

Government had written to scrap the Thungabhadra Board as it is a white elephant and is not serving the purpose. There is no board for Cauvery or Krishna waters and there was no need to have the Thungabhadra Board.

I request the Government to scrap the Thungabhadra Board and allow the respective Governments to take up water management.

THE DEPUTY MINISTER IN THE MINISTRY OF SURFACE TRANSPORT AND DEPUTY MINISTER IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI P. NAMGYAL): We will place the suggestions of all the hon. Members before the Business Advisory Committee.

12.28 hrs.

DEMANDS FOR GRANTS (GENERAL), 1989

[English]

Ministry of Energy - Contd

MR. DEPUTY-SPEAKER: Now we continue the discussion on the Demands for Grants under the control of the Ministry of Energy.

Shri Virdhi Chander Jain

[Translation]

SHRI VIRDHI CHANDER JAIN (Barmer): Other hon. Members also want to speak on the Demands for Grants of the Ministry of Energy. As such the time may please be further extended.

THE MINISTER OF STATE IN THE DEPARTMENT OF POWER IN THE MINISTRY OF ENERGY (SHRI KALPANATH RAI): Since several other hon. Members

want to speak, the time may please be extended further.

[English]

MR. DEPUTY-SPEAKER: That is way, I am calling him. If more time is required, if all of you have no objection, we can extend the time. We will adjourn for lunch at 1 O' clock and re-assemble at 2 O' clock. Is it the sense of the House that we extend the time?

SEVERAL HON. MEMBERS: Yes.

MR. DEPUTY-SPEAKER: As all of you agree, I will call the other Members. Shri Virdhi Chander Jain.

[Translation]

SHRI VIRDHI CHANDER JAIN: Mr. Deputy Speaker, Sir, I support the Demands of Grants of Power, Coal and energy and would like to express my views in the House in regard thereto. The Central Government, the State Governments and the State Electricity Boards are engaged in their efforts to solve the energy problem. Efforts are being made to solve the energy problem fully so that the farmers could get more power and increase their production, industries could forget ahead in industrialisation and the problem of drinking water, particularly in the rural areas could be solved. The steps taken by the Central Government in this regard are highly commendable. The Central Government prepared certain plans in this regard. The targets of Seventh Five Year Plan have been achieved and I am sure that the targets of the Eighth Five Year Plan will also be achieved. For improving the power position, it is necessary that the plant load factor should be improved. Efforts have been made for this from time to time. In this connection it may be noted that the plant load factor rose to 51.10 per cent in 1984-85, 52.4 per cent in 1985-86 and 56.9 per cent in 1987-88, while in the beginning of the Sixth

[Sh. Virddhi Chander Jain]

Five Year Plan it was 44.3 per cent only. For this the machinery needs to work smoothly. If the machinery does not work smoothly we can never succeed in improving that plant load factor. A thermal power plant was set up at Kota in Rajasthan. The target for plant load factor was fixed at 80 per cent but we achieved higher level. If the engineers work efficiently and the plant and machinery are modern, we are bound to succeed in the matter of plant load factor. We have been making constant efforts in this regard. The transmission and distribution losses during the year 1986-87 were 21.50 per cent. We are not able to make as much progress in this field as we wanted to do, mainly because of certain areas being far flung making transmission a costly affair. For example take my area. In Rajasthan the transmission losses are naturally going to be higher as compared to other States. If the transmission lines are very long, losses are bound to be there. We should take steps to check theft of power, because theft of power is on the higher side. Although stringent laws have been made in this regard, the State Government do not implement them properly. The engineers are also a party to the theft of Power. That is why no concrete steps are taken in this regard. It is, therefore, necessary that the Central Government should closely monitor the steps taken to check the pilferage of power since it also provides funds for the R.E.C. schemes. I would also like to urge the State Governments that they should cooperate in checking power theft. Today the industrialists, the farmers and many other people are indulging in theft of power. It is necessary to check this theft and then only we will be able to minimise transmission and distribution losses and supply power to all States as per their requirement and the shortage of power would be removed to a great extent. It is essential to strengthen the national power grid and until and unless the regional power grids are strengthened, the national power

grid cannot be made strong. The Government should take concrete steps in this direction. With the setting up of a national power grid, power crisis in States can be overcome.

The Central Government has been constantly assisting the States and the State Electricity Boards under the rural electrification schemes and thousands of villages are being electrified every year under this scheme. We have set new records in rural electrification during the Seventh Five Year Plan. As regards Rajasthan, scores of villages in a number of districts have been electrified, cent per cent villages in Sikar, 96 per cent villages in district Jhunjhunu have been electrified, but in my constituency viz. Jaisalmer this per centage is only 18. Jaisalmer is an important district of Rajasthan. It is a strategic town and now it has also developed into a tourist centre. Indira Gandhi Canal has also reached there. It has, therefore, become necessary that Jaisalmer should be accorded priority in the matter of rural electrification. I think that it is the most backward district not only in Rajasthan but in the whole of India in regard to rural electrification. It is quite surprising that even 132 K.V. line has not been laid in that district. I have met several times the Chairman and the Secretary of the Rajasthan State Electricity Board in this regard and repeatedly brought this point in their notice but to no avail. Until and unless a 132 K.V. line is laid in Jaisalmer it is not possible to lay a 33 K.V. and 11 K.V. lines and rural electrification cannot be undertaken. I, therefore, appeal to you to take steps to set up a 132 K.V. line in this district at the earliest. Without this line my meeting the Central Government and the Central Ministers and putting pressure on them becomes futile as nothing is feasible in the absence of it. I request the hon. Minister to take up this matter with the Rajasthan State Electricity Board and find some way out to solve this issue so that rural electrification work in district Jaisalmer is undertaken.

I hope that the hon. Minister will extend his full co-operation in the matter. As far as I know, the Department of Defence is also in favour of laying a 132 K.V. line in Jaisalmer from the point of view of defence. I request you kindly to co-ordinate with the Department of Defence and see as to how a 132 K.V. line can be laid there at the earliest in co-ordination with them so that villages in Jaisalmer district could also get electricity, develop and advance. The population of thickly populated villages in Jaisalmer District is from 5 to 7 thousand some of which are also Panchayat headquarters, but the absence of electricity is a big obstacle in their progress and development. I therefore, request you to take steps to supply electricity to the backward district of Jaisalmer.

Mr. Deputy Speaker, Sir, lignite has been found at Barsingser in Bikaner district. The Neyveli Lignite Corporation has prepared a plan to set up a 220 MW power plant. In this connection I would like to submit that 20 crore million tonnes of lignite deposits have been found in Kapurdi and Jalepa in Barmer district and it is of far better quality. I have been pressing for a detailed survey, which is yet to be completed. Now, I understand it is going to be completed. I, therefore, request that the project report in respect thereof may please be prepared and submitted for consideration at the earliest. A scheme to set up a power house of 5000 MW capacity may please be prepared and thereafter a power house be set up there. It is necessary to have a power house in the desert areas of Kapurdi and Jalepa in Rajasthan. Steps should be taken in this direction. The steps so far taken, especially in respect of solar energy, bio-tech, photo-tech sectors, have provided street light in some areas of Jaisalmer. I want that this work may be furtherer expanded in the districts of Barmer and Jaisalmer so that the power problem of the area could be solved to a considerable extent.

There was a scheme to set up a solar energy centre with 30 MW capacity in Jodhpur, but no progress has been made so far in this work, I, therefore, request that early and positive steps be taken to set up a 30 MW capacity solar energy plant there. Once this power house is set up, it will be a big facility for our desert areas. So far as the question of wind energy is concerned wind with sufficient velocity is there. But so far no concrete steps have been taken in this regard although some steps have been taken in Gujarat. I would, therefore, like to request you to take similar steps in the desert areas of Barmer, Jaisalmer and Jodhpur. It will be very helpful for our small irrigation schemes and will benefit the farmers.

Mr. Deputy Speaker, Sir, I am of the view that the farmers of the area should get power supply at least for 10 hours a day. But the Government has not so far been able to do so. Now people get power supply for 6 hours in some places, and in some others for 8 hours only per day. The farmers should get power for 10 hours. The people of my area have specially demanded it. Last year 6000 wells were dug in the district Barmer for irrigation purposes. In Jaisalmer, 1000 irrigation wells were dug up. There is a heavy demand for providing power connections to them but the Rajasthan Government keeps our district at par with other districts, inspite of the fact that our district is backward and power connections will not only enable the poor to earn their livelihood but also ease the drought situation. I have made constant efforts in this connection but the State Government is not extending its full co-operation. As the Central Government is providing assistance to the Government of Rajasthan, I want some pressure to be put on it for providing power connections for irrigation wells.

With these points, I support the Demands for Grants of the Ministry of Energy.

[English]

SHRI V.S. KRISHNA IYER (Bangalore South): Mr. Deputy-speaker, Sir, though there has been an appreciable improvement in the national scenario of power production, so far as Southern region is concerned, the situation has been very dismal. Many States in the South are still reeling under power shortage and my State, Karnataka, is one such State. As the hon. Minister knows, there is deficit of nearly 30% in Karnataka. Sir, I do congratulate Mr. Sathe and Shri Kalpanath Rai for what they are doing in this respect. But they should give equal attention to those States which are deficit in power. Sir, I should thank Mr. Kalpanath Rai for compiling a beautiful book on power requirement of each State which has been circulated to the Members of Parliament. What is now required is that the Energy Ministry should devote its full attention to the States which are deficit in power and to see that their problem is solved. One of the solutions is that they should try to expedite the work on the National Grid. I know the Government has already taken steps. They have got the Regional Electricity Boards. The Government must see, the Energy Ministry must see that the National Grid is set up as early as possible. I must tell the hon. Minister that very recently I saw a press cutting in which the hon. Minister, Mr. Sathe, has stated that by proper management it is possible to conceive 30% of the energy. What steps Government have taken to implement that suggestion? The hon. Minister has also said in that statement that by conserving 1% of the energy, we will be saving money to the tune of Rs. 200 crores. I want to know what steps Government has taken to implement proper management of the energy consumption. In this connection, I would like to draw the attention of the Government with regard to the management of the State Electricity Board. Only yesterday the hon. Minister, while intervening in the debate, had said on the floor of the House, that the loss to the

State Electricity Boards has been colossal. It is more than Rs. 2000 crores. If the State Electricity Boards manage it properly, this loss of Rs. 2000 crores could be used for generating more power, that is, about 2000 megawatt of power could be produced. But, unfortunately the management of power is not done very scrupulously. The State Electricity Boards must be reformed. It is the responsibility of the Ministry to see that the State Electricity Boards also function properly, in addition to what the State Government could look after the functioning of these Boards. In this connection, I would like to make one suggestion to the hon. Minister, Shri Kalpanath Rai that many of the State Electricity Board are incurring loss because they are giving power to the agriculture sector at a concessional rate. Karnataka is one such State. I want to know what steps are being taken to give subsidy to the States which supply power to the agriculturists at a concessional rate. The State Government is not in a position to give any subsidy to the agriculturist. I would like to know whether the Central Government will give any subsidy to the States. The cost of production of power works out to 60 paise per unit, but the agriculturists will pay only 10 paise per unit. For example, the cost of production per unit in Karnataka is 60 paise, but they are selling it at 10 paise per unit. How much is the loss to the State Electricity Board, you can imagine.

Another point which I would like to make in this connection is, you should see that the State Electricity Boards are manned by proper persons. This is very essential, you should put a condition on all the States they should have competent persons to head the State Electricity Board. If only proper persons are appointed, certainly the management of the State Electricity Boards will be better.

Another suggestion which I would like to make is —Mr. Kalpanath Rai, I do not know whether you have followed all these things.

I am drawing your attention to the energy requirement of the State. I would like to emphasise that the Ministry must give attention to the States which are deficit in power. In Karnataka the deficit is 30 per cent. What I would suggest is that you must expedite the setting up of National Grid. Another thing is, you must see that the pending projects of the State Electricity Boards, particularly those projects which have shorter gestation period, are cleared immediately. So far as my State is concerned, I would like to mention some of the projects and I would request the hon. Minister to see that they are cleared very early. First is the Shivasamudram Run-of-the-River Project which produces nearly 270 MW of power. It will be at the cost of the State Government, you have cleared it, but unfortunately the Central Electricity Authority has not given its clearance. It does not involve any impounding of water. There can also be no inter-State dispute so far as this project is concerned, and I am sure Tamil Nadu will not come in the way. So, you should clear this project.

The next project which is pending is Shivasamudram Seasonal Power Scheme. Here also it does not involve impounding water and it will be at the cost of the State Government. As a package deal the Karnataka Government is prepared to permit Tamil Nadu to have a similar project in Tamil Nadu also. You should use your good offices and see that this Shivasamudram Seasonal Power Scheme is also sanctioned.

Another thing is, we are happy that with the assistance of the Soviets we are going to set up a thermal power plant in Mangalore. That should be expedited.

Another project is Raichur Thermal Plant. Here there is coal problem. It is very unfortunate that the Raichur Thermal Plant is made to starve often for want of regular supply of coal. I would request the Minister to talk to the concerned authorities and see that

coal is supplied to the Raichur Thermal Plant.

Here I would also like to mention about two or three projects which are of 50 MW to 60 MW capacity and which are still pending with the Ministry. I would request the Minister to kindly note down these projects. First is the Brindavan Hydel Scheme. That is a project of Rs. 13 crores. Naturally clearance is required. Another project is Almatti Dam Power House. It is also a small project. Another is Katla and Palna Diversion Scheme. That is also pending. Then there is the Kabini Dam Power House.

These are the Karnataka State projects which are pending and I request the Minister to see that these projects are sanctioned very early.

I would like to make two or three points more.

Sir, one factor which other Members have also raised is transmission loss. It is unfortunate that the transmission loss is the highest in our country, as the national average is 21.3. Except a few States, almost all the States are incurring heavy transmission loss. You have been writing to all the Electricity Boards and you want them to improve their performance. You also want to finance them to see that the transmission loss is reduced. But unfortunately, it is not considerably reduced and the loss is still there.

Another point is conservation of energy. By conserving the energy, you could save 30% of energy, according to your own statement. No. 2 is, transmission loss should be reduced. If these two things are properly managed, I am sure, they may not require any extra projects at all. I request you to see that the State Electricity Boards are given full assistance and to see that the transmission loss is reduced.

[Sh. V.S. Krishna Iyer]

So far as Karnataka is concerned, most of our projects are hydro electric projects. At one time Karnataka was second in the electricity map of India. But unfortunately, now it has come of 13th place, because we are depending on the hydro electric projects. Success of which depends upon Vagarisa of Monsoon. Therefore, I request you to see that the Karnataka State projects are cleared as early as possible.

[Translation]

SHRIMATI MANORAMA SINGH

(Banka): I make my submission today in support of the Demands of the Ministry of Energy. I would like to thank the hon. Minister for compiling all the demands of the hon. Members regarding their respective constituencies and their point of views in a booklet and distributing it to all the Members. I am grateful to the hon. Minister for it. He has meticulously compiled the booklet.

I would like to submit about some problems of my constituency and provide some suggestions as well. The steps taken by the Central Government for rural electrification are very commendable but there are several deficiencies of which I would like to make mention here. The work of rural electrification is not being undertaken in an organised manner. I have seen in my own constituency that when electrification of a particular area starts many villages in between are left without being electrified. I tried to find out the reason for this and approached the Chief Engineer a few times in this connection. I was informed that the criteria for rural electrification was revenue villages. I could not understand as to what he meant by revenue villages? I want to request the hon. Minister that when some villages are left out in between without being electrified it affects the credibility of the representative of that area.

Electricity is very important for providing

irrigation facilities and therefore, there should be a proper coordination between the two. My constituency is a hill area where the lift system is the main source of irrigation. At many places lift irrigation schemes have been completed but they are not in operation due to non-availability of electricity. Hence, it is very essential to have a proper coordination between irrigation and power supply. Shri Jain who spoke before me rightly remarked that power thefts should be checked in the rural areas and that efforts should be made to simplify the procedure of providing electricity connections to the farmers and businessmen.

In a large number of villages, transformers have gone out of order and despite my repeated requests nothing has been done in this regard. The reason behind this is that low capacity transformers have been provided in the rural areas. In big villages high capacity transformers should be installed.

[English]

MR. DEPUTY SPEAKER: We shall adjourn for lunch and re-assemble at 2.00 P.M.

13.00 hrs.

*The Lok Sabha adjourned for lunch till
Fourteen of the clock*

*The Lok Sabha re-assembled after Lunch
at Twelve Minutes past Fourteen of the
clock*

[MR. DEPUTY SPEAKER in the chair]

DEMAND FOR GRANTS (GENERAL),
1989-90

[English]

Ministry of Energy-Contd

SHRI N.V.N.SOMU (Madras North):
Will the Minister reply now, Sir?

MR. DEPUTY SPEAKER: He will reply at 2.30 p.m. Smt. Manorama Singh to continue her speech.

[Translation]

SHRIMATI MANORAMA SINGH (Banka): Mr. Deputy Speaker, Sir, the subject under discussions was rural electrification. In order to remove the difficulties in the rural electrification process, I would suggested that States should be made more effective because at many places electric poles have been installed but electrification is not undertaken because of the short supply of other materials. In 1985, the target fixed for electrification in Banka sub-division was 1200 villagers but it is unfortunate that only 600 or 650 village have been electrified so far. The Governments intention of supplying electricity to the harijan and adivasi areas has not been successful as well. Similarly, two projects were sanctioned at Kahalgaon, which are to be completed by 1990. At Kahalgaon, the work had started in 1984 and it was scheduled to be completed by 1990 but the progress is not satisfactory so far. Land was acquired from the farmers for the construction of the Kahalgaon thermal power project but the farmers have not been paid proper compensation as yet. There was a provision to provide employment to at least one member of each family but that has also not been done. I hail from Bhagalpur. Bhagalpur and Munger are backward areas. I would like to submit here that inspite of that people from West Bengal are being provided employment there. I am not against the Bengalis but as my constituency is very backward and the unemployment situation is very critical. I would like that the local people should be given preference in matters of employment.

As regards Koel Karo power project, I would like to submit that this project was formulated in 1980 with an estimated outlay

of Rs. 300 crores but today the costs have escalated to Rs. 1100 crores. The land of the adivasis was acquired for this project and therefore, instructions should be issued to the State Governments to implement this project at the earliest. The announcement of the Hon. Prime Minister regarding Karanpur power station should be approved and formalised. I would like to submit that Bihar should not be neglected and while sanctioning super thermal power projects, priority should be given to Bihar as well.

36 small scale industries are lying closed an account of short supply of electricity in the Deogarh industrial area in my constituency. Requests were made to the State Government in this regard. Most of these small units are run by unemployed youth and therefore, power should be supplied to them so that they are able to make their both ends meet. With these words, I conclude and thank you for giving me time to make my submission.

SHRI KALI PRASAD PANDEY (Gopalganj): Mr. Deputy Speaker, Sir, at the outset, I would like to support the Demand for Grants of the Ministry of energy because the time at my disposal is very short. I had repeated demands in the House to take effective steps to curb large scale smuggling of coal in the thermal power stations whether it is in Kanti or Barauni. Effective steps were taken, for which, I would like to congratulate Shri Vasant Sathe. Thereafter, power generation capacity in Bihar has definitely improved. The Thermal Power Station at Kanti can solve the power problems of Sewan, Gopalganj and most of the other districts of Uttar Pradesh. Priority has been given to agriculture under this project. However, despite best efforts, Kanti Thermal Power Station has not been made fully operational. The Government has stated that all its units would start functioning by 1986, but this has not been done so far. In comparison to other States, the power generation capacity of

[Sh. Kali Prasad Pandey]

Bihar is inadequate and it will continue to be so in future as well.

The Koel-Karo project was formulated but that project has remained only on paper. No effective steps are being taken for the implementation of that project. Work is going on a war footing in Chotta Nagpur and in Jharkhand. Until these power projects are made fully operational, it will not be possible to enhance the quantum of power generation in Bihar despite all out efforts made in this regard. Late Shrimati Indira Gandhi had envisaged that the Standard of living of the poor people could be improved by laying a network of rural banks and by the nationalisation of banks. Similarly, Electrification Scheme can help in achieving this aim. Electricity should be provided to maximum number of poor sections. I hail from Gopalganj. The state of rural electrification in the villages is such that at some places there are electric poles but wires are not available. At other places, wires are there but the poles are missing. At some places, there are neither wires nor poles. Villages cut electricity cables and use them as clothes-line in their houses. There is a paucity of transformers in Bihar. A transformer is not replaced even 6 to 7 months after it burns out. The Government's objective was to provide electricity to every piece of agricultural land and to repair tubewells which are lying out of order. Our generation capacity should be at least 36,000 MW. As long as the setting up of new thermal power plants is not approved for Bihar, the objective of providing electricity cannot be fulfilled. The ex-Chief Minister of Bihar Shri Bhagwat Jha Azad took effective steps to combat the mafia in the State and was able to apprehend a number of mafia kingpins. It will not be possible to increase the production capacity of electricity unless the present Chief Minister is able to control the mafia. Hon. Shri Ghafoor Saheb is also present here. During his ten-

ure as Chief Minister, when one Mr. Saxena who was the Collector took punitive action against the mafia operating in the coalfields of the State, the mafia people got the collector transferred and bundles of currency notes for Rs. 10 lakh were thrown in the compound of his residence. This suggestion given by hon. Shri Kalpnath Rai has filled us with hope that the Government will take strict action against the mafia and set up new power stations in Bihar so that production of electricity can be increased.

KUMARI KAMLA KUMARI (Palamau): Mr. Deputy-Speaker Sir, I thank you for providing me an opportunity to speak. On the subject of energy the first thing I want to say is that the allocations made by the hon. Minister will give momentum to national development which had hitherto been stagnant. Energy plays a major role in the country's development. Energy is a necessity in the industrial, rural as well as urban sections. Agriculture is predominant in our country and this sector too needs energy. Power is needed to operate tubewells which are needed to save standing crops when monsoon rains fail. How important energy is can be judged from its indispensability in various sectors. Energy is an important factor in the functioning of the Railways. Just now hon. Shrimati Manorama Behan made a mention of North Coal Project. This scheme was envisaged in 1980 when Chandra Shekhar Prasad was Energy Minister. At that time its estimated cost was Rs. 80 crores and today the estimated cost has doubled of its original cost. Further delays will enhance the cost of a much higher amount, due to which it would be difficult to complete the project. In view of the energy crisis in India, particularly in Bihar we should use more of bio-gas in order to fulfil our energy needs. For the benefit of farm labourers and to increase agricultural yield, energy resources should be developed in the rural sector. Grids should be located at such places by which maximum number of vil-

lages could be covered. This will benefit the rural population. Transformers installed in my State are of a very low power due to which they burnt. So high power transformers should be installed combining several villages in one unit. I urge the hon. Minister to get the North Coal Scheme completed at the earliest as it will accelerate the pace of development and increasing the production.

With these words I support the Demand for Grants of the Ministry of Energy.

[English]

SHRI BASUDEB ACHARIA (Bankura): Mr. Deputy-speaker, Sir, I will confine myself to one of the most important and serious problems in the Asansol-Raniganj area, and that is the problem of subsidence. The extensive underground mining in Asansol-Raniganj area over the past hundred years and more has left behind a vast network of abandoned underground tunnels and shafts in the coal seams exhausted of their mining potential. This disused network abandoned without proper and stoning and other safety measures is threatening a vast urban and industrial population overground with subsidence in several areas of Raniganj and Asansol thickly populated industrial areas.

A number of Committees went into this problem of subsidence in Raniganj-Asansol area and these Committees have also made several recommendations. However, none of these recommendations has been implemented by the Government of India. The Ministry of Energy think that the legislation to prohibit construction in the mining areas of Asansol and Raniganj is not being properly, seriously and strictly implemented. The problem is that though certain areas and declared as unsafe by Director General, Mines Safety, they do not pinpoint those areas, because they have no land records. As such, this legislation to prohibit construction in the mining areas cannot be strictly

implemented in those areas even though the areas has been declared as unsafe by the Director General, Mines Safety. The construction works are going on by ECL for accommodation for coal mine workers. This is a serious problem. Unless immediate steps are taken, they may be a major disaster in the area. I personally visited a number of places, the cracks had appeared and smoke was emitting from the underground.

It has been stated that some compensation is being paid for this subsidence in that area. But that is also a small amount. This compensation will not solve the problem of the area unless a master plan is prepared by the Government of India for proper rehabilitation of the population, particularly of the area of Raniganj town, which is in danger. Raniganj coalfield is the oldest. So, a master plan must be prepared for Raniganj, like Jharia Coalfields to shift the township from that dangerous place to some other place.

One method has been developed by CMPDI of sand stoning. This method is hydro-pneumatic device. That device can be used in Raniganj area to tackle this problem of subsidence.

As I said, record was not maintained by the ECL. The lands are being used for mining work; coal is being extracted from underground but the royalty payable to the State Government is not being paid because records are not available. Without proper acquisition, lands are being used by ECL for mining and extracting coal and the State Government is not getting royalty due to it.

In this connection, I would like to say that the Prime Minister said at Shantiniketan that the West Bengal Government was not properly managing the energy problem when the question of Bakreshwar plant was raised by some students, and that the plant load factor in West Bengal was not so much;

[Sh. Basudeb Acharia]

it was below the national level. Sir, I want to refute what Prime Minister had said when he made a slanderous attack against the Left Front Government of West Bengal, by quoting from the Report of the Economic Survey presented by the Finance Ministry for the year 1988-89. It has been stated:

"The Plant Load Factor of NTPC declined from 70.2 per cent to 64.6 per cent mainly because of the preponement of maintenance shut-down of plants. Average PLF of State Sector plants declined to 49.1 per cent from last year's level of 51.9 per cent. Only 8 States Andhra Pradesh, Karnataka, Tamil Nadu, Punjab, Gujarat, Uttar Pradesh and West Bengal maintained the PLF more than 50 per cent during April-December, 1988."

This has been stated in the Economic Survey. So, what the Prime Minister stated yesterday is not true. It is not based on facts. So, I request the Minister to at least do something to tackle the subsidence problem of Raniganj and Asansole coal mining area. At any moment there may be a disaster in that area. About 5 lakh people are affected in that area.

[Translation]

SHRI SALAHUDDIN (Godda): Mr. Deputy-Speaker, Sir, I rise to support the Demands for Grants of the Ministry of Energy. I shall be as brief as possible. Before making any comment on the working of the Ministry of energy we must evaluate its performance, otherwise any sort of praise or accusation would be baseless. And the best parameter of measuring the performance is to see as to what is output-man-shift (O.M.S.) and plant Load Factor (P.L.F.) Only

then will the real picture emerge. Whether this Department has made any progress or not can be judged by its performance in last 2-3 years, the O.M.S. is 1.11. This has registered an increase as compared to the previous years. There is also a reduction in loss which was nearly Rs. 700 crores. As to productivity, we can estimate a productivity level of 1.94 million tonnes for coal. As regards P.L.F., national average of P.L.F. shows a marked increase in the last two years. Hon. Shri Acharya rightly said that P.L.F. at the State level is low but the performance of the National Thermal Power Stations has been quite satisfactory. There has been an increase in productivity and a reduction in losses. The Ministry of energy has done a good job from every point of view. Unlike other Ministries, this Ministry cannot frame a common policy for the entire country. The nature of problems being faced by the E.C.L. and the C.C.L. are of an altogether different. Each State has different problems, somewhere it is labour problems and somewhere it is management problems. The headquarters of the Maithon Operational Area are presently situated in Calcutta. There is no justification of it. The biggest coal belt in the area is in Santhal Parganas. There should be a separate Energy Budget of the lines of the Railway Budget. This is because the Ministry of Energy comes next to the Ministry of Railways in terms of size as it has nearly 7 lakh direct and nearly 10 lakh indirect employees. The Railway Ministry has nearly 17 lakh employees while the Energy Ministry has nearly 6.75 lakh employees. I suggest that the headquarters of the Maithon Operational Area be shifted to Maithon itself and Santhal Parganas be made a separate zone as it is a separate belt. With these words, I conclude my speech.

[English]

THE MINISTER OF ENERGY (SHRI VASANT SATHE): Thank you, Sir. At the

outset I want to thank the Hon. Members who have so kindly participated in the debate on these grants concerning the Energy Ministry and I am grateful to the Hon. Members.

There has been more or less a unanimous feeling that the Departments under the Energy Ministry have by and large done a good job. Of course, one can never be satisfied and should never be complacent. Lot more needs to be done because this is one field, Sir, where one says that virtually sky is the limit.

Whenever I think of energy, I cannot help going to our ethos and heritage which has talked in terms of a right perspective to the whole question of energy. The story of human civilisation is the story of man's use, discovery and knowledge of energy. Right from his invention, or you can say, discovery, of fire to the stage when we have gone to the use of space energy—not only electricity, computerised energy—human being has come a long way by using one basic factor of energy called human intelligence. However, that is also not yet fully used and if man decides to use his intelligence in a proper way, I have no doubt that the sources of energy are in such an abundance that we can put them to the services of the entire mankind to improve the lives of humanity as a whole. Sir, I remember what our seers have said:

Eeshavasyamidam Sarvam yatikanch
Jagatyam jagatah.
Ten tyaktien bhujeetha
Mangradah Kasya Svidhnamah.

The whole universe is permeated by that one energy. Then there is that advice to the human being: "Don't be egoistic, do not think you possess all this wealth created and do not be covetous!"

Same thing was said later on after many years by Guru Nank Dev:

"Awwal alladhnor, kudrat de sab bande,

Ek noor te Sab upajaya, Kaun bhale Kaun mande"

First energy is created and from energy the whole world and every thing was created. Therefore do not be egoistic. Who is high, who is low?

SHRI ANIL BASU (Arambagh): At that time there was no Vasant Satheji as the Energy Minister.

SHRI VASANT SATHE: When I find that we still suffer from various complexes and try to bring everything to such mundane levels of accusation, I remind the hon. members to look at this question of energy from a higher perspective. That is my object.

Of the sources of energy, first I want to take up the question of coal which is one of the major inputs for energy that we know of. We have large reserves of coal in this country, substantially in a particular area—Bihar, Bengal, Orissa, Madhya Pradesh and some parts of Andhra Pradesh. Then we have lignite in Tamil Nadu and Rajasthan. We have been trying to use these resources for past hundred years. But Sir, it is interesting to know that even after Independence till we nationalised coal in the year 1973-74, the production had reached a maximum level of only 70 million tonnes! Many people try to denigrate and pooh-pooh the achievements of our country. Sometimes we ourselves do it. But still, if we consider even some very elementary figures, the progress that we achieved should make any patriotic Indian feel proud. Just imagine the growth in production after nationalisation. It was a demand of all progressive and socialist elements of this country that we must nationalise this basic sector, that is the coal sector.

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Now see the achievement. After the year 1973, till now, we have added more than 100 million tonnes to our production which was stagnating at 70 million tonnes in 1973. It is no mean achievement!

SHRI S. JAIPAL REDDY
(Mahbubnagar): Just one minute Sir.

[Translation]

SHRI VASANT SATHE: You have raised point of order as soon as you came the House.

[English]

SHRI S. JAIPAL REDDY: There was a time when you poo-pooed nationalisation. I am very happy to note that you are now praising it.

SHRI VASANT SATHE: Oh my! Come along now. Who pooh-pooed it? When you say 'you', who is this 'you'? I have never pooh-pooed nationalisation. I will make it clear. Even today I maintain that the objective of nationalisation can succeed only if we make our nationalised sectors efficient. That is all that I have to say. Have you any quarrel on that?

PROF. MADHU DANDAVATE (Rajapur): He is confused, Sir. You criticise only the Parliamentary System.

SHRI VASANT SATHE: Is he confused even with Parliamentary system? Well, I do not want to be side-tracked to other things. Let us deal with coal.

Sir, from a level of just 1300 MW installed capacity to reach a level of 58,000 MW installed capacity, from a level of just

3000 electrified villages to reach a level of 4,15,000 electrified villages, from a level of just 25,000 pumpsets to cross a level of 67 lakh pumpsets—which is mainly responsible for our Green Revolution—is no mean achievement. It is something that should make any person proud.

But I myself am one of those persons who have been constantly saying that we have yet to go a long way. When we compare our position in the world, where are we? When we compare, we realise how far we have yet to go and that is why we have to prepare ourselves and gear up to face the realities of the situation in the world.

I have said it very often and I will begin by saying it that as far as power is concerned, electricity as energy is the basic input which is responsible for all growth in general, whether it be agricultural or industrial or economic. One of the parameters all over the world is to see how much per capita energy in terms of electricity is available in a particular country. As far as developed countries of the world are concerned, per capita availability of energy is 7000 KWH. In America it is 10,000 KWH. In Canada, Sweden and some other countries it is more than 12,000 KWH. In many other developing countries also it is more than 1000 KWH. But in India, in spite of our achievement that I have mentioned just now, the per capita availability is a mere 200 KWH. Just see how far we have to go if we really want to industrialise our country and come on par with other countries of the world! The entire energy of this country including the human energy must be applied to this one task of growth. We cannot afford to waste our energy in internecine strife. That is one point which I humbly submit very often.

SHRI S. JAIPAL REDDY: Which energy?

SHRI VASANT SATHE: You were not

here even when I referred to spiritual energy which is the best of all types of energy. You may not appreciate it. Mr. Reddy may be, you have some acquaintance with some other 'spirits'.

SHRI S. JAIPAL REDDY: I am a rationalist!

SHRI VASANT SATHE: Therefore, we have to look at this whole picture, I would beg to submit that as far as coal is concerned, the major constraint today is how to improve the productivity of coal. Please appreciate this. Even after nationalisation, this is the constraint. Today, productivity is measured by one factor, i.e. Output-Man-shift (OMS). Output-Man-shift has to be considered separately in the underground mines because there is a difference in Output-Man-Shift. In the open cast mines, it is due to mechanical equipment. Even in the underground mines now, modern mechanism is taking place. But even after nationalisation one major factor which must be remembered now by all of us is that although we decided that due to social objectives we will not retrench anybody but wherever possible we will try to create more employment. But in the process what happened? In Coal India, we had less than five lakh workers at the time of nationalisation. Today, in Coal India alone there are 6.1 lakh workers. In Singareni, there are about 1 1/2 lakh to 2 lakh workers. Please consider this that in all the countries where OMS is there, the underground mining comes to more than 2 tonnes per day, per worker. even in China it is like that. I have been giving this example to many of my friends who think that China is ideal for everything. Fine. then examine it. In underground mines, the OMS was more than 2 tonnes in China and after nationalisation, till today the OMS in India in the underground mines is less than half a tonne.

SHRIMATI GEETA MUKHERJEE (Panskura): Why.

SHRI VASANT SATHE: Let us see. That is what I am saying. We are not quarrelling with each other. Let us see, why.

SHRIMATI GEETA MUKHERJEE: They are there in the Report. Therefore, it is better you come to the point.

SHRI VASANT SATHE: What should be done, Geetaji?

Unless you decide to improve productivity, the responsibility must be of the total word force. There is not use Management blaming the workers and the workers blaming the Management.

I want to say one thing here. In the last three or four years, we have tried to improve it and we have succeeded substantially in improving the industrial relations. The relations with our workers have improved substantially so much so that today the mandays lost have come down to the lowest minimum. In the last two years—if you exclude the political strikes that were called upon by some of our friends—there was hardly any strike due to any difference in clash or dispute between Management and the employees. My friend Shri Madhav Reddi and also probably Shri Jaipal Reddy also know that in Singareni, the state of affairs was 500 strikes in 300 days before 1984. There was more or less an anarchic situation. The production had stagnated to about 14 million tonnes. It was not growing at all. But just on the gesture of dialogue, may be because I have a trade union background, when we went there and called all the unions, all their representatives and sat together and decided that hereafter we will constitute a Joint Consultative Machinery and there need be no dispute because of lack of dialogue—the whole picture has changed. So, since then, there are a few instances here and there of some politically motivated disturbances. But by and large I will say that in Singareni, the whole picture has changed so much so that the production

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has now gone up to more than 18 million tonnes.

I agree that there was a target of about 20 million tonnes which could not be achieved. As I said, there are many other factors also not only this.

As far as general industrial relations are concerned, they have been good and this has resulted in achieving excellent production, improvement in productivity also with the result that we have today, this year achieved a record production of 194 million tonnes. But we have to judge ourselves from satisfaction of the consumer. After all, mere production is not the real test; the real test is consumer satisfaction. I remember when I joined this Ministry, in this very House and everywhere, very often there used to be a clamour, complaints and grievances of small coal users, brick-kilns, bangle industry and small scale industry. But the policy that we had adopted was: we called their representatives, discussed with them and set up depots near their own places and saw to it that they got adequate coal. In the last three-four years we hear no grievance from this section. Soft coke is one more important factor, which is very relevant to West Bengal and also Bihar. There I have a suggestion to make. We have frozen the price of soft coke for the last eight years at Rs. 175 a tonne, although the cost has gone up constantly with the result to the consumer the soft coke that they sell, the traders and other middle men, is available even for more than Rs. 600 a tonne. We are selling it at Rs. 175 a tonne. who is taking away all this cake in between? It is the middle man. My submission would be that we are willing to consider a scheme. We will give steam coal. Let it be converted into soft coke, at the end, in the villages by the people or where the consumers are and supplied to the consumers directly; let us make it free; let us decontrol, as far as soft

coke is concerned and you will find that if this is done, exploitation by the middle man will disappear, and people, consumers will get soft coke at much cheaper price. Today vested interests have developed who are exploiting the consumer and also the producers; that is the coal sector; that is why production of soft coke is going down. That is one aspect which I thought I should submit before you.

As far as welfare amenities are concerned, I would like to submit that coal sector is one sector which has achieved a remarkable result since nationalisation of coal mines. Hon. members like Shri Anil Basu, Shri Damodar Pandey and Shri Ram Pyare Panika, spoke particularly about the welfare activities. I would like to state for the benefit of this House that since nationalisation of coal mines we have spent in Coal India alone Rs. 1,240 crores on providing welfare amenities to all employees in terms of housing, water supply, medical and other facilities. It went up from Rs. 98 crores in 1984-85—it was only Rs. 12 crores in 1975-76—and it has reached now the level of Rs. 236 crores annually from Rs. 12 crores! The coal companies have a provision to spend more than Rs. 300 crores on such activities.

15.00 hrs.

SHRI DAMODAR PANDEY (Hazaribagh): You have submitted this figures in the three-year period. But what is the position in these three years? How much has been curtailed by the executive orders, since there is less budgetary allocation that this should be done? For these three years, you see the figures yourself. That is what you have submitted.

SHRI VASANT SATHE: I have given you the figures from 1987-88, last year the coal companies spent Rs. 236 crores. The coal companies have a provision to spend more than Rs. 300 crores. It has not de-

creased in 1988-89,. Damodarji.

SHRI ANIL BASU: You are relying on the figures given by your officers. But we are in the field and we really know what is the welfare activity going on there. So please take us into confidence.

SHRI VASANT SATHE: Okay.

SHRIMATI GEETA MUKHERJEE (Panskura): The agreement was there.

(Interruptions)

SHRI VASANT SATHE: I can give you the figures that I have noted.

Let me say honestly that I am not satisfied that we have fully achieved the objective of complete welfare. I am myself saying so. But let us see in comparison where we were and where we are now. We are trying to improve on this. For example, in the field of housing, housing availability was just 1,18,366 at the time of nationalisation. To-day the figure is nearly three lakhs and this has to be increased further and our aim is to achieve 70 per cent by the turn of the century. You cannot overnight—it is not possible, I am saying, let us be honest—give all houses and everything. It is not possible. You cannot do it. On the one hand you lose, on the one hand the coal sector is losing and on the other hand you cannot spend more on welfare, I say. You cannot run with the hare and hunt with the hound. (Interruptions)

MR. DEPUTY-SPEAKER: No interruptions please.

[Translation]

SHRI DAMODAR PANDEY: Three thousand houses have been constructed in three years and the aim is to construct three lakh houses. May I know the time by which this work is likely to be complicated?

SHRI VASANT SATHE: They will be

constructed when there is a increase in profitability. I would like to submit to you...

[English]

AN HON. MEMBER: Link it with productivity.

SHRI VASANT SATHE: Yes. That is what I want to do. The coal sector, for that matter all our major public sector units hereafter must become self-reliant, self-sufficient and have, self-generating resources. Only then we will be able to spend more and more on welfare. That is the point that I want to make. But suffice it to say here, as far as water supply is concerned, the population covered by potable drinking water was only 2,27,300 at the time of nationalisation. To-day we are covering nearly 20 lakhs—not something that you need to be really depressed about.

SHRI ANIL BASU: Six lakh people are covered. If you take five persons per family it comes to 30 lakh people.

SHRI VASANT SATHE: Yes; 20 lakh we have covered and 10 lakhs more we have to cover.

SHRI ANIL BASU: After 13 years of nationalisation you are not able to supply even potable water to the workers!

SHRI VASANT SATHE: Potable water for how many people can we provide? We have increased from 2 lakhs to 20 lakhs.

SHRI ANIL BASU: That is the figure you are relying on—but on what ground?

SHRI VASANT SATHE: What will you rely on? I can rely only on the figures that I get from my companies. If you have got any other figure you give me.

MR. DEPUTY-SPEAKER: You give him your figures. Let him verify.

SHRI VASANT SATHE: There is a JBCCI. We always keep on discussing these matters with our central trade union leaders, and there is a permanent machinery for this. We keep on discussing with them. (*Interruptions*)

MR. DEPUTY-SPEAKER: No, no. No interruptions please.

SHRI VASANT SATHE: So, as I was saying, as far as coal production is concerned, although we have achieved substantial, yet the cost has also kept on going up. Today it is nearly Rs. 250/- per tonne. But the major cost again....(*Interruptions*)

SHRI C. MADHAV REDDI (Adilabad): You have said Rs. 243..(*Interruptions*)

SHRI VASANT SATHE: With the present new increase, it will come to Rs. 249/-.

Sir, as far as the real cost of the end product is concerned, you have to add in between cess. Earlier it was only royalty. Now Bihar and West Bengal particularly have added so much cess to this production that the cost goes up substantially, just by adding cess, which is nearly 40 per cent. And then you add the freight. So at the power station or who soever is the consumer, when it comes, the cost becomes more than Rs. 600/-...(*Interruptions*)

SHRI C. MADHAV REDDI: Only freight is to be added. But cost includes cess...(*Interruptions*)

SHRI VASANT SATHE: No. Cost at pithead, as far as Coal Company is concerned, does not include cess. Royalty, cess, sales tax and all that are added further...(*Interruptions*)

SHRIMATI GEETA MUKHERJEE: There is freight equalisation...(*Interruptions*)

SHRI VASANT SATHE: Freight equalisation, we will not do that in coal. It will destroy...(*Interruptions*) Geetaji, are you advocating freight equalisation? There is no

freight equalisation in coal. It is only in steel. It was there before nationalisation. We did not do it. Otherwise, Bihar and West Bengal would have suffered the worst...(*Interruptions*)

Sir, I was talking about the productivity. I would like to submit that in the last two years, the OMS has improved a little. But I am not satisfied, and this country and the people here cannot be satisfied, because when we have to compete with the world outside, then as I said, the underground production per manshift must at least reach the level of two tonnes. We have all to gear up ourselves—management, workers and everyone. And I have said that I do not believe in retrenching a single person. In fact as far as minors are concerned, those who go underground, we must have capable and good people, who know the job. And we are introducing a scheme "Voluntary Retirement Benefit Scheme". I am happy to announce that in the recent agreement which was concluded, all Central Trade Unions have signed the agreement and we have arrived at amicably a very good agreement which includes "Retirement Benefit Scheme" or what is called, "Pension Scheme"...(*Interruptions*)

SHRI THAMPAN THOMAS (Mavelikara): Golden handshake.

SHRI VASANT SATHE: No golden handshake. No question of wanting anybody to go. But those who are tired, those who have reached the age and cannot really do the underground work, there we are introducing a scheme, where their dependant or their representative who is young can come and work in his place and this person can go with good remuneration and good return....(*Interruptions*)

PROF. MADHU DANDAVATE: That will apply to Members of Parliament also.

SHRI VASANT SATHE: That will come slowly, I believe. But kindly see the people, as hon. Members have pointed out, those who are not doing the miners' job, those who

are not doing hardwork in the underground but over the ground, what we call white collared, their number has gone on increasing. With the result, ultimately it affects the OMS and reduces it. Can you survive in this highly competitive world if your production or productivity is the lowest and cost of production is one of the highest in the world? Can we do that whether it is coal, steel, power or any field, particularly infrastructural field? How can you be competitive? That is why I say let us at least compare ourselves with those progressive countries which are similarly placed like China. They have achieved 97% of production from underground mines and their minimum output per man is 2.1 tonnes. We must at least try to achieve 1.5 if you do not want to do 2. But here we try to pass on the buck or blame. The management will blame the workers, workers will blame the management, Minister will blame the opposition, opposition will constantly, blame the Minister and as a result we will stagnate where we are at 0.54 tonne. And our production cost goes up constantly. This will not do. We must all unanimously support a move. Whereas on the hand, we want to do full justice to our workers, let workers participate fully and wholly at all levels, at the same time, this Parliament and the people of this country expect from the infrastructure producers to achieve the best cost benefit ratio in production. For that I beg to submit that we must improve our productivity in underground mines. Now we are introducing mechanised system of long wall. We are investing heavily into this equipment. If we do not put it to proper use, then the capital investment will go up and the results will not be obtained. This is about underground.

I want to submit here that, particularly because this relates to West Bengal, we are going to invest in the Eighth Five Year Plan alone nearly Rs. 990 crores in developing coal mines. But my greatest worry and anxiety is that West Bengal Government is not helping us to acquire the land. If you do not get the land, from where do you get coal?

SHRI ANIL BOSU: You are digging out coal even without acquiring the land.

SHRI VASANT SATHE: Will you please give one example? If you do that, I will try to find out and let you know.

SHRI ANIL BASU: I will definitely send you.

SHRI VASANT SATHE: I do not know about that area. You are losing heavily because you are not starting coal mining. You are losing because on your coal you are not getting the cess and the royalty which you would have got. You do not realise this. On Sonpur Bazari, my hon. friends, Shri Anil Basu and Geetaji are fully aware, I have been having a dialogue constantly with the Chief Minister and other Ministers of West Bengal to get the land. But they are not able to acquire the land. What can we do?

SHRI C. MADHAV REDDI: Are you getting clearance from the Central Government because of the forest land?

SHRI VASANT SATHE: Here there is no forest problem. Here all other clearances have been obtained. They are not agreeing because they want one person per land oustee to be employed in the mine.

SHRI NARAYAN CHOUBEY (Midnapore): That was your formula also.

SHRI VASANT SATHE: Oh, you have arrived.

SHRI NARAYAN CHOUBEY: Yes.

SHRI VASANT SATHE: Thank you very much.

SHRI NARAYAN CHOUBEY: That was your formula too. But now you are deviating from your own formula.

SHRI VASANT SATHE: No, we are not deviating from our formula. Let me say this. The complement of the mine, that is, the required number of employees is the relevant factor. For example, if a particular mine is to be operated and it takes out one million tonnes, and with modern mechanisation,

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technology and all other benefits that you have, suppose you need about 300 workers—I am theoretically putting a proposition—for that mine, what happens in practice is that the moment the land owners come to know that their land is to be acquired for coal, they divide it, sub-divide it or sell it off. If it is a three-acre holding, it is divided into half acre or one acre in four persons because they know that per land oustee you will have to employ one person, since that was the policy. Now what happens is, supposing eight hundred land losers are there and if the insistency is that you must employ eight hundred people, you can imagine that from the word 'go', from the very beginning, that mine will become uneconomical. You can never have an economical operation of that mine...*(Interruptions)*

SHRI ANIL BASU: One minute, Sir. The main problem is that...*(Interruptions)*

SHARI VASANT SATHE: Mr. Anil Basu, listen to my whole case. I am saying something in your interest.

MR. DEPUTY SPEAKER: Let him complete because the time we are having is very short.

SHRI VASANT SATHE: Instead of interrupting me in between, I would plead with the hon. Members to listen to me first and then at the end they can ask me any questions and I will answer to those questions. Let me make it clear that our scheme is that in the interest of the land oustee, we do not want to be unfair to them. What he proposes, we say 'O.K.', 'fine'. To each person who loses his land, whose land we acquire, we will first give compensation at the market rate, at the rate fixed by the Government under the Land Acquisition Act, and secondly, whatever was the income of that family or that person from that land, certified by the revenue records authorities of the State, we will accept that and we will give him that much plus Rs. 100 per month. Supposing his income from that land—one

acre or two acres—was 'X' amount—Rs. 200 or Rs. 300—we will add Rs. 100 to that and all his life per month we will give to that person that much amount as compensation for the loss of his livelihood from that land. Not only this, we are willing to give money for home site, for house construction. In addition, we are also willing to help him to train or to set up some other avocation or industry in collaboration with the State. In short, on humaintarian ground, we are willing to help that person fully. But for heaven's sake, let us not say that you should make coal mining uneconomical because that ultimately, in the longer run, will not at all help country and your productivity and production. This is our submission.

Along with this, now comes the open-cast mining. Sixty per cent of our coal today is produced from opencast mining. We have invested heavily in the capital equipment—shovels, draglines, dumpers and all that. Thousands of crores of rupees have been invested in this. But unless we use them fully, unless capacity utilisation of this equipment is full and proper, unless they are maintained properly, unless we insist there also that the output must be commensurate with the cost of all inputs and capital and labour cost, we cannot achieve the results because every equipment has a certain stand of production. All right, internationally or from the country where it has come, if it was producing 16 tonnes per day, you can say that in India, due to hot climate and other reasons, it may be reduced to 14 tonnes or reduced to 12 tonnes. I can understand that. But if we try to produce less than 6 to 7 tonnes from the Open Cast Mines then we are not doing justice. I beg to submit that my central theme today again is that in this world you have to be competitive if you want to survive and in all infrastructure areas, we are lagging far behind, we are costing ourselves out, pricing ourselves out. There is high cost or cost push, mainly because we made the infrastructure costly and prohibitive. The whole idea and dream of Pandit Jawaharlal Nehru which he had spelt out in the Industrial Policy Resolution of 1956, today seems to become frustrated because of high cost. We

thought that in the name of social objectives, we will achieve surplus, generate surplus and after use it for the welfare of the people as much as you like. But if you say that we will not achieve surplus at all, surplus is not at all necessary, in the name of socialism, then that is the negation of socialism. That is not socialism at all. Therefore, in all our major infrastructure areas, you will find a state of stagnation where we have reached a very high cost and because coal becomes costly, a basic input becomes costly, that is why power becomes costly. If power becomes costly, agricultural input has to be subsidised. Input in the industry becomes costly and every thing is a sort of vicious circle in which you are landed.

MR. DEPUTY-SPEAKER: Mr. Sathe, you want to finish in five minutes or you will take more time.....

SHRI VASANT SATHE: Sir, I am not dealing with power because my colleague at length dealt with power yesterday. But I want to say one thing and I will finish in five minutes. Sir, all my friends and colleagues in this House have raised points relating to certain projects in their State and I will answer them in writing personally because I want to assure them that we are sincerely attending to those projects. If there is time, I would clarify those points raised by them.

SHRI NARAYAN CHOUBEY: What about the NPCC workers? You settled the disputes magnanimously two years back. Now, you are not seeing that. You are afraid to see that.

SHRI VASANT SATHE: Thank you very much for saying that I have settled their problem. You will again develop improve your relations with the management. I believe with your good offices, the problem will be solved. Mr. Choubey, with your good offices, I will try to do that.

SHRI NARAYAN CHOUBEY: Thank you very much.

SHRI VASANT SATHE: Sir, as far as

power is concerned, I want to assure this House that we want to restore a proper hydel-thermal mix. Our emphasis is to concentrate, as far as thermal area is concerned, on pit-head development. In regard to super-thermal power stations in the South in Mangalore in Karnataka in Kayamkulam in Kerala, in Raichur in Karnataka again. Andhra, Tamil Nadu (Lignite), in all these areas various projects we are taking up. The idea is to have 38000 MW in the Eighth Five Year Plan of which about 9300 MW will be hydel, 700 MW will be nuclear and the rest will be thermal. This is our plan. We are going to invest substantially in the generation of power in this country. But, Sir, one point is, as far as investment is concerned, it will have to be appreciated that power projects are becoming a costlier proposition. The super thermal power stations by rule of thumb means 1000 MW costing at least Rs. 1500 crores in today's cost.

AN HON. MEMBER: Last year it was Rs. one crores.

SHRI VASANT SATHE: Last year it was one point something, a little more. But the cost has gone up. It is normal inflation, it will go up to Rs. 2000 crores in years to come. No State with its limited resources today can afford to make such heavy investment. The entire nation's resources have to be put for a thermal power or a hydel power station wherever it may be located in any part of the country. This is the reality. If this is appreciated, then hon. friends will appreciate that we cannot look at these projects only from a State angle. Regional angle has to be considered, the benefit of the entire region of that part has to be considered by resource mobilisation also is to be considered.

Coming to Bakreswar, Sir, so much of misunderstanding has been created. May I tell you, I don't want to make politics of this issue.

AN HON. MEMBER: Then what are you doing? (Interruptions)

SHRI VASANT SATHE: I will tell you. With all honesty I went personally to West Bengal, I said there and today also I will make it clear that at no stage was this project earlier considered as a Central project. It was originally a State project. The State Government said that they will raise the resources. We cleared it, the Planning Commission cleared it. It is only when the State Chief Minister himself came and told me that it is not possible for the State to raise the resources, at that time the project was of 630 MW. It would have cost the State a lot, they would have been required to raise at least about Rs. 850 crores. The Chief Minister said, 'Satheji, we cannot raise it even if we try our best.' In the entire Seventh Five Year Plan they have kept an allocation for all power generation Rs. 127 crores. Now, he said, 'Look, this is not only for Bakreswar. We cannot find so much of resource. At the most for a whole period of five years, if we try our best, we can raise about Rs. 400 crores.' So, he pleaded: 'Can you get this from somewhere outside?' Earlier, as a commercial proposition we have said, and let me make it very very clear, that external funding for State projects is not banned provided it is multilateral or commercial, as we call it.

SHRI SAIFUDDIN CHOWDHARY (Katwa): You take the money and give it to the State. What is the problem there? (*Interruptions*)

SHRI VASANT SATHE: Please listen. I listened to him, I am not quarreling with him.

Sir, kindly understand whether it is OCEF, whether it is World Bank or whether it is ADA or any such funding—in all States 8000 MW worth of projects are there in the State sector funded by these agencies. We are not objecting. But when it comes to bilateral State to State credit, we have to have some policy in this country and we are having a uniform policy for the entire country and you will appreciate that this very policy we have applied to Kerala, to Karnataka, to Haryana, to Orissa, to all these States. Sir, what is the policy? We say that State to State credit will be utilised only for projects to be

handled in the Central sector. That is why there is NTPC. And that is why, when Russians credit was offered.....

SHRI ANIL BASU: When did you decide?

SHRI VASANT SATHE: This has been decided long back and this was conveyed to the State. We approached the Soviet Government to give assistance, specifically for a project, which we had in mind, i.e. Bakreswar. They agreed to that. We said, we will do it as NTPC Project. At this stage, the West Bengal Government—I do not know what was their internal political pressure—said, "No, no. You cannot do it as a Central project; We want to do it as State project and you must pass on the entire bilateral credit to us." I said, "I am very sorry....."

SHRI ANIL BASU: It is not "entire" but admissible amount-75%.

SHRI VASANT SATHE: "Entire" means, whatever is admissible. But in bilateral, as a policy, we cannot do it.

MR. DEPUTY-SPEAKER: How much time will you take?

SHRI VASANT SATHE: 5 minutes more.

MR. DEPUTY-SPEAKER: Does the House agree for extending the time by 5 minutes?

(*Interruptions*)

PROF. MADHU DANDAVATE: How would you complete? You have yet to come to power.

SHRI ANIL BASU: You have to cover non-conventional energy, power. It is not possible to complete in 5 minutes.

MR. DEPUTY-SPEAKER: If he wants to continue, I have no objection.

SHRI NARAYAN CHOUBEY: He cannot do justice to the subject in 5 minutes.

[Translation]

Shri Sathe, it will not be completed today. You continue on Monday.

[English]

PROF. MADHU DANDAVATE: As far as Private Members' Bills are concerned, do not nationalise them. Let him continue next time.

SHRI VASANT SATHE: It is all right, Sir. I will continue on Monday.

MR. DEPUTY-SPEAKER: All right. You continue on Monday.

15.32 hr.

RESIGNATION BY MEMBER

[English]

MR. DEPUTY-SPEAKER: I have to inform the House that the Speaker received a letter today from Shri P. Penchalaiah, an elected Member of the House from Nellore constituency of Andhra Pradesh, resigning his seat in the Lok Sabha. The Speaker has accepted his resignation with effect from today, the 7th April, 1989.

15.33 hrs.

COMMITTEE ON PRIVATE MEMBERS BILLS AND RESOLUTIONS

[English]

MR. DEPUTY-SPEAKER: Now, we will go to Private Members' Business—Legislative Business. Shrimati Sunderwati Nawal Prabhakar.

[Translation]

SHRIMATI SUNDERWATI NAWAL PRABHAKAR (Karol Bagh): Mr. Deputy-Speaker, Sir, I beg to move:

"That this House do agree with Sixty-third Report of the Committee on Private Members Bills and Resolutions presented to the House on the 5th April, 1989."

[English]

MR. DEPUTY-SPEAKER: The question is:

"That this House do agree with the Sixty-third Report of the Committee on Private Members Bills and Resolutions presented to the House on the 5th April, 1989."

The motion was adopted

MR. DEPUTY-SPEAKER: Now, Bills for consideration.

15.34 hrs.

CONSTITUTION (AMENDMENT) BILL*

[English]

(Amendment of article 316)

SHRI V.S. KRISHNA IYER (Bangalore South): I beg to move for leave to introduce a Bill further to amend the Constitution of India.

MR. DEPUTY-SPEAKER: The question is:

"That leave be granted to introduce a Bill further to amend the Constitution of India."

The motion was adopted

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