

LOK SABHA DEBATES

LOK SABHA

Monday July 6, 1998/Asadha 15,1920 (Saka)

*The Lok Sabha met at
Eleven of the Clock*

[MR. SPEAKER *in the Chair*]

ORAL ANSWERS TO QUESTIONS

[English]

Review of Power Situation in the Country

*282. SHRI VILAS MUTTEMWAR: Will the Minister of POWER be pleased to state:

(a) whether the power situation in the country has been recently reviewed at the level of the Prime Minister;

(b) if so, the details thereof;

(c) the present status of the grim power scenario in the power starved states; and

(d) the action plan worked out for 1998-99 and the Ninth Plan, State-wise?

THE MINISTER OF POWER (SHRI P.R. KUMARAMANGALAM): (a) to (d) A Statement is laid on the Table of the House.

Statement

Review of Power Situation in the Country

(a) and (b) A presentation was made by the Ministry of Power to the Prime Minister on 23.4.1998. Power supply position, the strategy to augment power availability, the financial health of SEBs and the outlook for the 9th Plan were *inter-alia* discussed in the review meeting.

(c) The State-wise power supply position during the month of May, 1998 as compared to that during May, 1997 is given in Annexure-I enclosed. At all India level, the total energy availability during May, 1998 was 11.2% higher at 35620 million units as compared to 31968 million units in May, 1997. As a result, despite higher demand for power, the energy shortages have come down to 2748 million units in May, 1998 as compared to 4390 million units in May, 1997.

(d) Specific and time bound action plan have been drawn up for improving the power situation in the States. For the year 1998-99, State-wise details of various programmes is given in Annexure-II enclosed. Programme for the Ninth Plan has not been finalised. However, it is expected that about 40,000 MW of new capacity will be added during this period.

Ministry of Power has initiated several short-term and long-term measures to minimise power shortages and put the power sector on a self-sustaining path. These, *inter-alia*, include amendments in Electricity laws, restructuring of State Electricity Boards, higher budgetary allocations for central sector projects, interest subsidy for accelerated completion of State sector ongoing schemes, Renovation and Modernisation and system improvements, expediting counter guarantee projects, formulating a policy for mega projects at pit-heads and coastal locations, greater inter-regional transfer of power etc.

Annexure-I

Actual Power Supply Position

(All figures in MUs)

Region/ State/ System	May' 97				May' 98			
	Requi- rement	Avail- ability	Short- age	%	Requi- rement	Avail- ability	Shor- tage	%
1	2	3	4	5	6	7	8	9
NORTHERN REGION								
Chandigarh	83	83	0	0	100	99	1	1.0
Delhi	1305	1296	9	0.7	1505	1439	66	4.4

1	2	3	4	5	6	7	8	9
Haryana	1110	1065	45	4.1	1285	1158	127	9.9
Him. Pradesh	292	292	0	0	239	239	0	0
J & K	425	411	14	3.3	440	430	10	2.3
Punjab	1810	1802	8	0.4	2560	2278	282	11.0
Rajasthan	1630	1601	29	1.8	1895	1745	150	7.9
Uttar Pradesh	3560	3061	499	14	3715	3306	409	11.0
Sub Total	10215	9611	604	5.9	11739	10694	1045	8.9
WESTERN REGION								
Gujarat	3650	3162	488	13.4	4185	3961	224	3.4
Madh. Pradesh	2850	2320	530	18.6	2820	2738	82	2.9
Maharashtra	5550	5130	420	7.6	5735	5673	62	6.1
Goa	117	117	0	0	119	119	0	0.0
Sub Total	12167	10729	1438	11.8	12859	12490	369	2.9
SOUTHERN REGION								
Andh. Pradesh	3200	2623	577	18	3440	3113	327	9.5
Karnataka	2260	1560	700	31	2180	1847	333	15.3
Kerala	985	733	252	25.6	1050	937	113	10.8
Tamilnadu	3370	2818	552	16.4	3178	2670	508	16.0
Sub Total	9815	7734	2081	21.2	9848	8570	1278	13.0
EASTERN REGION								
Bihar	795	638	157	19.7	715	644	71	9.9
D.V.C.	675	663	12	1.8	625	653	-28	-4.5
Orissa	915	904	11	1.2	845	854	-9	-1.1
West Bengal	1360	1341	19	1.4	1315	1328	-13	-1.0
Sub Total	3745	3546	199	5.3	3500	3479	21	0.6
NORTH EASTERN REGION								
Ar. Pradesh	13.0	6.9	6.1	46.9	12.6	10.0	2.6	20.6
Assam	238.7	218.7	20.0	8.4	2555.9	233.7	22.2	8.7
Manipur	45.5	31.6	13.9	30.5	42.5	38.5	4.0	0.4
Meghalaya	33.5	33.5	0.0	0	34.0	36.6	-2.0	-5.9
Mizoram	20.1	12.4	7.7	38.3	17.8	13.6	4.2	23.6
Nagaland	19.4	12.6	6.8	35.1	17.0	13.6	3.4	20.0
Tripura	45.8	32.3	13.5	29.5	42.2	41.8	0.6	1.4
Sub Total	416.0	348.0	68.0	16.3	422.0	387.0	35.0	0.3
Total All India	36358	31968	4390	12.1	71518	62781	8737	12.2

Annexure-II
Plan for 1998-99

State	Renovation & Modernisa- tion Schemes under progress (No.)**	Shunt Capacitors (MVAR)	Capacity Addition (MW)*	Inter-Regional Transfer of Power (MW)
1	2	3	4	5
Chandigarh	—	65	—	
Delhi	2	634	—	
Haryana	2	441	—	
H.P.	1	69	—	
J & K	2	160	51.5	
Punjab	7	209	360	
Rajasthan	1	475	250	
U.P.	5	421	6	
NORTHERN REGION	20	2544	667.5	100 (East-North)
Gujarat	4	2005	645	
M.P.	4	1085	—	
Maharashtra	8	1654	760	
Goa	—	—	—	
WESTERN REGION	16	4744	1405	150 (East-West)
A.P.	4	700	7.5	
Karnataka	2	400	440	
Kerala	2	200	151.3	
Tamil Nadu	7	700	207.5	
Pondicherry	—	—	32.5	
SOUTHERN REGION	15	2000	838.8	500 (East-South)
Bihar	3	—	—	
DVC	4	—	—	
Orissa	4	—	6	
West Bengal	3	—	265	
EASTERN REGION	14	—	271	
Arunachal Pradesh	—	—	—	
Assam	5	—	56	
Manipur	—	—	36	

1	2	3	4	5
Meghalaya	1	—	—	
Mizoram	—	—	—	
Nagaland	—	—	25	
Tripura	—	—	—	
NORTH-EAST REGION	6	—	117	1000 (East-northeast)
All India	71	9288	3299.3	1750

** Benefits in form of higher energy availability would accrue as the respective schemes are completed during 1998-99 and beyond.

* Includes Central Sector projects.

SHRI VILAS MUTTEMWAR : In response to my question, the Minister has given a very casual reply. As you know, Sir, we are all concerned about the power situation in the country. The fact is that instead of pious intentions and constant decline on the strong fundamentals of the economy, the power scenario is turning green in power-starved States with the widening of gap between demand and supply of power at an alarming rate.

In view of the above, may I ask the hon. Minister as to what specific steps have been taken or are proposed to be taken to deal with the problems; such as structural and system reform for organisation at the Centre and State levels, slow pace of implementation and in many cases even resistance to the reforms, the problem of funding, particularly for external-aid-linked projects, inefficient and under-utilization of external aid and many other major problems based on the latest high-level review of the power sector?

SHRI P. R. KUMARAMANGALAM : I agree with the hon. Member that the situation in the power sector is quite grim. We have today a shortage of 11.7 per cent between the demand and supply on a national level. We have an Action Plan for this year as well as medium-term and long-term plans. We have, in fact, a situation today where I could say with a certain amount of conviction that if one compares the generation figures between last May, that is May, 1997, and May, 1998, then it would be seen that there has been a substantial improvement. This is essentially because during the transition phase, by the time we bring in the additional capacities that are required, there is a short gestation period in the power sector. It does not happen overnight just like putting on a switch to get power, producing power takes time. We have concentrated on improving the Plant Load Factor. We have also taken up quite a number of, what is called, the short gestation period, liquid fuel projects. We have come out with a new liquid fuel policy wherein we have liberated in fact most of the restrictions which were there, excepting for the fuel Naphtha which is both volatile in price and volatile in every other form and is not a popular fuel for power generation. We have restrained that to the limit of 12,000 MW capacity.

SHRI VILAS MUTTEMWAR : This is not the answer.

SHRI P. R. KUMARAMANGALAM : He has asked me a

question which is sweeping right through...(*Interruptions*) When you are talking of short-term liquid fuel, short gestation projects, Naphtha is a major issue on which we have put limits. Let me make one thing clear. We hope to ensure that about 5000 MW of power is developed from the existing system merely by what we call, system improvement, on the one hand, on transmission and distribution and on the other hand improving the PLF within the next two years. Our shortage today is about 7800 MW. The situation is that the power projects which have been allotted, out of the total 16,705 MW, today we have 2,276 MW private generation capacity commission. With regard to the counter-guarantee projects, I am happy to inform the House that by the end of this month we should be issuing counter-guarantees to these projects.

We have planned an additional capacity of 40,000 MW for the Ninth Plan period...(*Interruptions*) The hon. Member has asked me a detailed question: he will expect a detailed answer. If he does not want a detailed answer, I can sit down.

With regard to reforms, I wish to assure the hon. Member that most of the States, in fact almost all the States, have indicated that they are moving to notify under the Act. Three States—Andhra Pradesh, Orissa and Haryana have brought in their own legislations. The others have informed us that they are moving to notify. Even the Chief Minister of my home State Tamil Nadu, has said that they are seriously considering taking steps under the Act. I want to make it clear that I believe the reforms are welcome and would be gone through soon. I am more than certain that, with the support of this august House, at the end of the Ninth Plan we should have a far better situation than we have today and we should be able to meet the power demand in the country.

SHRI VILAS MUTTEMWAR : Sir, I have referred to the grave situation of availability of power in the country and wanted a specific answer from the hon. Minister.

MR. SPEAKER : It is a very important question. Many hon. Members want to ask questions on this.

SHRI VILAS MUTTEMWAR : The hon. Minister has not responded to my specific question. In this regard, hon. Member of Parliament Shri Krishna Lal Sharma has today declared that he would be going on a hunger strike. We will

have to prevent him from doing so. The situation is same in every State. The answer given by the Minister is that the Ninth Plan target of capacity addition is 40,000 MW.

In the international scenario following the nuclear explosions and in view of the uncertainty on external assistance in the form of loans from the World Bank and other agencies consequent upon economic sanctions imposed by the USA and other developed countries, have the Government formulated alternative plans of funding power projects in State sector as well as Central Public Sector? If so, what are the details thereof and what is the likely impact of sanctions on the power sector?

MR. SPEAKER : It is a good supplementary.

SHRI VILAS MUTTEMWAR : The Minister has mentioned about the private sector also. I would like to know whether it is a fact that many independent power producers who have been awarded power projects, have blocked the capacity without being serious about implementation of the projects, contributing to delays. These power projects are on lockouts for parties interested in execution of the project on availing premium. If it is so, what is the reaction of the Minister to it?

SHRI P. R. KUMARAMANGALAM : Sir, if I may point out, the sanctions that have been imposed consequent upon our testing nuclear devices have had an impact to a certain extent, a very limited extent, at the initial stage because all the multilateral and bilateral agencies have taken a stand that with regard to projects which have already been sanctioned they will continue to give the assistance. With regard to projects which have not gone to the stage of being sanctioned, they have been deferring but not saying no specifically. However, it is important for me to point out that in the power sector, 23 per cent of our investment comes from external, multilateral and bilateral, aid. We are making alternative sources. This year, the existing schemes dependent on multilateral and bilateral external borrowings, are not affected. I am also happy to inform the august House that the power Finance Corporation had gone in for an ECB (External Commercial Borrowing) of 100 million dollars as a test to see as to what is the market like. I am happy to inform that we have been oversubscribed there. We received it at an extremely competitive rate of 1.15 per cent interest more than LIBR, which is in fact one of the lowest interest rates that we can get. But at the same time, it is not something which one can afford to be complacent about. We have plans for infrastructure bonds as announced by the Finance Minister in his Budget. We have securitised the dues that the SEBs have to our public sector corporations.

We are doing resource mobilisation, both of domestic commercial borrowings as well as external commercial borrowings. I am more than confident that we will be able to meet this 23 per cent gap if at all the sanctions do really become effective by the time new projects come on line.

With regard to the Independent Power Producers, I want to inform the hon. Member that it is true that there are many IPPs who have entered into MoUs or even gone to the stage of Detailed Project Reports but do not do financial closure

because their attempt was to make it a good paper document that has a premium.

In the case of coal-based project, we have selected, out of 18 projects for which DPRs have not been submitted, only six projects have been found to be effective. We have taken a decision that only those six projects would be permitted and all the others are not being given extension.

With regard to the liquid fuel short gestation project, they have been given time to complete financial closure by October, 1998. If they do not complete financial closure, their permission or MoUs will lapse. Therefore, I would like to say that we are taking effective steps to see that only serious parties are there in the field.

[Translation]

SHRI KRISHAN LAL SHARMA : Mr. Speaker, Sir, through you, I would like to urge the hon'ble Minister to evolve a coordination among the Centre and State Ministers to solve the electricity problem of national capital of our country. The figures produced here did not show any major difference between demand and supply. Is there any plan to install a plant in Government or Private sector with a view to making Delhi Self-sufficient in power generation? Secondly, it has been stated that 40 weeks time will be required to implement the scheme regarding privatization of distribution and transmission of power. I want to know whether hon'ble Minister has any plan to reduce this time span to ensure effective transmission, distribution and generation of power in Delhi?

[English]

SHRI P. R. KUMARAMANGALAM : Mr. Speaker, Sir, the real problem with the power situation in Delhi is not that much of availability of power as much as that of the system not able to distribute the power that is so required. This time due to excessive heat, there has been a sudden jump in demand. In fact, the difference in the amount of power that Delhi used last year *vis-a-vis* this year is almost over 14 per cent. The expected amount was supposed to be 13 per cent. So we are talking about an increase of nearly 25 per cent. Leaving that apart, the situation is that we have in Delhi, a revenue return of only 40 per cent on the total amount of power that is consumed. That puts the Delhi Vidyut Board in a very serious economic situation. The Delhi Vidyut Board has been keeping us informed about the strict actions that they have been taking to stop the theft of power. Since this question do not specifically deal with it, I have not brought the statistics. But the number of cases that they have taken up is substantial. So we are worried about the situation. We have called a meeting today. (Interruptions)

[Translation]

SHRI RAJO SINGH : Mr. Chairman, Sir, hon'ble Minister is not replying to what Mamataji has asked. He is saying that it is good... (Interruptions) Please reply to what she is asking.

[English]

SHRI P. R. KUMARAMANGALAM : We have been having

meetings. This evening also, another meeting is being taken. The Government of Delhi has taken a decision to go ahead and privatize two circles, the South and the East. They asked the ICICI, the Consultants, to take steps. Forty weeks' time was sought by the Consultants. This evening we are having a meeting to consider what the hon. Member has requested for shortening the time span that is required for this act. It is because we need an additional investment of nearly Rs. 1100 crore into the distribution system in Delhi in order to ensure that it can meet the load demand of Delhi.

Therefore, on the one hand we find that the DVB's commercial situation is so bad, its revenue recovery being limited to only 48 per cent of what it should get and on the other hand it is not having the commercial ability, the need for investment, and there is an increase in demand. The right decision that the DVB has taken is to go ahead and do some sample privatisation in certain areas and see if that could solve the problems or look at other alternatives. This evening, we are having a meeting with the Ministry of Power to discuss these matters and I can assure the hon. Members that we are paying immediate attention to the problem. I hope with their support, we will be able to solve the same.

[Translation]

SHRI RAJESH PILOT : Mr. Speaker, Sir, Hon'ble Minister has mentioned about the reforms and action plan in his reply. I would like to ask a question which is not particularly related to the main question. Whether the Government is aware of the fact that an industrialist of a particular State has not paid electricity bill to the tune of Rs. 40 crores and still he is getting the normal supply of electricity? The hon. Minister is talking about the reforms. If a farmer does not deposit electricity bill for two months, the electricity supply is disconnected in the third month. However, that industrialist has to pay Rs. 40 crores as electricity bill but still electricity is being supplied to him. This case relates to Rajasthan from where I have been elected. Besides, there is a ashram at a distance of 3 kms. from Delhi whose outstanding electricity bills run into lakhs of rupees. I had been informed about it when I was Minister for internal security, but still his electricity has not been disconnected. So when the Government talks about reforms and action plan may I know whether any action will be taken in this regard? What steps will be taken by the Government if any industrialist does not pay the electricity bill of Rs. 40 crores...*(Interruptions)*

[English]

SHRI BHUBANESWAR KALITA : This is a specific question, so we want a specific reply...*(Interruptions)*

[Translation]

SHRI CHAMAN LAL GUPTA : Will you please tell in whose tenure this bill of 40 crores was not paid?

[English]

SHRI P. R. KUMARAMANGALAM : Mr. Speaker, Sir, if the hon. Member gives me some more details, I can assure him that I will write to the concerned State Government and ask

them to take immediate steps to recover the payments and if necessary, even disconnect the power...*(Interruptions)*

[Translation]

SHRI RAJESH PILOT : I am talking about an industrialist of Rajasthan, please enquire the same.

[English]

SHRI P. R. KUMARAMANGALAM : I can assure the hon. Member that I will write to the Chief Minister as well as the Chairman of the State Electricity Board asking them to give the details and supply the hon. Member the latest information specifically asked for...*(Interruptions)*

SHRI RAJESH PILOT : It is a case of Rs. 40 crore. The hon. Minister should find it out...*(Interruptions)*

SHRI P. R. KUMARAMANGALAM : I am constrained to say that the hon. Member did not hear what I said...*(Interruptions)*

MR. SPEAKER : Shri Pilot, you can assist the hon. Minister in taking action in this particular case.

SHRI P. R. KUMARAMANGALAM : Mr. Speaker, Sir, I have told him that I will write to the Chief Minister as well as the Chairman of the SEB. Then, as soon as I get the details, I will write a letter to the hon. Member.

With regard to the *Ashram* case, I will find out the details. But I am sure the *Ashram* has bills due and it was during the time when my hon. friend was in the Council of Ministers...*(Interruptions)*

[Translation]

SHRI TARIQ ANWAR : It doesn't matter, that bill has to be recovered.

[English]

SHRI T. R. BAALU : Mr. Speaker Sir, the demand in the State of Tamil Nadu is 500 million units of power. Considering the geographically advantageous position of the State of Tamil Nadu, will the Central Government come forward to establish barged mounted power units in Bay of Bengal so that it can make up the need of 508 million units? If yes, what is the cost of supply per unit and how long will the Central Government take up to establish such units?

SHRI P. R. KUMARAMANGALAM : Sir, the public sector corporations at the national level, the NTPC or the NHPC, have no experience in barged mounted projects. But there are three State Governments which specifically had sought barged mounted projects for their States. They are Karnataka, Andhra Pradesh and Goa.

But I may submit that if Tamil Nadu is really interested in barged mounted projects, they may write to us. We will definitely consider giving them permission. I think the hon. Member is aware that the method by which it is done today is, a competitive tender on tariff.

PROF. RITA VERMA : Sir, at least, one lady Member should be allowed to ask the question.

MR. SPEAKER : I am coming to you.

SHRI P. R. KUMARAMANGALAM : If the State of Tamil Nadu takes a competitive tender on tariff and gets a reasonable tariff—I am sure they will—for barged mounted projects, we can definitely consider subject to, of course, environmental clearances.

SHRI T. R. BAALU : What is the cost of the project?

SHRI P. R. KUMARAMANGALAM : How do I know? It is only after you put the tender.

SHRI SUDHIR GIRI : It is learnt from the reply given by the hon. Minister that power generation has increased to the extent of 11.2 per cent in May, 1998 as compared to May, 1997. I would like to know whether new power plants were commissioned to generate more power for the existing power plants. If gearing up of the existing power plants results in increase in power generation, then, vigorous efforts on the part of the State Governments, State Electricity Boards are required. On the basis of this, I would like to know from the hon. Minister whether they would depend on the capacity utilisation instead of depending upon the foreign firms which generate electricity.

SHRI P. R. KUMARAMANGALAM : Mr. Speaker, Sir, I want to make it clear that if there has been an improvement, it is because of two factors. The operational improvements in the PLF during April-May 1998 were in the order of 66.9 per cent nationally, as compared to 64.7 per cent during 1997-98. There is an increase of two per cent PLF this year.

Further, we have been supported by a capacity addition of over 3200 megawatts during 1997-98 as compared to 1624 megawatts during 1996-97. So it is a mix of both additional capacity added and better efficiency. So, with regard to dependence, I can assure the hon. Member that we are not depending on any multinational company. We are depending on power production being increased both in the public and private sector in the national interest.

[Translation]

MAJOR GENERAL BHUVAN CHANDRA KHANDURI, AVSM : Mr. Speaker, Sir, in reply to the question asked, hon'ble Minister has furnished some figures and information. With regard to power generation capacity, in May, 1997-98, there has been a shortage of 12.1% at all India level and in Uttar Pradesh which is the largest state of our country, the shortage is 14 and 11%. However, an increase of only 6 MW per annum has been shown in the scheme that has been mentioned. Similarly in his answer to Q. No. 288, he has stated that in Uttar Pradesh the villages that are being electrified are 2 to 3 times more than the target fixed. For example, 1358 villages have been shown as electrified though the target was 480 villages.

Part (a) of my question is that why there is an increase of only 6 MW in a year in a big state like Uttar Pradesh? Have the reasons for the same been found out and if so, what steps have been taken by the Government to increase the capacity of power generation?

Secondly, I would like to draw the attention of the hon'ble Minister towards the problem of Uttaranchal. Every year a target of electrification of 120 villages is fixed for this area but in the middle of the year it is reduced to 60 and by the end of the year this number comes down to 15-20. I would like to know the names of the places in Uttar Pradesh where the number of villages electrified is 2 to 3 times more than the target fixed? Will the hon'ble Minister furnish the figures regarding Uttaranchal? If the figures are not readily available, the same may be furnished later on. Also it may be enquired as to why the target is continuously decreasing during the last five years?

[English]

SHRI P. R. KUMARAMANGALAM : With regard to the village electrification there is a specific question, namely, Qn. No. 7, in today's List of Questions.

MAJOR GENERAL BHUVAN CHANDRA KHANDURI, AVSM : Please reply to the first portion of the question.

SHRI P. R. KUMARAMANGALAM : I can definitely give an answer to that part of the question.

I wish to assure him that if he wants I will obtain the details with regard to the number of villages that have been electrified in the hills of Uttar Pradesh on the proposed State of Uttaranchal and I will give him the details.

With regard to the situation of U. P. power, additional capacity generation, there has been a little slow down. But I must inform this House that the present State Government of Uttar Pradesh has taken emergent steps to improve not only the Central sector additional power there but also the State sector. We are moving very quickly and I should hope that they will be one of the larger participants in the Ninth Plan for additional capacity generation.

SHRI KAMAL NATH : The hon. Minister has given us an optimistic picture of the future. But saying that there are so many PPAs and MoUs signed is not enough. The limiting factor in the implementation of all these PPAs and MoUs is going to be in the financing, the financing being limited by the ESCROW, amounts which will be sanctioned by the financial institutions.

Is the Minister aware that the financial institutions have put a ceiling on financing of power projects based on a cap put by ESCROW while a State like Madhya Pradesh can have many projects approved by the CEA, the clearance which the CEA has given for Madhya Pradesh runs into several thousand Megawatts. But the financial institutions are working at cross purposes and are putting a cap on this by almost 25 per cent. Is the Ministry of Power taking this up with the financial institutions that the ESCROW limitation should not be there? Because if we are going to be in the illusion that all PPAs and MoUs will be implemented then we will have the same scenario after ten years. The crucial thing here is to ensure this. We are worried about the world's financial institutions, but here our own financial institutions are putting a cap on what new power projects can be implemented. Along with that, preference will have to be given to pit-head stations.

So, my first part of the question is this: Is the Minister going to take up with the financial institutions? And the second part is this : Will the Minister ensure that pit-head stations are given priority over everybody else?

SHRI P. R. KUMARAMANGALAM : I think I should clarify this.

MR. SPEAKER : I want the answer to be brief.

SHRI P. R. KUMARAMANGALAM : I will be very brief.

With regard to the cap on ESCROS there is no cap that has been put by the financial institutions on ESCROS. In fact, the cap is automatic due to the revenue stream of the SEBs. The capacity, for example, in Madhya Pradesh, the hon. Minister's home State is very clearly one of 2000 Megawatt as the capacity possible depending on the revenue flows that the SEB has got and I wish to inform the hon. Member that we have taken it up with ESCROS what is possible, let us find other methods of securitisation and we are having discussions in that. But with regard to pit-head power stations, I wish to inform my friend that I have written to the hon. Chief Minister of Madhya Pradesh that it is advisable that he gives priority to pit-head power stations because the cost of power invariable works out to much less due to the cost of transportation of fuel not being there.

SHRI V. SATHIAMOORTHY : In Tamil Nadu in the matter of power supply, the distribution is very bad. The present shortage of power supply has never been experienced in any previous period in Tamil Nadu. Our hon. Minister of Power is from Tamil Nadu.

MR. SPEAKER : Please ask your supplementary.

SHRI V. SATHIAMOORTHY : The Government is showing partiality in the matter of distribution of power in the rural areas. It is especially the Southern District of Tamil Nadu which is never receiving the electricity supply either in day time or in night time. Due to low voltage, more or less 99 per cent of the agricultural power pumps have been burnt.

MR. SPEAKER : Shri Sathiamoorthy, please put your supplementary.

SHRI V. SATHIAMOORTHY : The agriculturists are suffering a lot. Is the hon. Minister aware of the fact that the situation prevailing in Tamil Nadu is bad? I would like to know whether any solution is suggested by the Central Government and also whether any remedy is sought by the State Government from the Central Government to reduce the worst situation in electricity supply.

SHRI P. R. KUMARAMANGALAM : The situation in Tamil Nadu is grim but not as grim as in other States if one looks at it comparatively. But it is true that there seems to be some form of mild discrimination in terms of power, that is ...*(Interruptions)*.

SHRI T. R. BAALU : The hon. Minister should answer as to what sort of discrimination is there. He should not politicise the issue. It is too silly for him to politicise the matter in

Question Hour. The hon. Minister is politicising the issue. He should come forward with a categorical reply.

MR. SPEAKER : Shri Baalu, please take your seat. This is not necessary. Please take your seat.

SHRI P. R. KUMARAMANGALAM : We are taking steps.

[Translation]

SHRI SUSHIL KUMAR SHINDE : Mr. Speaker, Sir, working group on power of Planning Commission has informed that in the Ninth Plan there will be a shortfall of 57,000 MW of electricity. A policy was accordingly formulated. Regarding Naphtha, it was stated in the beginning that it will help in power generation. Two months ago, a policy was formulated for decentralization of Naphtha. Now, the Government is centralising it. I have a circular with me which says that no unit of Naphtha will be transferred until a clearance is given by the Ministry. I can bring that circular tomorrow if required. Before conducting Nuclear Test Pokhran-II, negotiations were going on between an Indian hydro Power generation company and Pakistan to have additional capacity of power generation for Delhi. An M. O. U. was also to be signed in this regard.

[English]

MR. SPEAKER : Shri Shinde, please ask your supplementary.

SHRI SUSHIL KUMAR SHINDE : Sir, this is very important. After Pokhran-II, what is the position? I would like to know whether the Government of India is having any negotiation with Pakistan or that particular party is having any negotiation or contract with Pakistan. If not, then there seems to be a grave danger to this country. From nearby countries we were getting power. It has been totally stopped because of this blast.

SHRI P. R. KUMARAMANGALAM : Firstly, 57,000 megawatts was a projection figure. The Ninth Plan has proposed 40,000 megawatts in consultation with the Planning Commission, keeping in mind growth figures, demand growth potentials.

Let me also point out that with regard to Naphtha, two months ago there was no policy announced changing the earlier liquid fuel policy which was there. The change has just taken place, a couple of days before we have announced a fuel policy. We are not Centralising it. On the contrary, all other fuels, other than Naphtha, have been pulled out of the liquid fuel policy, thereby giving a total freedom to liquid fuel units to choose their option. We have restricted only one fuel, that is, Naphtha, because of its volatile price and volatility in other forms. It is actually not considered to be a good fuel for generation projects world over. So, we are restraining that. But since commitments had been given in the past, we are permitting. In fact, we have increased it a bit—3,000 megawatts additionally for Naphtha.

With regard to other fuels, whether it is LSHS, whether it is condensed gas or emulsion, or whether it is FO, we have said that these are all that come from outside without any

restriction, thereby literally doing major act of liberalisation in this regard.

With regard to Pakistan power, I want to go on record to say that there have been no negotiations in the past. Some information came to us through some multilateral agencies that there is a possibility. Let me tell you that this came after the blast. We have shown interest but there has been no positive response. On the contrary, from whatever information we have received, Pakistan Government is not interested, at the moment, to sell their surplus power because they themselves believe that they do not have surplus power. That is the stand they have taken. I can assure you that the nuclear tests have, in no way, changed anything in this regard.

DR. T. SUBBARAMI REDDY : Mr. Speaker, Sir, very briefly I would like to say that in Visakhapatnam, after laying the foundation stone for the Hinduja power project, three Prime Ministers have changed and two Chief Ministers have changed. The foundation stone was laid by the then Prime Minister but till now nothing has happened. Of course, the Minister has been telling us, in response to our representations, that they have held meetings, they have made all the arrangements and they are going to start it. I want a categorical commitment and answer from the hon. Minister that with all his dynamic approach, when is he going to give to the people of Andhra Pradesh this 500 MW Hinduja power project. By solving all the teething problems, when is he going to put it into force?

Secondly, I want to know whether with the sanctions imposed by Japan, the Simadri project of Visakhapatnam also is going to be affected. The Minister has said that they need Rs. 2,80,000 crore to modernise the system of transmission in the country. Where is he going to get this money from? I want the Minister to give answer to these two parts of my question to this august House.

SHRI P. R. KUMARAMANGALAM : Sir, with regard to the Simadri project, I wish to assure the hon. Member that we will...*(Interruptions)*

[Translation]

SHRI LAL MUNI CHAUBEY : Bihar is in India and is also facing the problem of electricity...*(Interruptions)*

[English]

SHRI BHAGWAN SHANKAR RAWAT : Sir, this is an important matter and we want to have a full discussion on this...*(Interruptions)*

MR. SPEAKER : I have no objection to having a Half-an-Hour discussion on this.

(Interruptions)

SHRI P. R. KUMARAMANGALAM : Sir, if they want to have a discussion on this, I am most willing for that...*(Interruptions)*

MR. SPEAKER : Question No. 283.

(Interruptions)

SHRI P. R. KUMARAMANGALAM : Sir, may I complete my reply?

MR. SPEAKER : Yes.

SHRI P. R. KUMARAMANGALAM : Sir, I would like to go on record...*(Interruptions)*

[Translation]

SHRI LAL MUNI CHAUBEY : Mr. Speaker, Sir, let us come to Bihar also...*(Interruptions)*

[English]

MR. SPEAKER : Please take your seats. If the Members are interested, I can allow Half-an-Hour discussion on this. Please take your seats.

(Interruptions)

SHRI P. R. KUMARAMANGALAM : Sir, considering the suggestion by some Members, I have no objection if a Half-an-Hour discussion or a full discussion is allowed on this.

MR. SPEAKER : Now Question No. 283.

DR. T. SUBBARAMI REDDY : Sir, he has not given answer to my question.

SHRI P. R. KUMARAMANGALAM : Sir, with regard to the Simadri project, I wish to inform the hon. Member that everything is ready with regard to that project and the Simadri project will come up on schedule.

With regard to the other project, the counter-guarantee would be issued definitely by the end of this month and the project will go on stream.

MR. SPEAKER : Now Question No. 283.

(Interruptions)

[Translation]

SHRI LAL MUNI CHAUBEY : I am saying that electricity is one of the reasons for backwardness of Bihar and Bihar is not being discussed...*(Interruptions)*

[English]

MR. SPEAKER : Yes, Short Duration Discussion. The Minister has no objection to have a Short Duration Discussion. Please resume your seat now.

(Interruptions)

[Translation]

SHRI LAL MUNI CHAUBEY : Mr. Speaker, Sir, the matter regarding Bihar should not be included in records.

[English]

SHRI N. JANARDHANA REDDY : What is this, Sir? Every time you are not allowing me. You are discriminating against

me...(Interruptions). The answer was bigger than the question...(Interruptions)

[Translation]

SHRI LAL MUNI CHAUBEY : Bihar is also there in India. There is shortage of electricity in Bihar...(Interruptions)

[English]

MR. SPEAKER : Question No. 283. Shri Jang Bahadur Singh Patel.

Nothing will go on record except what Shri Patel speaks.

(Interruptions)*

MR. SPEAKER : Shri Janardhana Reddy, that is why I have allowed a Short Duration Discussion. Please take your seat.

SHRI N. JANARDHANA REDDY : Every time ... (Interruptions)

MR. SPEAKER : I have allowed a Short Duration Discussion.

(Interruptions)

MR. SPEAKER : Please take your seat.

(Interruptions)

[Translation]

SHRI LAL MUNI CHAUBEY : Please listen to me, since long I have raised my hand.

[English]

MR. SPEAKER : Shri Chaubey, please take your seat.

(Interruptions)

MR. SPEAKER : Except what Shri Patel speaks, nothing will go on record.

(Interruptions)*

MR. SPEAKER : Shri Janardhana Reddy, please take your seat. I have already allowed a Short Duration Discussion.

(Interruptions)

MR. SPEAKER : Except what Shri Patel speaks, nothing will go on record.

(Interruptions)*

MR. SPEAKER : Shri Chaubey, this is too much. Please resume your seat.

(Interruptions)

MR. SPEAKER : Nothing will go on record except what Shri Patel speaks.

(Interruptions)*

MR. SPEAKER : Shri Chaubey, please take your seat. This is not good. You are unnecessarily wasting time.

(Interruptions)

MR. SPEAKER : Hon. Members, please have order in the House.

(Interruptions)

MR. SPEAKER : Shri Ramdas Athawale, please take your seat.

[Translation]

SHRI PRABHUNATH SINGH : Please fix the time for it

MR. SPEAKER : I will do it. Shri Jang Bahadur Patel.

[English]

Budgetary Allocation to Education Programmes

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*283. SHRI JANG BAHADUR SINGH PATEL :

SHRI A. F. GOLAM OSMANI :

Will the Minister of HUMAN RESOURCE DEVELOPMENT be pleased to state:

(a) Whether the budgetary allocation for the operation Blackboard and Adult Education Programmes has been reduced in the 1998-99 Union Budget;

(b) if so, the allocation made for the said programmes in the last two years;

(c) the quantum of allocation not utilised out of these during this period;

(d) the reasons therefor, State-wise/Union Territory-wise;

(e) whether in this connection attention of the Government has been drawn to the news item captioned "Crucial education programmes suffer reduction in budgetary allocation" appearing in the Times of India, dated June 8, 1998;

(f) if so, the facts of the matter reported therein; and

(g) the remedial steps proposed to be taken in this regard?

[Translation]

THE MINISTER OF HUMAN RESOURCE DEVELOPMENT AND MINISTER OF SCIENCE AND TECHNOLOGY (DR. MURLI MANOHAR JOSHI): (a) to (g) A statement is laid on the Table of the Sabha.

Statement

(a) to (d) For the scheme of operation Blackboard (OB),