

21

STANDING COMMITTEE  
ON ENERGY  
(2001)  
THIRTEENTH LOK SABHA

DEPARTMENT OF ATOMIC ENERGY

DEMANDS FOR GRANTS  
(2001-02)

[Action Taken by the Government on the Recommendations contained in the Fourteenth Report of the Standing Committee on Energy (Thirteenth Lok Sabha)]

**TWENTY FIRST REPORT**



LOK SABHA SECRETARIAT  
NEW DELHI  
December, 2001/ Agrahayana, 1923 (Saka)

## CONTENTS

COMPOSITION OF THE COMMITTEE.....	
COMPOSITION OF THE SUB-COMMITTEE ON ACTION REPORTS.....	
INTRODUCTION.....	.....

CHAPTER I	REPORT .....
CHAPTER II	Recommendations/Observations that have been accepted by the Government .....
CHAPTER III	Recommendations/Observations which the Committee do not desire to pursue in view of the Government's replies.....
CHAPTER IV	Recommendations/Observations in respect of which replies of the Government have not been accepted by the Committee.....
CHAPTER V	Recommendations/Observations in respect of which final replies of the Government are still awaited.....

### ANNEXURES

I	Minutes of the First sitting of the Sub-Committee on Action Taken Reports held on 12.12.2001.....
II	Minutes of the Nineteenth sitting of the Standing Committee on held on 12.12.2001.....
III.	Analysis of Action Taken by the Government on the Recommendations contained in the Fourteenth Report of the Standing Committee on Energy (Thirteenth Lok Sabha)

**COMPOSITION OF THE STANDING COMMITTEE ON ENERGY**  
**(2001)**

**Shri Sontosh Mohan Dev - Chairman**

**MEMBERS**

**Lok Sabha**

2. Shri Basudeb Acharia
3. Shri Prasanna Acharya
4. Shri Prakash Yashwant Ambedkar
5. Shri Rajbhar Babban
6. Shri Vijayendra Pal Singh Badnore
7. Shri Jagmeet Singh Brar
8. Shri Lal Muni Chaubey
9. Shri A.B.A. Chani Khan Choudhury
10. Shri Bikash Chowdhury
11. Shri M. Durai
12. Kumari Bhavana Pundlikrao Gawali
13. Shri Sanat Kumar Mandal
14. Shri K. Muraleedharan
15. Shri Amar Roy Pradhan
16. Shri Ravindra Kumar Pandey
17. Shri Dalpat Singh Parste
18. Shri B.V.N. Reddy
19. Shri Chada Suresh Reddy
20. Shri B. Satyanarayana
21. Shri C.K. Jaffer Sharief
22. Shri Chandra Pratap Singh
23. Shri Tilakdhari Prasad Singh
24. Shri Manoj Sinha
25. Shri Ramji Lal Suman
26. Prof. Ummareddy Venkateswarlu
27. Shri P.R. Khunte
28. Shri Girdhari Lal Bhargava
29. Shri Trilochan Kanungo
30. Shri Harpal Singh Sathi

Rajya Sabha

31. Shri Lakhiram Agarwal
32. Shri Gandhi Azad
33. Shri Santosh Bagrodia
34. Shri Brahamakumar Bhatt

35. Shri Dara Singh Chauhan
36. Shri Manohar Kant Dhyani
37. Shri Aimaduddin Ahmad Khan (Durru)
38. Shri R.P. Goenka
- \*39. Shri Vedprakash P. Goyal
40. Shri Rama Shanker Kaushik
41. Shri B.J. Panda
42. Shri V.V. Raghavan
43. Dr. Akhtar Hasan Rizvi
44. Shri Ramamuni Reddy Sirigireddy
45. Ven'ble Dhamma Viriyo

### **SECRETARIAT**

- |                       |   |                      |
|-----------------------|---|----------------------|
| 1. Shri John Joseph   | - | Additional Secretary |
| 2. Shri P.K. Bhandari | - | Director             |
| 3. Shri R.S. Kambo    | - | Under Secretary      |
| 4. Shri P.C. Tripathy | - | Assistant Director   |

---

\*Ceased to be Member of the Committee w.e.f. 1.9.2001 consequent upon his induction  
in Union Cabinet

**COMPOSITION OF SUB-COMMITTEE ON  
ACTION TAKEN REPORTS**

- Shri Sontosh Mohan Dev - Chairman
2. Shri Tilakdhari Prasad Singh - Convenor
  3. Shri Basudeb Acharia
  4. Shri Prakash Yashwant Ambedkar
  5. Shri Vijayendra Pal Singh Badnore
  6. Shri Santosh Bagrodia
  7. Shri Jagmeet Singh Brar
  8. Shri A.B.A. Ghani Khan Choudhury
  9. Shri Amar Roy Pradhan
  10. Shri C.K. Jaffer Sharief
  11. Prof. Ummareddy Venkateswarlu

## INTRODUCTION

I, the Chairman, Standing Committee on Energy having been authorized by the Committee to present the Report on their behalf, present this 21<sup>st</sup> Report on the Action Taken by the Government on the recommendations contained in the 14th Report of the Standing Committee on Energy on the Demands for Grants (2001-02) of Department of Atomic Energy.

2. The Fourteenth Report of the Standing Committee on Energy was presented to Lok Sabha on 19th April, 2001. Replies of the Government to all the recommendations contained in the Report were received on 19<sup>th</sup> October, 2001 from the Department of Atomic Energy.

3. The Sub-Committee on Action Taken Reports as well as Standing Committee on Energy considered and adopted this Report at their sittings held on 12th December, 2001.

4. An Analysis of the action taken by the Government on the recommendations contained in the Fourteenth Report of the Committee is given at Annexure-III.

5. For facility of reference and convenience, the observations and recommendations of the Committee have been printed in bold letters in the body of the Report.

New Delhi;  
December 14, 2001  
Agrahayana 23, 1922 (Saka)

SONTOSH MOHAN DEV  
Chairman,  
Standing Committee on Energy.

## CHAPTER I

### REPORT

This Report of the Committee deals with the Action Taken by the Government on the recommendations contained in the Fourteenth Report (Thirteenth Lok Sabha) of the Standing Committee on Energy on the “Demands for Grants (2001-2002) of the Department of Atomic Energy” which was presented to the Lok Sabha on 19th April, 2001.

2. Action taken notes have been received, from the Government in respect of all the recommendations contained in the Report and these were further updated. These have been categorized as follows:-

- (i) Recommendations/Observations which have been accepted by the Government:  
Sl. Nos. 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11 & 12
- (ii) Recommendations/Observations which the Committee do not desire to pursue in view of the Government's replies:  
Nil
- (iii) Recommendations/Observations in respect of which the replies of the Government have not been accepted by the Committee:  
Sl. No. 13
- (iv) Recommendations/Observations in respect of which the final replies of the Government are still awaited:  
Nil

3. The Committee will now deal with the Action Taken by the Government on some of their Recommendations/Observations made in Fourteenth Report.

#### **A. Budgetary Allocation**

##### **Recommendation (Sl. No. 1, Para N. 2.20)**

4. The Committee had noted with concern that out of a budgetary support component of Rs. 4518.38 crore during the year 1999-2000, the actual expenditure by the Department had been to the tune of Rs. 4354.72 crore only, thereby registering a shortfall of Rs. 163.66 crore. They had expressed their unhappiness over the fact that two of the three Sectors of the Department viz. Power and Industries & Minerals (I&M) Sectors had registered shortfalls in incurring expenditure out of the budgetary support component by Rs. 67.75 crore and Rs. 109.34 crore respectively. The Committee were worried by the fact that the Plan expenditure in the budgetary support component during the year 1999-2000 had fallen short of the Plan budgetary allocation by Rs. 168.86 crore. Shortfalls had been registered in the Plan expenditure by all the three Sectors of the

Department viz. Power, I&M and Research & Development (R&D) Sectors during 1999-2000. While the R&D Sector had done well to restrict this shortfall to a negligible Rs. 4.01 crore, the I&M and Power Sectors had unwisely registered shortfalls to the extent of Rs. 99.87 crore and Rs. 64.98 crore respectively. While the shortfall in the Plan expenditure in the I&M Sector had been attributed to non-release of equity for the Uranium Corporation of India Limited (UCIL) due to difficulties in the import of a strategic equipment, non-release of funds to the Indian Rare Earths Limited (IREL) for the joint venture project, rescheduling of projects in respect of the Board of Radiation and Isotope Technology (BRIT) and the Nuclear Fuel Complex (NFC) schemes, etc., the same in the Power Sector had been ascribed to the delay in preparation of Detailed Project Report and other preparatory works for the Kudankulam Power Project, rescheduling of procurement of equipment, delay in finalising of overall plan and infrastructural facilities, delay in Consultancy contracts of the Prototype Fast Breeder Reactor (PFBR) Phase-11, postponement of delivery schedule of equipment, engineering design and development, etc. The reasons cited by the Department were not such which the Department could not have visualised in advance. The Committee had taken a serious note of the failure of the Department to fully utilise the budgetary allocations year after year and recommended that while framing their financial and physical targets, the Department should make a realistic estimate after evaluating each and every scheme meticulously so as to avoid setbacks to their Plan activities.

5. The Department of Atomic Energy, in their reply, have inter-alia cited the following reasons for shortfall in expenditure during 1999-2000:-

**Power Sector:**

- (i) **NPCIL:** Russian credit (routed through budget) of Rs.102 crores could only be utilised to the extent of Rs. 59 crore. NPCIL and M/s. Atomostroy export signed the contract for preparation of Detailed Project Report (DPR) for the Kudankulam Project on 20th July, 1998. The DPR contract became effective from 4th April, 1999, after completion of ratification of the Supplement to Inter-Governmental Agreement (ICA) of 1988 by Government of India, approbation of the contract by the Government of India and finalisation of technical procedure for keeping records and repayment of credit extended in accordance to the supplement. This task involved a large number of Government agencies/Ministries and it was difficult to estimate the time required by them for vetting and clearing the various aspects for finalisation, as this is the first mega project of this type being implemented in the country.
- (ii) **BARC:** The reduction of provision in RE stage was due to the fact that some of the critical equipment required for strategic purpose had been denied by the suppliers. However, it was possible to procure the said equipment in the following financial year.

**I&M Sector:**



- (i) **UCIL.** Originally it was assumed that the winder for the Third Stage Shaft Sinking Project of Uranium Corporation of India Limited (UCIL) would be purchased during 1999-2000. But due to sanction imposed on India, immediately after Pokhran Nuclear Tests in the year 1998, the original purchase plan could not be materialised.
- (ii) **IREL:** Indian Rare Earths Limited had entered into an agreement with M/s. Austpac Resources NL, Australia (Austpac) on 2nd August, 1999 for a Joint Venture to set up a demonstration plant of 10,000 tons per annum of Synthetic Rutile at OSCOM unit. The JV had filed an application to Foreign Investment Promotion Board (FIPB) for Foreign Direct Investment, which was considered and cleared in April, 2000 and forwarded to the Minister for approval. But JV Company has not received any communication of approval from FIPB. Again, JV agreement of IREL with Andhra Pradesh Mineral Development Corporation (APMDC) to implement Bhimili project in Andhra Pradesh got a setback due to rejection of Environment & Forestry clearance from Govt. of India citing the presence of Olive Ridley Turtles nesting in the coastal stretch of mineral deposits. Hence the funds for the JV could not be released.
- (iii) **Board of Radiation and Isotope Technology (BRIT):** The shortfall in expenditure was mainly due to delay in preparation of Architectural drawings for the Project-Augmentation of Cobalt-60 Handling Facility owing to pre-occupation of the engineers responsible for this work with other priority jobs. As the new Plant was to be set up in place of existing old one, without disturbing the production schedule the allocation made for the Project-Augmentation of Radiochemical Laboratory could not be utilised to the maximum extent. Delay in finalisation of site and consequent delay in commencement of Civil & Electrical Works for the Test Facility under the Project-Design and Development of Radiation Equipment further added to the shortfall.
- (iv) **Nuclear Fuel Complex (NFC)** Major savings were under the following projects:
1. Pilot Plant for Development of Pyrochemical Process
  2. Titanium Sponge Project.
  3. Dovetailing of 37 Element PHWR Fuel
  4. Advanced material Processing and Characterization Facilities

The Pilot Plant for Development of Pyrochemical Process is an R&D Project for the development of the advanced Eco-friendly and economically attractive technology for producing hafnium-free zirconium tetrachloride directly from raw materials mineral zircon involving only few process steps. This project involves the design and development of various sub-systems fabricated in high temperature nickel alloys such as Inconel-600, for operation in highly corrosive molten. Salt systems and thereafter integration and commissioning of the Pilot Plant. In the year 1999-2000, the provision was mainly for the procurement of Inconel-600 billets and conversion to seamless pipes. The billet material was received from the supplier during the end of March, 2000, but the

payment could not be released as the test reports were not complete and hence savings during that year.

The Titanium Sponge Project was initially envisaged to be implemented as joint Venture in 1993-94 and the same did not materialise. The scope of the Project was revised in mid-1999 for putting up 400 tpa Titanium Sponge Plant and 500 tpa Zirconium Oxide Plant and the proposal submitted to the Department for sanction. The provision made in 1999-2000, was mainly for commencing preliminary project work mainly including advance payment towards deposit work to the State Electricity Board for power supply installation. Subsequently, the matter relating to Titanium Sponge Plant had to be discussed with M/s. Kerala Minerals & Metals Limited prior to finalisation. As sanction did not materialise, the project work could not be started and hence the savings.

Dovetailing of 37 element PHWR Fuel Project and Special Material and Alloy Development. The financial sanctions of the two project were issued during May and November, 1999 respectively. The developing of indigenous equipment in a high tech area like nuclei fuel fabrication in a developing country like ours took time. Indigenous efforts and development, even though slow in the initial phase would bring dividends in the long run and strengthen our self-reliant programme on nuclear-fuel fabrication.

The Department have also stated that action has already been initiated to review each scheme thoroughly to ensure that the budget provisions are realistic and the funds provided would be fully utilise.

**6. The Committee are constrained to note that in spite of their repeated recommendations that the Department should utilise the budgetary provisions to the fullest extent, the Department have not been able to take result-oriented steps and thereby continuing with registering shortfalls in incurring expenditure and consequently surrendering the much-needed and scarce funds amounting to 14% of the total budgetary provision. Regarding the Russian Credit for Kudankulam Project, it got delayed on account of clearances by multiple agencies. The projects of IREL in Orissa got delayed as permission to float joint Venture Company could not be obtained. Project of BRIT could not be taken up on account of preoccupation of engineers. The Committee can understand the delay of projects on account of technology denial regime. But in the present instances, the reasons cited for shortfall are purely administrative in nature and as such the reply of the Government does not sound convincing. The Committee feel that the Department are not giving as much importance to their budgetary exercise as they should. The net result of this is that the Nuclear Power Programme of the Department is getting thwarted. The Committee, therefore, reiterate that the Department should strengthen their budgetary exercise and evaluate each and every scheme meticulously while finalising their budget proposals.**

## **B. Gestation period of Nuclear Power Projects**

**Recommendation (Sl. No. 5, Para No. 2.32)**

7. The Committee were pleased to note that the gestation period of Atomic Power Projects in the country from the first pour on concrete to commercial operations had been considerably reduced and the latest Atomic Power Projects viz. Rajasthan Atomic Power Project-3 & 4 and Kaiga Atomic Power Project-1 & 2 had been effectively completed in six and a half years. The Committee had been informed that the Nuclear Power Corporation of India Ltd. had taken several steps like advance action on pre-project and infrastructural activities, clearance from statutory authorities, priority ordering of long delivery equipments, projects execution on the basis of large packages ordered to a single agency, use of modern project management aids, etc. to reduce the gestation period of such projects. However, the Committee would like to see that the gestation period in case of future Atomic Power Projects in the country was reduced to about five years.

8. In their reply, the Department of Atomic Energy have stated that the Nuclear Power Corporation of India Ltd. (NPCIL) is pursuing the following efforts to reduce the gestation periods of future nuclear power projects:-

- Use of standardised design
- Completion of design and engineering before commencement of the construction of the project.
- Timely manufacture of equipment/components in the context of the significant experience gained by the industry. Advance procurement of long delivery equipment.
- Adopting appropriate large size supply-cum-erection packages.
- Strengthening Project Management Techniques for effective monitoring and control and by taking timely corrective actions.

**9. The Committee are pleased to note that the Department have taken a number of measures as a result of which the gestation period of Nuclear Power Projects has been reduced to six and a half years. However, the reply of the Department is silent about whether this period can be reduced to about five years which the Committee had desired to know. The Committee would like the Government to make concerted efforts to achieve that goal. Performance of UCIL**

**Recommendation (Sl. No. 8, Para No. 2.41)**

10. The Committee were perturbed to note that the anticipated gross earning, gross profit and net profit of the Uranium Corporation of India Limited (UCIL) during 2000-01 were going to fall short of the targets fixed in this regard. While the anticipated gross earning of the Corporation during 2000-01 was marginally short of the target, the anticipated gross and net profits were substantially lower-than the fixed targets. The Committee would like to know the reasons, for not making advance planning for its ongoing scheme-III Stage Shaft Sinking Project which had been badly delayed in', view.

of the fact. that the corporation had been considering the implementation of the project since 1985. The Committee had desired that the Corporation should take all necessary steps to ensure that this project was not delayed any further.

11. The Department of Atomic Energy have stated in their reply that on the basis of audited accounts of 2000-01, the actual performance for 2000-01 as against the target was a under:-

	(Rs. in crore)	
	Target	Actual
(a) Gross Earning	145.71	146.90
(b) Gross Profit	7.60	4.05
(c) Net Profit	6.97	3.04

The actual gross earnings have increased by Rs. 1.21 crore due to increase in other income (e.g. sale of scrap etc.). Gross Profit and Net Profit are reduced due to increase in fuel surcharge by Rs. 2.70 crore w.e.f. 1.4.2000 (the order from BSEB was received by the company on 16.4.2001) and Rs. 1.17 crore of depreciation due to changes in accounting policy which is in accordance with Accounting Standard-10. the Department have further stated that originally it was assumed that the winder of the Third Stage Shaft sinking Project of Uranium Corporation of India Limited (UCIL) would be purchased during 1999-2000. But due to sanction imposed on India, immediately after Pokhran Nuclear tests in the year 1998, the original purchase plan could not be materialized. Subsequently, the Company has placed the order for winders with M/s. BHEL which is expected to be completed by February, 2002.

**12. The Committee are happy to note that the gross earning of the Uranium Corporation of India Limited (UCIL), which was anticipated to be Rs. 143.28 crore during 2000-01 as against a target of Rs. 145.71 crore, has actually been Rs. 146.90 crore during the said period. This was possible owing to increase in other income of the company. At the same time, the Committee note that the gross profit and net profit of the organisation which were anticipated to be to the tune of Rs. 4.27 crore and Rs. 3.95 crore during the same year as against the targets of Rs. 7.60 crore and Rs. 6.97 crore, have been reduced to Rs. 4.05 crore and Rs. 3.04 crore respectively. The reductions have been attributed to increase in fuel surcharge by Rs. 2.70 crore w.e.f. 1.4.2000 and Rs. 1.17 crore of depreciation due to changes in accounting policy. The Committee, while acknowledging the difficulties of the Corporation, recommend that the organisation should review its financial performance so as to bring in further improvement. They also reiterate their earlier recommendation that the Third Stage Shaft Sinking Project, which was initially approved in the year 1985 and has registered an eight-fold cost over run, should be completed at the earliest.**

**D. Promotion of Sterilized 'Dai' Kits service**

**Recommendation (Sl. No. 13, Para No. 2.71)**

13. The Committee were happy to learn that the Board of Radiation and Isotope Technology (BRIT) was operating the ISOMED Plant which was providing sterilization services to medical industries in and around Mumbai with over 90% availability and capacity utilisation factors. The Committee were also pleased to note that a number of private organisations were getting their 'Dai' kits sterilized at this plant for which the Department had set the sterilization Charge at the lowest slab of Rs 1251- per standard carton. The Committee had recommended that the department should tie up with various Non-Government Organisations (NCOs) so as to promote this service in the remote areas of the country. The Committee had been informed that BRIT had supplied sterilized 'Dai' kits to the Uranium Corporation of India Limited, Jaduguda. Assuming that the same had already been distributed by UCIL, the Committee would like to know the response of the rural populace to the Product. The Committee had further been informed that a meeting was held in April, 2000 in which the Department impressed upon the State Governments of Madhya Pradesh, Bihar and Uttar Pradesh to set up such plants in their respective States. The Committee had also been informed that the Government of Madhya Pradesh had shown keen interest in setting up the facility at Bhopal. The Committee had desired that the Department should tie up with the Government of Madhya Pradesh and render all possible assistance to them in setting up the plant. The Committee were glad to learn that the department had launched a few public awareness programmes in the recent past to popularise such products. They had desired the Department to intensify such programmes. The Department should distribute pamphlets in local languages and conduct periodic seminars in rural areas for dissemination of the relevant information concerning 'Dai' kits.

14. In their reply, the Department have stated that they are in the process of creating awareness among the Non-Governmental Organisations in respect of the significance of using radiation sterilized 'Dai' kits for use in rural areas. Some of the NGO's like Tribuvandas Foundation at Anand, Sterilook Pharma, Vijayawada, etc. have shown keen interest in the radiation sterilization of 'Dai' kits at ISOMED Plant. The Department have further stated that though ISOMED has not received any feed back directly from the Uranium Corporation of India Ltd., Jaduguda on the response from users of sterilized 'Dai' kits, it is learn from one of their customers of Vijayawada that

M/s. Uranium Corporation of India Ltd., Jaduguda had contracted them for submitting quotation for supply of sterilized 'Dai' kits. The Department have further stated that they have already included a project for sterilization of 'Dai' kits in the X Plan proposals and forwarded the proposal for Planning Commission. In the meanwhile, efforts are being made for arranging discussions with the concerned State authorities regarding extending, support and co-operation for such projects in their States. Board of Radiation and Isotope Technology (BRIT) under the Department of Atomic Energy would extend all possible guidance and assistance to the respective Governments for establishing such projects. BRIT in collaboration with professional bodies like National Association for Radioisotopes & Radiation Technology (NAARRI) are regularly arranging public awareness programmes on the significance of use of irradiation technology in the health care sector at various regions of the country. As suggested, holding a meeting of representatives of various State Governments/Union Territories and impressing upon them the significance of establishing such facilities will be pursued. The suggestion of the Committee that arrangements be made for distributing pamphlets in local languages as well as conducting seminars in rural areas for dissemination of the relevant information regarding 'Dai' kits in due course of time has been duly noted.

**15. From the replies furnished by the Department it appears that much needs to be done to popularise the 'Dai' kits in various far-flung areas. Very few NGOs appear to have been contacted by the Department to take up this task. The Committee are further constrained to note that even after the expiry of six months, the Department have not been able to convene a meeting with the representatives of the States/Union Territories to impress upon them the significance of establishing such facilities. The Committee desire that the Department convene the said meeting within three months from the presentation of this Report.**

## CHAPTER II

### RECOMMENDATIONS/OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

#### **Recommendation (Sl. No. 1, Para No. 2.20)**

The Committee note with concern that out of a budgetary support component of Rs. 4518.38 crore during the year 1999-2000, the actual expenditure by the Department has been to the tune of Rs. 4354.72 crore only, thereby registering a shortfall of Rs. 163.66 crore. They express their unhappiness over the fact that two of the three Sectors of the Department viz. Power and Industries & Minerals (I&M) Sectors have registered shortfalls in incurring expenditure out of the budgetary support component by Rs. 67.75 crore and Rs. 109.34 crore respectively. The Committee are more worried by the fact that the Plan expenditure in the budgetary support component during the year 1999-2000 has fallen short of the Plan budgetary allocation by Rs. 168.86 crore. Shortfalls have been registered in the Plan expenditure by all the three Sectors of the Department viz. Power, I&M and Research & Development (R&D) Sectors during 19,09-2000. While the R&D Sector has done well to restrict this shortfall to a negligible Rs. 4.01 crore, the I&M and Power Sectors have unwisely registered shortfalls to the extent of Rs. 99.87 crore and Rs. 64.98 crore respectively. While the shortfall in the Plan expenditure in the I&M Sector has been attributed to non-release of equity for the Uranium Corporation of India Limited (UCIL) due to difficulties in the import of a strategic equipment, non-release of funds to the Indian Rare Earths Limited (IREL) for the joint venture project, rescheduling of projects in respect of the Board of Radiation and Isotope Technology (BRIT) and the Nuclear Fuel Complex (NFC) schemes, etc., the same in the Power Sector has been ascribed to the delay in preparation of Detailed Project Report and other preparatory works for the Kudankulam Power Project, rescheduling of procurement of equipment, delay in finalising of overall plan and infrastructural facilities, delay in Consultancy contracts of the Prototype Fast Breeder Reactor (PFBR) Phase-II, postponement of delivery schedule of equipment, engineering design and development, etc. The reasons cited by the Department are not such which the Department could not have visualised in advance. The Committee take a serious note of the failure of the Department to fully utilise the budgetary allocations year after year and recommend that while framing their financial and physical targets, the Department should make a realistic estimate after evaluating each and every scheme meticulously so as to avoid setbacks to their Plan activities.

#### **Reply of the Government**

Reasons for shortfall in expenditure during 1999-2000 is furnished below:

##### **Power Sector:**

(i) NPCIL: For the year 1999-2000, domestic budgetary support to Nuclear Power Corporation of India Limited (NPCIL) was Rs. 795 crores which was fully utilised. However, Russian credit (routed through budget) of Rs. 102 crores could only be utilised

to the extent of Rs. 59 crores. NPCIL and M/s. Atomstroy export signed the contract for preparation of Detailed Project Report (DPR) for the Kudankulam Project on 20 July 1998. The DPR contract became effective from 4 April 1999, after completion of ratification of the Supplement to Inter-Governmental Agreement (IGA) of 1988. by Government of India approbation of the contract by the Government of India and finalisation of technical procedure for keeping records and repayment of credit extended in accordance to the supplement. This task involved a large number of Government agencies/Ministries and it was difficult to estimate the time required by them for vetting and clearing the various aspects for finalisation, as this is the first mega project of this type being implemented in the country.

(ii) BARC: In respect of Power Sector of Bhabha Atomic Research Centre (BARC), the BE 1999-2000 of Rs. 36.50 crore was reduced to Rs. 20.00 crore in RE stage. Against this, the actual expenditure was Rs. 19.72 crore. The reduction of provision in RE stage was due to the fact that some of the critical equipment required for strategic purpose had been denied by the suppliers. However, it was possible to procure the said equipment in the following financial year.

### **I&M Sector**

(i) UCIL: Originally it was assumed that the winder for the Third Stage Shaft Sinking Project of Uranium Corporation of India Ltd. (UCIL) would be purchased during 1999-2000. But due to sanction imposed on India, immediately after Pokhran Nuclear tests in the year 1998, the original purchase plan could not be materialised. Subsequently, Company has placed the order for winders with M/s. BHEL which is expected to be completed by Feb. 2002.

(ii) IREL: Indian Rare Earths Limited had entered into an agreement with M/s. Austpac Resources NL, Australia (Austpac) on 2nd August 1999 for a joint Venture to set up a demonstration plant of 10,000 tons per annum of Synthetic Rutile at OSCOM unit. The JV Company had filed an application to Foreign Investment Promotion Board (FIPB) for Foreign Direct Investment, which was considered and cleared in April 2000 and forwarded, to the Minister for approval. But JV Company has not received any communication of approval from FIPB.

JV agreement of IREL with Andhra Pradesh Mineral Development Corporation (APMDC) and National Mineral Development Corporation (NMDC) to implement Bhimili project in Andhra Pradesh got a set back due to rejection of Environment & Forestry clearance from Govt. of India citing the presence of Olive Ridley Turtles nesting in the coastal stretch of mineral deposits. Hence the funds for the JV could not be released.

(iii) Board of Radiation and Isotope Technology (BRIT): The shortfall in expenditure was mainly due to delay in preparation of Architectural drawings for the Project - Augmentation of Cobalt-60 Handling Facility owing to preoccupation of the engineers responsible for this work with other priority jobs. As the new Plant was



to be set up in place of existing old one, without disturbing the production schedule the allocation made for the Project - Augmentation of Radiochemical Laboratory could not be utilized to the maximum extent. Delay in finalisation of site and consequent delay in commencement of Civil & Electrical Works for the Test Facility under the Project-Design and Development of Radiation Equipment further added to the shortfall.

(iv) Nuclear Fuel Complex (NFC): During 1999-2000 as against the Budgetary allocation of Rs. 15 crore an amount of Rs. 4.33 crore only could be spent under Plan Project of Nuclear Fuel Complex (NFC). Major savings was under the following projects:

1. Pilot Plant for Development of Pyrochemical Process.
2. Titanium Sponge Project.
3. Dovetailing of 37 Element PHWR Fuel.
4. Advanced materials Processing and Characterization Facilities.

The Pilot Plant for Development of Pyrochemical Process is an R&D project for the development of the advanced eco-friendly and economically attractive technology for producing hafnium-free zirconium tetrachloride directly from raw materials mineral zircon involving only few process steps. This project involves the design and development of various sub-systems fabricated in high temperature nickel alloys such as Inconel-600, for operation in highly corrosive molten salt systems and thereafter integration and commissioning of the Pilot Plant. In the year 1999-2000, the provision was mainly for the procurement of Inconel-600 billets and conversion to seamless pipes. The billet material was received from the supplier during the end of March, 2000, but the payment could not be released as the test reports were not complete and hence savings during that year.

The Titanium Sponge Project was initially envisaged to be implemented as joint venture in 1993-94 and the same did not materialise. The scope of the Project was revised in mid-1999 for putting up 400 tpa Titanium Sponge Plant and 500 tpa Zirconium Oxide Plant and the proposal submitted to the Department for sanction. The provision made in 1999-2000, was mainly for commencing preliminary project work mainly including advance payment towards deposit work to the State Electricity Board for power supply installation. Subsequently, the matter relating to Titanium Sponge Plant had to be discussed with M/s. Kerala Minerals & Metals Limited prior to finalisation. As sanction did not materialise, the project work could not be started and hence the savings.

Dovetailing of 37 element PHWR Fuel Project and Special materials and Alloy Development. The financial sanctions of the two projects were issued during May and November, 1999 respectively. The developing of indigenous equipment in a high tech. area like nuclear fuel fabrication in a developing country like ours took time. Indigenous efforts and development, even though slow in the initial phase would bring dividends in the long run and strengthen our self-reliant programme on nuclear fuel fabrication.

*Remedial measures:* Action has already been initiated to review each scheme thoroughly to ensure that the budget provisions are realistic, and the funds provided would be fully utilised.

[Department of Atomic Energy O.M. No. 1/2(2)/2001-Budget/Dated October 19, 2001]

### **Comments of the Committee**

(Please *see* Paragraph 6 of Chapter I the Report)

### **Recommendation (Sl. No. 2, Para No. 2.21)**

The Committee are unhappy to note that there are huge variation between the Budget Estimates (BE) and the Revised Estimates (RE) in respect of the Department for the year 2000-01. The total BE amount of Rs. 5436.05 crore has been reduced to Rs. 5204.84 crore at RE stage during 2000-01. The Committee are more concerned over the fact that the Plan BE in the budgetary support component of all the three Sectors has been reduced at RE stage during 2000-01. While the reduction has been negligible in the R&D Sector with Rs. 4.73 crore, the same in the I&M and Power Sectors has been as much as Rs. 55.27 crore and Rs. 89.00 crore respectively. The reduction in the I&M Sector has been stated to be owing to reduction in respect of the New Technology Development Project of the Bhabha Atomic Research Centre (BARC), non-finalisation of joint Venture Project of the Indian Rare Earths Limited, reduction in the Plan schemes of the Nuclear Fuel Complex, etc. As regards the reduction in the Power Sector, the Department have stated that the equity component for the Nuclear Power Corporation of India Limited amounting to Rs. 85.00 crore was reduced during the Revised Estimates stage due to economy measures and that the amount of Rs. 4.00 crore was reduced considering the slow progress of the Prototype Fast Breeder Reactor (PFBR) Project of the Indira Gandhi Centre for Atomic Research during the financial year. In view of the fact that the reduction in Plan expenditure is bound to have a deleterious impact on the nuclear power programmes in the country, the Committee direct the Department to strengthen their budgetary mechanism and avoid mismatch of plans and expenditure thereon.

### **Reply of the Government**

The reasons for variations between Budget Estimates and Revised Estimates for the year 2000-01 are furnished as under:

#### **Power Sector:**

- (i) NPCIL: Due to economy measures enforced by Government of India, domestic budgetary support to Nuclear Power Corporation of India Limited (NPCIL) was reduced from Rs. 700 crores to Rs. 615 crores. NPCILs expenditure for the year

2000-01 was Rs. 855.42 crores and hence domestic budgetary support was fully utilised by NPCIL.

- (ii) IGCAR : The reduction of Rs. 4 crore at RE stage with reference to PFBR project, the Indira Gandhi Centre for Atomic Research (IGCAR) was due to considerable time taken for finalising the appointment of Consultants which needed prolonged dialogue on both Technical and Commercial aspects with two parties in connection with PFBR activities.

**I&M Sector:**

- (i) BARC: The BE 2000-2001 for Bhabha Atomic Research Centre under I&M Sector was 147.00 crore, which was reduced to Rs. 127.00 crore in RE stage. It may be stated that the approved budget for this has been utilised excepting in the case of New Technology Development Project (NTDP). As regards, NTDP, which is a strategic project sanctioned in 1998, though finalisation of Engineering Service Consultants was possible for part of the work, the non-materialization of supply orders from PSUs was an added reason.

- (ii) Indian Rare Earths Limited (IREL)-Joint Venture Projects: The BE&RE provisions for the year 2000-01 are as under:

(Rs. in crore)		
BE 2000-01	RE 2000-01	BE 2001-02
<b>5.00</b>	<b>Nil</b>	<b>0.50</b>

Provision of Rs. 5.00 crore included in BE 2000-2001 for equity assistance to IREL was for financing the joint venture projects of IREL with M/s. Austpac Resources NL, Australia for establishment of a Plant for production of 10,000 M.T. per annum of synthetic Futile with a new process developed by the Australian Company. IREL will have 26% equity participation in the new joint venture which is to be set up. The proposal of IREL for equity participation in the JV was cleared by Atomic Energy Commission in November, 1999. The proposal has also been cleared by the Planning Commission (Feb. 2000). However, clearance of Finance Ministry to the proposal is awaited for placing the same before the Cabinet. The proposal from the foreign collaborator for clearance of FIPB for the establishment of the JV was submitted in March, 2000. The proposal was recommended by the FIPB in the meeting held on 17.4.2000 for approval by the Minister of Commerce and Industry. Approval of the Minister for Commerce and Industry is still awaited. As the requisite approvals are yet to be received, the JV Company could not be formed and IREL could not participate in the equity. Accordingly, the funds provided in BE 2000-2001 could not be utilised. DAE is actively following up the matter with FIPB, New Delhi.

- (iii) Nuclear Fuel Complex (NFC): During the year 2000-2001 the approved Budget Estimates of Rs. 20 crore was reduced to Rs. 9.40 crore as Revised Estimates keeping in view of the progress of three new projects viz.

1. Dovetailing of 37 Element Bundle for TAPS.
2. Replacement and Augmentation of zirconium Sponge Plant.
3. Advanced materials Processing and Characterization Facilities.

Brief reasons are as under:

1. Dovetailing of 37 element bundle for TAPS

Efforts are directed towards 100% indigenisation of equipment for this project. The 37 Element Fuel Assemblies for the forthcoming PHwr of 500 MWe at Tarapur will be manufactured on an industrial scale for the first time in the country for meeting the fuel requirements of the two forthcoming PHWR 500 units at Tarapur (TAPP 3&4). The specifications of Uranium Oxide Pellets and the Fuel Tubes in terms of dimension, particularly are different. Hence, a lot of efforts were directed towards conceptualising the lay out and getting the state-of- the-art equipment in consultation with the local and indigenous manufacturers. Many of the equipments are to be custom-made for the first time in the country. The 37-element PHWR 500 fuel assembly would be manufactured by a more advanced process, including total containment of radioactivity, proper ventilation system and automation. In addition, a boundary condition of the project was to retrofit the fabrication facility in the existing building. Hence, finalisation of took time and major civil works could not be initiated in time.

It may be appreciated that developing indigenous equipment in a high-tech area like nuclear fuel fabrication in a developing country like ours takes time. As such, it is difficult or not possible to import these equipment. Indigenous efforts and development, even though slow in the initial phase, would bring dividend in the long run and strengthen our self-reliant programme on nuclear fuel fabrication.

2. Special Materials and Alloy Development Project.

(a) Replacement and Augmentation of Zirconium Sponge Plant

The variation is mainly on account of delay in finalisation of construction plan of 'New Zirconium Sponge Plant' building and clearance from Atomic Energy Regulatory Board which has since been received and the proposal for award of work is being submitted to Department for approval.

(b) Advanced Materials and Characterization Facilities

One of the major equipment 'Electron beam melting furnace' is not manufactured in the country and had to be imported. The quotation received from abroad far exceeded the expected price. As a result of this alternatives, such as indigenous manufacturing by importing only the critical parts, is being explored, hence delay. The acceptance of purchase orders in respect of equipment 'Scanning Electron Microscope', 'High

Temperature Dilatometer' are not yet received from the suppliers and hence funds could not be utilised.

With reference to the observation of the Committee, all possible efforts are being taken to strengthen the budgetary mechanism. The Budget proposals of Revised Estimate 2001-02 and the Budget Estimate for 2002-03 are being framed on a realistic basis to prevent recurrence of large surrenders in future.

[Department of Atomic Energy O.M. No. 1/2(2)/2001- Budget/Dated October 19, 2001]

### **Recommendation (Sl. No. 3, Para No. 2.22)**

The Committee are concerned to note that the actual utilisation of Internal and Extra Budgetary Resources (IEBR) during the year 1999- 2000 has been less than 20 per cent of the target set in this regard. The utilisation of IEBR during the year has been a measure Rs. 84.27 crore as against a target of Rs. 451.00 crore-the shortfall being Rs. 366.73 crore. The share of the Power and I&M Sectors in the shortfall has been to the tune of 310.48 crore and Rs. 56.25 crore respectively. The Committee further note that the Ninth Plan Outlay for IEBR in respect of the I&M Sector is Rs. 368.50 crore out of which IEBR amounting to Rs. 46.69 crore has been utilised during the first three years of the Plan. The expected utilisation of IEBR during the last two years of the Plan being Rs. 48.50 crore, the total IEBR utilisation in the I&M Sector during the Ninth Plan would be Rs. 95.19 crore only which is around 25 per cent of the envisaged amount of Rs. 368.50 crore. Similarly, in the Power Sector, the target of IEBR for the Ninth Plan is Rs. 2148.50 crore. As against this target, a total IEBR amount of Rs. 418.55 crore has been utilised during the first three years of the Plan. With the expected utilisation of a further Rs. 328.33 crore during the final two years of the Plan, the total utilisation of IEBR in the Power Sector during the Plan is likely to be Rs. 746.38 crore only which is substantially lower than the target fixed in this regard. The variation between targeted and actual utilisation of IEBR are indicative of two things viz. (i) projection of unrealistic targets and the inability of the organisations to achieve those because of their poor financial health and/or (ii) the failure of the Department to utilise the projected amount due to non-achievement of physical targets. Both these factors indicate poor performance of the organisations. The Committee desire that whatever be the reasons for variation in the projected IEBR targets and achievements, the Department should take immediate steps to set those rights.

### **Reply of the Government**

The reasons for less utilisation of IEBR during the year 1999-2000 are furnished as under:

#### **Power Sector.**

NPCIL: Even though the IEBR has been mobilized by Nuclear Power Corporation of India Limited (NPCIL) as projected, it could not be fully utilized due to

delay in the completion of some of the schemes. By closely following up the schemes requiring IEBR, it will be ensured that all the IEBR mobilized is fully utilised.

### **I&M Sector:**

The Plan Outlay of the IEBR component under I&M Sector was relating to three Public Sector undertakings namely,

- (i) Indian Rare Earths limited
- (ii) Electronics Corporation of India Limited
- (iii) Uranium Corporation of India Limited

(i) IREL: The funds allocated in IEBR towards Indian Rare Earths Limited (IREL) projects could not be utilized due to the following reasons:

- (a) IREL proposal for financial restructuring was under consideration by Govt. IREL could not divert funds for capital projects due to the outstanding liability to Govt. pending finalization for restructuring.
- (b) Expansion project of Chavara could not be taken up in the absence of sufficient land for mining. As the Land Acquisition procedures for acquisition of land could not meet with any result, the company had to resort to negotiated purchase of land through schemes developed with assistance of District Authorities.
- (c) Based on a Corporate Plan developed by Tata Consultancy Services, the Company was advised to go for expansion of capacity. The Company decided not to proceed with the minor schemes incorporated in IX Plan and instead combined them to be taken up as schemes under X Plan.

(ii) ECIL: The economic liberalisation policies adopted by the Government in the beginning of 90's had serious impact on the operations of the company as a PSU. The inherent strengths that the company acquired over the years while pursuing the policy of self-reliance, helped the company to stay profitable throughout the 8th Plan period. However, the profits came under heavy pressure and resulted in stagnation from the year 1995-96 onwards. In view of these conditions, significant investments could not take place in the 8th Plan period. This situation was meant to be rectified by making pro-active investments to improve the product range and specifications.

These investments were planned by the company in select areas aimed at enhancing the skill and technology base of the company in the thrust areas identified namely Atomic Energy, Defence and Telecom sectors from where the major part of company's business originated. The outlay in the Plan period was finalised as Rs. 210 crore with a targeted IEBR generation of Rs. 150 crore, the balance Rs. 60 crore being Budgetary support from the Government.

However, the pressures of liberalization and continuously lowering margins had their impact on the performance of the Company and for the first time in six years, the Company recorded a loss in the year 1997-98, the first year of the 9th Plan period.

During the year 1998-99, the situation further worsened due to the extraordinary procurement difficulties arising out of US sanctions and the company suffered heavy cash losses during the year. The IEBR generation was negative during the period 1997-99. The prospects of generating the targeted IEBR during the 9th Plan period were very adversely affected and the company found itself in an extremely difficult situation to support its operations during 1999-2000. The Company's net worth suffered serious erosion and there was an immediate need to address this issue. Putting the company back on rails was a natural priority over the planned investments and the funds at the company's disposal were fully utilised towards this mission. Even the equity received could not be fully utilised for the investment purposes as envisaged.

As a result of the collective efforts put in and the remedial measures initiated, the Company rallied back during 1999-2000 achieving a near break-even situation in its operations and the IEBR generation was positive during the year. The performance in the year 2000-01 was further improved and the Company achieved its highest ever sales and profitability and there was significant IEBR generation (**details indicated in the enclosed table**). The performance in the year 2001-02 is also expected to be good and further improvement over 2000-01 is sighted. However, apart from the issues related to money, the investments as envisaged could also not be made due to the embargoes on equipment supplies and denials of Technologies from u.s. sources in the wake of sanctions. The investments relevant to Defence sector could not be made due to these reasons and also due to the delays in receipt of certain orders from the Defence sector.

ECIL : IEBR Generation during the 9th Plan Period  
(1997-98 to 2001-02)

Particulars	(Rs. in Lakhs)				
	1997-98	1998-99	1999-2000 2000-01	2001-02	
			Actual	Plan	
<i>Sources</i>					
1. Profit	-1086	-5912	-79	1209	1502
2. Depreciation	418	459	488	521	812
Total (A)	-668	-5453	409	1730	2314

*Utilizations*

1. Loan Repayments

(i) Government	111	0	0	0	0
(ii) Others	0	124	248	248	870
2. Tax	-9	47	-12	28	114
Total (B)	102	171	236	276	984
3. Internal Resources (A-B)					
Surplus/ -Deficit	-770	-5624	173	1454	1330
4. External Borrowings	0	1250	240	0	0
IEBR for the year (3+4)	-770	-4374	413	1454	1330
					Total
Loans Received-IDBI	1250	240			1490
Loans repaid-IDBI	124	248	248	870	1490

The investments pertaining to the Telecom sector had to be deferred because of the uncertainties related to some technologies proposed to be adopted by DoT.

Against this backdrop it is proposed to take a fresh look at all the investment proposals and conceptualise the relevant capital schemes during the 10th Plan period.

(iii) UCIL: The continuing project of IX Plan i.e. (a) Mining at Narwapahar and Mill Expansion at Jaduguda and (b) Third Stage Shaft Sinking Project at Jaduguda were approved with 100% Equity Support from the Govt. of India.

It was also envisaged that a new project of Mining and Milling at Domiasat, Meghalaya would be taken up during the IX Plan Period. This project was proposed to be financed from IEBR of Rs. 50.00 crore and balance amount from Budgetary Support from Government of India. However, the project could not be taken up during the IX Plan.

Moreover the meagre amount of profit generated by the company during the first four year of IX Plan was mainly utilised for regular replacement of old machineries.

[Department of Atomic Energy O.M. No. 1/2(2)/2001-Budget/Dated October 19,2001]

#### **Recommendation (Sl. No.4, Para No. 2.23)**

While acknowledging the difficulties faced by the Department due to international



sanctions, the Committee, feel that there is a need for more concerted efforts to adhere to the financial and physical targets set by the Department for themselves. They should ensure that administrative slackness and indecisiveness on the part of various wings/agencies of the Department are not passed off under the veil of international sanctions.

### **Reply of the Government**

The views of the Committee have been noted. It has always been the endeavour of the Department to achieve the financial and physical targets, notwithstanding the technology denial regime which the Department has to deal with. The Department will be alert to ensure that administrative slackness does not get covered up under the rubric of "international sanctions". The Department will redouble its efforts to identify and eliminate delays and indecisiveness on the part of any unit/ wing/ agency.

[Department of Atomic Energy O.M. No.1/2(2)/2001-Budget/Dated October 19,2001]

## **B. Atomic Power Projects**

### **Recommendation (Sl. No.5, Para No. 2.32)**

The Committee are pleased to note that the gestation period of Atomic Power Projects in the country from the first pour of concrete to commercial operations has been considerably reduced and the latest Atomic Power Projects viz. Rajasthan Atomic Power Project- 3&4 and Kaiga Atomic Power Project- 1&2 have been effectively completed in six and a half years. The Committee have been informed that the Nuclear Power Corporation of India Limited has taken several steps like advance action on pre-project and infrastructural activities, clearance from statutory authorities, priority ordering of long delivery equipments, project execution on the basis of large packages ordered to a single agency, use of modern project management aids, etc. to reduce the gestation period of such projects. However, the Committee would like to see that the gestation period in case of future Atomic Power Projects in the country is reduced to about five years. The Committee firmly believe that the scientists working in the Department have the capability to make it happen and that they will leave no stone unturned to achieve this feat before long.

### **Reply of the Government**

Nuclear Power Corporation of India Limited (NPCIL) is pursuing the following efforts to reduce the gestation periods of future nuclear power projects:

- Use of standardised designs.
- Completion of design and engineering before commencement of the construction of the project.
- Timely manufacture of equipment/components in the context of the significant experience gained by the industry. Advance procurement of long delivery equipment.
- Adopting appropriate large size supply-cum-erection/packages.
- Use of mechanized construction methods.
- Strengthening Project Management Techniques for effective monitoring and control and by taking timely corrective actions.

[Department of Atomic Energy O.M. No.1/2(2)/2001-Budget/Dated October 19,2001]

### **Comments of the Committee**

(Please see Paragraph 9 of Chapter I of the Report).

### **Recommendation (Sl. No. 6, Para No. 2.33)**

The Committee note that at present the Department have only one Atomic Power Project under construction-two 500 MWe units at Tarapur. The Department have

informed that they have several projects at the planning stage which are likely to make capacity additions in the coming years. The Committee have also been informed that a number of sites have got the potential for 1,000 MWe capacity projects and that the Department are considering sites in various States for setting up projects for additional 10,000 MWe capacity addition in the first phase. The Committee recommend that the Department should expedite the process of selection of sites so that additional nuclear power generation capacity can be added at the earliest. While selecting the sites, the Department would surely examine various aspects such as safety, environmental protection, etc.; the Committee feel that the availability of other sources of power viz. coal and water, as also the extent of their exploitation in that region, may also be kept in mind.

### **Reply of the Government**

The Site Selection Committee (SSC) constituted by the Department of Atomic Energy (DAE) has already assessed the feasibility of locating additional Nuclear Power Plants at existing/proposed power stations.

The SSC is also exploring availability of sites already considered by the previous SSCs at various locations in the country and also exploring the suitability of new sites offered by the State Government for location of NPPs. While finalising their report, the SSC will certainly examine various aspects such as safety and environmental protection in line with the applicable guidelines in addition to energy options available to a region through other sources such as coal, hydro etc.

[Department of Atomic Energy O.M.No.1/2(2)12001-Budget/Dated October 19,2001]

### **Recommendation (Sl. No. 7, Para No. 2.34)**

The Committee are of the view that the Department of Atomic Energy should explore the possibility of participation of private companies in the Nuclear Power Sector. Towards this end, they should initiate the process of amendments to the Atomic Energy Act, 1962 as early as possible. The Committee have been informed that the Nuclear Power Corporation of India Limited (NPCIL) is examining the possibility of joint venture formation for setting up 220 MWe Pressurized Heavy Water Reactor units. The Committee appreciate this idea and are of the opinion that such a move will ensure flow of money and help in expanding the nuclear power programme in the country. They would like the Department/NPCIL to proceed in the matter expeditiously.

### **Reply of the Government**

The Government of India are open to specific offers for participation by private firms, Indian or foreign, in the nuclear power sector. However, the Government have not received any concrete proposals from the private sector so far to set up nuclear power

plants in the country. Such offers, when received, would have to be considered on the basis of technical suitability, economic attractiveness, regulatory requirements of our country and the conditions attached to the offers.

Action has also been initiated for necessary amendments to the Atomic Energy Act to facilitate participation of private sector in capacity addition to the nuclear power programme.

[Department of Atomic Energy O.M. No. 1/2(2)12001-Budget/Dated October 19, 2001]

### **C. Uranium Corporation of India Limited (UCIL)**

#### **Recommendation (Sl. No. 8, Para No. 2.41)**

The Committee are happy to note that the actual gross earning, gross profit and net profit of the Uranium Corporation of India Limited (UCIL) during 1998-99 and 1999-2000 have exceeded the targets set in this regard. The Committee appreciates the efforts put in by the Corporation in achieving a good financial performance during these years. At the same time, they are perturbed to note that the anticipated gross earning, gross profit and net profit during 2000-01 are going to fall short of the targets fixed in this regard. While the anticipated gross earning of the Corporation during 2000-01 is marginally short of the target, the anticipated gross and net profits are substantially lower than the fixed targets. The Committee would like to know the reasons for not making advance planning for its on-going Scheme-III Stage Shaft Sinking Project which has been badly delayed in view of the fact that the Corporation has been considering the implementation of the project since 1985. The Committee desire that the Corporation should take all necessary steps to ensure that this project is not delayed any further.

#### **Reply of the Government**

On the basis of audited accounts of 2000-01, the actual performance for 2000-01 as against the target is given below:

	(Rs. in crore)	
	Target	Actual
(a) Gross Earning		
(b) Gross Profit	145.71	146.90
(c) Net Profit	7.60	4.05

The actual gross earnings has increased by Rs. 1.21 crore due to increase in other income (e.g. Sales of scrap etc.)

Gross profit and Net profit is reduced due to increase in fuel surcharge by Rs. 2.70 crore w.e.f 1.4.2000 (the order from BSEB was received by the company on

16.4.2001) and Rs. 1.17 crore of depreciation due to changes in accounting policy which is in accordance with Accounting Standard - 10.

Originally it was assumed that the winder for the Third Stage Shaft Sinking Project of Uranium Corporation of India Ltd.(UCIL) would be purchased during 1999-2000. But due to sanction imposed on India, immediately after Pokhran Nuclear tests in the year 1998,the original purchase plan could not be materialised.

Subsequently, Company has placed the order for winders with M/ s BHEL which is expected to be completed by Feb. 2002.

[Department of Atomic Energy O.M. No. 1/2(2)/2001-Budget/Dated October 19,2001]

### **Comments of the Committee**

(Please see paragraph 12 of Chapter I of the Report)

## D. Indian Rare Earths Limited (IREL)

### Recommendation (S1. No.9, Para No. 2.45)

The Committee note with concern that against a budgetary allocation of Rs. 100 crore during 1997-98 in respect of the Indian Rare Earths Limited (IREL), the actual expenditure was nil. It is also observed that during 1997-98, a budgetary support of Rs. 200 crore was provided for IREL / DAE projects out of which an amount of only Rs. 0.25 crore was expended. Delay in implementation of projects has been cited as reason for nil/less expenditure. Similarly, during the year 1999-2000, a budgetary allocation of Rs. 1.00 crore was made for IREL. The organisation again failed to utilise any amount out of the said allocation. As regards the *IREL / DAE* projects, a provision of Rs. 6.25 crore was made during 1999-2000 out of which an amount of Rs. 2.51 crore only was utilised. The nil/less expenditure during the year has been attributed to delay in finalisation of Joint Venture agreement and getting Government/Atomic Energy Regulatory Board (AERB) clearance. The Committee are not convinced by the reasons attributed to shortfall in expenditure as these reasons appear to be mostly administrative in nature and show slackness on the part of the Department. The Committee also find that BE amounts of Rs. 5.00 crore in respect of IREL and Rs. 3.50 crore in respect of IREL / DAE have been scaled down to nil and Rs. 1.90 crore respectively at RE stage during 2000-01. This clearly illustrates the poor budgeting on the part of IREL. Taking a serious view of the matter, they direct the organisation to take remedial measures so as to strengthen its budgetary mechanism.

### Reply of the Government

The reasons for reductions of BE provisions at RE stage during 2000-01 in respect of IREL-Joint Venture Projects and IREL-DAE Projects are furnished below:

- (i) IREL - Joint Venture Projects: The BE & RE provisions for the year 2000-01 are as under:

(Rs. in crores)		
BE 2000-01	RE 2000-01	BE 2001-02
<b>5.00</b>	<b>Nil</b>	<b>0.50</b>

Provision of Rs. 5.00 crore included in BE 2000-2001 for equity assistance to IREL was for financing the joint venture projects of IREL with M/s Austpac Resources NL, Australia for establishment of a Plant for production of 10,000 M.T. per annum of synthetic rutile with a new process developed by the Australian Company. IREL will have 26% equity participation in the new joint venture which is to be set up. The proposal of IREL for equity participation in the JV was cleared by Atomic Energy Commission in November, 1999. The proposal has also been cleared by the Planning

Commission (Feb. 2000). However, clearance of Finance Ministry to the proposal is awaited for placing the same before the Cabinet. The proposal from the foreign collaborator for clearance of FIPB for the establishment of the JV was submitted in March, 2000. The proposal was recommended by the FIPB in the meeting held on 17.4.2000 for approval by the Minister of Commerce and Industry. Approval is still awaited. As the requisite approvals are yet to be received, the JV Company could not be formed and IREL could not participate in the equity. Accordingly, the funds provided in BE 2000-2001 could not be utilised. DAE is actively following up the matter with FIPB, New Delhi.

(ii) IREL-DAE Projects

(a) Revival/restorage of Thorium Hydroxide at Rare Earths Division

(Rs. in Crore)		
BE 2000-01	RE 2000-01	BE 2001-02
3.00	Nil	0.74

Delay occurred in the preparation of Detailed Technical Report (DTR) incorporating the changes in the scope of the project of 1,200 tpy to 6,000 tpy of thorium processing with Rare Earths recovery. In addition, soil investigation matter has also delayed the project.

(b) Improvement and Modernisation Schemes for Thorium Plant at OSCOM:

(Rs. in Crore)		
BE 2000-01	RE 2000-01	BE 2001-02
0.50	Nil	0.50

While submitting the revised estimate for the year 2000-01 expenditure against this head was scaled down to Rs. NIL because of slow progress of implementation.

**Remedial measures**

(i) The progress of the JV projects are closely monitored and necessary support is provided in the form of direct discussion with the Ministry, Govt. of India and clarifications to various queries from respective departments of State Government as well as Central Government to obtain necessary permission/clearance from statutory bodies.

(ii) IREL/DAE projects are also closely monitored and reviewed constantly to achieve targeted objective. Site selection problems for THRUST (Thorium Retrieval and Restorage) project has been overcome and project would be implemented faster.

[Department of Atomic Energy O.M. No. 1/2(2)/2001-Budget/ Dated October 19,2001]

**E. Heavy Water Board (HWB)**

**Recommendation (Sl. No. 10, Para No. 2.53)**

The Committee are concerned to note that out of the Plan budgetary allocation of Rs. 8.00 crore in respect of the Heavy Water Board during 1998-99 an amount of Rs. 6.47 crore only was spent by the Board. The shortfall in expenditure has been attributed to delay in placement of orders for certain equipments and lower competitive bidding rates for construction of Ash Pond at the Heavy Water Plant, Manuguru than the estimated cost of the Project, resulting in savings. The Committee also note that during 1999-2000, the Plan expenditure has exceeded the Plan budgetary allocation by Rs. 1.01 crore. The excess expenditure has been stated to be due to minor modifications in the operating Heavy Water Plants. It is also observed that the Plan BE of Rs. 12.28 crore has been reduced to Rs. 9.13 crore during 2000- 2001. Thus, the Committee find, that budget estimates in respect of the Heavy Water Board have not been made accurately in any of these three years. The Committee direct the organisation to take utmost care in carrying out the budgetary exercise and make accurate estimates, especially those relating to Plan Schemes.

**Reply of the Government**

The reasons for shortfall/excess under Plan expenditure over approved provision are indicated year-wise.

**1998-1999**

			<b>(Rs. in crore)</b>
BE	RE	Actuals	Variation
8.00	6.00	6.47	1.53

The shortfall of Rs. 1.53 crore during the year is mainly on account of the following reasons:-

For supply and commissioning of 40 MVA Transformer & Switchyard at HWP (Kota) against a budget provision of Rs. 250 lakh for the year, the actual expenditure incurred during the year is Rs. 152 lakh resulting in a saving of Rs. 98 lakh. The scheme was executed through 2 public tenders viz. supply and commissioning of transformer and switchyard. In the case of supply of transformer, M/s. TELK were the lowest technically acceptable tenderer. The placement of orders got delayed in ascertaining the financial viability of M/s. TELK which was under BIFR. The tender for switchyard work had to be retendered because of initial poor response. This resulted in delay in awarding the work.



For construction of Ash Pond at HWP (Manuguru) against the Budget provision of Rs. 99 lakh the actual expenditure during the year was Rs. 53 lakh resulting in a shortfall of Rs. 46 lakh. In competitive bidding rates obtained was much below the estimated cost which lead to less expenditure than envisaged.

**1999-2000**

			<b>(Rs. in crore)</b>
BE	RE	Actuals	Variation
9.30	10.30	10.31	(+ ) 1.01

The excess of Rs. 1 crore during the year is mainly due to procurement of capital replacement of catalyst for the cracker in HWP Thai on urgent basis for which additional provision of Rs. 1 crore has been provided.

**2000-01**

			<b>(Rs. in crore)</b>
BE	RE	Actuals	Variation
12.28	9.13	9.27	3.01

As against the approved provision of Rs. 5.58 crore in BE 2000-01 for the scheme 'Major Modification for Baroda', the actual expenditure was Rs. 1.10 crore. The reduction of Rs. 4.48 crore was mainly due to difficulty for procurement of ejectors, motor pump, diaphragm pumps on account of embargo on export. As the difficulty in procurement of these items was noticed at RE stage, the requirement of funds for 2000-01 was revised to Rs. 9.13 crore. Under the scheme 'Minor Modifications', number of minor jobs were got executed to improve the performance of operating plants to the tune of Rs. 1.22 crore, with the approval of Department.

Utmost care is begin taken to minimise variation between BE & RE/Actuals. However, due to certain unforeseen circumstances variation between BE & RE/Actuals had resulted in the past. However, all possible efforts are being made to minimise such variations by way of periodic review of budget provisions vis-a-vis actual expenditure under Plan Schemes.

[Department of Atomic Energy O.M. No. 1/2(2)/2001-Budget/Dated October 19, 2001]

**F. Nuclear Fuel Complex (NFC)**

**Recommendation (Sl. No. 11, Para No. 2.57)**

The Committee note with concern that as against a Plan budgetary allocation of Rs. 15.00 crore during 1999-2000 in respect of the Nuclear Fuel Complex (NFC), the actual expenditure was a paltry Rs. 4.33 crore. The shortfall in expenditure has been

attributed to non- materialisation/delay in procurement of certain equipments, delay in formulation of project proposals and savings on account of local custom, designing of items owing to import restrictions. The Committee desire that the Department should endeavour to avoid delays in formulation of project proposals, procurement of equipments, etc. as far as possible. The Committee are also pained to find that the Plan BE of NFC has been reduced by over 50 per cent from Rs. 20.00 crore to Rs. 9.40 crore at RE stage during 2000-01. The Committee advise the organisation to analyse each and every scheme meticulously prior to making budget estimates. In all such cases where the various programmes of the Department of Atomic Energy are being delayed due to international sanctions, the Committee would reiterate their earlier observation that due care should be taken to ensure that indecisiveness and inefficiency at implementation level may not be passed off under the veil of sanctions. In all these cases, the Department should continue with their efforts to indigenise the various processes.

### **Reply of the Government**

During 1999-2000 as against the Budgetary allocation of Rs. 15 crore an amount of Rs. 4.33 crore only could be spent under Plan Project of Nuclear Fuel Complex (NFC). Major savings was under the following projects:

1. Pilot Plan for Development of Pyrochemical Process.
2. Titanium Sponge Project.
3. Dovetailing of 37 Element PHWR Fuel.
4. Advanced materials Processing and Characterization Facilities.

The Pilot Plan for Development of Pyrochemical Process is an R & D Project for the development of the advanced eco-friendly and economically attractive technology for producing hafnium-free zirconium tetrachloride directly from raw materials mineral zircon involving only few process steps. This project involves the design and development of various sub-systems fabricated in high temperature nickel alloys such as Inconel-600, for operation in highly corrosive molten salt systems and thereafter integration and commissioning of the Pilot Plant. In the year 1999-2000, the provision was mainly for the procurement of Inconel-600 billets and conversion to seamless pipes. The billet material was received from the supplier during the end of March, 2000, but the payment could not be released as the test reports were not completed and hence savings during that year.

The Titanium Sponge Project was initially envisaged to be implemented as joint venture in 1993~94 and the same did not materialise. The scope of the Project was revised in mid-1999 for putting up 400 tpa Titanium Sponge Plant and 500 tpa Zirconium Oxide Plant and the proposal submitted to the Department for sanction. The provision made in 1999-2000, was mainly for commencing preliminary project work mainly including advance payment towards deposit work to the State Electricity Board for power supply installation. Subsequently, the matter relating to Titanium Sponge Plant had to be discussed with M/s. Kerala Minerals & Metals Limited prior to finalisation. As sanction did not materialise and the project work could not be started and hence the savings.

Dovetailing of 37 element PHWR Fuel Project and Special Materials and Alloy Development. The financial sanctions of the two projects were issued only during May and November, 1999 respectively. The developing of indigenous equipment in high-tech area like nuclear fuel fabrication in a developing country like ours took time. As such it is difficult and not possible to import these equipments due to embargo. Indigenous efforts and development, even though slow in the initial phase would bring dividends in the long run and strengthen our self-reliant programme on nuclear fuel fabrication.

During the year 2000-2001 the approved Budget Estimates of Rs. 20 crore was reduced to Rs. 9.40 crore as Revised Estimates keeping in view of the progress of three new projects viz.

- I. Dovetailing of 37 Element Bundle for TAPS.
- II. Replacement and Augmentation of Zirconium Sponge Plant.
- III. Advanced materials Processing and Characterization Facilities.

Brief reasons are as under

*1. Dovetailing of 37 element bundle for TAPS*

Efforts are directed towards 100% indigenisation of equipment for this project. The 37 Element Fuel Assemblies for the forthcoming PHWR of 500 MWe at Tarapur will be manufactured on an industrial scale for the first time in the country for meeting the fuel requirements of the two forthcoming PHWR 500 units at Tarapur (TAPP 3&4). The specifications of Uranium Oxide Pellets and the Fuel Tubes in terms of dimension, particularly are different. Hence, a lot of efforts were directed towards conceptualising the lay out and getting the state-of- the-art equipment in consultation with the local and indigenous manufacturers. Many of the equipments are to be custom-made for the first time in the country. The 37-element PHWR 500 fuel assembly would be manufactured by a more advanced process, including total containment of radioactivity, proper ventilation system and automation. In addition, a boundary condition of the project was to retrofit the fabrication facility in the existing building. Hence, finalisation of layouts took time and major civil works could not be initiated on time.

It may be appreciated that developing indigenous equipment in high-tech area like nuclear fuel fabrication in a developing country like ours takes time. As such, it is difficult or not possible to import these equipments. Indigenous efforts and development, even though slow in the initial phase, would bring dividend in the long run and strengthen our self-reliant programme on nuclear fuel fabrication.

2. Special Materials and Alloy Development Project

(a) Replacement and Augmentation of Zirconium Sponge Plant

The variation is mainly on account of delay in finalisation of construction plan of 'New Zirconium Sponge Plant' building and clearance from Atomic Energy Regulatory Board which has since been received and the proposal for award of work is being submitted to Department for approval.

(b) Advance Materials and Characterization Facilities

One of the major equipment 'Electron beam melting furnace' is not manufactured in the country and has to be imported. The quotation received from abroad far exceeded the expected price. As a result of this alternatives, such as indigenous manufacturing by importing only the critical parts, is being explored, hence delay. The acceptance of purchase orders in respect of equipment 'Scanning Electron Microscope', 'High Temperature Dilatometer' are not yet received from the suppliers And hence funds could not be utilised.

The following budgetary control measures have been made to minimise the savings.

1. Project Review Committee has been constituted to monitor the progress of each plan project.
2. Project Coordinators have been identified for each project and are asked to monitor the progress of the project continuously.
3. The physical and financial progress of all projects are monitored monthly by the Executive Committee of NFC.
4. The Budget proposals of RE 2001-2002 and BE 2002-2003 are prepared on a realistic manner.

[Department of Atomic Energy O.M. No.1/2(2)/2001-Budget/Dated October 19, 2001]

**G. Board of Radiation and Isotope Technology (BRIT)**

**Recommendation (Sl. No. 12, Para No. 2.70)**

The Committee are constrained to note that the Board of Radiation and Isotope Technology (BRIT) has failed to utilise the Plan budgetary allocation during 1998-99 and 1999-2000. While the shortfall in 1998-99 has been Rs. 1.49 crore out of a total Plan BE of Rs. 9.06 crore from a total Plan BE of Rs. 4.60 crore, the same in the year 1999-2000 has been as much as Rs. 9.06 crore from a total Plan BE of Rs. 15.93 crore. The shortfall in Plan expenditure during 1998-99 has been attributed to non-release of grant-in-aid under the project extension of nuclear medicine facilities due to non-fulfillment of commitments by various organisations dealing with Nuclear Medicines/State Governments. Delay in receipt of materials and equipments, delay in finalisation of architectural drawings, reduction in the number of Co-60 rods received from the Nuclear Power Corporation of India Limited (NPCIL) and decision to defer the establishment of the National Medical Cyclotron Facility at Hyderabad, owing to some new developments have been cited as reasons for shortfall in Plan expenditure during 1999-2000. The Committee also note with concern that the Plan BE amount of Rs. 18.00 crore during 2000-01 has been reduced to Rs. 10.11 crore at RE stage. The reasons ascribed for this reduction are more or less similar to those attributed to the shortfall in Plan Expenditure during 1998-99 & 1999-2000 which are hardly convincing as these are nothing but administrative delays. The Committee would like the organisation to carefully analyse its programmes in advance and make accurate and realistic budget estimates.

### **Reply of the Government**

The suggestions of the Committee have been noted for compliance.

With a view to strengthen the mechanism to ensure fuller budgetary utilization, Steering/Project Implementation Committee, Project Co-ordination Cell and Project Coordinators have been constituted by BRIT. The physical and financial progress are also regularly monitored at the level of the Head of the Unit and regular reports are forwarded to the Department. The Department also conducts Quarterly Review Meetings for monitoring physical and financial progress in implementation of the Projects/Schemes.

[Department of Atomic Energy O.M. No. 1/2(2)/2001-Budget/Dated October 19, 2001]

### **CHAPTER III**

#### **RECOMMENDATIONS / OBSERVATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF THE GOVERNMENT'S REPLIES**

**-NIL-**

**CHAPTER IV**  
**RECOMMENDATIONS/OBBSERVATIONS IN RESPECT OF WHICH REPLIES**  
**OF THE GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE**  
**COMMITTEE**

**Recommendation (Sl. No. 13, Para No. 2.71)**

The Committee are happy to learn that the Board of Radiation and Isotope Technology (BRIT) is operating the ISOMED Plant which is providing sterilization services to medical industries in and around Mumbai with over 90% availability and capacity utilisation factors. The Committee are also pleased to note that a number of private organisations are getting their 'DAI' kits sterilized at this plant for which the Department have set the sterilization charge at the lowest slab of Rs. 12.51- per standard carton. The Committee recommended that the Department should tie up with various Non-Government Organisations (NGOs) so as to promote this service in the remote areas of the country. The Committee have been informed that BRIT has supplied sterilized 'DAI' kits to the Uranium Corporation of India Limited, Jadugudu. Assuming that the same have already been distributed by UCIL, the Committee would like to know the response of the rural populace to the Product. The Committee have further been informed that a meeting was, held in April, 2000 in which the Department impressed upon the State Governments of Madhya Pradesh, Bihar and Uttar Pradesh to set up such plants in their respective States. The Committee have also been informed that the Government of Madhya Pradesh have shown keen interest in setting up the facility at Bhopal. The Committee desire that the Department should tie up with the Government of Madhya Pradesh and render all possible assistance to them in setting up the plant. The Committee also recommend that the Department should convene a meeting of all States/Union Territories and impress upon them to set up such plants. The Committee are glad to learn that the Department have launched a few public awareness programmes in the recent past to popularise such products. They desire the Department to intensify such programmes. The Department should distribute pamphlets in local languages and conduct periodic seminars in rural areas for dissemination of the relevant information concerning 'DAI' kits.

## **Reply of the Government**

The Department is in the process of creating awareness among the Non Governmental organisations in respect of the significance of using radiation sterilized DAI Kits for use in rural areas. Some of the NGO's like Tribhuvandas, Foundation at Anand, Sterilook Pharma, Vijayawada, etc. have shown keen interest in the radiation sterilization of DAI Kits at ISOMED Plant.

Though ISOMED has not received any feed back directly from Uranium Corporation of India Ltd. Jaduguda on the response from users of sterilized DAI Kits, it is learnt from one of our customers of Vijaywada that M/s. Uranium Corporation of India Ltd., Jaduguda had contracted them for submitting quotation for supply of sterilized DAI Kits.

Department of Atomic Energy have already included a project for sterilization of DAI Kits in the Xth Plan Proposals and forwarded the proposal for Planning Commission. In the meanwhile efforts are being made for arranging discussions with the concerned State authorities regarding extending, support and cooperation for such projects in their States. BRIT under Department of Atomic Energy would extend all possible guidance and assistance to the respective governments for establishing such projects.

Board of Radiation and Isotope Technology (BRIT) in collaboration with professional bodies like National Association for Radioisotopes & Radiation Technology (NAARRI) are regularly arranging public awareness programmes on the significance of use of irradiation technology in the health care sector at various regions of the country. As suggested holding a meeting of representatives of various State Governments/Union Territories and Impressing upon them the significance of establishing such facilities will be pursued.

The suggestion of the Committee, that arrangements be made for distributing pamphlets in local languages as well as conducting seminars in rural areas for dissemination of the relevant information regarding DAI Kits in due course of time has been duly noted.

[Department of Atomic Energy O.M.No.1/2(2)/2001-Budget/ Dated October 19,2001]

## **Comments of the Committee**

(Please see Paragraph 15 of Chapter I of the Report)



**CHAPTER V**

**RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH  
FINAL REPLIES OF THE GOVERNMENT  
ARE STILL AWAITED**

**-NIL-**

New Delhi;  
MOHAN DEV  
December 14, 2001  
Chairman,  
Agrahayana 23, 1923 (Saka)  
on Energy.

SONTOSH  
  
Standing Committee

**MINUTES OF THE FIRST SITTING OF THE SUB-COMMITTEE 'F' ON  
ACTION TAKEN REPORT'S OF THE STANDING COMMITTEE ON  
ENERGY (2001) HELD ON 12TH DECEMBER,  
2001 IN COMMITTEE ROOM 'C', PARLIAMENT  
HOUSE ANNEXE, NEW DELHI**

The Sub-Committee met from 15.00 hrs. to 15.30 hrs.

**PRESENT**

Shri Sontosh Mohan Dev – Chairman  
Shri Tilakdhari Prasad Singh - Convenor

**MEMBERS**

3. Shri Vijayendra Pal Singh Badnore
4. Shri Amar Roy Pradhan

**SECRETARIAT**

1. Shri P.K. Bhandari - Director
2. Shri R.S. Kambo - Under Secretary

2. At the outset, the Convenor, Sub-Committee 'F' on Action Taken Reports of the Standing Committee on Energy welcomed the Members to the sitting of the Sub-Committee.

3. The Sub-Committee then took up for consideration the following draft Reports:-

- (i) Action Taken Report on the recommendations contained in the 10th Report (Twelfth Lok Sabha) on the subject 'Fire and Subsidence Control in Coal Mines'.
- (ii) Action Taken Report on the recommendations contained in the 18th Report (Twelfth Lok Sabha) on Demands for Grants (1999-2000) of the Ministry of Coal.

- (iii) Action Taken Report on the recommendations contained in the 14th Report (Thirteenth Lok Sabha) on Demands for Grants (2001-2002) of the Department of Atomic Energy.
- (iv) Action Taken Report on the recommendations contained in the 15th Report (Thirteenth Lok Sabha) on Demands for Grants (2001-2002) of the Ministry of Non-Conventional Energy Sources.
- (v) Action Taken Report on the recommendations contained in the 16th Report (Thirteenth Lok Sabha) on Demands for Grants (2001-2002) of the Ministry of Power.
- (vi) Action Taken Report on the recommendations contained in the 17th Report (Thirteenth Lok Sabha) on Demands for Grants (2001-2002) of the Ministry of Coal.

4. The Sub-Committee adopted the aforesaid draft Reports with minor additions/deletions/amendments.

**The Sub-Committee then adjourned.**

**MINUTES OF THE NINETEENTH SITTING OF THE STANDING  
COMMITTEE ON ENERGY (2001) HELD ON 12TH DECEMBER,  
2001 IN COMMITTEE ROOM '62', PARLIAMENT  
HOUSE, NEW DELHI**

The Committee met from 18.00 hrs. to 18.45 hrs.

**PRESENT**

- Shri Sontosh Mohan Dev - Chairman
2. Shri Basudeb Acharia
  3. Shri Prakash Yashwant Ambedkar
  4. Shri Vijayendra Pal Singh Badnore
  5. Shri Bikash Chowdhury
  6. Shri Trilochan Kanungo
  7. Shri P.R. Khunte
  8. Shri Sanat Kumar Mandal
  9. Shri K. Muraleedharan
  10. Shri Amar Roy Pradhan
  11. Shri Ravindra Kumar Pandey
  12. Shri Dalpat Singh Parste
  13. Shri B. Satyanarayana
  14. Shri Harpal Singh Sathi
  15. Shri Tilakdhari Prasad Singh
  16. Shri Manohar Kant Dhyan
  17. Shri Aimaduddin Ahmad Khan (Durru)
  18. Shri B.J. Panda
  19. Shri Ramamuni Reddy Sirigireddy

## SECRETARIAT

1. Shri P.K. Bhandari - Director
2. Shri R.S. Kambo - Under Secretary

2. At the outset, the Chairman, the Standing Committee on Energy welcomed the Members to the sitting of the Committee.

3. The Committee then took up the following draft Reports, already considered and adopted by the Sub-Committee 'F' on Action Taken Reports, for consideration:-

- (i) Action Taken Report on the recommendations contained in the 10th Report (Twelfth Lok Sabha) on the subject 'Fire and Subsidence Control in Coal Mines'.
- (ii) Action Taken Report on the recommendations contained in the 18th Report (Twelfth Lok Sabha) on Demands for Grants (1999-2000) of the Ministry of Coal.
- (iii) Action Taken Report on the recommendations contained in the 14th Report (Thirteenth Lok Sabha) on Demands for Grants (2001-2002) of the Department of Atomic Energy.
- (iv) Action Taken Report on the recommendations contained in the 15th Report (Thirteenth Lok Sabha) on Demands for Grants (2001-2002) of the Ministry of Non-Conventional Energy Sources.
- (v) Action Taken Report on the recommendations contained in the 16th Report (Thirteenth Lok Sabha) on Demands for Grants (2001-2002) of the Ministry of Power.
- (vi) Action Taken Report on the recommendations contained in the 17th Report (Thirteenth Lok Sabha) on Demands for Grants (2001-2002) of the Ministry of Coal.

4. The Committee adopted the aforesaid draft Reports with minor additions/deletions/amendments.

5. The Committee also authorized the Chairman to finalise the above-mentioned Reports after making consequential changes arising out of factual verification by the concerned Ministries/Department and to present the same to both the Houses of Parliament.

**The Sub-Committee then adjourned.**

ANNEXURE-III  
(Vide Para 4 of the Introduction)

### **ANALYSIS OF ACTION TAKEN BY THE GOVERNMENT ON THE RECOMMENDATIONS CONTAINED IN THE FOURTEENTH REPORT OF THE STANDING COMMITTEE ON ENERGY**

I.	Total No. of Recommendations	13
II.	Recommendations that have been accepted by the Government (vide recommendation at Sl. Nos. 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11 and 12)	12
	Percentage of total	92.31%
III.	Recommendations which the Committee do not desire to pursue in view of the Government's replies.	Nil
IV.	Recommendations in respect of which reply of the Government has not been accepted by the Committee (vide recommendation at Sl. No. 13).	1
	Percentage of total	7.69%
V.	Recommendations in respect of which final replies of the Government are still awaited	Nil