee. (<i>Vide</i> recommendation Nos. 1 and 14 referred to in Chapter IV.)	
Number	2
Percentage to total	3.9%

Sl. No.	Name of Agent	Agency No.	Sl. No.	Name of Agent	Agency No.
27.	Bahree Brothers, 188, Lajpatrai Market, Delhi-6.	27	33.	Bookwell, 4, Sant Narakari Colony, Kingsway Camp, Delhi-9.	96
28.	Jayana Book Depot, Chapparwala Kuan, Karol Bagh, New Delhi.	66		MANIPUR	
29.	Oxford Book & Stationery Company, Scindia House, Connaught Place, New Delhi.	68	34.	Shri N. Chaoba Singh, News Agent, Ramlal Paul High School annexe, Imphal.	77
30.	People's Publishing House, Rani Jhansi Road, New Delhi.	76		AGENTS IN FOREIGN COUNTRIES	
31.	The United Book Agency, 48, Amrit Kaur Market, Pahar Ganj, New Delhi.	88	35.	The Secretary, Establishment Department, The High Commission of India, India House, Aldwych, London, W.C. 2.	
32.	Hind Book House, 82, Janpath, New Delhi.	95			



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