

# LOK SABHA DEBATES

## LOK SABHA

Friday, March 14, 1997/Phalguna 23, 1918 (Saka)

*The Lok Sabha met at  
Eleven of the Clock*

[MR. DEPUTY SPEAKER in the Chair]

[English]

### OBITUARY REFERENCE

MR. DEPUTY-SPEAKER: Hon. Members, I have to inform the House with a deep sense of sorrow of the passing away of one of our esteemed friends, Shri Veerendra Patil.

Shri Veerendra Patil was a Member of Seventh and Eighth Lok Sabha representing Bagalkot and Gulbarga Parliamentary constituencies of Karnataka during 1980-84 and 1984-89.

Earlier he was a Member of erstwhile Hyderabad Legislative Assembly during 1952-56 and erstwhile Mysore Legislative Assembly during 1957-71. He was Chief Minister of erstwhile Mysore State during 1968-71 and served his State as Minister for several years and held various portfolios with distinctions.

Shri Patil was also a Member of Rajya Sabha during 1972-78. He also served as Chief Minister of Karnataka.

An able parliamentarian, Shri Patil held various portfolios as Minister in the Union Council of Ministers in different capacities during 1980-85.

A widely travelled person, he was government delegate to U.S.S.R. in 1965 and a member of Parliamentary Delegation to West Germany in 1973.

Shri Veerendra Patil passed away early morning today at Bangalore at the age of 73 years.

We deeply mourn the loss of this friend and, I am sure, the House will join me in conveying or condolences to the bereaved family.

The House may stand in silence for a short while as a mark of respect to the deceased.

11.02 hrs.

*The Members then stood in silence for a short while.*

11.04 hrs.

## ORAL ANSWERS TO QUESTIONS

[English]

### Mahanadi Coal Field

\*281. SHRI SARAT PATTANAYAK: Will the Minister of COAL be pleased to state:

(a) the total revenue generated by Mahanadi Coal Field Ltd. during the last three years;

(b) whether the Government propose to expand the operation in the said coal field; and

(c) if so, the details thereof?

[Translation]

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH): (a) The total revenue generated by Mahanadi Coalfields Limited (MCL) during the last three years is given below:

(Rs. in crores)

1995-96	1994-95	1993-94
1081.94	810.12	700.97

(b) Yes, Sir.

(c) The actual production of coal in MCL in 1995-96 was 32.71 million tonnes (mts.). the tentative targets of coal production of the company in 1996-97, 1997-98 and 2001-02, the terminal year of the Ninth Plan are 37.00 Mts., 39.50 mts. and 47.20 mts. respectively. Presently, MCL is having seven on-going coal projects with a total capacity of 22.60 million tonnes per year (mty). Moreover, advance action schemes have been sanctioned for six more coal projects of MCL with a total capacity of 20.35 mty.

[English]

SHRI SARAT PATTANAYAK: Hon. Deputy-Speaker, Sir, I would like to know from the hon. Minister through you that in order to improve the efficiency, whether the Government is considering to invite foreign investment or to privatise the operation of the Mahanadi Coalfield Ltd; and if so, the details thereof.

[Translation]

SHRIMATI KANTI SINGH: Mr. Deputy Speaker, Sir, so far as foreign investment is concerned, we are going to get one billion dollar from World Bank. The hon. Member may please repeat his question.

SHRI SARAT PATTANAYAK: Mr. Deputy Speaker, Sir, I would like to know from the hon. Minister that whether

the Government is ready to permit foreign investment and to allow privatisation in the country and whether the Government are encouraging these two things. Whether any agreement has been signed for private power plants, MCL etc.? If so, the period thereof and the terms and conditions in this regard.

SHRIMATI KANTI SINGH: Mr. Deputy Speaker, Sir, no privatisation is taking place. Those mines which are already existing in private sector, will remain there. The foreign investments are being made in new projects.

MR. DEPUTY SPEAKER: He is asking about the finance which you are getting from the foreign countries?

SHRIMATI KANTI SINGH: Foreign investment is allowed in the new projects.

[English]

SHRI SARAT PATTANAYAK: In view of the Supreme Court's decision to ban mining inside the forest areas of Orissa, the steps taken by the Mahanadi Coalfield to meet its objective of expansion, have come to a halt. Many new projects are there like Chandipura and Nauctidual. The Ministry of Environment has also given forest clearance. I would like to know whether the Department is interested to operate this or not.

[Translation]

SHRIMATI KANTI SINGH: Mr. Deputy Speaker, Sir, so far as forest clearance is concerned, we have already got it and we are also taking interest in Mahanadi Coalfields to operate it soon.

[English]

SHRI SARAT PATTANAYAK: In the forest areas of Orissa, there is a ban. The Supreme Court has given an order to ban the mining activities in the forest areas. I want a categorical reply from the Government whether the Government is going to operate new projects or not.

[Translation]

SHRIMATI KANTI SINGH: Mr. Deputy Speaker, Sir, the hon. Member has asked about the forest clearance and have mentioned the Supreme Court's order. In this connection, I would like to say that the work of our projects or companies will not be hampered in future due to forest clearance.

SARDAR SURJIT SINGH BARNALA: Mr. Deputy Speaker, Sir, we have two thermal power stations at Ropar and Bhatinda in Punjab. Only for three days coal is available for these two plants. If the coal is not sent there soon, power generation will stop there after three days. The same situation had arisen last year when we had to make much efforts to get coal and to keep the projects functioning. We are facing the same situation this year. Therefore, I request the hon. Minister to give an assurance in this House that the thermal power plants will not be allowed to be closed due to shortage of coal and adequate quantity

of coal will be made available to them.

[English]

Sir, it is an important matter. That is why, I raised it.

[Translation]

MR. DEPUTY SPEAKER: Barnalaji, your supplementary question is not related to the original question. Still if the Minister likes, she may give the reply thereto.

SHRIMATI KANTI SINGH: Mr. Deputy Speaker, Sir, the hon. Member has just now asked me about it. I have no information about it. I would like to tell the hon. Member that whenever any shortage is there, it will be met.

SHRI BASU DEB ACHARIA: Mr. Deputy Speaker, Sir the Mahanadi Coalfield is a new coal field under the Coal Field India Ltd., and it has largest reserve of coal. So, I would like to know from the Minister as to what are the investment proposals to increase the production of Mahanadi Coalfield during the Ninth Five Year Plan?

[English]

What is the investment proposal so that the production of Mahanadi Coalfield Ltd., can be increased and it can achieve its target?

[Translation]

SHRIMATI KANTI SINGH: The advance action plans approved for the projects of Mahanadi Coalfield are being implemented by the Company. The annual investment in Vasundhara West Open Cast Project is for 2.40 million tonne. It is included in Ninth Five Year Plan. Out of the total capital of 156.63, the investment is of 5.006. The investment in Chhedipada Open Cast Project is of Rs. two crores. An investment of Rs. 5.79 crores will be made in Bhuvaneshwari Open Cast Project. The investment in Hingala Open Cast Project is of Rs. 5.82 crores. The investment in Kaniah open Cast Project and Kulda Open Cast Project are to the tune of Rs. 6.39 crores and Rs. 8.62 crores respectively.

[English]

SHRI ANADI CHARAN SAHU: May I request the hon. Minister to intimate the names of the seven on-going projects in Mahanadi Coalfields?

Moreover, there is one defect with the Mahanadi Coalfields. They do not take up proper sand filling. May I know from the hon. Minister as to what amount has been sanctioned for, all these on-going projects, for sand filling purposes after the coal has been taken out?

[Translation]

SHRIMATI KANTI SINGH: The on-going projects are

nine and not seven. We are going to invest Rs. 756.60 million crores in them.

[English]

SHRIMATI GEETA MUKHERJEE: She must be given proper notice to answer about sand filling.

MR. DEPUTY SPEAKER: She is consulting the papers.

[Translation]

SHRIMATI KANTI SINGH: About sand filling, I will say that whatever amount has been allocated for it, it is fully being released to them.

[English]

SHRI K.P. SINGH DEO: You may kindly allow Shri Panigrahi and me to ask supplementary on it. We belong to the Mahanadi Coalfield areas.

[Translation]

MR. DEPUTY SPEAKER: Five supplementaries have already been asked. If the House permits, I have no objection at all but the decision will be yours.

SHRI NITISH KUMAR: Mr. Deputy Speaker, Sir, I request you that such a rule should not be enacted.

[English]

SHRI K.P. SINGH DEO (DHENKANAL): We tried to catch your eye but failed. What can we do?

MR. DEPUTY-SPEAKER: All right.

[Translation]

SHRIMATI SUMITRA MAHAJAN: Mr. Deputy Speaker Sir, the vehicle is running in reverse.

MR. DEPUTY SPEAKER: It was missed. I will just call.

[English]

SHRI K.P. SINGH DEO: Sir, one-third of the coal reserves of India is in Ib Valley and Mahanadi Coalfields. The hon. Minister's distinguished predecessor, the hon. Speaker at the moment, had announced that a massive Rs. 1200 crore project was being taken up for Mahanadi Coalfields, when he inaugurated it in Sambalpur. Now Mahanadi Coalfields will be feeding six steel plants in Dubhri and all the power houses of South India. Last year, the Coal Ministry as well as the Government of Orissa inaugurated the Chhendipada Open cast project in the month of March 1996. Till today no work has started. When will the work start and what are the impediments in the way? Why was it inaugurated one year back and why no work has started? May I have answers to these questions?

[Translation]

SMT. KANTI SINGH: It was inaugurated one year ago and the company is taking action. If you want some special information then you can ask as ... (Interruption)

MR. DEPUTY SPEAKER: We can conclude it in one minute, instead of five, seven supplementary can be asked

(Interruptions)

[English]

SHRI SRIBALABH PANIGRAHI: This question relates to my constituency directly.

[Translation]

Mahanadi Colfields is the junior most company but it is the best in India in respect of profitability, growth rate and productivity. A target of 47.20 lakhs has been fixed till the end of the Ninth Plan and what is position regarding land acquisition and our other requirements? Then, Government have just adopted their Chari Committee Report.

[English]

It means a reversal of the Government's policy and privatisation of coal industry and coalfields is going to take place.

[Translation]

Recently import duty on coal has been reduced and it is causing loss to entire coal industry a dangerous situation has been created and challenging situation has arisen and under it, the target of 47.20 lakhs fixed for Mahanadi Coalfields will be achieved in Ninth Plan or not? What is the present position regarding the provision of funds made for this purpose and whether the Ministry will give its reply?

SHRI K.P. SINGH DEO: He has already talked about privatisation.

SHRIMATI KANTI SINGH: Privatisation is not being done. As mentioned by the Hon. Member just now. Our Govt. have a scheme ... (Interruptions)

SHRI SRIBALLABH PANIGRAHI: Now, your coal will be cheaper.

MR. DEPUTY SPEAKER: You have asked. All right.

SHRIMATI KANTI SINGH: Regarding import, you have said that it has been reduced, what will happen? If we offer to private parties then it will create sense of competitiveness and our companies will also perform better ... (Interruptions)

MR. DEPUTY SPEAKER: Now instead of five, seven supplementaries have been asked. You can ask next supplementary under another question.

(Interruptions)

[English]

#### Tax Holiday to Industrially Backward Areas

+  
\*282. SHRI KASHI RAM RANA:  
SHRI BRAJ MOHAN RAM:

Will the Minister of FINANCE be pleased to state: