

Title: Regarding government decision to supply of indigenous naphtha to the fertiliser plants.

SHRI K. YERRANNAIDU (SRIKAKULAM): Sir, I would like to draw the attention of the hon. prime Minister and the hon. Minister of Petroleum and Natural Gas to one issue. All the State Electricity Boards throughout the country are incurring heavy losses. Now so many State Governments have entered into PPAs with naphtha-based power plants. Only 1,400 MW capacity of naphtha-based power plants are in the pipeline. We are exporting naphtha to other countries at cheaper rate. We are importing naphtha at a higher cost. Now the Government of India took a decision to supply our indigenous naphtha to the fertiliser plants without excise duty and other duties. Why are we supplying it to the fertiliser plants? It is a product for the farmers. Even in regard to the Electricity Boards, 80 per cent of the electricity is supplied to the farming community. The burden is on the consumers. Whatever PPAs that are entered with naphtha-based power plants, ultimately the burden is on the consumer.

The Chief Ministers of Andhra Pradesh, Karnataka and Maharashtra – who have entered into PPA with naphtha-based power plants – requested the hon. Minister of Petroleum and Natural Gas for help in this regard. They are also persuading the matter. Even now they are incurring losses and after this they will incur more losses. We are using most of the power produced for the farming community, particularly for the agricultural sector.

Once we have extended this facility to the fertiliser industry, why do we not extend it to the Electricity Boards? I am appealing to the Government, through you, to help in this regard. This is a policy decision. It will help the Electricity Boards. Ultimately it will also reduce the burden on the consumers.

Sir, the Kudremukh Iron and Steel Plant in Karnataka in the public sector is making heavy profits. The Government of India has given the lease for five years. Now the Ministry of Steel and the Ministry of Environment and Forests have started negotiations. But the Ministry of Environment and Forests has not extended the lease. When the lease is not extended in regard to public sector undertakings where hundreds of crores of money is spent, there is no use for the industry. Recently the Kudremukh plant have extended their operations. So many NGOs have filed petitions regarding environmental problems in this place and they are creating hurdles.

In this scenario the Government must take steps to renew the lease for this unit for a further period of 15 years. Otherwise all the industries related to it will become sick and may collapse. I, therefore, humbly request the hon. Prime Minister to help this industry. ...*(Interruptions)*

MR. DEPUTY-SPEAKER: Yes, hon. Members Shri K.H. Muniyappa and Shri Vinay Kumar Sorake may associate themselves with Shri Yerrannaaidu on this subject.

...*(Interruptions)*

MR. DEPUTY-SPEAKER: Shri Sunil Khan, do not shout like this.

...*(Interruptions)*