

need to appoint an Enquiry Committee to look into its technical and administrative aspects and suggest suitable improvements. The Central Government should issue directives for early completion of Kahalgaon Power House. Steps should also be taken to set up Thermal Power Plant at Karanpura. But in spite of all these, the shortage of power will be there. Therefore, Bihar State needs an atomic power station. I, therefore, request the Centre to sanction a new atomic power station to this backward State.

[English]

(viii) Need to introduce Telugu programmes in the network programme of Doordarshan

SHRI G. BHOOPATHY (Peddapalli) : Mr. Deputy-Speaker, Sir, Telugu is one of the popular languages of the country. It is the medium of Karnatic music. It is the soul of Bharata Natyam. In addition to six crores of people living in Andhra Pradesh, there are a large number of people who speak this language in Tamil Nadu, Karnataka and Maharashtra. In metropolitan cities like Delhi, Bombay and Calcutta, where they are in thousands, Telugu language speaking people are next only to Hindi speaking people in number.

In spite of these facts, there is not even a single telecast by Doordarshan on its network programme. No effort, whatsoever, was made in the past to telecast programmes in Telugu which happens to be one of the sweetest languages on the earth. By ignoring this language, Doordarshan has ignored the soul of Indian culture especially South Indian culture.

Hence I request the Ministry of Information and Broadcasting to introduce the Telugu programmes on network programme of Doordarshan for the benefit of the millions of people.

12.31 hrs.

DEMANDS FOR GRANTS (GENERAL)  
1986-87—Contd.

[English]

(i) Ministry of Energy—Contd.

MR. DEPUTY-SPEAKER : Now, the House will take up further discussion and voting on the Demands for Grants under the control of the Ministry of Energy.

Shri Motilal Singh.

I have requested the Hon. Members to be very brief.

[Translation]

SHRI MOTI LAL SINGH (Sidhi) : Mr. Deputy Speaker, Sir, the other day, I was speaking on the Bandhav Thermal Power Station. A proposal was sent by the Madhya Pradesh Government to the Central Government but it has not yet been approved. Similarly the proposal of Mand Thermal Power Station is also pending with the Central Government for its approval. It is pending because a decision has yet to be taken as from which mine coal should be supplied there. If these two proposals are approved, the problem of electricity in Madhya Pradesh will be solved to a great extent.

12.32 hrs.

[SHRI SOMNATH RATH *in the chair*]

To set up these power stations and to provide electricity to the rural areas some forests are to be cut and for this purpose the Forest Preservation Act has to be amended to make it more flexible. I would, therefore, request you to consider this matter and initiate action thereon.

The Vindhya Super Thermal Power Station is under construction, but the persons displaced from that area have neither been given adequate compensation nor have been allotted land for construction of their houses. The people are much distressed. They will remain distressed unless they are rehabilitated. Our late Prime Minister Mrs. Indira Gandhi while speaking during laying of foundation-stone ceremony, said that employment would

be provided to the displaced persons in addition to the compensation. But it has not yet been done. I request the Hon. Minister to pay special attention towards it. Besides, a committee should be formed to settle their disputes and to solve their problems. The committee should forward their decisions to you for ratification.

So far as the electrification of rural area is concerned, the providing of electric transmission lines is not possible unless the Forest Preservation Act 1980 is amended, because these lines have to pass through forests and require felling of trees. I would request you to pay special attention towards this also.

I would also like to say that Madhya Pradesh Government has submitted proposals of two hydro-electric projects at Gopad and Bodhghat in Sidi district to the Centre but no action has so far been taken in this regard. The Hon. Minister should pay special attention towards these proposals also.

There are many mines at various place in Madhya Pradesh. In Chirmiri mine in my constituency, the conditions of the workers is pitiable. There is no proper arrangement of water, electricity, hospital and education for coal mine workers. There is an open tank from which water is supplied to the workers, there is garbage in this tank and sometime animals also fall in it and die. This water is used for drinking purpose by the workers whereas clean water is supplied to the officers.

A huge quantity of coal extracted from the coal mines catches fire outside the mines. Although this quantity is included in the total figure of production, yet the fact that it gets burnt is ignored. This burnt coal is covered with earth. This causes heavy loss to the Government. Moreover, coal is stolen also. The Government should pay special attention towards this also.

I would also like to draw the attention of the Hon. Minister towards our Singrauli area where land was acquired from the people but no compensation has been paid to them for the land which is acquired for extracting coal for making it available to the Super Power Stations. Only Rs. 3000 to Rs. 4000 are given as compensation. You have to make amendment in the Coal Bearing Areas (Acquisition and Development) Act to pay

proper compensation to the people. (*Interruptions*) I am just concluding.

I shall request the Minister through you that the miners should be provided with drinking water. The mine workers are leading the same sort of life today as they had been leading in the past. They are living in the houses constructed by the private companies where there is no arrangement for water supply. Government should, therefore, take steps to provide water connection to their houses so that they can have regular water supply. They should be provided with other facilities also.

[*English*]

SHRIMATI BASAVARAJESWARI (Bellary): Mr. Chairman, I am glad to support the Demands for Grants of the Ministry of Energy. First of all, I take this opportunity to congratulate our Hon. Prime Minister Shri Rajiv Gandhi for bifurcating the Department of Power from the Ministry of Irrigation and combining it with the non-conventional energy sources and the Department of Coal so as to augment the existing power under various sectors.

For exchange of power between States and regions and also for facilitating evacuation and delivery of power to the beneficiary States from central generating stations, a National Power Grid is considered essential. Development of the National Power Grid is an evolutionary process which will be achieved over a period of time by gradual inter-connection and integration of operations of various transmission systems. This is very essential to bring equality among States. I hope the Hon. Minister will take all necessary steps to form this grid as early as possible so as to have uniform power cuts and power tariffs throughout the country which would certainly result in uniform production throughout the country.

Regarding rural electrification, there seems to be great imbalance among the States. When I go through the reports, there seem to be some differences. For example, in Maharashtra, 94 per cent of the villages have been covered and in Karnataka, 87 per cent of the villages have been electrified. If we go to States like Meghalaya and Manipur, I find that the rural electrification is only 28-30 per cent. Therefore, it is very essential



[Smt. Basavarajeswari]

to bring in some uniformity in this matter. At the time of rural electrification, Harijan bastis, colonies and other areas where these down-trodden people are living have been neglected very much. Even after 38 years of independence, they are still living in darkness. Therefore, I suggest that priority should be given to all these bastis and other colonies for electrification. Hence I urge upon the Government to persuade the State Governments to take it up as an emergency measure to electrify all these Harijan colonies, bastis and other areas wherever they exist, during the five year plan.

It is stated in the report that power will be made available on a cheaper cost. I would like to ask the Hon. Minister whether the power sold in the various states is cheaper. It has already been increased by 10 times. After increasing it, the production cost is also increasing day by day. How are we to reduce the tariff rate? This question I would like the Hon. Minister to answer at the time of his reply.

I find there are a lot of problems which are being faced by the farmers, at the time of energising their pumpsets. The farmers borrow money and invest it in the digging of the well and when he is ready with the pumpsets, it takes years together to energise the pumpsets. There should be no delay under any circumstances to energise pumpsets at the village level. I would request the Hon. Minister to take up this issue at the time of the conference that he is going to hold with the Chairman of the State Electricity Boards and the Energy Ministers, when they attend.

Sir, there is another problem we are facing today. Wooden poles are erected which are completely damaged and which require replacement very urgently. There is every possibility of danger caused to the property and of the persons because of this damaged wooden poles. This should be treated on a priority basis.

Further, I would request the Hon. Minister to encourage the State Governments and private persons or institutions who agree to put up mini hydro projects at their own cost either by mobilising N. R. A. funds or from their own sources.

I have read in the newspapers that private persons or institutions will be allowed to set

up power units but there are no specific guidelines. There are no specific policies as to where and whom they should approach and to what extent; if so how they are going to produce energy; what will be rate of charge hereafter, all these things should be made known in the beginning before the persons come forward to set up such a project at the private or institutional level.

I am coming to the present policy regarding non-conventional energy. I do support it. The Ministry has taken a lot of strain in putting up solar energy cells at the village level to augment power supply for irrigation purpose. This has to be encouraged further.

The gohar gas which is in practice now, through out the country, is not working satisfactorily and the beneficiaries are put in to a lot of inconveniences. As far as repayment is concerned, they are finding it very difficult to pay. The purpose for which we have put up these plants is not served and these are not working satisfactorily. I would request the Hon. Minister to look into the matter.

Now, I come to the conservation of energy. A survey has been made for a revolving funds of Rs. 100 crores per year for a period of 10 years for financing capital investment in the industrial sector for energy conservation. It has been estimated that the energy saving in the industrial sector is about Rs. 1100 crores. I suggest that cost of capital equipment for energy conservation should be allowed a deduction under the Income-tax Act, 1961. Soft loan facilities should be provided for the purchase of energy conservation equipment; relaxation in the existing criteria of debt-equity ratio; exemption from payment of excise duty and sales-tax on the purchase of energy conservation equipment and customs duty on imported equipment; institution of awards for individuals and companies for outstanding performance in energy conservation.

The study says that about 15 to 20 per cent saving in energy is possible without any significant investment. The energy saving which has been estimated at Rs. 1100 crores per year at the moment is expected to go upto Rs. 2750 crores by the end of the Seventh Plan and reach Rs. 5000 crores per annum by the turn of the Century. Here I want to quote the ORF study being carried out by Dr. Sowa and Mr. Deshpande. They say that adequate research facilities existed

with a major chunk being accounted for by Government-owned laboratories. However, a lot remains to be done in the area of energy conservation and energy optimisation in industry. Hence I suggest that the Hon. Minister should look into this matter. Conservation and optimisation are a must and whatever money we spend on these is worth spending because without energy the country cannot progress.

Now I come to Karnataka's demands. Kalinadi in Karnataka has two units. One has been completed and the other is still under completion. I would like to know from the Hon. Minister why the second stage has not yet been commenced.

Regarding the Raichur Thermal Plant, I have been told that the Prime Minister had been requested to inaugurate the first stage of this Thermal Plant, but afterwards there were certain technical difficulties because of which it could not be inaugurated. Very recently I have read in the newspapers that there was an explosion. It is said that it was due to the pressure of water. I am eager to know the action taken by the Government on the explosion and what steps are being taken to avoid such explosions in future. I would like a thorough inquiry to be made into this because twice this has happened. At one time they said that the turbine had exploded. For the second time there has been an explosion. They have not been able to energise still both the First Phase and the Second Phase due to certain technical difficulties. I want to know what are the compelling reasons for such a major default in this project.

Shri Ramakrishna Hegde, the Hon. Chief Minister of Karnataka, has requested you to supply fuel for the proposed 120 Megawatts Gas Turbine at Bangalore. As you know, Bangalore has acute shortage of power. Therefore, he has requested the Hon. Minister to supply for the 120 Megawatt Gas Turbine at Bangalore sufficient fuel. The Hon. Minister may please look into this. He has also requested in respect of the four mini-generating Stations at Kolar, Indi, Bidar and Jamakandi. He has also had talks with the Hon. Minister, I have been told. Therefore, I want to know what action has been taken to clear these projects.

The House is well aware of the fact that the Karnataka State is in the grip of severe

drought and it is also facing acute shortage of power and water. Therefore, this has to be viewed very seriously because this is going to continue for another ten years. Most of the plants which are very much dependent on energy are going to be closed. Therefore, I would request the Hon. Minister to call the representatives from the southern States and have a discussion with them and see that Karnataka is provided with power so as to augment the existing power supply in Karnataka ..

MR. CHAIRMAN : Please conclude.

SHRIMATI BASAVARAJESWARI : Only one minute. In States like Uttar Pradesh, Madhya Pradesh, West Bengal, there are NTPC schemes. Atomic power plants have been established in States like Tamil Nadu, Maharashtra and Rajasthan. Jammu and Kashmir, Manipur and Bihar have NHPC schemes. However, none of these schemes exists in my State except the thermal plant in Raichur, whose second stage is still incomplete. Hence, establishing an atomic power plant in the State is very essential. There is a proposal to set up an atomic power plant in Kaiga. I am told that there have been some disturbances about the establishment of this plant at Kaiga because of environmental imbalance. I would, therefore, like to know from the Hon. Minister as to what does the Government think about this plant—whether they are going to take up or give up this plant.

While concluding I thank the Hon. Chairman for giving me an opportunity to speak on this occasion.

SHRI SARAT DEB (Kendrapara) : Mr. Chairman Sir. Firstly I don't want to go to the statistics of the electrical units that are going to be generated. But the one thing about which I am happy and for which I congratulate the Government is that, though late, the Central Government has realised what role power plays in the modern building of this nation. Thanks to him that he has shown good increase in the 7th Five Year Plan.

But with great sorrow again I want to mention here that like steel here also in the power sector, I don't know why my State Orissa is being neglected and neglected to the utmost.

[Shri Sarat Deb]

I want to begin with the suggestion that you have given the other day, that why should Orissa be deprived of a super thermal power station which has been promised to Orissa for a long time and now I understand that it is pending before the World Bank, I would like to know whether it is a fact or not. Till now I have gone through all the papers and documents that are being provided to us by the Department; but I have not found anywhere the super thermal power station which is going to come up at Talcher.

Secondly, as you know, it is proved that dependence on hydro-electricity is a complete failure because in such a project we are always depending upon the nature. Here, though we are saying that we are only depending upon the nature, I don't fully agree to this. When demands relating to Power, Water Resources will come up, I will speak about it.

As we are talking of modernisation of steel plants and other industries, it is high time that we should also think of modernisation of the reservoir. Why is the water level not being maintained satisfactorily in all the reservoirs? There are so many reasons, but unfortunately the power sector is not looking after this aspect. It is only looking after the generation portion of it.

You know that Orissa has got a lot of potentiality of producing power. The other day you said as to why Orissa should be deprived of a nuclear generation power plant. Now, as it has been reported in the Economic Survey of India, they say that in the 6th Plan period also there was no good improvement in the power sector in Orissa. In the first phase of this year also there is no good progress; therefore, the Central Government had denied any sort of assistance to help them out unless and until they prove their efficiency. Well anyway I welcome it. Because I am very particular about Orissa, I want to bring this to the notice of the Hon. Minister through you, Sir.

You must be remembering that when you were the Speaker of Orissa Assembly, for the past so many years, I think since the installation of the Orissa State Electricity Board, they never gave their Annual Report to the Orissa Assembly which we raised and according to your ruling they did lay the

Annual Report, that too un-audited report. I still have doubt whether till now the State Electricity Board of Orissa has been audited or not.

Therefore, as it has been suggested in the Atomic and the Energy Advisory Board that the State Electricity Board should be taken over by the Centre; I fully support it. If you look at the functioning of the State Electricity Board particularly in the case of backward States like Orissa.

You will find a lot of bungling. I will never put the blame on the Centre for this because in spite of the fact that the Centre has come to their assistance, particularly in the case of Thermal power production in Orissa, in 1984-85 and in 1985-86—they have been given Rs. 96 [crores for four States including Orissa—there is no proper power generation there. Though some of Hon. Members who spoke on Friday last were mentioning that those power stations had recently improved. Talcher is still much below the production capacity than what it was in 1976-77. Therefore, under the circumstances, what role does this power play in Orissa? They have admitted that in the year 1980, the power generation was 300 to 350 megawatt. At that time when the generation had not reached its peak point. The Chief Minister of Orissa made an announcement that they are going to set up in thousand days a thousand industries with an investment of thousand crore rupees. But how can an industry come up without a proper generation today? There is power cut of about 80 per cent in Orissa now. I do not blame the Central Government. I fully hold responsible the Orissa State Government for this. Therefore, I would like to make suggestions to the Government in this respect that if at all they are not taking over the State Electricity Board wholly, at least they should take over the Electricity Boards in the State as far as they are dealing with the agriculturists.

Sir, in Orissa, there is a lot of lift irrigation points which are solely depending on the power. The lift irrigation points are lying idle due to lack of power supply. The Government is spending crores and crores of rupees in drought prone areas. At the time when I raised this point, you said that it related to the State. A few days back, in Orissa, the Minister concerned made a statement that due to Non-availability of power, a lot of

lift irrigation points are not working to the tune of one thousand lift irrigation points. Thousands of acres of agricultural land are going to be affected on account of non-availability of power. Sir, when the areas will be declared drought affected areas, the Centre will come into the picture and the States will start asking the Centre hundreds and thousands of crores of rupees for assistance. Then it will become the subject of the Centre. But here I want to bring to your kind notice regarding the State Government's attitude in this regard. The Hon. Minister will agree with me and the House will agree with me that there is a lot of coal deposits in Orissa. Talcher coal mine is one of the oldest mines in the country. I understand that Coal India Limited has split its Division into two Divisions and I am surprised to know that both the Divisions have been located in Madhya Pradesh.

**SHRI RAM PYARE PANIKA :** One of them should be in Uttar Pradesh.

**SHRI SARAT DEB :** It should be equally distributed so that the interests of the State are safeguarded. If that is not done then don't you feel that we are getting step-motherly treatment from the Centre? Similarly, Sir, in the IB Valley a lot of coal deposit has been found. Even taking this factor in to account, they have denied a Coal Division in Orissa. Now, under what circumstance, the Central Government is not accepting this proposal? The other day one of the Hon. Members was saying that the State Government had provided Rs. 6 crores to this IB Valley project. Let the Hon. Minister explain the position that when the project has not been approved by the Planning Commission, how Orissa Government has approved this project and sanctioned Rs. 6 crores to this particular project?

13.00 hrs.

If the Central Government is not going to come to the aid of the State Government, how would it be possible for a poor State like Orissa to undertake such a big project?

Lastly, I want to draw the attention of the Hon. Minister to Unstarred Question No. 4777 answered in this House on 1.4.1986. In reply to this question it was stated that 7 hydro-electric projects of Orissa have been cleared by the Central Electricity Authority and the Planning

Commission for execution. Though I come from Orissa, I am surprised which are those projects which have been sanctioned and approved and when they are going to be commissioned. I would like to have this information.

Lately, there was a movement in Kendrapara, in Cuttack district by the agriculturists. I come from that area. There are about a thousand lift irrigation points, but almost all of them have been shut down for want of power. The power cut timings which are given are not being strictly followed.

I would urge upon the Minister to intervene in these matters and see that the agriculturists in Orissa do not suffer and they get adequate power.

With these words, I conclude.

[Translation]

**SHRI YOGESHWAR PRASAD YOGESH (Chatra) :** Mr. Chairman, Sir, I support the demands for the Ministry of Energy presented by our Hon. Minister. Many Hon. Members have spoken in detail about electricity which is one of the various types of energy. I would like to draw Hon. Minister's attention towards coal, which is an important source of energy. The nationalisation of mines was completed in two phases. The first phase was completed in 1971 when all coking coal mines except the captive mines of TISCO and IISCO were nationalised. The second phase was completed in 1973 when of the country were nationalised. This resulted all coal mines in a big profit. In the preamble of nationalisation, under the leadership of Mrs. Indira Gandhi, late Mr. Mohan Kumarmagalam had given the justification for nationalisation. He also told that coal had not been extracted scientifically and therefore, it needed to be extracted scientifically. The rare source of coking coal had not been protected properly. In the private sector, only the low cost coal was extracted and the rest was left there. Therefore, it needed to be protected. The labourers were being exploited on a large scale; which was also to be stopped. The production was not meeting the country's requirement. This view was also very important. Then to protect the coal mines, Rs. 100 crores were required which were not available with private sector.



[Shri Yogeshwer Prasad Yogesh]

13.04 hrs.

[SHRIMATI BASAVRAJESWARI *in the Chair*]

After complete nationalisation, Rs. 1800 crores were spent on protection of the mines. Our production which was 75 million tonnes, has doubled today. We are heading towards a bigger target. This nationalisation did a miracle in the country. Mrs. Indira Gandhi brought about a tremendous change in the standard of living of seven lakh workers; this has removed their poverty. After that the price of coal has been increased eight times and the wages also have increased. The wages of the miners have increased three times. In India the price of coal is less as compared to that in other countries. This did not bring the expected profit to the country or to the Department.

Therefore, Madam, I want to draw the attention of the Hon. Minister to this issue through you that he may raise the price of coal and we do not insist on him to raise the wages, but he should look to the interests of electricity workers. Our Hon. Minister is one of the most renowned persons in the country, he is known for his achievements, and we are well acquainted with his dynamism. Here we want to tell him that besides being the Minister for coal, he is also the Minister for Electricity. This gives him an extra responsibility regarding labourers in Electricity field. Therefore, I would request him to visit their township so that he may know about their living conditions which include their houses, parks, medical facilities, educational facilities etc. These all facilities are there but as one Hon. Member has rightly said, they are living in the houses which were built 60 to 70 years ago and since then there has been no improvement in their living conditions. There are open drains before their houses and they have been living in unhygienic conditions in dilapidated houses. Hon. Minister should consider it.

Recently, I asked a question about how much money is being spent on labour welfare and I was told that it was Rs. 3442 crores which was sanctioned but out of that only Rs. 2597 crores were spent. Besides, a lot of other irregularities have come to my knowledge which I would like to bring to your notice.

Bharat Coking Coal Ltd. is most important organisation in the field of coal and an important undertaking of Coal Department. Last year it had a provision of Rs. 640 crore for construction of houses, out of which only Rs. 306 crores were spent. There was another provision of Rs. 157 crores for water, but only Rs. 52 crores were spent whereas in summer days there is an uproar for drinking water. Even after spending this amount there was no permanent solution to this problem because this amount is only spent on supplying water by trucks and the drinking water problem still exists there. I want the Hon. Minister should take steps to improve the situation. The same situation prevails in the field of medical facilities. Last year Rs. 150 crores were provided for medical facilities in Bharat Coking Coal whereas only Rs. 34 crores were spent. There is no paucity of allocated funds but labour welfare officers do not pay any attention towards the welfare of the labour. The same situation prevails in other companies also. In Central Coalfields, a provision of Rs. 219 crores was made for medical facilities but only Rs. 32 crores were spent. Therefore, situation is same everywhere. We are spending lot of funds but even then the labourers face problem of drinking water. In Eastern Coalfields, Rs. 122 crores were provided for Education but only Rs. 47 crores were spent. Central Coalfields had a provision of Rs. 155 crores for Education but only Rs. 87 crores were spent. Among these, Bharat Coking Coal Ltd. had spent minimum on Education. I want to draw the Hon. Minister's attention towards these issues and also request him to take steps to improve the situation. I also want to thank him for reducing the corruption which was rampant in the Coal Department by taking strong and severe measures. This also has produced encouraging results. We can't ignore it because corruption is the main hurdle in the path of our country's Development. Our leader Mr. Rajiv Gandhi has vowed to remove the corruption even in the face of risks and dangers and so far we have achieved a lot of success in it. To remove the corruption, prize schemes have been introduced in Customs and some of the corrupt officers have been sacked. Raids are also carried out at the premises of the blackmarketeers. Therefore, it is but natural that revengeful as well as reactionary forces will try to block the progress of the

nation and also will try to halt the drive against the corruption.

Madam, I want to tell you one thing that all our officers at Coal Department are honest and hardworking and are able to carry our nation to 21st century by participating in the social and national programmes. But there are also some corrupt officers who want to fail our programmes. Hon. Minister has taken some strong steps to punish some big officers but then there still exist such officers. Recently a retired officer of Railway was sent to the Coal Department in the hope that he would discipline the management of Coal Department but his appointment did not help in promoting efficiency of the Department whereas an atmosphere of terror was created among the labourers and all the Hard Coke Ovens in the colliery were closed down. As a result of that the coal workers are now in dire need of your help. Thousands of workers were working there. In which department were they working? Where are their names now registered? Today you have made them surplus. You have closed down an important wing of your Department and these ovens have now become a shelter for dogs and cats. A huge amount had been spent for constructing these ovens and now again a lot of money will have to be spent to revive them. I would, therefore, like to draw the attention of the Hon. Minister to the policy declared by Government not to provide jobs to the people whose lands have been acquired for the collieries. You are broad minded, "*Jai ke Aas Fadhai ke pyas, Viskas keon, vish ko liye nu*". People have pinned their hopes and aspirations on you; they have lost their lands to the collieries, they have no water to irrigate their lands, their wells and tanks have dried up due to very deep mining and they have no other alternative to earn their bread. If you do not provide jobs to the children of such people, they will be ruined. Now without taking much time, I would draw the attention of the Hon. Minister towards some important points and hope that he will consider them seriously. Firstly, the working conditions inside the mines have to be improved and the system of manual loading should be replaced by some new technology, because labour will not be available for this purpose in future. Only then we would be able to plan our future properly. Secondly, the

production of good quality coal from the mines of Raniganj and Jharia, should be stepped up so that the industries do not suffer due to its shortage. Thirdly, priority must be accorded to the mining of coking coal. In 1957, there was a debate on the subject whether the petroleum and natural gas could be produced from coal. But no decision could be taken in this regard although it has proved successful in other countries. Fourthly, our rescue stations are not properly maintained and our mines lack proper ventilation facilities. More attention must be paid to this. Ambulance facilities and medicines should also be provided in the mines. Fifthly, and most significantly, I would like to draw your attention to the fact that the medical facilities available in the coal pits must be made comparable to that in the Armed Forces because the mine-workers like the soldiers, also serve the country, at the risk of their lives.

Madam, before concluding. I would like to touch another important point. A plant has been installed under the Bharat Coking Coal Ltd. which consumes 96 thousand litres of diesel per day. If you install such plants, you would incur a loss. To earn profits a different method has to be adopted. I think, I have already suggested that plans should be drawn to set up Super Thermal Power Stations on pitheads in these areas where activities of illegal mining are going on and ample coal reserves have been found and where the required infrastructure is available. This alone would ensure the development of the region due to an increase in the supply of electricity.

Madam, one has to realise the difficulties of a person who is speaking. When you speak from this side, you also face certain problems.

Finally, I congratulate the Hon. Minister and conclude.

[English]

SHRI BHOLANATH SEN (Calcutta South) : Madam Chairman : I rise to support the Demands. I found only the other day, a news item in the papers where it was said under the head, "Tata Electric unit achieves 95 per cent PLF":

"A 500 mw unit of Tata Electric Company at Trombay has achieved a plant load factor (PLF) of 9.526 per cent in March and produced 354 35

[Shri Bhola Nath Sen]

million unite... According to the company, its tariff for industrial consumers was 89 paise per unit as compared to 95 paise of Maharashtra electricity board and 101 paise per unit for other utilities. In Calcutta, the cost is 102 paise per unit."

This really what management can do, shows whether it is public sector or private sector. The efficiency of the management is reflected in the results. If you look at the Calcutta Electricity Supply Company, it produces, more or less, 75 per cent to 76 per cent of the plant load factor. Well, that is my figure and it is subject to correction, but it is almost that much. With the same political atmosphere, with the same situation of law and order problems, the Calcutta Electricity Supply Company produces 75 per cent to 76 per cent of the plant load factor whereas the State Electricity Board is so unfortunate that it does not produce even the all-India average of 50 per cent: it is producing roughly 30 per cent to 40 per cent or something like that. If this is not the management, then what else is this? The materials are the same everything is same. The only difference is that one is being controlled by a limited company and the other is being controlled by the State Electricity Board. They do not even come within the group which produces more than 50 per cent, that is, the average rate... (Interruption).

SHRIMATI GEETA MUKHERJEE : What is the break up for Bandel and Shantaldih of West Bengal ?

SHRI BHOLANATH SEN : I do not have the break up here but I can tell you the figures given in this book. These are given on page 4—the names of SEBs which are producing more than fifty per cent. Those which are producing more than fifty per cent are Rajasthan State Electricity Board, Punjab State Electricity Board, Gujarat Electricity Board, Maharashtra State Electricity Board, Madhya Pradesh Electricity Board, Andhra Pradesh. (Interruption).

SHRIMATI GEETA MUKHERJEE : What about Bandel and Shantaldih ?

SHRI BHOLANATH SEN : Bandel and Shantaldih are not mentioned here. What is not mentioned, it is no use wasting time on that... (Interruptions). My point is not politi-

cally based. You may support non-action. Bengal has no quarrel with you but why no power ? The point is that these things are on record and I am sure, the Hon. Minister has got the record with regard to this. Here I find out that the Government is setting up committees to go into those matters where it is found that electricity is not being produced as satisfactorily as is desired. I believe they have also gone to West Bengal to find out the reasons. Would the Hon. Minister look into those reasons and see that they are rectified properly so that West Bengal does not starve due to non-production of electricity ? Whatever is the reason, that has to be removed effectively.

The other point is with regard to distribution and transmission which is in a very pitiable state. I remember, at one time 100 per cent loan was granted to the State Electricity Board. The electricity produced by DVC and others jointly was more than sufficient, but there was load shedding. And the load shedding was because the transmission system was not effective enough, it could not take the load. This is one aspect. The other aspect is why there should be so much transmission losses ? If I remember rightly, in India it is about 20 per cent more than anywhere else in the world. In China, I think, it is about eight per cent. Why so much transmission losses and so much of theft of power in factories, villages and other places should not be stopped ? I understand that the Federation of Indian Chambers of Commerce and Industry have said that ten per cent of the power shortage can cause an annual production loss of Rs. 7,000 crores. Kindly see that transmission losses are reduced to the minimum. If China can do it, why cannot we do it ? If the whole world is doing it, why cannot we do it ? We have the men. We have the know-how.

The other aspect is this: We have the private sector which is doing very well, as Mr. P.R. Das Munsri has said. You have floated bonds. These bonds have been over-subscribed within a very short time. If you look at the newspapers and economic journals you will find that whatever bonds are being floated, whatever shares are being floated, the people are subscribing to them before time and they are over-subscribed. Money is there with the people. So, I ask you : Why do you not increase the capital-base of the various power concerns? After

all, whatever is the allocation, can be multiplied not only by sale of power but also by collecting money by floating shares, debentures and bonds.

In this connection I would like to make one suggestion. While reading this Book, I found that the first atomic power plant was constructed by Government of India and American concern in India. The second one was started, to be constructed in India with help of Canadian Government, but in the midway the Canadian Government stopped collaborating immediately after the explosion of our atomic bomb, and we continued alone. Now we find that we are setting up atomic plants with 10 per cent component consisting of foreign exchange out of the total cost. The raw materials are now available within the country. If this foreign exchange component of 10 per cent is further reduced, we can make a big headway. Our scientists are working well. We are very proud of our scientists and they can do it. Atomic plant keeps the atmosphere healthy and free from environmental pollution. It is much easier to produce and distribute power by atomic energy than by thermal system, because of one reason, namely, we have not get transmission efficiency and lose 20 per cent in the transmission. So, if the atomic plants are set up near the industrial centres, this loss will be largely avoided. There is also another point and it is this: If these atomic power plants are put up in Bihar, Orissa or West Bengal, then, you don't have to depend upon coal or the quality of coal and all that. I had been enquiring from the State Electricity Board of West Bengal "Why you are not producing so much as you were producing during 1976 and 1977, during the emergency period?" They told me that "Mainly because of the bad quality of coal and irregular supply and also lack of discipline in coalmines and power plants, the average production has come down." Now, it all depends upon people's will to do the work. People should do the work willingly. I have been told that there is bad quality of coal which needs sufficient number of washeries. Also, there is irregular movement of wagons. These are the main reasons which can be improved by the Government alone. In the case of atomic power, that problem will not arise. So far as coalfields are concerned, from Raniganj to Dhanbad, the Eastern Coalfields and BCCL operate. There is a Mafia rule going on there.

How is it that all the col- leries and other units of CIL are making profit, but the BCCL and ECL are making losses? I am surprised to find that some officers have gone to such an extent as to 'over-reach' the Minister, if I may use that expression. Why were these profits (as we were told previously) turned into losses in this way? And what is the loss? The loss in Eastern Coalfields and in the BCCL is the highest. There is no law and order. Don't depend on the law and order of the States. Kindly find out something so that the law and other is kept in proper check so that the truckloads of coal cannot be taken away without payment of money. You will be surprised to know about pit-head calculations. Who makes the calculations? I understand the Minister said that weighment should be at the power plants. This is the best thing that should be done. Maybe they would say that it is for the Railways, the Railway people say that it is because of the coal people, but it is the consumer whom you have in mind, nobody else, not the producer. Employees of the State are the producer, but it is the consumer that you must have in mind. The consumer must certify that 'so much quality of coal and so much quantity of coal I have got'. I welcome that kind of an order if he has already passed.

Since the time is short and the Chairman is not perhaps quite happy with my continuing to talk. But she is kind.

The Governor of our State, West Bengal, in his opening speech of the Budget Session has talked as follows:—

"However, several proposals for additional power generation are pending for the necessary clearances of the Central Government. These include 2,600 MW project in Sagardighi, a 630 MW project at Bakreswar and the 210 MW Seventh unit of DPL. It is hoped that Central Government will accord its approval for these major projects expeditiously."

I will request the Hon. Minister, through you, Madam, to kindly help and see that these projects are cleared, and cleared soon because unless you give power to the people, they cannot become affluent, they cannot become powerful, they cannot run quickly to the future. So, power must be given to the people quickly. (*Interruptions*), Every-



[Shri Bhola Nath Sen]

body may shout, but it is not good. I only mentioned about this which the Governor said. (*Interruptions*).

I would only say that I read in the newspaper that so far as Bakreswar project is concerned, the capital is to come from outside. They will put up the plant and manage it and then after running it, when they get back their money they will go away, unless the Government says that 'you continue to manage.' If that is the position, there will be no money shortage. I am told the Russians are also willing to take part in it, but I do not know their terms. Anybody who comes from outside India with the purse in his hand and the technical know-how, we should welcome. So, we need not talk about the money shortage. (*Interruptions*).

The Chief Minister of West Bengal in his budget speech, said:

"We are also anxious to see that Kolaghat Stage II Project is completed expeditiously. As Hon. Members are aware, we have engaged M/S. Bharat Heavy Electricals Limited to implement the projects on turnkey basis."

But, Madam Chairman, it is still in the process, I do not know when it will be completed.

It has been said regarding coal that royalty was being asked for. It is a business concern, electricity project is a business affair, railway is a business affair, coal is a business affair. Now the State Government is asking for royalty for coal. No decision has yet been taken with regard to the coal royalty. The West Bengal Government says that 'because of no decision regarding royalty we are increasing the cess on coal by 3 per cent.' There are States which, I understand, are charging 30 per cent as cess. So, kindly see that the entire system is run in a business-like manner and the officers should manage every aspect of the power and coal efficiently so that the future become glorious, the future becomes ours and not the foreigners'. We want to flourish and we want his help. We want the kind help from the Hon. Minister, who is known to be very practical man. I know myself about him to be a very practical man and I will expect that he will have a soft corner for the projects which are

awaiting approval and for those projects, money is not short. Those are my submissions.

SHRI SAIFUDDIN CHOWDHARY :  
You have made good suggestions.

13.31 hours

SHRIMATI GEETA MUKHERJEE :  
(Panskura) : Madam Chairman, since the subject is so vast and the time is limited, I shall limit myself to a particular sector and to a particular aspect of energy which is in question at the moment, i.e. coal and the manpower related to it.

Before I go to that subject, let me state that despite very many differences with the Hon. Member, Shri Bholanath Sen, my previous speaker, I fully support the contention when he says and names the power projects in West Bengal which are awaiting sanction and clearance and that they should be given approval quickly. I fully lend my heartfelt support to his demand.

Saying that and leaving the power sector it is not my unliking but because of the time factor—I straight away go to the point that I wanted to raise. Now, Madam, in this Annual Report, the Ministry, in my opinion, has said one very correct thing :

"Coal India Ltd. alone has the manpower of 6.70 lakh employees which is the strongest asset for the industry."

It is the last part that I support heartily. That it is indeed a strongest asset for this industry. After stating that, I would like to draw the attention of the Minister towards this manpower, its behaviour and the behaviour of the management towards the manpower & the connected problems because of that. It has been correctly pointed out that of late, productivity in the Coal field has increased and it has been also pointed out that in 1983-84, the tonnes per man shift were 0.81, in 1984-85, they were 0.87, and in April-December, 1985, they were 0.82, as compared to 0.81 in the corresponding period of the previous year. And for the year 1985-86, they are expected to be 0.88 tonnes per man shift. So, the mainstay of the industry, i.e. manpower, has definitely responded to work.

Please also see 1983 was the year when the National Coal Wage Agreement came into force. You also agree to a part of their demands that the workers did not let you down. They have pushed up the production

and productivity and the manpower per shift productivity was also high. Now, despite this being the situation, the question is, today is the 7th of April. The Minister very well knows that all the Central trade-unions-AITUC, CITU, HMS, BMS and INTUC-together have given a notice of one day strike on the 9th April. For that? It is not for wage increase. It is for the purpose of putting into effect, for implementing that very National Coal Wage agreement, with regard to housing facilities, provision of drinking water, educational facilities, medical benefits and safety measures and for employment of dependents of the retiring employees and for NCWA.

That means, as per the agreement made in this wage agreement.

Everybody would agree that an agreement was made to which the Government and the management are a party and the workers were also a party and that agreement was for four years for 1983, 1984, 1985 and 1986.

SHRI BASUDEB ACHARIA : It will expire in 1986.

SHRIMATI GEETA MUKHERJEE : They have also shown a lot of patience. They have put up with all the difficulties. I do not see that there is any possibility of making it better. But, doubtless, they are trained in that way. Given this, what has been done by the management? Let us see whether this demand, this claim, that it must be done and it has not been done whether that lacks any basis or it has the basis. That is the question. If that has a basis, then naturally, I would request the Hon. Minister to take urgent steps to project the thing by 9th. Today is 7th. If all the unions put together fight for a justified cause, naturally that would not improve industrial relations. If you are at fault, you have to come forward.

That is why, I want to make a few observations with regard to their demands.

Let us take one of the important points, the dependents of retiring employees. The point is that this whole work is supposed to be a hazardous work. Because it is hazardous, it was the normal practice that the workers, under particular pressure, earlier used to be retired after an age by the Govern-

ment, so that their health does not totally break down and they have their best of capacity while in work. What is the practice now being followed by the Government? It is very interesting. The management is not retiring anybody and more, knowing full well that it is a hazardous job. They are sitting tight. They are thinking "Let this man go to hell!" After some time, his whole health will break down and we shall not retire him and thereby we shall not take the responsibility of dependents. Let them go to hell. They will die or be in hospital or whatever they may be put, as far as we are concerned, we shall be free from this commitment." Therefore, this is a very serious situation. Not only this Clause is being broken but it is most inhuman.

As regards man-power question, what is the basis of the Government's new policy that has tightened this employment sphere? What is the basis of this new policy of man-power to be less and less? Now if the man-power is to be less and less, it should be planned with some mind. I do not agree with this policy. I do not at all agree with this cutting of man-power and that it is the most important thing. There are very many other spheres where one should practise economy. In this question of man-power also, there should be a method. There is a method in madness. In this annual report itself, I find that it means that within nine months from 31-3-85 and 31-12-85, the strength of the executive in the nationalised ECL increased by 87 persons. How many are the executives? Naturally 2,698. That became 2,785 in nine months. Look at the non-executive strength, that means, the workers. That means the workers. 566 non-executives posts were reduced. What is the policy?

(Interruptions)

Executives took all the jobs coming to non-executives, let them go to hell. That is the fact. Now, I would like to point out one thing. There is one of the most important things to which you also will also be a party. In this coal field, consistently women have been pushed out. In my Parliament tenure for the last 5 years, everybody who is here, will remember that all the time I am shouting on this question with facts and figures. Only the other day, I received a letter which mentions that in the Singareni Coal Fields,

[Smt. Gosta Mukherjee]

one thousand women are being retired. Earlier, the Government was doing like this. They were asking them to give a man nominee. Now a woman nominee would be taken. Women, in any case, may not go down.

(Interruptions)

In this connection I would like to say one thing. That is, manpower is not being treated as humanely as is necessary and the agreements are being broken. This is one of the main points why strike is taking place. Let us take the other matter. My Hon. friends on the other side have pointed out about the drinking water problem.

(Interruptions)

They have also said about the drinking water problem and so I do not want to repeat it. Hon. Members from the opposite have also pointed out some of the other issues also and without repeating them just I want to touch only one question i. e. the question of safety measures. Now, it has been shown that the accident is less. Again it is rising. Let us look at the figures of 1983. As far as ECL is concerned there were 27 fatalities. In the year 1984, it was 30 and in the year 1985 it was 35. So, fatality is not decreasing but it is increasing. This is the case not only of ECL, but CIL and others also, it is the same case. A big accident took place in CIL. 19 people died. The figure was 157. During the year 1983-84, the figure was 129 and during the year 1984-85 the figure has already gone up by 143. So, from the figures, it is evident that safety measures are not properly looked into as it should have been.

(Interruptions)

I would like to say one thing about housing. Though a lot of figures have been given here, as far as my information goes, housing has increased only by 8 per cent for the last 4 years, after the wage agreement was signed. So, I would request the Hon. Minister to intervene in favour of the workers.

Now one point I must raise and that is, Government are saying all the time about

the workers participation in management. So far as my knowledge goes, in this coal industry, workers participation in the management has not yet been effective. AITUC is very eager and others also should be very eager. Government must go ahead with it.

Lastly, I would like to mention one point. There is a misconception among the people that coal workers are very highly paid. That is the root cause of all trouble in the coal industry.

(Interruptions)

I would like to know as to how many times the coal prices were raised and correspondingly how many times the wages for the workers were raised. The workers were not given any wage rise. Naturally this does not hold water. About profit and loss, I am really at a loss to understand and I would like the Hon. Minister to clarify this. I understand that in the meeting of the JBCCI which was held on 26th May, 1985, it was orally stated that the company was going to make a profit. The funniest thing is that you really do not know what is the profit and what is the loss because I understand that in the last four years this company has not produced any Balance Sheet. I would like to know whether this is correct or not. If a Balance Sheet has not been produced, then how can any one know what is the profit or what is the loss? I want to be clarified on this point.

I hope the Hon. Minister will effectively intervene and reply to all these points that I have raised.

SHRI C. P. THAKUR (Patna) : Mr. Chairman, Sir, I thank you for giving me this opportunity to say a few words on the Demands for Grants of the Ministry of Energy. I rise to support the Demands for Grants. The Government has done very well in the field of power generation. They have increased power generation this year and they have added to the installed capacity. In modern days power planning has assumed a tremendous importance, and it is now an accepted fact that in most of the countries there is a perfect correlation between power utilisation and the growth of the economy. In India though we have done well, still the

consumption of energy is only one eighth of the world average and if you compare with advanced countries, it is less than one-hundredth.

Because the time is very limited, I will concentrate only on a few points. I have gone through the Annual Report of the Ministry. There is a glaring omission. The Department says that there are six wings to look after the working of this Power Department. But there is no wing for research and development. There should have been a separate wing for research and development. There is a scientific advisory panel for the Power Ministry, but in that Panel also there is no mention of the word 'research'. In power sector there is a tremendous scope for research in production of power plants, both in the manufacture of conventional as well as nuclear power plants, then how we can minimise the transmission losses; how we can maximise our capacity, how we can make the best energy from every type of source; there is a lot of scope for research. Most of the countries at the moment are going in for very advanced stage of research in power, that is, for fusion technology. There is a mention in the Report that India is collaborating with Russia in certain sectors in power. I do not know whether the Government is thinking of collaborating with Russia in fusion technology because the future lies in the fusion technology in power. This is going to be successful; I think, by the turn of the Century, this will be successful. The source there is diutrium from water; so, there will be a renewable source of energy, and this will be an abundant source of energy, unlimited. India should go in for this fusion technology and there should be co-operation with Russia in this field.

Another omission in this Report is about the working of the Electricity Boards in different States. There should have been some report on the working of the Electricity Boards. Most of the Electricity Boards are running in loss in crores of rupees. More than Rs. 4,500 crores are sunk in the Electricity Boards. At least I know about Bihar State Electricity Board that it is a den of corruption. It is difficult for any Chairman to remain for some time. If an honest man goes, he finds that he does not suit his bosses and he quickly leaves that

Board. If a dishonest person goes, he starts accumulating so much that he becomes a load on the sinking ship and the ship starts sinking so fast that the authorities remove him. Therefore, it is very difficult to achieve success in the working of the Electricity Boards. The Government should nationalise all the Electricity Boards and should take them in their hand.

There are some Hon. Members who have said, possibly because they have become dejected with the working of the Boards, that power should go either in the private sector or in the joint sector, But I think that one should not accept defeat and if we can improve our management system, the working of the Boards will improve. Therefore, I suggest that there should be an appointment of a Committee to look into the working of the Electricity Boards, so that some suggestions could be made. There might be some difficulty in those states which are ruled by the opposition parties; but there should not be any difficulty in those states which are ruled by the Congress party. In Bihar, which is run by the Congress Party, the performance of the Board is hopeless.

Coming to the power position in Bihar, actually Bihar has been neglected both in the matter of installed capacity of the power and in matter of power consumption, it is almost the lowest among the bigger States. In regard to plant load factor also Bihar is one of the bad performing state.

The recent statement of the Government that those states which are not doing well get less financial support, I think, is not a very healthy policy because due to lack of power these states will become more backward. For growth of anything—industry or agriculture power is needed. I think that Bihar should be helped.

In the Kahaigaon super thermal power station work should be expedited. Since there is acute shortage of power in Bihar there should be short-term planning and long-term planning for Bihar. In short term planning smaller plants should be commissioned and in long-term planning the Government should give two or three more super thermal power stations.



[Shri C.P. Thakur]

There is another omission in this Report. There is no mention of any nuclear power plant in the eastern sector in the 7th Five Year Plan. There might be some logic behind it. Because coal is there, they are not going to give any nuclear power plant to that sector. But coal is not the only important thing, the moment you give a nuclear power plant to any sector, a lot of ancillary industries will develop around that area, a lot of thinking process in respect of the nuclear energy will start and a lot of industries come up in that area. So, I strongly request our Minister to consider a nuclear power plant for Bihar.

There was a thinking to have a small thermal power plant at Karanpura. That should be thought of. In the Patratu thermal power plant possibly the machines have become very old. They need replacement; they should be replaced and the power need of the province should be met.

I think, this province which was fourth in the per capita income after independence, now occupies the lowest position. If the power position is not improved—14000 industries are sick—Bihar is not going to improve. So, a lot depends upon the Power Minister to help the Bihar state.

[Translation]

SHRI BALASAHEB VIKHE PATIL (Kopargaon) : Madam, I am grateful to you for giving me this opportunity to speak. As the time is limited I will not take much of it. I would like to draw the attention of the Hon. Minister to three or four issues. Firstly, the Rural Electrification Corporation which used to run at loss earlier, is now earning profit. It is a happy situation and I would like to congratulate the Minister for this. However, its working needs much improvement. The norms for electrifying the hilly and the drought affected areas should be changed as all our plans are failing due to inadequate revenue returns. I would like to take the example of Maharashtra, where my constituency is situated. Power should be provided at the earliest for agricultural purposes, but it is not available for operating

even the irrigation pumps for as long as six years. In the Seventh Plan, the total allocation has been 34,000 crores of rupees, out of which more than 3,000 crores have been allotted for Maharashtra. The Rural Electrification Corporation has also taken a decision that power should be distributed through co-operative societies due to the success achieved by such bodies in Madras. I would like that more and more such societies should be formed for power distribution. I would reiterate that our pumps get only 45 per cent of its power requirements. Every year 2.2 million houses are constructed but only one million houses get electricity connections. How is this task to be completed? By providing one pump in a village we could not claim that the entire village has been electrified as is being done in the records of the Corporation. The norms have to be set up as to how much power should be supplied or at least a minimum of 25 per cent, has to be fixed. Otherwise the work is complete only in your records wherein it has been shown that fifty per cent of villages have already been electrified and one lakh two thousand villages are in the process of electrification. I want that instead of providing power to just one pump or one house, more electricity should be supplied to villages. Again there is a great difference in the power situation between the rural and urban areas. Not more than ten per cent power is being supplied to the rural areas for agriculture. The rest of the power is meant for the consumption by the towns. Industries are not set up in the villages because power break-downs are common and the supply of power is not adequate. Therefore, an assurance for more and regular supply of power should come from the authority. There is a saying in our Marathi language *Shiva-Shivi ka khel* and this is the way our power system functions. The National Agricultural Commission has also recommended in its report in 1976 that underground water has not been exploited to the desired extent and so it would be difficult to provide more and more electricity to the villages and the farmers.

I would also like to say something about the Renewable Sources of Energy. FICCI has said that if we can reduce the losses by a meagre 10 per cent, even that would be a boon to our country. Business and industrial institutions should appeal to their

members to stop the theft of power and in my opinion, we should also urge upon the Government that arrangement should be made to detect the thefts and that raids are necessary for this purpose also. Transmission losses should be stopped and power load factor should be improved and pilferage minimised. This would reduce our losses and ten per cent more of power will be available  
.....(Interruptions) .....

[English]

MR. CHAIRMAN : I would like to inform the Hon. Members that the Hon. Minister, Shri Vasant Sathe, will reply to the debate at 2 O'clock. There are a number of speakers in the list who want to speak on this subject. Therefore, I would request you to be brief and put your points only.

[Translation]

SHRI BALASAHEB VIKHE PATIL : One hundred crores of rupees have been allotted for renewable sources of energy. More provisions should be made for remote areas to exploit bio-gas, bio-mass and solar energy. Some fresh taxes could also be imposed for meeting the necessary expenditure to exploit the renewable sources of energy. The State of Maharashtra demands 6,750 megawatts of power and the State Government propose to set up some projects. I would submit to the Hon. Minister that the gas turbine project would cost one thousand crores of rupees. The Maharashtra Government has sent proposals of several power projects like the one at Baijnath, others at Purari, Chandrapur etc. to the Centre for approval. These proposals are still pending and I would reiterate that in view of the urgent needs of the State, i.e., its farmers and industries immediate approval should be accorded.

14.00 hrs.

Finally, as the time is limited, I would not be able to say much, but only this much that a time-bound programme must be chalked out for providing electricity, otherwise our agriculture investments would not prove profitable, and the farmers would become defaulters in case of return of bank loans. That is why, I request the Minister

to pay due attention to this. I agree that it is the responsibility of the State Electricity Boards, but they too have some constraints such as financial constraints, and power thefts are also common there. Hence, to improve the situation and provide electricity to the farmers at the earliest, I would urge upon the Minister to take an early initiative in this regard.

[English]

DR. K. G. ADIYODI (Calicut) : Mr. Chairman, I am extremely happy to congratulate the energetic and powerful Energy Minister. He has declared that sky is the limit for power generation, sky is the limit for expenditure on power generation and sky is the limit for the usage of power. He is fully aware of the problems before us and that is why he is fully committed to his task.

By 2000 A.D., our power demand is going to go up several times. We were having about 2300 megawatts power in 1955 and the power production now is more than 43000 megawatts. The latest findings of our top scientists in our country are that if we compare our energy resources in India to quantity in billion tonnes of coal equivalent, the position is coal—112; oil—0.6; gas—1.5; hydro per year—0.16; U in PHWR—1.2, U in FBR—100 and thorium—600. Therefore, thorium alone can serve our purpose, which we are going to export.

Regarding hydro electric projects, in my small State Kerala, there are some major and on-going projects. Out of which in the year 1983-84, due to shortage in rainfall, and some transmission and distribution failures, the State Electricity Board incurred a loss of Rs. 14 crores. Drought is a very common feature in Kerala. Every year there will be either floods or drought. Whenever there is drought, definitely there is power shortage. This resulted in load shedding, power cut to HT and EAT lines and also restricted supply to maintain essential services. The State is, therefore, finding itself in a difficult position. The only source, available is hydro-electric projects. Every year because of the floods top soil is eroded and the reservoir beds are raised with silt and resources would become suitable for

[Shri K.G. Adiyodi]

football and tennis courts in the course of time. So, also is the case with the river beds. There are hundreds of rivers in Kerala. The distance between the western Ghat and the sea is average 100 kms. Because of the topography, the entire water is drained into the sea in a couple of hours. There is an highland, midland and low land. Low land which is below sea level in some places is always flooded with sea water. So the entire top soil is drained during the floods and all the riverbeds are raised. So, if you want to have any industry to come to Kerala, power is the most essential thing. There is a thinking that Kerala is surplus in power. Often Tamil Nadu, Karnataka and the neighbouring States are asking for power supplies, but we are not in a position to supply power even to the industry existing in Kerala and because of power shortage, sophisticated machinery is going to dogs every year. Unfortunately, our people are not fully aware of their rights because of the problems concerning the Electricity Boards. All my colleagues who are complaining about the Electricity Boards, I am not in a position to congratulate them for their good work. When an Electricity Board is formed, their main intention is to build up their own Empire and to safeguard the interests of the staff and others and not for the benefit of the public or the general improvement of power system in our country. So the suggestions put forth by many of the Hon. Members are welcome to nationalise or somehow or the other to revamp the Electricity Boards, because the transmission loss is highest there. So also the loss in construction of Dams and supply and distribution of electricity.

If you go and see the distribution work site, there may be lot of materials wasted and it is not anybody's concern. So the best thing according to our assessment is that the available energy sources are to be tapped without further delay. For bio-mass, geothermal, tidal and ocean, wind energy and all other things, we do not have to very much depend upon these recoverable energies, but it should be handed over to the public sector or the peoples' co-operative movement may be started and it can be entrusted to them. If all these smaller energy units are

entrusted to the Electricity Boards, again they will think of enlarging their own Kingdom and neither concentrate on a hydal or thermal or nuclear power production. All these smaller things will be having a lot of engineers and workers behind and it will definitely lead to loss. So, peoples' co-operative Movement can be started, co-operative sectors can be entrusted with it unless we have very good set up in the village level for taking up the jobs to bring solar energy and all that we will not be in a position to improve the demands of the country because of the shortage of funds.

I conclude by congratulating the Hon. Minister and support the demands.

[Translation]

SHRI MOOL CHAND DAGA (Pali) : Madam Chairperson, I have been allowed very little time. I would, therefore, put questions only because I have full faith in the Hon. Minister's abilities. In Seventh Five Year Plan, our total power requirement has been worked out to 30,000 MW and we are able to generate merely 22,495 MW at present. The Government has asked for loan from public and they will in turn be issued debentures on which an interest of 16 per cent will be given. Besides, the debenture-holders will be exempted from paying income-tax. I feel that this would only benefit the business community and there will be no improvement in the power situation. Even when Government invests huge amounts on its own to accelerate the generation of power, it does not bring forth the desired results.

Earlier the capacity utilisation of the plants was 50.4 per cent but today it is only 50.1 per cent. I do not think the Government will be able to achieve the desired increase in plant load factor. I do not know what is the percentage of plant load factor in Haryana and other States. I would like the Government to reconsider its decision in this regard. It is easy to mobilise funds but the question is that who will work? I do not think that this work can be done.

Rs. 430 crores are outstanding against the Railway Board towards coal. As you are the incharge of Coal Department as well, I

would like you to ask since when this amount is outstanding; for how long have you been demanding it and when do you expect to recover it? Besides, Rs. 170 crores are outstanding against Railway Electricity Board. When do you expect to recover that amount?

[English]

MR. CHAIRMAN : Mr. Daga, you have to conclude otherwise, I have to call the Minister to reply.

[Translation]

I fail to understand how you can generate more power when the per capita utility is not increasing.

SHRI MOOL CHAND DAGA : About 85 per cent of accidents are because of electricity and 15 per cent because of fire. The plight of the staff in electricity department throughout the country is deplorable.

[English]

"Meanwhile, the problem of State electricity boards which get power from NTPC at rates virtually set by them, of defaulting in the payment of bills, continues to cause concern. In order to help NTPC to do a good job, it is desirable that SEBs clear the present arrears amounting to nearly Rs. 170 crores".

The Government has already announced that there will be loss in coal industry this year. The estimated loss for 1986-87 is about Rs. 400 crores. 50,000 people are reported to be surplus. This has been categorically stated. I dare say, that incidents of theft and corruption are prevalent on a large scale in the industry. The Coal price has been increased six times. What can you do to check it? It is beyond your control. There is a saying in our area—"Kuen mein bhang padi hai". On the one hand there is loss in coal industry and Electricity Boards while on the other you expect to achieve 30 crore MW target.

[Translation]

You always demand the outstanding amount but it is never paid. In addition to this, you are well aware of the transmission losses. There is a long list of upcoming projects.

If you take loan than the financier will charge you interest at 16 per cent. If you are not able to pay him back then he will file a suit and will get your machinery attached. You will pay him an interest at 16 per cent and that is exempted from income-tax also. This Government is entering into a losing deal.

[English]

"Twentyone power projects costing more than Rs. 100 crores each, with a total investment of Rs. 8865 crores have been delayed for reasons such as delay in the acquisition of land . . . ."

[Translation]

Your performance is not beyond your expectations. I think there is no improvement in the performance. The Electricity Boards are neither under your control nor under your supervision. No Central department, whether it is DESU or any other department, is performing its duties sincerely. Even the Government officials are not in your control.

Regarding performance, let me know how many officers were made to resign and patch up. People in Bihar speak about performance. They do not admit the failure. Thousands of people are unemployed in Bihar coal mines. They themselves are the supporters of Mafia.

14.14 hrs.

[MR. DEPUTY SPEAKER *in the Chair*]

You may be aware that the junior staff in the electricity department does not even work properly on electric fittings. As a result of this, there are over 500 accidents in Delhi and Bombay every year.

You please consider the situation in Bihar.

Mr. Deputy Speaker, Sir, as you have occupied the Chair now, please give me two minutes more.



[Shri Mool Chand Daga]

[English]

"The Expert Panel on the Eastern Coal-fields limited has suggested closing down of at least 25 mines under the company. In a comprehensive report currently under consideration of the Government, the panel has estimated that there are 50,000 surplus workers in the company".

[Translation]

No honest Minister like Mr. Sathe has ever come. He also admitted the type of officers he has.

[English]

"V. P. Singh said in his Budget speech that coal continued to be "the most important primary source of energy." But what he did not say was that the situation in this major industry is indeed a matter of serious concern. This is glaringly revealed by the energy Minister Vasant Sathe's recent disclosure that Coal India Ltd. had actually incurred a loss of Rs. 90 crores in 1984-85 and not made a profit of Rs. 13 crores as he had earlier informed Parliament".

[Translation]

He himself exercised that vigilance. He said that there had been a mistake. He knows the extent of loss and the prevailing situation. [The bell rung]

Mr, Deputy Speaker, Sir, you are ringing the bell. You should rather help us. You should give them a bit of your mind. Other Ministers are also sitting here. They are not paying attention towards us.

It is said that Coal and Electricity are closely linked but I am sorry to say that we are incurring loss in both of these sectors. If Mr. Sathe comes with a magic wand, then only some improvement may come about.

SHRI PIYUS TIRAKI (Alipurduars) : Mr. Deputy Speaker, Sir, I should like to draw the attention of the Hon. Minister to the conditions in D. V. C. The government's

suggestion is to seek the co-operation of the workers, but it is a pity that the D. V. C. Employees Union, majority union, that has been de-recognised for four years, they are trying to get their recognition restored, but still that is pending. So many representations have been given. Even the Chief Minister of West Bengal has requested for it but from your side nothing has been done to restore their recognition. So, it is quite the opposite, of your saying that the co-operation of the workers is a must everywhere. If the government want to be successful in its ambition, then workers' co-operation is quite needed. The employees union wants to co-operate with the government; so, you must have the time and willingness to seek co-operation from them for the development and smooth running of the D. V. C. If you are willing to co-operate with them, then the recognition of the employees union can be restored very soon.

North Bengal is a border area and Bhutan is the neighbouring country and we have very friendly relations with Bhutan. The government has been kind enough to install a Chuka Project there; which is very important. It is still being delayed. If it had been commissioned two years back as scheduled then some of the difficulties would have been removed. There are technical difficulties which are still pending. The development of Bhutan, North Bengal, five districts and nearby areas depends on this Project. I should like to know from the Hon. Minister what is the exact position of this Project, because the people of North Bengal, five districts, are very much waiting for this project to be completed, because no other development is taking place there except the tea garden? Tea gardens are the most profitable ones, they are enabling the Government to save foreign exchange worth Rs. 700 crores but even then sufficient power is not provided. They need electricity, and so I request that the Chuka project may be expedited.

The other project, namely, Jaldaga project may also be expedited. Both these projects have been delayed, for the last ten to fifteen years. They would help the entire North Bengal and also the other adjoining areas which also need power very badly. But unfortunately, I have come to know that this scheme is delayed because some engineer has

found that it is defective. It is still in the process of being cleared, and it is not yet completed.

I should like to know about the DVC employees Union and the attitude of the Government, to my constituency, Alipurduars, as also some parts of Assam, Cooch Bihar, Darjeeling and other adjoining areas will be benefited by the Chuka project.

[Translation]

SHRI JANAK RAJ GUPTA (Jammu) : Mr. Deputy Speaker, Sir, I want to bring the case of my State of Jammu & Kashmir to the notice of the Hon. Minister through you. As far as Mr. Sathe is concerned, he is a dynamic person who has great feeling for others. He wants to generate more and more power in order to benefit more and more people. But nobody pays any attention towards the backward State of Jammu & Kashmir. Three to four projects have been promised to be started there since long. Some of them have started but others still remain. The Salal project is coming up smoothly and its Chairman Mr. Oberoi and other engineers and officers are efficient and work with personal interest. I hope that this project will be completed very soon and we will start getting electricity from the same.

But a few other project are very important. One of them is Dulhasti project which is in the backward area of Kistwar which is also the constituency of our Parliamentary Affairs Minister Shri Ghulam Nabi Azad. Crores of rupees have been spent on the construction of roads and buildings but the work on dam has so far not been started. It is heard that sometimes they enter into a contract with some party and then afterwards they talk of the foreign collaboration. I, therefore, request that work should be started on these projects very soon so that the people may be benefited by the power generated from it.

The second project is Uri Project in Kashmir Valley; there also work should be started. So far as power is concerned, the cheapest power is hydel power. And in my opinion Jammu & Kashmir has more scope than the other States of the country, in this field. There is Indus river in Ladakh, Jhelum

in Kashmir valley and Chanab in Jammu area and there is another river in Poonch also. Power can be generated from these rivers and a number of people may be benefited. If efforts are made and money allocated for this purpose then new projects can be started and a lot of power can be generated.

Mr. Sathe is well acquainted with Jammu & Kashmir State and as such with this area also. He had been there in connection with party work and he also knows the condition of the people there. The Salal project will uproot many people and at least one hundred villages will be affected. Immediate steps should be taken to rehabilitate these people. But the compensation they have been paid is based on the old prices and is utterly inadequate. I, therefore, request to allocate more fund for this purpose to rehabilitate them properly. You may not pay them cash but you should make arrangements to rehabilitate them so that they can get some accommodation to live in and do not become nomads.

Apart from this, there are workers who have worked in Salal and Beas projects on contract basis. They have been employed in this Department for the last 15 to 20 years. Now you are sacking them. I want to request you in this regard as I have already discussed this matter with you that these people have been working here for the last 20 years and as such, they are unable to work anywhere else. Therefore, instead of sacking them you should employ them in other projects—may be Durhasti, West Bengal, Kerala or somewhere else so that they can earn their bread but you should not sack them.

No Industry in our area gets sufficient power. The industrialists have to install generators for this purpose. This shortage of electricity hits villages, Harijan colonies and Industries very much. Therefore, till the Salal project or Dulhasti project is completed or we get electricity from Punjab, it is very essential to construct a Thermal Power Station near Jammu to meet our electricity requirements.

SHRI UMAKANT MISHRA (Mirzapur): Mr. Deputy Speaker, Sir, I shall speak in brief. Firstly, I support and welcome the Demands for Grants of the Energy Depart-

[Shri Umakant Mishra]

ment and commend the priority attached to the energy production in Seventh Plan by the Government. We hope that the projects lying incomplete will now be completed. For instance, Anbara Electricity Scheme in Uttar Pradesh has been lying incomplete for a long time. In the same way, Bhali, Manari and Tehri Dam Projects have been lying incomplete for want of funds but now we hope that the same will be completed by paying special attention during the Seventh Five Year Plan and the electricity production will consequently increase. An able Minister is there in this Ministry and as energy is an important subject, we hope that he will complete the schemes which have been lying incomplete so far and thus will fulfil the people's aspirations.

I would like to touch one more point. It is correct that the energy production has been given priority in the Seventh Plan and efforts will be made to increase the Electricity in the country in order to make more and more of it available for agricultural and industrial purposes. But the energy demand will exceed the energy production. You cannot meet the demand by producing electricity in the Public Sector alone. It is essential that you should also permit small schemes in the Private Sector for electricity production so that the availability of electricity in rural and urban areas could be ensured. So far as the electrification of rural areas is concerned, it is also included in 20-point programme but I find that electrification work in villages has slowed down. The electricity in the rural areas helps in increasing the agricultural production and also in reducing the unemployment after setting up of the small scale industries. These works cannot be executed if there is shortage of electricity. The Rural Electrification Corporation has taken over three blocks of my constituency. In each block, electrification has not taken place even in 10 villages. In reply to our enquiry they say that so many blocks have been taken up and so many villages will be electrified. I would like to request the Hon. Energy Minister through you that the development blocks, which have been taken up should be electrified completely and funds provided therefor.

The rural areas have played an important role in the development of the country and

these areas need power for development. So more power should be made available to them for its speedy development.

In the last, I would like to say something regarding my constituency. The Hon. Energy Minister had visited Mirzapur. Then he might have seen in my constituency that carpet making is the main village industry there. It earns foreign exchange worth Rs. 3 crores. The manufacturers of carpet in Mirzapur, Bhadohi areas around Allahabad, Jaunpur and other areas have been demanding that power should be supplied to them all the 24 hours. These carpets are exported and it helps us in earning foreign exchange. As such power should be supplied round the clock to the carpet making areas. By increasing its production, we will be able to earn more foreign exchange. I would again like to request the Hon. Minister through you, Sir, that power should be supplied round the clock to those areas and the task of electrification of the rural areas should be speeded up.

[English]

MR. DEPUTY SPEAKER : Now the Minister will reply.

SHRI BASUDEV ACHARIA : My name is also there, Sir.

MR. DEPUTY SPEAKER : Time is already over. You can make your points at the time of passing of the Bill...

(Interruptions)

MR. DEPUTY SPEAKER : After the reply is over, you can give some suggestions ..

(Interruptions)

MR. DEPUTY SPEAKER : I have already called the Minister. After the Minister's reply, you can finally put your points by way of suggestions or clarifications. Yes, Mr. Minister.

THE MINISTER OF ENERGY (SHRI VASANT SATHE) : Sir, I am grateful to all the Hon. Members who have been kind enough to participate in the debate on the

Demands of my Ministry and to make very important suggestions relating to this field. I would like first to take the House into confidence that as far as the entire energy scene is concerned, if we take the performance and achievements in post-independence period, the picture is not really dismal. In fact, we can say that if we take the installed capacity when we became free in 1947, it was 1,700 MW, and five billion units was the power available. After just 35 years, the nation can be legitimately proud that we are today having an installed capacity of 46,000 MW as against 1,700 MW and we are producing 170 billion units as against just a paltry figure of five billion units. So, this is the achievement for a nation of which we can be proud. But one thing we should remember that whereas in 1947, to install and generate one MW, the cost was Rs. six lakhs, today for the same one MW the cost is Rs. one crore. That means, if you consider in real terms, if the cost and prices were to be taken, it would have been much less. The amount of Rs. 34,000 crores that you see today, is enough to install 22,000 MW of power. Therefore, it appears big; but it is at current prices; and then again, these current prices keep on increasing. The normal inflation rate is not taken into account while we put this Rs. 34,000 crores. If at the rate of 6 per cent per annum even normal inflation is taken, you will see, the cost will be much higher; and unless that money is found, you will not be able to install even this much capacity. These are the realities of the situation.

But as I said, performance-wise, our department and people have done well. As I said, we have produced a record of units, 170 billion units, and even sectors have not done that bad. If you consider the achievement you will find that in Central sector we have been able to install 9320 KW of power. That is the Plan in the 7th Five-year Plan.

**SHRI AMAL DATTA :** Entirely have you been able to do it ?

**SHRI VASANT SATHE :** There was an induction of new capacity—4460 MW in 1985-86. The achievement is 4224 MW. That is, 95 per cent of the target and induction of 4224 MW of new capacity is the

highest achieved in any year so far. The installed capacity as on 1-4-86 is 46,664 MW. It is 16.3 per cent over the previous year. So, therefore, our progress of energy generation was this. Energy generation in 1984-85 was 157 billion units, of which 38.5 billion units was in the Central Sector. The programme for 1985-86 was 176 billion units. That was the programme. We have fulfilled that programme. This is increase of 8.6 per cent over 1984-85. The target was achieved notwithstanding the fact that hydro generation was below programme by 9 per cent due to poor monsoon in most of the States. Thermal and nuclear generation exceeded target by 4.5 per cent and made up the shortfall in hydro-generation. Generation in the Central sector plan for 1985-86 was 44.5 billion units compared to target of 39.5 billion units. Thus you will see that performance has not been bad.

Now I come to plant load factor. So many Hon. Members have spoken about Plant Load Factor. Some people have criticised some States. Some have criticised some other States. But the position again is this. Performance of thermal plants improved further in 1985-86 achieving the PLF of 52.4 per cent compared to the target of 50 per cent and the PLF of 51.1 per cent was achieved in 1984-85. I asked our people what this one per cent means. In the whole country 1 per cent of increase in PLF comes to about 500 MW of power. That is worth about Rs. 500 crores of installation if you want to do it. Similarly, 1 per cent saving means this. So many Hon. Members have talked about conservation of energy, saving from transmission losses and all that. If you do that, you will be saving again some 500 MW worth of power.

PLF in the southern region particularly, the Hon. Members will be glad to note, was 64.6 per cent compared to a target of 54.9 per cent. They achieved the best although in some of the States the hydel power is not taken into account in PLF because we cannot give them PLF.

**SHRI AMAL DATTA :** That is exactly why PLF is high because the hydel power takes into account the peak and the thermal power takes into account the base.



SHRI VASANT SATHE : We are not taking into account hydel power at all.

SHRI AMAL DATTA : That is why I am saying...

(Interruptions)

SHRI VASANT SATHE : We are comparing thermal to thermal.

SHRI AMAL DATTA : Where you are dependent entirely on thermal, you have to take care of the base as well as the peak by thermal and at night there is no taker for the peak to pass and that is why the plant load factor goes down in States entirely dependent on thermal power whereas it is high in States where peak can be taken care of by hydel. Your officers should have told this to you.

SHRI VASANT SATHE : Yes, I admit. But I may tell you that when I am talking of PLF, I am talking only of thermal power. (Interruptions) Forget about the hydel power.

SHRI AMAL DATTA : I do not complain...

(Interruptions)

SHRI VASANT SATHE : Why are we confusing ourselves? (Interruptions) I understand the peak load and the other load factor—we are talking of the plant load factor, thermal plants in southern region, thermal plants in the northern region, we are not talking about hydel plants. So, let us compare...

SHRI AMAL DATTA : You should talk about both. At the same time...

(Interruptions)

MR. DEPUTY SPEAKER : If you are yielding, that is the problem.

(Interruptions)

SHRI AMAL DATTA : You are comparing those which are not comparable.

(Interruptions)

SHRI VASANT SATHE : I know you are a learned person.

SHRI AMAL DATTA : I am, unfortunately !

(Interruptions)

MR. DEPUTY SPEAKER : It is enough, please sit down.

SHRI AMAL DATTA : Compare thermal with thermal.

SHRI VASANT SATHE : That is what I am saying. You want me to compare with the hydel. That I cannot do.

So, Sir, in the southern region it is 64.6 per cent compared to a target of 54.9 per cent. They have done a good job. In the western region it was 55.8 per cent. There also there has been an increase, but it is comparatively lower.

Now, someone said about the central sector—they were praising the private sector and the Central sector. But may I tell you that the main contribution to the improvement in performance was because of the Central sector plants which achieved a PLF of 61.9 per cent compared to the target of 53 per cent? For example, in the Central station Singrauli it is 68.8 per cent, the PLF of Cobra is 74.4 per cent, Ramagundam is 72.1 per cent, Neiveli is 74.9 per cent. So it is a good overall performance by the Central sector. And some of the States also, I mean State stations—I must say not only the Centre but some of the States also have performed well. For example, take Andhra Pradesh, Ramagundam State Electricity Board of Andhra Pradesh reached 90.4 per cent then Vijayawada reached 88.9 per cent, Parle in Maharashtra reached 67 per cent, Tuticorin of Tamil Nadu has 65 per cent, Neiveli in Tamil Nadu, I have already said, reached 74 per cent. But where is the shortfall and why have we dragged? The reason is, in the northern and western sector the thermal plant has been uniformly very low. In respect of Haryana in 1985 it is 32.8 per cent, Uttar Pradesh—37.3 per cent, Bihar 34.1 per cent, Orissa—31.7 per cent, West Bengal—42.2 per cent—ultimately you can be happy,

(Interruptions)

**SHRI AMAL DATTA :** Why? Have you asked them why? They cannot produce more because they said nobody can take it at night. The Plant Load Factor can be increased by full production at night only. Otherwise, it cannot be. You go into this analysis also. Because if they produce in full capacity at night, the PLF is very high.

**MR. DEPUTY SPEAKER :** Now, you can proceed.

**SHRI VASANT SATHE :** Sir, even if he is convinced, Dattaji can argue still.

**SHRI P. R. KUMARAMANGALAM :** You do not allow the industries to work in the night. You are discouraging..(Interruptions)

**MR. DEPUTY SPEAKER :** Now, you can listen to the Minister. Any clarification you have, you can ask at the end. I will allow you.

**SHRI VASANT SATHE :** If at all, you could produce more power and give differential tariffs so that they could work at the night, at the concessional tariff. But your State Electricity Boards are not doing it. Why are you blaming me for it.

**SHRI AMAL DATTA :** Concessions are given also.

**SHRI VASANT SATHE :** West Bengal is 26.3 per cent. Assam, the lowest is 27.5 per cent. It is because of this that the power generation in the Northern sector has come down and is not available. We have such a situation. Added to this, are the transmission losses. The transmission losses are 21 per cent. As I said earlier in one of our replies, transmission losses for technical reasons could be, you can say, approximately 8-10 per cent or 10-12 per cent. Rest of the transmission losses are nothing but theft. And theft also, it is a wrong impression which some people have that most of the power is stolen by agricultural users. That is not true. Out of the total power that we produce, hardly about 17 per cent of the power goes to the rural areas for agricultural purpose. 80 per cent goes to the industries. It is these industries where the real theft takes place. That is why, we recommended to most of

the States that they should have penal provisions against this theft. Some States are doing it. It is because, distribution, even generation, 85 per cent of power today is generated in the state sector and also distributed. Therefore, it is there that they must take the corrective measures. We have tried to persuade them, prevailed upon them to introduce some legislation which can do this. If these losses could be reduced to 10 per cent it will mean 5,000 m. w. of power available. Today they are losing revenue by this theft. If they were to save this, they will be earning revenue also. I am in favour of legislation.

As for as State Electricity Boards are concerned it is no use—subsidising agriculture is good. Do it. We are doing it. The charge today for agriculture is approximately on an/average, about 20 paise. Some States are giving it actually almost free But you should not sell power at a cost lower than what you produce. It is because that way, you will run into loss. Do you know, Sir, the loss of the State Electricity Boards? By the end of this Plan, the loss is estimated to come to about Rs. 11,000 crores. It will be ridiculous. No State Electricity Board will ever be able to survive. We have provided them help and assistance to improve. We have provided Rs. 500 crores worth of assistance just to improve the performance and maintenance of the State Electricity Boards. But with all this aid and the REC subsidy that is given to the State Electricity Boards, if they continue to perform on this basis, it will just not be possible. Because of the losses before REC subsidy and the losses after REC subsidy are so much. If you take the period 1974-79, it was Rs. 652 crores, before REC subsidy. In 1980-85, it was Rs. 4285.4 crores, i.e. before REC subsidy. After REC subsidy, it is Rs. 1080 crores. It is estimated that by 1985-86, it will be Rs. 11757 crores. See the charges and the highly subsidised tariffs in the agricultural sector. The average realisation per unit of power sold to the agricultural sector was about Rs. 17.87 in 1974 and Rs. 29.69 in 1986. Then take the charges from the industry. Somewhere you must recover. You cannot say "Sorry, we will continue to subsidise and continue to run in loss." Therefore, if you see the charges, the differential some of the States, as I said, are doing well. Why are they doing well? The reason is, if you

(Shri Vasant Satho)

take Andhra Pradesh, whose plant load factor is 64, it means cost also comes down but see, Rs. 47.25 is the production cost. They charge Rs. 49.98 plus Rs. 2.23 per unit of profit.

But in Bihar, the cost is Rs. 106.10 because cost of production at the consumer end they charge Rs. 87.69.

Even though it is higher, because of the high cost of production, we still subsidise.

As I said, agriculture is further subsidised even when you charge Rs. 87.69 minus Rs. 87.41. How can Electricity Board profit ?

In Gujarat, although cost of production is high, they are charging Rs. 89.70 and making a profit. Fortunately, Tamilnadu is also making profit. In Tamilnadu, Rs. 72.63 is the cost and they are charging Rs. 76.59.

In West Bengal, their cost is Rs. 90.16. They are charging Rs. 79.87 and, therefore, incurring loss.

In Karnataka, they charge Rs. 56.58 and they are running in loss.

In Kerala, their cost is Rs. 35.36 and they charge Rs. 35.10 and they are running in loss.

In UP, their cost is Rs. 76.14 and they charge Rs. 82.11 and they still make profit although UP is one of the low cost States.

What I am trying to say is that fortunately all our major public sector units have made profit, as a taken of their performance.

NTPC earned a profit of Rs. 136 crores during 1984-85. It earned a profit of Rs.212 crores during 1985-86.

NHPC will be Rs. 31 crores.

REC Rs. 123 crores.

NPCC Rs. 8.5 crores.

But having said all this, I would like to say about the availability, if you see the demand and the projections, you will find,

80 per cent of our power in the country is used by 8 energy intensive industries. I said 80 per cent is used by industrial area and 20 per cent goes to rural areas. Out of the 80 per cent that comes to the industry area, 8 energy intensive industries using some 80 per cent are aluminium, iron and steel, textiles, chemicals, fertilisers, cement, paper and collieries,

As some one was arguing, if there is conservation and if these industries could conserve by better technological method, better innovation, better management and by all these efforts, even 10 per cent, as was pointed out, it will mean a great saving. So, we are putting emphasis on the one hand for conservation and on the other hand for increasing the PLF target that I have placed before the country and before all the northern sectors that we must reach a target of 60 PLF at the earliest. They are all coming up. I personally went to Haryana, Panipet, Obra where Shri Panikaji was there; I went to Patratu in Bihar and also I went to Talcher in Orissa. We are trying to help to the best possible extent and it is showing results. They are capable. Our people are capable of doing their job. I know that. We are bringing in some measure better management and discipline.

Sir, I do not want to dwell more on the power scenario as far as electricity is concerned. But as far as coal is concerned, I want to cut short as much as possible.

(Interruptions)

As far as our production is concerned, although we have reached 154, one of the reasons why the price of coal has constantly been kept up and not matched and never made good the loss, has been that the ratio of its cost of production and the price have never covered that. You will see that every time we went in for asking for increase in prices and I will give you the profit and loss statement that the profit and loss has a co-relationship directly to the cost of production or the price and I will presently give you why the cost of production is higher. The average cost of production in 1973-74 was 46.36. These are all administered prices after nationalisation. The pit head price is 37.50. If you give a margin of nearly Rs. 10/- less you do not expect any unit to

make profit. Similarly, you will see in 1974-75, the cost was 55.27. The price given was 47 minus 7.7. In 1975-76 it was 69.12; in 1976-77 it was 75.66; in 1977-78 it was 82.46; in 1978-79, it was 86.0. All these four years, cost was increasing because of natural inflationary trends not entirely because of labour. If the index goes up, DA also increases, wages also increase; the number of employees increases by nearly 2 lakhs after nationalisation. So, it is not right to say that employees have not been inducted into the coal fields. But still what was the price given for all these 4 years? It was 64.92 as against 86 in 78-79. In 79-80 it increased. The cost increase was 105 to 123 in 1980-81. What price did we give? It was 101. It is an administered price. In any industry, you will know, there is the cost plus. When you fix a price, you always have something more than the cost that you have. In 1981-15.00 hrs.

82 Rs. 134; the price that we gave was Rs. 128; in 1982-83 Rs. 152. And it kept on increasing from Rs. 152 to Rs. 190. The price that we gave was Rs. 145 for two years. Then when it increased to Rs. 208, we gave Rs. 183. And this year when it increased to Rs. 215, again we have given Rs. 210. But in 1983 one more factor came in. We entered into our wage agreement and rightly for every four years. Do you know that the Wage Agreement with three years' arrears and with this cost remaining made a difference of Rs. 250 crores? Rs. 250 crores, additional, we had to give. Of course, these are their legitimate dues. But that makes a difference. On the one hand you do not give the cost price and on the other hand you also want to benefit. But what is most surprising and agonising is something else, and it is the OMS. You have been talking about China, you have been talking about other countries. What is the Output Man Shift in our country? Shrimati Geeta Mukherjee also talked of the contribution by the labour. I am a man who has in the whole life worked in the labour field, and my first sympathy always goes to the working class. But let us consider what we have done in our country as far as infrastructure industries are concerned. If we make them costlier, then all the rest based on this infrastructure become costlier. If coal is costlier, energy becomes costlier. If energy becomes costlier, you

cannot have steel because in this new technology for steel-making, electric arc furnace, you need electricity. If you do not give electricity, from where will you have new steel? Therefore, you cannot get steel. Aluminium in a power-guzzler. We have so much of excellent aluminium resources. But we cannot produce aluminium. Therefore, we must make power cheap. How could you make energy cheap if you make coal, the basic input for energy, so costly?

Now, see our ratio of OMS: In OMS our country, compared to any other country, is one of the lowest. Our OMS is 0.86 or, say, 88 although it has increased by four points. Australia is 13.9; U.S. 16.3; China, our great friendly country, 2.1. And do you know the per man earning per day—the ratio of OMS, Output Man Shift? The earning per man shift is Rs. 98 in India as against Rs. 12 of China and Rs. 88 of USA and Rs. 84 of Australia. What does that mean? Although their earning in Australia is Rs. 1,168 per day and U.S. Rs. 1,436, because their production of OMS is... (*Interruptions*). I am talking of the earning of the worker in relation to the production that he does in India. It is Rs. 98/- because his wage is about Rs. 1,800/- per month.

SHRI AMAL DATTA ; Are you saying that a worker gets Rs. 98/- per shift?

SHRI VASANT SATHE : Rs. 98 per shift is the ratio. He gets Rs. 85/- per shift in India as against Rs. 24 per shift of eight hours in China. (*Interruptions*). Because he gets Rs. 1800 per month and it will come to that more or less. You calculate about Rs. 2000/- divided by 26 days and you will see how much it will come to. (*Interruptions*). I said Rs. 1800 is the minimum average; I am talking of the average of all the employees.

[*Translation*]

SHRI BALKAVI BAIRAGI (Mandsaur): His problem is that you may praise India but why should you criticise China (*Interruptions*).



[English]

**SHRI VASANT SATHE :** You need not feel sorry about it. The point is that if OMS ..

(Interruptions)

**MR. DEPUTY SPEAKER :** Order please.

**SHRI VASANT SATHE :** In this country we have invested about Rs. 5000 crores. It is for the Parliament to decide because it is public money. At the time of nationalisation, the total investment was Rs. 50 crores when the production was 77 million tonnes. There was exploitation; the miners were exploiting and that is why Shri Mohan Kumaramangalam came here to say "let us nationalise" and we all supported. After nationalisation we have invested Rs. 5000 crores in coal mining alone mainly for mechanisation, mainly for building high equipment and the result, as I said with 2 lakh employees and rehabilitation also, is that you have added only 70 million tonnes more of production. But the China added—it was more or less on the same level as we were in 1940. (Interruptions) .. Please don't interrupt me—700 million tonnes, by having communes, by mechanisation, by having an OMS of 2.1 per cent and if you were to increase our OMS in this country even by 1.5 per cent all the losses that we are making would be made good. Whose responsibility is, it? In this country what have we done? The labour class must realise one thing, that is. if you talk of socialism and communism more so, then you must realise that the infrastructure must be made cheaper. You must produce more steel so that steel based industries which are there in rural areas give employment to the people in rural areas and they are not forced to rush to urban areas. If more aluminium is produced, if more coal is produced, more energy becomes available to the coal based industries. That should have been our objective. (Interruptions). We have had this policy of asking more. We want the best of both the worlds, We don't want the discipline of China, we don't want Rs. 24 to be paid to an employee, we don't want Rs. 12 per tonne to be paid, we don't want to produce 2.1, we do not want that our employees must have all their rights, but no responsibility! All are demands. They are highly paid workers. Rs. 1800/- is the

average. You compare this with the per capita availability to other workers. So, why say we will not produce more? I am not saying to reduce the wages. I am saying together we should... Whose responsibility is it? Whose money is it after all? What economy are we talking of? If we want this country to prosper are you going to have this narrow-base economy, viz., high cost push and high prices. We are pricing ourselves out not only in the international market but also in the internal market. Who can absorb steel at Rs. 8,000/- per tonne? Who can afford coal at Rs. 210 per tonne for producing energy? Ultimately to whom it will cost? Who can absorb? Only a small class of hardly 8 crores of our population can absorb this high cost economy. If you do not produce and do not plan to produce more and make the infra structure cheaper and at less cost then majority of our people will remain impoverish.

I do not want to score a debating point. That is why I said the only way to achieve this is to create a feeling of belonging. It is not the responsibility only of workers or management. It is the total responsibility of all. A new work culture must be brought in—work culture of participation. (Interruptions)

**MR. DEPUTY SPEAKER :** I do not allow the Members to interrupt the Minister. Let him complete. You seek the clarifications at the end.

(Interruptions)

**SHRI VASANT SATHE :** My friends on the other side do not appreciate one thing. I have been holding discussions with them for nearly last two years to bring them to agree to participation.

**SHRI AMAL DATTA :** We agreed.

**SHRI VASANT SATHE :** If one union agrees then the other union goes to another extreme. One union says we must have representation only by secret ballot. Another union says we must have it only by check off system. (Interruptions) I tried to bring them round. I said whose representation you want in management? If it is workers' participation then the workers must elect. If you want

workers to elect unions and you want unions participation then one condition is that those who do not believe in unionism, those who are not a member of any union whatsoever will have no right to select a union. So, I made a proposal. I said let us have a list of unionised members from all your unions. Unions will give the list that these are my workers. After all the total number cannot be more than the total number of employees.

**SHRI RAM PYARE PANIKA :** Sometimes it happens.

*(Interruptions)*

**SHRI VASANT SATHE :** So, Sir, I said please give me a list, After you have given these lists, all those who are unionised will be the electoral college. Then, we will have the election of the Unions. Today, there are about 20 to 25 Unions. It is a chaotic situation. We will say, all right, here are the Unions, you vote and on the basis of the votes cast, proportional not only majority, in proportion to the votes received, we will give them representation in the management. Those who get 40 per cent will be given 40 per cent representation in the management, those who get 30 per cent will be given 30 per cent representation in the management and those who get 15 per cent will be given 15 per cent representation in the management. Like that most of the unions agreed. But this parleys have been going on for more than a year because I have been sincere and I want participation of the workers in the management. I know that without participation, the problem of production, productivity, better working condition; all these just cannot be solved and, therefore, I don't want to name the Union. One Union again today said "we don't agree to this proposal also. We want only secret ballot." It is reasonable. The secret ballot means any worker who is not even a member of the Union will have the right to vote and the right to elect a representative. How can a worker who does not believe in unionism have the right to vote and elect a union? Is it rational? On the one hand, there is a stalemate and on the other you are threatening with strike. What can we do? I have been pleading with all these people that all these. NCW-3 demands can be settled. For one demand I

personally have a reservation. I told in the JCWP meeting also that "look if we are going to allow for dependence of those who retire, only their dependence will be taken". It might be a constitutional law. *(Interruptions)* After all what are we talking of? *(Interruptions)*.

**SHRI RAM PYARE PANIKA :** Preference should be given.

**SHRI VASANT SATHE :** Yes, I can understand that, So, even this can be solved. Every problem can be capable of solution. Sir, I will appeal to all the employees in the coal sector through Hon. Members here. We have such an excellent relationship and, as I said, I have never refused to meet anybody because I told you that my first love is labour. I will work with them all my life, I am willing to sit with them. Let us sort out the problems by negotiation, instead of having an opposition. Once there is a strike, do you know what it means? The man-days loss this year is 97,000. In one day, seven lakh people going on strike will mean 7 lakh mandays loss. I have been saying again and again. I myself went to JCWP meeting. I have been pleading with everybody saying please don't precipitate the matters, it is not necessary and we can solve all these problems. *(Interruptions)*.

**SHRI NARAYAN CHOUBEY :** There was an agreement made but then it was not implemented. Here we are talking of agreement.

**SHRI BASUDEB ACHARIA :** His agreement will expire after one year.

**SHRI VASANT SATHE :** As I said, we will give preference that. But don't make a law. It is as good as saying that hereafter no outsider will ever get a job in the coal industry.

**SHRI BASUDEB ACHARIA :** Why did you agree?

**SHRI VASANT SATHE :** Are you holding me to ransom? Why did you agree means what? You cannot hold a gun like that. If it is wrong, if it is unconstitutional, it is unconstitutional. Let us not rub on

[Shri Vasant Sathe]

that... (Interruptions). You pressurised for that because there was an agreement in Steel. I am told that they have got a stay in the Steel. There was a similar agreement in Steel, that is why they pressurised in the coal sector also and said: "You do the same agreement, as there is one in the Steel". The then management agreed. The High Court has stayed that in the Steel. If you agree, we will also agree to go to the Supreme Court on this. Let us refer this matter. Let us get a view, but in principle do not do something which will be against the interest of not only of employees, but against the interest of the whole country. This is what I am trying to plead with you. Why are we making it a point of prestige when we are willing to negotiate? Why should you decide to have a shut down? I know your capacity. If all the unions in the country agree, if they want to close down, what can I do? You will stop it. But who is the loser? What will you gain? A point of prestige. That is all. But remember one thing. But what is this attitude of lowest production in the world, highest salary, making the infrastructure industry costly, throwing the money down the drain, 5000 crores of rupees, public money, poor man's money? You must remember that if we show such an irresponsible attitude, I will ask the Parliament, because it is public money. It is their money, let them do it. But you cannot hold 75 crores people to ransom.

SHRIMATI GEETA MUKHERJEE : What is this attitude? You have increased the number of executive posts by 87 and reduced the number of non-executive posts by 550 in the last nine months? Will you explain this?

SHRI NARAYAN CHAUBEY : Is it your sympathy for the workers?

SHRI VASANT SATHE : There also you are wrong... (Interruptions). Do you know how that number has increased? This is because we have promoted junior ranks, the non-executive ranks to the executive class. That is why, the number in the executive class has gone up. We have benefited them. You should thank me.

SHRIMATI GEETA MUKHERJEE : How the number of workers has decreased by 555?... (Interruptions?)

SHRI VASANT SATHE : Fifty thousand employees are surplus in one area. (Interruptions). You will ruin the whole industry.

Now, What is the policy for one acre of land taken and the persons displaced? How do we bring about havoc? What is the agreement with regard to the persons who are displaced? Every person displaced from the land must be given a job.

SHRI BASUDEB ACHARIA : It is Supreme Court's judgement.

SHRI VASANT SATHE : I do not want to make a comment on the Supreme Court; I will never do that.

If an agriculturist has one acre of irrigated land, what would be his monthly income from it? Once we take his land, everyone seems to have an irrigated land, before that it was rain-fed. Vikhe Patil, you are expert on this. How much earning does a man get? Amalji, you can tell me in one acre of land, how much net income per month can he get? Geetaji, you can tell me, how much? Rs. 200/- per month.

SHRIMATI GEETA MUKHERJEE : Why don't you compare the agriculturists' income..... (Interruptions)

SHRI VASANT SATHE : I am talking of them.

[Translation]

SHRI BALKAVI BAIRAGI : This is predominantly an agricultural country.

(Interruptions)

[English]

SHRIMATI GEETA MUKHERJEE : How much money goes to the agricultural production?... (Interruptions)

SHRI VASANT SATHE : Even if you take Rs. 200/- than what happens? You say, we are willing to take the responsibility of

rehabilitation. I am pleading in the Parliament, let us take the responsibility of rehabilitation of that family. Even if you were to say apart from the compensation that you give Rs. 10,000 or Rs. 13,000 or Rs. 20,000 or whatever the cost, accordingly in addition to that, take full responsibility of that family life long. Rs. 200 or whatever is fixed by the Government, you should give them per month. Even then, it will be more advantageous than employing a person and paying him Rs. 18 per month for doing work for one hour and no work at all.

(Interruptions)

[Translation]

SHRI NARYAN CHAUBEY : We have followed what you have said, but we have not been able to make out as to why you brought out this publication which is lying before us at present.

[English]

SHRI VASANT SATHE : Output is 0.86 per cent. If this is what you want to achieve in India...

(Interruptions)

SHRI NARAYAN CHAUBEY : Thousand crores of blackmoney in this country. It is in your book. We want to achieve that thing only ...

(Interruptions)

15.27 hrs.

[SHRI SHARAD DIGHE in the chair]

MR. CHAIRMAN : No discussion in this fashion. No discussion in this way. Let the Minister reply to the debate. Please sit down. Order please...

(Interruptions)

KUMARI MAMATA BANERJEE : What is the function ?...

(Interruptions)

KUMARI MAMTA BANERJEE : What is the amount of load shedding in my State that I would like to know ?

(Interruptions)

MR. CHAIRMAN : No discussion in this way. Please let the Minister reply to the debate which has already taken place.

(Interruptions)

SHRI VASANT SATHE : Sir, as I said, the loss condition is basically in BCCL and ECL. That area, everyone. Members after Member have been talking of corruption, mafia, thefts. And I have been saying publicly and here/also believe me, only way this can be stopped is by true participation. There is no other way by which you can stop them. Who knows the corrupt peoples' best who knows thieves' and mafias' best ?

(Interruptions)

SHRI VASANT SATHE : Therefore persuade.

(Interruptions)

I will tell you one thing. I am thinking of totality. I am not thinking of this party or that party and accusing this party or abusing these people. This is not the right approach. How much of our national energy is wasted by these internecine and these supersicial quarrels for non-issues very often. Therefore, please accept this propose if you really have the love for the employees at your heart and their welfare, with everyone I am pleading this. Accept the proposition of real effective participation of employees. Then leave it to them. Tell them the target. This is what the country expects from you. This is how the production is expected. After all, if you get an equipment for Rs. 50 crores which is capable of producing 13 tonnes per day, will you not use that equipment ?

SHRI AMAL DATTA : But they do not work.

SHRI VASANT SATHE : Who does not work ? (Interruptions) Therefore, all I am saying is that our people in this country are capable of doing a good job. They have shown it time and again. Take them into confidence, and create feeling of belonging in them; and I am sure they will do a good job. This is as far as coal is concerned.



[Shri Vasant Sathe]

Lastly, I will say this once again : This is only the input. This is only an infrastructure. The basic infrastructure is coal. I have told you all about it already, and about what you and we need to do. But this is an input for energy.

Coming back to energy, I will wind up by speaking about non-conventional resources. Conventional sources we have tried and seen; but the real scope in this country, as far as rural areas basically are concerned is sunlight, which we have got in plenty. I do not want to narrate all the facts, data and the projects that we have. We can talk in terms of tens and thousands of megawatts of wind, of bio-mass, of bio-gas and of solar. The most important thing, in my humble opinion, is solar.

SHRI AMAL DATTA : You should not omit hydro.

SHRI VASANT SATHE : It is a regular, perennial source, but a conventional one. I am saying that if we can have a breakthrough, we would like to encourage and invest as much as we can in R & D in the solar area.

Do you know that we have tried it in a remote tribal village like Khandia? In one year, within an investment of about Rs. 10 lakhs, that entire tribal village has become energy-self-sufficient. There, their the whole life has changed. Today, they are having irrigation; with gassifier from bio-mass, through bio-gas, all their homes are having energy, i.e. fuel, and the gas, which saves wood. They have planted trees. It has helped them not only in getting energy for themselves, but also fodder for their animals. One should go and see places like this.

AN HON. MEMBER : Take us there.

SHRI VASANT SATHE : Either I can take you there, or show you a film; but Member of Parliament are always free to go anywhere in the country. (Interruptions) You go on your own, so that you don't have to say that I have taken you. (Interruptions) That is precisely what I am saying. This is

what is meant by multiplier effect. How can we multiply this, viz. the integrated energy concept, an integrated energy village, an *Urja-Gram*?

Again, it is not a question of Government, bureaucracy or an agency doing it. In Khandia, the entire people of that village, about a thousand, formed an energy co-operatives. They got together and said; 'We will do it. You just help us. Today it has to be seen to be believed. There they have all the three—the bio-gas, the bio-mass and the solar. They are having television and refrigeration. They are having poultry and better cattle, as also small industries. I will tell you this if you want our villages to be electrified. You have seen in Madhya Pradesh the Urja Gram Exhibition organized by our friend. Do we really want our rural areas to become self-sufficient in energy? When we talk of energy to a villager, his most important energy need is the cooking medium, viz. fuel. Today wood is being burnt. We know the ecological harm that we are doing to this country thereby. If we can use the bio-mass and bio-gas, it will have a multiplier effect. One result is that the waste is used, which otherwise is causing harm to hygienic conditions. In that way, it gives you gas; it again gives you fertiliser. So, there is a multiple advantage of this whole system. I would plead with the House that in our entire concept of rural development—after all, we talk of resources—what can we do if the Department of Non-Conventional Energy Sources, is given a paltry sum of Rs. 100 crores to do miracles, to have all the urja grams, *chula*, smokeless *chula*, bio-gas and everything? What I am pleading with the House is that in our entire programme of rural development for which in the plan we have put large fund, after all, what you are achieving by energy is rural development. So, if we can dovetail this concept and if the House supports this idea and takes it up, believe in a very short time, we can fulfil the promise and the challenges given by the Prime Minister to make this country self-sufficient in energy in the Seventh Five Year Plan.

I do not want to go into individual members' points. Every one, who was speaking, has said something about some project in his State, in Orissa; that I will deal with them

individually; I can meet them; I can write to them. What I would plead with the House is this : energy is the basic need. The country's advancement is known by the per capita availability of energy. Do you know the difference? In advanced countries like Canada, USA, Europe, the average availability of energy per capita is 8,000 to 10,000 KWs and in India is 170. See the gap! This is also illusory, 80 per cent in the urban area, in the industrial area; only 20 per cent in the rural area. So, 30 KWs is what is available per capita for 80 per cent of our population. See the gap! The sky is the limit, unless you have more energy, unless you have more power, advancement becomes meaningless; and if you want balanced growth, you must have more energy in the rural area, then alone industries can go there. So, there should be infrastructure. Remember this. Unless you make energy cheap, you will not have more steel; unless you have more steel, you cannot have more industries in the rural areas. So, therefore, please bear this in mind and try to support our policy implementing the objectives that we have before ourselves.

I once again thank all the Hon. Members for the kind co-operation and the suggestions that they have given.

SHRI SARAT DEB (Kendrapara): According to your assurance, what has happened to our super thermal power station?

SHRI VASANT SATHE : We will consider it.

SHRI SARAT DEB : What about coal division?

SHRI VASANT SATHE : Not yet!

SHRI SARAT DEB : I cannot understand why are you taking a step-motherly treatment towards us?

[Translation]

You will not go to the extent of swearing by "Gita" but in whatever way you speak, you should speak the truth. Will the Super Thermal Powerhouse be installed?

SHRI VASANT SATHE : Yes.

SHRI SARAT DEB : Only then shall we be satisfied.

SHRI NARAYAN CHAUBEY : It will be sanctioned but nobody knows when, and the capacity thereof.

SHRI SARAT DEB : I would like to know whether It project would be sanctioned or not?

SHRI VASANT SATHE : I cannot say.

[English]

MR. CHAIRMAN : I shall now put all the cut motions moved to the Demands for Grants relating to the Ministry of Energy to vote together, unless any Hon. Member desires that any of his cut motions may be put separately.

*All the cut motions were put and negatived.*

MR CHAIRMAN : I shall now put the Demands for Grants relating to the Ministry of Energy to vote.

The question is :

"That the respective sums not exceeding the amounts on Revenue Account and Capital Account shown in the fourth column of the Order Paper be granted to the President out of the Consolidated Fund of India to complete the sums necessary to defray the charges that will come in course of payment during the year ending 31st day of March, 1987 in respect of the heads of Demands entered in the second column thereof against Demand Nos. 23 to 25 relating to the Ministry of Energy."

*The motion was adopted.*

*Demands for grants (General) 1986-87 in respect of the Ministry of Energy voted  
by Lok Sabha.*

No. of Demand	Name of Demand	Amount of Demand for Grant on account voted by the House on 13th March, 1986		Amount of Demand for Grant vote by the House	
		Revenue Rs.	Capital Rs.	Revenue Rs.	Capital Rs.
1	2	3		4	
<b>MINISTRY OF ENERGY</b>					
23.	Department of Coal	24,76,37,000	2,36,63,84,000	1,23,81,87,000	10,33,24,18,000
24.	Department of Power	36,69,55,000	2,45,81,00,000	1,83,82,74,000	12,22,25,00,000
25.	Department of Non-Conventional Energy Sources	15,95,89,000	58,33,000	79,79,46,000	3,91,67,000

**(ii) MINISTRY OF DEFENCE**

**MR. CHAIRMAN :** The House will now take up discussion and voting on Demand Nos. 17 to 22 relating to the Ministry of Defence for which six hours have been allotted.

The Hon. Members present in the House whose cut motions to the Demands for Grants have been circulated may, if they so desire, move their cut motions, and slips to the Table within fifteen minutes indicating the serial numbers of the cut motions they would like to move. Those cut motions only will be treated as moved.

A list showing the serial numbers of cut motions treated as moved will be put up on the Notice Board shortly. In case any mem-

ber finds any discrepancy in the list he may kindly bring it to the notice of the officer at the Table without delay.

**MR. CHAIRMAN :** Motion moved :

“That the respective sums not exceeding the amounts on Revenue Account and Capital Account shown in the Fourth column of the Order Paper be granted to the President out of the Consolidated Fund of India to complete the sums necessary to defray the charges that will come in course of payment during the year ending 31st day of March, 1987 in respect of the heads of Demands entered in the second column thereof against Demands Nos. 17 to 22.”

*Demands for Grants (General) 1986-87 in respect of Ministry of Defence submitted  
in the vote of the House*

No. of Demand	Name of Demand	Amount of Demand for Grant on account voted by the House on 13th March, 1986		Amount of Demand for Grant to be submitted to the vote of the House	
		Revenue	Capital	Revenue	Capital
1	2	3		4	
<b>MINISTRY OF DEFENCE</b>					
17.	Ministry of Defence	89,50,51,000	23,72,04,000	4,43,27,55,000	1,18,60,21,000
18.	Defence Pensions	91,74,88,000	...	4,58,74,37,000	...
19.	Defence Services—Army	9,10,96,20,000	...	45,54,81,02,000	...
20.	Defence Services—Navy	1,13,35,00,000	...	5,66,75,00,000	...
21.	Defence Services—Air Force	3,11,23,08,000	...	15,56,15,42,000	...
22.	Capital Outlay on Defence Services	...	1,82,08,00,000	...	9,10,40,00,000

MR. CHAIRMAN : Shri Ayyapu Reddy may begin.

SHRI E. AYYAPU REDDY (Kurnool) : There has been a noticeable change so far as the Ministry of Defence is concerned. The change has been very significant. Now the Ministry has come directly under the Prime Minister. Generally, this is taken as a sign that the Government is very serious with regard to the performance of the Ministry of Defence. But, unfortunately today the Prime Minister is not here to hear or to note

or to participate in the debate regarding Defence.

In one way it was a promotion for the Defence Ministry but it appears to be a demotion so far as the House is concerned, because the Prime Minister is absent when the Demand is moved.

Sir, out of every rupee of the Union Budget only fourteen paise is the share of the Defence, and 22 paise is for development, or the development Plan of the Cen-



[Shri E. Ayyapu Reddy]

tral Government. Nearly, two-thirds of our development plan is allotted for Defence. For a developing country like India this certainly appears to be on the high side. But Defence and Development have to go together because Development without Defence will be vulnerable and Defence without Development will be useless. So, even though we may wish that we must spend more on Development and less on Defence, for a long time to come in the existing global scenario, we may not be in a position to reduce our Defence allocations. Most probably, our Defence allocations have to go up from year to year.

Sir, we do see that a balance has been struck and we hope that this balance of fourteen paise out of the rupee of the total budget must be changed to Defence and within these parameters we must try to achieve the best self-sufficiency so far as national security is concerned. Our anxiety must be to see that every paisa allocated to the Defence is carefully planned and spent and results in achieving of strengthening the security.

I shall begin with the annual report with regard to the national security environment. This year's annual report is an improvement over last year's in some respects. The fact that Soviet intervention in Afghanistan and the exit of Iran out of America's sphere of influence resulted in Pakistan being adopted as the favourite protege of America, has been noted. The fact that China and Pakistan are collaborating and helping each other and that probably China is helping Pakistan to develop its nuclear capability and that there has been free flow of arms of all sophisticated weaponry into Pakistan by America, has also been noted. The fact that there is a revolutionary change in the modern weaponry system leading to star war and new type of space weapons outdating the existing conventional weapons has also been noted. Last but not the least, the fact that armed subversion is encouraged by external agencies to destabilise the security of India has also been noted. These are realistic approaches so far as the national security environment is concerned.

One factor which has also been noted is that the relationship between China and Russia is improving and that most probably in three or four years their relationship may become normal. We do welcome it; we do not want it to be otherwise. But it has been noted very realistically that China will be in a position to deploy more divisions from the Sino-Soviet border to the Tibetan border and that would also add to our burden.

Having said this, let us just have a look at the relative strength of the Army. The strength of Army in China is 40 lakhs. Nearly four lakh of people are in the Air Force and 33.5 lakhs are in the Navy with pro-rata equipment. Pakistan though small has got half of our strength. It has got nearly 4.5 lakh of Army with better equipment, better armoury and artillery. We may say now what exactly must have been our defence strategy. We are still going on in conventional weaponry. Probably we want to try to improve the conventional weaponry.

With regard to nuclear capability and acquiring nuclear deterrent, nothing has been said in the report. Though our Prime Minister has been saying that our options are open; even that factor has not been stated in our report. The Hamletian dilemma 'to be or not to be' has to be resolved. In my humble opinion, our options have become narrower and narrower. While we have stoutly defended our opting out of the nuclear non-proliferation treaty and we have criticise vertical proliferation of the super-powers who want to prohibit and prevent horizontal proliferation, we have not yet taken a decision with regard to acquisition of nuclear capability. We have been really saying that we have kept our options open. My humble submission is, a time has come when we have to close our options, a time has come when we have to say we will certainly acquire a nuclear deterrent. Like Miller on the Dee' we may say that. "I envy nobody and nobody envies me. I sing like a lark and steep like a log." But it will be only an unrealistic dream. The reality today is that there is no other alternative for a country like India except to go in for a nuclear deterrent. This debate has been going on in this country and now a consensus has developed that we have no other option. So long as we are going to have an army, we

must give them the best weaponry. I do not think this proposition will be challenged or doubted by any person. That is to say, even taking into consideration the cost benefit ratio, instead of spending huge crores of rupees on conventional weapons, it would be better to acquire a nuclear deterrent and to develop a nuclear deterrent. I, therefore, say that we have to develop a nuclear deterrent and we need not be apologetic about it. However repellent the idea may be, however emotional we may be against it, however much it may appear to compromise our position as a nation which has been advocating nuclear disarmament and abolition of nuclear weapons, it is but inevitable that we have to take a realistic view of the present scenario and make an assessment of our defence strategy that we have to go in for a nuclear deterrent and the sooner, the better. Let there be no confusion, let there be no vacillation, let there be no doubts about it and we need not be apologetic on this issue to any person in the world.

Coming to the changes that have taken place in the world with regard to the armament race, today battles are fought not on battle-fields but actually in defence laboratories and research centres. The race for improving the dirtiest weapons on the one side and the race to counter these deadly weapons on the other side, is going on. Billions of dollars are being spent in the NATO countries where one out of every six scientists is engaged only in defence research and armament factories. Today it has been very revealing. In today's *Indian Express*, there is an article regarding the amount which Russia is spending on arms. To put the record straight, it is better that I may be permitted to read a few paras from this article to show the importance of research and development so far as the weaponry system is concerned. It says :

"The pentagon report estimates that by 1990 the Soviet Union may be able to test a prototype particle beam weapon which can disrupt the electronics of satellites. A weapon designed to destroy satellites could follow and one capable of physically destroying missile boosters or warheads could be developed a few years later.

The Soviet Union also has a variety of research programmes in kinetic energy weapons. These are a stream of heavy metal particles such as tungsten or molybdenum that can be shot out of a 'gun' at five kilometres per second in air and over 60 kilometres per second in space. Long-range space-based kinetic energy systems of defence against ballistic missiles can be developed by the late 1990s. But in a shorter time it could develop a short-range space-based system for space station defence or for a close-in attack by a manoeuvring satellite."

This article clearly gives out what amount of research is going on in the nuclear weapons and, as a matter of fact, even to understand the names the technology, the methodology and, the purpose of these weapons, is breath-taking and mind-boggling. As a matter of fact, it has been estimated that the Soviet Union has got a corps of 9 lakhs engineers and 10,000 scientists working in Defence laboratories and 20 per cent of their Defence outlay goes on Defence Research. Now, in the very same article it is stated that even more than 300 billion dollars are being earmarked for Star War Strategy. Now, having regard to the global phenomena, what is the outlay we are having on Defence Research? Sir, last year, it was Rs. 300 crores. It is just 3 per cent of our outlay. This year, I am told, it is about Rs. 380 crores or Rs. 350 crores. In 1965 we started the Department of Defence Supplies, with the object of indigenising our defence equipments, armoury, artillery and infra-structure. 20 years have elapsed. But the achievement has been very, very negligible and insignificant. We have been able to achieve not even 50 per cent of indigenisation. Where is the defect, I am asking. Don't we have scientists of calibre? Don't we have technologists of calibre? Sir, 60 per cent of our students turning out of IITs are going to foreign countries though we have been complaining of 'brain drain'. They are going to foreign countries and we are expecting them to return back, but they are not returning back. Do we lack private industrial enterprise? Certainly not. Our people are capable of doing anything. Do we lack hard-working workmen? Do we lack intelligent workmen? Certainly not. Our worker

[Shri E. Ayapu Reddy]

is as efficient and capable, as intelligent as any other worker either in Japan or in America or Russia. If that is so, having all these requisites, manpower, technical knowledge, scientific knowledge and all those things, why is it that we are failing to achieve the indigenisation, the objective with which we set up this system in 1965? Kindly review this entire thing. As a matter of fact, there has been a review of the functioning of DDS in a report submitted by the Chartered Accountants in 1982-83. Therefore, kindly review this.

So far as Defence Research Organisation is concerned, I must congratulate them, because, they have done really good work. As a matter of fact, their achievement in Aeronautics, armoury, combat vehicles and all those things have been narrated and categorised in this report. I do not want to repeat it. There is the MBT (Main Battle Tank). There is the LAT (Light Combat Aircraft). These two things we have been striving to get. Last year itself we named our MBT, Arjun. It has to undergo test for 10,000 hours. It has undergone test for 5,000 hours. 5,000 hours test still remains. I hope we will be able to put an indigenised engine in our MBT and even with regard to our Light Combat Aircraft, I hope, we will be able to achieve it within 2 or 3 years.

With regard to Missiles, rockets and other matters, our young scientists working in the Research Development have done very well. I take this opportunity to congratulate them. I had occasion to see some of these missiles which they are developing. They have done very well and they do require encouragement. We may put in more investment if it is necessary so far as this aspect is concerned.

16.00 hrs

Sir, with regard to the Army I may congratulate our Defence for preventing intrusion into the Siachen Glacier. I myself have seen the high altitude and I know under what difficult climatic conditions they have to work. But here, again we have to do research and give them latest equipment

which will be suitable to those climatic conditions.

With regard to the Navy last time also I took the stand that we have to improve or rather expand our Navy quite a lot. In fact, the submarines which are going to be produced are the submarines to the production of which greater impetus must be given because the Indian Ocean is clustered with all sorts of ships, frigates and surveillance weapons and submarines from the super powers. It is, therefore, essential that in order to safeguard our coast of nearly 7,000 kilometres, we must have a good Navy. On this aspect I would like to say that regarding the debate that has been going on with regard to the acquisition of aircraft carrier service, I may submit that unfortunately the Defence Ministry has not been fair to this House. Why is it that there is no mention about the acquisition of Hermes at all in the Annual Report? Have we to read and learn about it only through newspapers even after this debate has begun or just before the debate has begun? Nobody has informed us as to what is the attitude of the Government with regard to the acquisition of this aircraft carrier, Hermes. We are hearing alarming reports one side pleading that Hermes must be acquired and it is the best proposition so far as this concerned because it is coming for a throw-away price. As a matter of fact, a report in the *Indian Express* today says that it costs about Rs. 100 crores, it is coming at a throw-away price and American people are preventing this acquisition by India. That is what has been pleaded. On Friday the *Hindu* wrote about the *pros* and *cons* of acquiring Hermes. They say it costs about Rs. 500 crores. There is a vast difference. So far as the *Indian Express* is concerned, it says about Rs. 100 crores or so; so far as the *Hindu* is concerned it says Rs. 500 crores, and in times of emergency it is a hitting duck. Therefore it is of no use. Therefore, this *pros* and *cons* debate is going on, we do not know which side is correct. I hope the Ministry will make it clear and clarify the position so far as acquisition of Hermes is concerned. But even otherwise it is essential to strengthen the Navy and more investment is necessary on the Navy and we have to go in for construction of our own type of frigates and surveillance vessels. I am very happy that they have been able to

do it and they have been able to release INS 'GANGA' and other frigates and surveillance vessels.

With regard to aircraft, I am very unhappy about the loss of the two IAF aircraft. We do not know what has happened to them. We expected the Ministry to come forward with a statement with regard to the loss of these two planes (*Interruptions*). I mean, the reasons or the causes for...

AN HON. MEMBER : They are inquiring into it.

PROF. N. G. RANGA : They do not know.

SHRI E. AYYAPU REDDY : Such mishaps must not at all happen in the future and so far as purchases are concerned, with the MiGs which we are having and the Jaguars and the development which we are trying to achieve so far as this is concerned, I think we will become self-sufficient and we will be in a position not to purchase foreign aircraft within a few years. Everybody knows that there is a lot of vested interests so far as armaments are concerned. The moment some new weaponry is purchased by Pakistan, it is not necessary for us to run and purchase counter weapons from some NATO countries or some other countries. This is not desirable at all. We have to stand on our own legs. The impetus must be given to our own indigenous armament factories and development of our own weapons and our own armoury and artillery.

16.05 hrs.

[SHRI VAKKOM PURUSHOTHAMAN  
*in the Chair*]

Last but not the least, I only submit that so far as the Defence laboratories at Hyderabad are concerned, the State Government has offered any amount of facility for their expansion, for testing the missiles and rockets. Therefore, further expansion is necessary. Naturally, the State Government is prepared to give all the facilities to the very good defence laboratory which is there at Hyderabad, which will get soon expanded.

Similarly so far as ordnance factory is concerned, one was located at Medak. But the engine part was taken away. I hope, the

engine part will also be located at Medak. The Andhra Pradesh State has offered two sites at Karimnagar and Srisaillam and all other facilities for the location of the ordnance factory. I would say only this much so far as ordnance factory is concerned. The report given by the Comptroller and Auditor General goes against it. I would appeal to OFB i.e. Ordnance Factory Board to look into this matter. If you were only say that the ordnance factories have been spending Rs. 26 crores, Rs. 30 crores, Rs. 35 crores as over-time, it is abnormal. The Public Accounts Committee has stated that the over-time should be related to production. When it comes to the production, it has fallen far short of targetted thing. I do not want to repeat the figures. The figures are there. Alarmingly, targets which were expected to be fulfilled have fallen short of more than 50 per cent or 40 per cent. These things have to be looked into.

Store losses have been Rs.10 crores. In 1982-83, it was Rs. 5 crores. Last year, it was Rs. 10 crores. Store losses have been mounting up and your store-keeping has not been up-to-date. You have to modernise the store-keeping, computerise the store-keeping. Even the Naval Store at Bombay which has a sprawling area of 100 acres of land is very loosely organised. A good dynamic organisation with regard to store-keeping is necessary. Modernising and computerisation of all these stores is necessary. Wastages and losses in all these stores are enormous and abnormal. These things must be stopped.

SHRI EDUARDO FALEIRO (Mor-mugao) : Mr. Chairman, I have heard with great interest and attention, the excellent speech made by our colleague on the other side, Mr. Ayyapu Reddy. However, I crave your permission to attempt to correct some of his mis-statements and misconceptions which have now and the cropped up into his presentation. The previous speaker began by saying that we are sending 1/3rd of the expenditure on defence compared to development, which is 2/3rds.

SHRI E. AYYAPU REDDY : I said, 22 paise on development; 14 paise on Defence. That is 2/3rds of the development. That is all, I said.



**SHRI EDUARDO FALEIRO :** This is the statement which, I think, needs correction, and where I think, I must join issue with the previous speaker.

**SHRI E. AYYAPU REDDY :** That is the diagram given to us in the Budget-at-a-glance.

**SHRI EDUARDO FALEIRO :** I will come to that. To begin with, in our defence development, we have no expansionist ambition. The purpose of our defence development is not to acquire anybody's territory. The purpose of our defence effort is solely, entirely and fundamentally to protect the integrity of this country, to protect the people of this country so that the people of this country can develop and development can take place in peace and security. That is the purpose of our defence efforts and if this is kept in mind and once this is kept in mind—the precedent of this House and this has been throughout since the constitution of this Lok Sabha—there is no question in Parliament of bargaining on how much money should be given to the Government for defence purpose. The defence interests are paramount and there is no *quid pro quo* involved and, therefore, there is no question of whether we are spending more or less. This being the fundamentals of the very security and peace and prosperity of our nation. That is apart from the fundamentals. May I add this? If you look at the countries around us, if you look at the countries in general across the world, our defence expenditure as compared to the gross national product, is one of the lowest in the world. We are spending about 4 per cent of our GNP while the United States is spending around 7 per cent, the Soviet Union is spending around same amount, the United Kingdom around 7 per cent again while Pakistan itself, our neighbour, is spending more than us as a percentage of GNP, apart from substantial aid that it gets for defence purposes. While we cannot and we have not in this House grugged any money for the Defence Ministry and it is cutting across our party lines, it is undoubtedly correct, this point must be made, that every money that we spend for defence expenditure, is the money of the people of this country. It is not crores of rupees, every single rupee is the money of the man

in this country who has limited resources. In this context, we must see that while we do not grudge any money to the Ministry, every single rupee, every single paisa, is spent in the best possible manner, in the most cost effective manner.

I will go in a moment to agree with my colleague on the need to indigenise our production. I will definitely join him and support him and I am sure all of us are one with me in this, that if we can afford and we can find ways and means of sending our money to foreign countries and if we find ways and means and surely we can because we have the talent, of spending crores of rupees inside our country in making our own armaments for the security of our country, undoubtedly we must. A misconception has come here. It is a misconception which, along with this, is bound to permeate this debate because the difficulty of just not having sufficient materials on which to work. As far as defence is concerned, we are suffering from almost fear of over-classification and over-security. No information is available. It is not merely the man at large, even a Member of Parliament finds it difficult. We find it difficult to get materials and if we want to speak in this House, a Member of Parliament has to go round and collect material from "The Hindu" and from "The Indian Express" or any other newspaper. It is not a question with me alone.

It is a question of Members of Parliament generally and the reason is over-classification and over-security which has been permeating our entire approach to this matter for a very long time. I was just told yesterday that the Historical Section of the Defence Ministry prepared the history of the Kashmir conflict. Kashmir conflict took place in 1948. The history is prepared by the Defence Ministry through its Historical Section and was completed about ten years ago. Up to this date, this document which concerns events of 1948 and which is important, has not been published. Ten years have passed after the completion of this book which, in fact relates to events in 1948 and ten years have passed upon the completion of this book made by a Section of the Defence Ministry itself and, up to this moment apparently the Defence Ministry has not given permission to publish this history of events

of 1948 made by itself. This is just an example... (Interruptions) There are many other things.

(Interruptions)

MR. CHAIRMAN : No running commentary please.

SHRI EDUARDO FALEIRO : I have been reading this excellent document which the Defence Ministry has prepared. As I go on this point, one finds for instance, at p. 124, this paragraph :

"The steps initiated by the Institute focus increasing attention on technological aspects of national and international security issues which had their impact"

This resulted, and this I underline and emphasise, in the first professional study of air power in modern warfare. Now we have been with an aircraft industry and military aircraft power for more than 25 years. After 25 years, for the first time, we have an academic document on aircraft air power in military warfare. It is not enough to have good scientists. It is not enough to have technologies of the highest of the world level in fact. It is necessary that academic studies must go on not merely in the closed circles of the Defence Ministry. Academic studies must go on percolating to the people of this country. It has been said that, I suppose it was Winston Churchill who said, "war is a very serious matter to be left to the Generals alone". With all respect for the Generals, they have done extremely good work throughout. They are really islands of excellence. Our Defence forces are islands of excellence. It is not enough to have islands of excellence. Defence forces are nothing unless they are backed by the indomitable will of the people of a country. People have to be involved directly in the Defence forces, as I have said in a different context, the Army, the Navy and the Air Force. It should be a people's Army, a people's Navy and a people's Air Force in the sense that people at large, the population at large, must fully be involved, fully committed to the Defence effort. And this commitment cannot undoubtedly be expected unless there is an awareness of the issues; knowledge of what are the threats that face us and what are the ways in which

our Government is trying to counter this threat. This knowledge can come only if there are studies, if there is dissemination of knowledge, if we do not suffer from this, as I have said puerile fears of over acquisition and over secrecy.

Going to the security environment, mention has been made that the question of security environment is definitely a paramount question, very important question. But if you look at the debates of Lok Sabha you will find that it has been sufficiently discussed in these debates on the Defence Ministry, the question of the strategic environment and the security environment and sometimes to the detriment of other issues.

I would like to concentrate on some of the other issues which, I am afraid, may get the attention they deserve. But may I say here, in this question of security environment, the situation in which countries of the world are, the situation which is created and imposed upon us by this world wide confrontation between the two super powers. We were happy, we had a lot of hope that after a long time, the leaders of both the Soviet Union and the U.S.A....

(Interruptions)

MR. CHAIRMAN (Shri Vakkom Purushothaman) : It is not fair to make such unwanted comments. If you have got any doubt, you stand up and ask. Why do you make running comments ?

KUMARI MAMATA BANERJEE (Jadavpur) : It is their habit.

SHRI EDUARDO FALEIRO : When we were particularly happy in this country, when President Reagan did go on record saying "now conflicts cannot be settled by war, difference of opinion, ideological differences, cannot be solved by show of force and only by negotiations peace can be achieved and co-existence can be achieved". Alas! Our hopes which were kindled so high at Geneva, very shortly thereafter, were dashed to the ground because then we have the United States Navy marching near to Cremea; more recently we had the American forces jetting into the gulf in a direct challenge to Libya; closer to us we had the

[Shri Eduardo Faleiro]

notorious carrier 'Enterprise' of 1971 fame berthing at Karachi. It does appear the American Administration and Pentagon have not learnt these lessons. American commentators, American military analysts today recognise that it is not in the national interest of the United States themselves, this approach of coercive diplomacy, and it was not in their interests in the earlier part of 1970s in Vietnam; it was against the national interest of the United States in the later part of the 70s in Iran, as it is right now against their national interests what they are doing in Central America' Whether it is in their national interest or not, what we are concerned with is the threat that this bellicose action poses to our own security. It was about a year or two ago, if I remember aright, that this House discussed with great emotion and sense of danger the sale of F-16 aircraft to Pakistan. What is happening right now? What has already happened is that weapons much more sophisticated and much more lethal and much more dangerous than F-16 themselves have already been provided again recently to Pakistan; if I may mention, the Harpoon missiles which destroy and cut at the root of the whole justification of supply of arms to Pakistan in view of the Afghan threat; the Harpoon missiles, the anti-ship missiles, to be used in the sea against ships, cut at the root of the entire case, the entire argument, that arms to Pakistan are to counter the threat from Afghanistan. Surely, there has not been a sea for hundreds and millions of years anywhere between Pakistan and Afghanistan. Even more serious are the State-of-the-art weapons, the latest technology which America alone possesses, the weapons which are said to be very dangerous weapons—a short time back in the Lebanon crisis Israel used it to knock out the entire Syrian Air Force within two days—the Stringers which have been mentioned here, the RED EYE, the Shoulder-fired rocket launcher; and now there is a talk that even E 2C Hawkeye, which is an Aerial Early Warning Aircraft (AEW), is going to be provided to Pakistan. These are the threats which are many times, several times, bigger and more dangerous and more lethal than the F-16s. These are what the Americans are providing to Pakistan which, I would respectfully submit, is against their national interests,

which is against security in the world, which is against the mankind who want to live in peace, particularly the third world because these weapons can be used only against the third world; they have only been against us before by Pakistan, against nobody else. Therefore, we cannot grudge for a moment any amount that the Minister for Defence will ask us for the security of this country because security and peace are predominant and preponderant; without security, without peace, no development is meaningful. Why I say is because of this. I will again repeat. We do not have information now to say whether what you are acquiring is good enough or how good it is; we rely on you entirely, we rely on our Generals who have proved their mettle, their integrity and their sense of duty many times over. But then we do strongly urge that our indigenous production must increase, must get on the rails. I am personally speaking here as a backbencher, not happy with the progress or otherwise that we have made for quite a couple of decades on the question of indigenisation of our defence production.

We have the nuclear technology of the best kind. I will not get into the oft-repeated controversy whether we should have weapons of nuclear calibre or not. But I am sure that our scientists who are of the highest calibre in the world can, if they are required to, produce at a short notice nuclear weapons; that I am inclined to believe. The question is because of our commitment to total peace, our commitment which is total for de-nuclearisation of the world, we have not produced these; but I am sure, if the need arises, our scientists in the nuclear field will not be found wanting. So are our space scientists; they are the best in the world; in many respects they have developed technology which I am sure is better than anywhere else in the world. However, the question arises: in spite of this high level of talents, why are we behind the developed countries in our defence technology and armaments? In we have been left behind for the last two decades, we now must make up. Because if we do not make up now, the gap will increase and it will be too late afterwards to make up, for this gap will be for ever, indebtedness to foreign countries will be for ever below the par of requirements at a particular point of time.

Indigenous defence production is a must, flowing not merely from our requirement that we must save foreign exchange, but also flowing from our basic policy of non-alignment which means that we will have the decision ultimately on what is good for us. If we are going to maintain our non-aligned policy, then it is necessary that we should be backed by indigenous capacity to produce our own weapons—whatever armaments that are necessary to defend our right to take our own decisions.

If we are non-aligned and we want to take our own decisions, then we risk the danger. If we import equipment from a country which does not like us to take our own decisions, they may cut off the supply and leave us in the lurch. It happened, for instance, in Argentina recently. In the Malvinas conflict the Argentina was indeed left in the lurch by some suppliers of their own equipment. The indigenous production of weaponry flowing from our own policy is a compulsion. In fact, it is necessary that our foreign policy should be more integrated with our defence policy. It is very good to have a velvet glove, but behind a velvet glove must be an iron hand; otherwise the velvet glove is an empty assertion of words, empty assertion of making statements. What is worse is that others come to know of this, to whom these words and statements are addressed that we are not in a position to match them by deeds, to make these statement go through to the last.

The defence services are the fist of the nation. The defence services are the fist of the body politics and therefore Sir, if the body politics is to be healthy, if a nation is to be confident, the fist of the nation, the fist of the body politics must have the capacity which is required to strike as and when necessary.

In regard to research and development, it is good that the Government has realised that a much greater outlay is necessary. This year, as compared to the last year we do witness that a substantial increase has been made for the purpose of research and development. It is a matter of pleasure and what is more, a matter of great pride for

us to see that now with the latest technology the MBT Arjun prototypes are already on trial. It is a matter of great pride because it is here that the latest technology, the best technology is used, which has not been achieved by so many developed countries.

In the LCA also we are making progress, but the question that arises is not merely whether we have completed the planning process, whether we have completed the design process, whether we have completed the research process. Now the main thing is production. The question that arises now is : Have you made any arrangements to produce the 1000, 1500 and 2000 sophisticated Arjun MBT Tanks that you require? If so, how and when? The problem right now is not merely on research and development, but the problem right now with our defence industries is that of production.

Sir, we have monstrous public sector undertakings. They have not, with honourable exceptions I respectfully submit, been able to deliver within the time frame and within the cost that they could. The reason is that in the management there is much to be desired. I urge the Government to have a close look into the management structure of these public sector undertakings. They are having monopolies. They are giants on the lines of Mega Corps—to use a term coined by American writers. They are huge, monstrous giants extending their tentacles everywhere and catching hardly anything. Now we must look into the management structure of these corporations, so that they become commercially viable. They are seen not as a sacred animal, but as commercially viable enterprise producing within the cost and within the timeframe. I urge the Government and suggest that....

PROF. N. G. RANGA : Particularly the armament factories also.

SHRI EDUARDO FALEIRO : Particularly the armament factories as my leader Prof. Ranga is saying. We have got these Public sector undertakings. You have to get them divided into two or three. We have got to make them smaller and we have got



[Shri Eduardo Faleiro]

to divide them all over the country. We have got to stop having ordnance factories making shoe laces, tents, etc. All these items which are really of not military nature can be made by private enterprise. Let us have ordnance factories at the lowest cost factor doing high-tech elements so that our military equipment becomes better. It should be done in a time frame.

I have said earlier, and I would like to say once again, that the Defence Forces cannot be islands of excellence. They must be backed by splendid commanders and brave jawans. But our defence forces are not an assurance of total security. Defence forces have got to be backed by every citizen of this country undoubtedly cutting across party lines. The patriotic sense of every citizen must be kindled. In this context, I would like to say and put this for the consideration of the Government that we could introduce a compulsory military service on the lines of so many other countries—the countries as diverse as France and Soviet Union, viz., countries with entirely different political systems. The experience of compulsory military service has shown fantastic results. It was to begin with through compulsory military service that France really asserted its nationhood. It developed patriotic spirit of the people. Before it was a kingdom with lot of Dukes, Bishops and Barons. It became one nation from Corsica to Lyon or Paris.

In Soviet Union after the revolution of 1917 all the regiments, Kosak regiments and other regiments based on region were abolished. There was only one army and every Soviet citizen, a male of 18 years, is required to undergo at least one year to two years of compulsory military service. It has helped tremendously in national integration. Sir, in our country a man from Tamil Nadu should go and have his service in Goa or a man from Kashmir to Tamil Nadu and a man from Punjab should go to Kerala and so on and so forth. This will contribute tremendously towards national integration, apart from developing patriotic spirit and sense of discipline which the Minister of Energy was laying stress upon. If we are so capable, brilliant and talented perhaps we

lack in greater sense of discipline and that you get in military service.

We are talking of 21st century and it is a beautiful image. We are having a time frame of 15 years within which we are going to spread science and technology and come to the forefront. If we are going to develop science and technology and create a scientific temper, it is not going to be the hundreds of scientists in our nuclear facilities or space laboratories that are going to solve the problem. Scientific temper has to be at the level of every citizen and this you achieve in a great measure by getting into to the military service. You become a driver, you become an electrician and you develop skills which are of scientific and technical nature, which help in your job and also contribute for a greater awareness and development of the country at large.

We are facing great threats. It is not merely from Pakistan and United States. We are facing it from China too. We were caught unaware when China attacked us in 1962. In the then Lok Sabha, it was said and the Government then said here in this House that we will recover every single inch of the territories that we lost to the Chinese. We will definitely take peaceful initiative, in the sense that we must be prepared to make good and that statement was made on the floor of this House. It was said that every inch of the territory will be recovered by peaceful means.

Now, the greatest enemy that we are facing today—let us not forget—is ourselves. The greatest enemy is unfortunately is within. A writer has recently spoken about a seige within and if you want to succeed completely, then the nation must be one. Let us remember, let us never for our recent history. We never were defeated. We were never conquered. We gave away our freedom to settle scores among ourselves. We invited foreign occupation, cut our nation into jewels for different foreign crowns. Let it never happen again. Let not the forces of religion or otherwise raise its head. Let us all be one and it is only the unity of the people of this country that is the greatest guarantee of the security of this country. It is only the unity of all our

people that will guarantee of the security of this country. If you are united, if you are alert, undoubtedly this country will surely be indivisible.

[Translation]

SHRI DILEEP SINGH BHURIA (Jhabua): Mr. Chairman, Sir, I rise to support the Demands for Grants pertaining to the Defence Ministry. Just now my friend Shri Faleiro has said a lot about defence.

Mr. Chairman, Sir, the arms race in the World has created danger for the entire humanity. India has always been a votary of peace. We even carried on our independence struggle in a peaceful manner and achieved success in it. But today the country as well as the mankind in the entire world is facing danger. For this we will have to awaken the people of the world against this danger. Ours is a non-aligned country. The sole aim of the imperialistic forces of the world is to see how they can sell their arms and how they can make other countries, whether it is Sri Lanka or Pakistan, fight among themselves. Their whole attention is concentrated on this. The arms seized in Punjab bear foreign marks. Infiltration is going on into our country across the border areas. Our country is poor and is not powerful. We want to see that our country makes progress. But countries like America does not want that we should make progress. They want that we should depend on them. They are our arch enemies. Unless the people of the world condemn them, such things will go on. I would say to the Hon. Defence Minister that the first and foremost task is to strengthen the defence of the country. The country can remain strong only if its defence is strong. Otherwise how much progress we may make, it will be of no use. These imperialistic countries do not want that we should make progress. They are making atomic bomb and other armaments and in this way are trying to destroy our country. But the strength of our country will not allow these countries to succeed in their mission. Our leader Shrimati Indira Gandhi was assassinated. These people thought that India will disintegrate, but the people of India and our Prime Minister have shown to the world that although the people of India are poor and underfed yet they can remain

united. Whenever the country faced danger, the people got united to meet the challenge. During the war of 1971, the brides offered their *mangalsutras* for the defence of the country. Every Indian has faith in his ancient culture. They are conservative but are ready to make sacrifice when time demands. We should manufacture armaments, fighter planes or missiles needed for the defence of the country indigenously. We should provide as much fund as is needed for investment for the defence of the country. There should not be any constraint of fund for this purpose. The Parliament as well as the people are with them. What for has the American fleet been anchored off the Pakistani port of Karachi? During the 1971 war, the American Fifth Fleet had been anchored there. Now its purpose is to demoralise the people of the country. It wants to purchase them. It says about Sri Lanka that the trouble there is their internal affair. We will have to be cautious about such people. Sitting thousands of miles away, they are planning to kill our leaders and scientists and are holding the people of the world to ransom. We will have to think over all these things. Just now, Shri Faleiro has rightly said that our youth should be provided training. A sense of discipline and nationalism should be inculcated among the people. We will have to enact legislation for providing army training as is given in the Soviet Union. There should be provision for compulsory army training for college students. Compulsory army training should be a pre-requisite for joining some job. In this way discipline will be brought about in the country. Such type of legislation is needed for the country. Pakistan is acquiring F-16 planes but we should not be scared of it. In the war of 1971, our jawans blew the America tanks to pieces. I would like to congratulate the jawans who are engaged in the defence of the country. The Parliament as well as the people of India is proud of the fact that America could not find out how our jawans destroyed their tank in the war. We have full faith in the Indian army. It will not allow their ulterior motive to succeed in the war. The people of India will emerge victorious. Our ideology is spreading in the whole world... (Interruption). They are not liking our ideology which we are propagating through the policy of non-alignment. Mr. Nixon has written about the late Shrimati Indira Gandhi in his book :

[Shri Dilip Singh Bhuria]

[English]

This woman is an iron woman.

[Translation]

India is not short of such leaders even today. We are not going to surrender before anyone. India is prepared to pay in the same coin. Recently a summit of super powers was held in Geneva for curbing all sorts of nuclear experiments. All these things are meant to mislead the people of the world. Mr. Chairman, Sir, this is an open secret. Otherwise also no agreement was reached there. The Prime Minister of our country along with the leaders of six other countries requested Mr. Reagan to ban the nuclear experiments but they refused to do so. So, how can we believe that they would not manufacture nuclear arms? It will not be proper for us to manufacture insignificant items instead of armament. These agreements with other countries will not do any good to us. Therefore, we should not have faith in such agreements and Summit talks. Nothing concrete will come out from these agreements. We should develop nuclear weapons and achieve self-sufficiency in it. We will have to expose such people before the world as are bent on destroying the mankind. With these words and with the hope that India will become strong day by day under the leadership of Shri Rajiv Gandhi, I support the Demands for Grants of Ministry of Defence and convey my thanks to you for giving me an opportunity to speak.

[English]

**SHRI S. JAIPAL REDDY (Mahbubnagar)**: This tradition of Minister of State speaking on the first day and the Cabinet Minister speaking on the next day appears to be unfair. It is designed to completely overshadow the contribution made by the Opposition. You may kindly see the reports as made by the All India Radio or Television and even by the so-called free press.

**THE MINISTER OF STATE IN THE DEPARTMENT OF DEFENCE PRODUCTION AND DEFENCE SUPPLIES (SHRI SUKH RAM)**: I am grateful to the Members

who have participated in this debate on Grants for Defence Ministry and I know after I have spoken, a number of other Members will be participating in this debate. They have already made certain suggestions, and they would be making some suggestions, and I assure the Hon. Members of this House that all the suggestions contribute towards the production and, as the Members have desired, I will definitely take note of them.

Sir, as the whole world knows, India is committed for the peace in the world. Not only committed, but we have taken necessary actions and steps to establish peace, and particularly with our neighbouring countries. But we cannot ignore the fact that during these independence of 38 years, four Wars were forced on us and there have been acquisition and accumulation of the sophisticated weapons by our next door neighbour. So just to match up our strength, we have to take necessary steps to modernise our industries, to acquire or produce the sophisticated weapons in our country.

Sir, there are two streams of Defence production in our country, one is the Defence Ordnance Factories and the other is the PSU's public sector undertakings.

As far as the Ordnance Factories are concerned, they are 34 in number, located in different parts of the country and they are engaged in production of vast range of weapons and armaments just to cater the needs of our armed forces. This wide spectrum of the Defence system includes battle tanks, infantry combat vehicles, light and medium guns, small arms, wide range of ammunitions, mines, bridges, combats and transport aircraft, helicopters, super-alloys, wide range of electronics communications, avionics, Radars, and many other items which are being produced by our Ordnance Factories in our country. This House has probably come to know through the Press that recently we have entered into an agreement; the agreement has been signed, under which a very high calibre gun known as 155 MM is to be produced in our country. These are the steps...

**SHRI S. JAIPAL REDDY**: Is it to be produced or purchased?

**SHRI SUKH RAM :** I talk about production, because I am concerned with the Production side, not with purchase. (*Interruptions*)

Hon. Members have mentioned that we are producing certain items which are of low technology value, or that they are very simple items. In order to attain higher sophistication and to utilize our investment and manpower, it has been decided by our Prime Minister that these simple items have to be shed off to public sector units, Central or State; if necessary, to the private sector also. We would have done it by this time; but the question is: shedding of all these items would have created the problem of retrenchment of manpower. But our Prime Minister has issued directions that nobody has to be retrenched. So, the Ordnance Factory Board has engaged the services of a Consultant just in order to prepare a plan as to how to modernize factories, how to manufacture the State of the Art weapons, and how to instal a flexible manufacturing system. It does not mean that we have not made any development, or we have not manufactured any sophisticated weapons. Already, our Research and Development Department has designed and developed a number of items which are being produced by the Ordnance factories and our public sector undertakings. There are certain other items which are of a sophisticated nature, about which my colleague will throw light. They are in the pipeline; and we are trying to see that the entire infrastructure and capacity which we have got in Defence Production Factories is used for the production of such sophisticated items.

I may assure this House that no retrenchment is to be made; but one thing may be there, viz. that we may have to redeploy manpower rendered surplus by changing over to these sophisticated or high value items. So, I think the Members of this House will definitely cooperate, keeping in view the urgency which this country is faced, in respect of these things. There will be no retrenchment.

I have already made a statement, and the Prime Minister has also made it very clear; and I make it very clear on the floor of the House that it will involve no retrenchment.

It may involve the deployment of labour. We may have to give training, so that they acquire the skill needed for the other type of production.

Now about the value engineering projects. During the preceding financial year, about 100 such value engineering projects were being executed. This would lead to efficiency. This may result in the saving of about Rs. 97 lakhs. So, we are taking every necessary action. We have also decided that regarding the items which are going to be off-loaded to other sectors, or the private sector, we are not going to create additional capacity or facility for them and if there is an additional requirement of the armed forces, that additional requirement has to be off loaded to the other sector. As far as the performance of the ordnance factories is concerned, you will appreciate that there has been a steady production in all these years, and this year, there was a record production which gives an increase of 16 per cent, which was never obtained previously; as compared to 14.5 per cent last year and in 1983-84, it was 11 per cent; and the total production in 1985-86 is Rs. 1,353 crores, *i.e.* production was in excess of the target fixed; that was Rs. 1,325 crores. Simply by saying that we have achieved, that we have exceeded the target, does not mean that we are satisfied with that. I know there are certain areas where improvement is needed. I am aware about it and under the direction of the Prime Minister we are working hard to overcome those difficulties and speed up their production; and I hope we will come up to the expectations of this House in due course of time.

As far as self-reliance is concerned, the members who took part earlier, had shown concern about it and rightly so. As I have already stated, our ordnance factories are continuously modernised and observing modern technology; and there has been a very close co-ordination between the ordnance factories management and Research and Development just to eliminate delay. All the facilities which are available in the ordnance factories are at the disposal of the Research and Development so that time gap which used to be there between the development of the item by the Research and Development and then its production by the ordnance factories,



[Shri Sukh Ram]

will be shortened; and thus we will be in a position to produce those items expeditiously; and then we have a number of sophisticated weapons. We are in the process of manufacturing or we are already manufacturing them under the licence agreement so that there may not be any delay. So, a Steering Committee has been set up so that in case there is any problem that problem can be sorted out and transfer of technology takes place according to the schedule.

So, these are some of the steps; and then a concern was expressed here that indigenisation process is very slow. If I say that a lot of improvement has been made in this field also and it will be proved by the fact that out of the total purchases we are making for the raw-materials and other components for production in the ordnance factories, 1.9 per cent is the import content of gross production value you can imagine in the ordnance factories themselves how much indigenisation has taken place.

PROF. N. G. RANGA : Very good.

SHRI SUKH RAM : We are rather in a hurry that we should not depend on this import for long; and then we have already taken certain steps.

17.00 hrs.

We have already taken certain steps to accelerate the production, that is, the emphasis is now laid on the strategic and sensitive items that will be produced by the Ordnance Factories; they are already being produced and more will be added as I have already mentioned. Modernisation and upgradation of the technology and speed reduction and close co-operation, etc., are also there. These are the policy decisions which we have taken and it is my duty to ensure that these are implemented effectively.

Sometimes after meeting the demands of the Services, there is spare capacity and this spare capacity is being used for meeting the demands of the other Government departments and in this way we have earned about Rs. 32.44 crores in the year 1984-85 and

in that we have also contributed in saving foreign exchange also. For example, gelatine explosives are being manufactured for the coal industry thus saving several lakhs of rupees in foreign exchange. Previously, they were being imported but now it is the Defence Ministry which is producing all these items and the impact of the Ordnance Factories in national development also is appreciable. Apart from the items which factories are producing we are imparting training to one thousand persons annually under the Apprenticeship Act and out of those, seventy per cent used to be absorbed in the Ordnance Factories, themselves, but now keeping in view the fact that lot of systems changes have been made and some policy decisions are taken, and there should not be any over-employment we have imposed a ban. Only where it is essential, recruitment will be made but we prepare these young men to get jobs in the open market.

PROF. N. G. RANGA : Are they recruited from all over India, from all parts of the country ?

SHRI SUKH RAM : Wherever the factories are located, by and large from that area only.

SHRI S. JAIPAL REDDY : Is that apprenticeship for one year ?

SHRI SUKH RAM : There is an organisation, known as Quality Assurance Organisation. Its main function is to test and examine all the weapons, armaments, ammunition we are manufacturing, so that they conform to the international standard and they meet the stringent requirements of our Armed Forces.

17.03 hrs.

[MR. DEPUTY SPEAKER *In the Chair*]

I may state here that under the economy drive which the Prime Minister launched, we have surrendered about 1,107 posts from the D. G. I. organisation. Apart from this, there were number of other posts which we have surrendered from our Directorates and even from the Secretariat also, resulting thereby in a saving of lakhs of rupees.

**PROF. N. G. RANGA :** How many did you say—707 ?

**SHRI SUKH RAM :** One thousand one hundred and seven posts have been abolished in that economy drive. But I may add in this behalf that nobody is going to be retrenched. Most of the people who have been rendered surplus have been absorbed against the available posts which were lying vacant and some may have to be transferred to other departments within the Defence Ministry so that they are absorbed and there is no problem. They are getting salary and everything.

As far as the other streams of production are concerned, that is all the undertakings, they are nine in number. And the production in these public undertakings has increased from Rs. 1685.63 crores in 1984-85 to Rs. 1758.91 crores in 1985-86. In terms of sale, it has increased from Rs. 1350.61 crores in 1984-85 to Rs. 1762.01 crores in 1985-86, *i. e.*, an increase of about 30 per cent. This House would be glad to know that out of these nine undertakings, have contributed a profit of more than Rs. 100 crores. If profit on the paid up capital is to be calculated, it comes to 27.9 per cent, if it is calculated on sale, then it comes to 5.70 per cent and if it is to be considered on the capital employed, then it comes to 6.24 per cent.

**SHRI AMAL DATTA :** Your purchaser being the Defence Department—a captive purchaser—the way you price these commodities, you always have a profit. There is no question of loss.

**SHRI SUKH RAM :** There are three undertakings where we are going in losses. And prices are not fixed according to our whims and fancies. That is not the correct position.

**SHRI AMAL DATTA :** Can you tell me the manpower cost of HAL as compared to BEL ?

**MR. DEPUTY SPEAKER :** Please do not interrupt like this. *(Interruptions)*

**SHRI SUKH RAM :** There is a system under which we charge the price from the user. We cannot do it at our whims and fancies.

As far as the public undertakings are concerned, the Prime Minister has taken a certain policy decision under which these public undertakings are required to prepare the perspective plan for five years, and that is co-terminus with the Seventh Five Year Plan. This perspective plan envisages production worth Rs. 3000 crores by the end of this plan *i. e.* 1989-90. We have introduced certain system changes through fortnightly and monthly progress reports which I get, I myself monitor production and the projects which are under execution. And quarterly review is taken by the Secretary of the Department. We are constantly in touch with the management. What is happening in these undertakings or the ordnance factories, we know about that and it has helped us in expediting things.

We have decided to introduce computerisation system so that there is a control on the inventory and we get information immediately. These are some of the actions we have taken so that the production is cost effective. The norms for the labour which were fixed a few years ago, are also proposed to be changed so that there is efficiency in the labour also.

HAL, which is one of our premier organisations and which, as a matter of fact, is the pride of the nation, is engaged in the production of aircrafts for civil needs, combat aircrafts, helicopters and avionics, and this organisation has achieved a profit of Rs. 53 crores as against Rs. 48 crores in the previous year. The main contribution of this undertaking during the year under discussion is releasing MiG-27 aircrafts to the Air Force and manufacturing of five Donier aircrafts for the Civil Aviation Ministry. The Prime Minister made a suggestion to this undertaking that they should survey and study as to what extent there is a possibility of manufacturing the small executive aircrafts. They are studying this. A survey has already been conducted and as you are aware, only a few days ago the Chairman of the Small Aircrafts Association from USA came here and he said that India had got great potential for manufacturing these small aircrafts because the affluent nations like USA, Canada, etc. are not interested in manufacturing small aircrafts. We are examining this possibility.

BEL also has made tremendous progress and... *(Interruptions)*

**SHRI S. JAIPAL REDDY :** When we do not have the design for an ordinary executive aircraft, how are we hoping to produce light combat aircraft?

**SHRI SUKH RAM :** This may be licensed production. You have to depend for certain technology on foreign countries also. There is no harm in that. But we purchase the technology just to produce things in our own country... *(Interruptions)*.

**SHRI S. JAIPAL REDDY :** Like Maruti. Only screw drivers.

**SHRI SUKH RAM :** I would like to use this opportunity for dispelling certain impression created by a certain section of the Press about the exposure of workers to X-ray radiation in Ghaziabad. I am making it clear that the radar being manufactured no doubt required a high-voltage for its transmitter in Ghaziabad. Some workers are working there but they have been provided with the safeguards. When we purchased this technology from France, they provided lead shield which is the perfect safeguard from exposure of the workers to the radiation. The workers have been working in radar for the last ten years. They are about 65 workers out of which there are four women workers and during these years there was not even a single complaint by any worker about any health problem. It was only when this lead shield was got tested from the BARC—the Bhaba Atomic Research Centre—when the experts came over there, that some doubts must have crept in their minds. But when the lead shields were examined and tested by them, they were found all right and there was no defect in them. There was some apprehension in the minds of the people and workers over there. 4 workers who are working close to this transmitter were sent to the Bhaba Atomic Research Centre. And there, the Chromosome Aberration Test was conducted. We have received the report. There is no clinical defect in any person. There was no abnormality. In spite of the fact that the Management contradicted this news, still people go on persisting in creating the panic in the minds of the workers. I think Hon. Members would appreciate the facts which I have stated over here. There is no danger to any employee. We are careful about the workers' health. We have provided welfare activities for them. It is our duty to look

after their health. It is our duty to see that nothing wrong happens to anybody.

**AN HON. MEMBER :** Are there not some vested interests involved in this propaganda?

**SHRI SUKH RAM :** I am not aware of it. There seems to be some interest. I am told that some union is there. I don't know how far it is correct. But something is there.

**SHRI H. A. DORA :** About nuclear deterrent you have not mentioned.

*(Interruptions)*

**SHRI SUKH RAM :** I may say that indigenisation has taken place very fast in our Defence undertakings.

**SHRI NARAYAN CHAUBEY :** It had been, but not now. Now it has been halted by the present Government.

**SHRI SUKH RAM :** It has been taking place. It is in the process. We are making progress. It is proved from the fact that the DGI Organisation inspected and accepted the weapons and armaments and ammunition and other software to the tune of Rs. 2400 crores, out of which the import content is only 16.6 per cent. You can imagine what is the import content and what is our self-reliance as far as the Defence equipments and other software are concerned.

These are some of the important aspects which I wanted to highlight. I am grateful to you, Mr. Deputy Speaker, for giving me the time.

**MR. DEPUTY SPEAKER :** Hon. Members may now move their cut motions.

**SHRI GOPALA KRISHNA THOTA :** I beg to move—

“That the demand under the head Ministry of Defence be reduced by Rs. 100.”

[Need to grant House Rent Allowance to married J. C. O.'s and OR's who have not been allotted Government accommodation.](2)

"That the demand under the head Ministry of Defence be reduced by Rs. 100."

[Need to increase the tuition fee and the number of schools for the children of defence personnel.](3)

"That the demand under the head Ministry of Defence be reduced by Rs. 100."

[Need to increase road mileage allowance from 8 paise to 30 paise per k. m. for defence personnel in bus fares](4)

"That the demand under the head Ministry of Defence be reduced by Rs. 100."

[Need to provide adequate educational facilities in boarding schools to the children of those soldiers who are in the field areas.](5)

"That the demand under the head Ministry of Defence be reduced by Rs. 100."

[Need to introduce time scale promotion based on seniority for JCO's and OR's.](6)

"That the demand under the head Ministry of Defence be reduced by Rs. 100."

[Need to remove the ACR (Annual Confidential Report) system in Defence services.](7)

"That the demand under the head Ministry of Defence be reduced by Rs. 100."

[Need to give instructions to all officers not to employ soldiers for domestic work.](8)

"That the demand under the head Defence Pensions be reduced by Rs. 100."

[Need to provide jobs to all the army personnel who are retired from service.](9)

"That the demand under the head Defence Pensions be reduced by Rs. 100."

[Need to allot some land or house site to ex-servicemen.](10)

"That the demand under the head Defence Services Army be reduced by Rs. 100."

[Need to review thoroughly disparity in the pay scales and allowances of army personnel.](11)

"That the demand under the head Defence Services Army be reduced by Rs. 100."

[Need to revise the pay scales of Junior Commissioned Officers' and other ranks.](12)

SHRI K. RAMACHANDRA REDDY :  
I beg to move—

"That the demand under the head Ministry of Defence be reduced by Rs. 100."

[Need to achieve self reliance in indigenisation of defence equipments.](13)

"That the demand under the head Ministry of Defence be reduced by Rs. 100."

[Need for improved R and D facilities for progressive research in design and development of sophisticated weapons and equipments required by our armed forces.](14)

"That the demand under the head Ministry of Defence be reduced by Rs. 100."

[Need to inculcate a sense of service, patriotism, discipline and adventure into the minds of youth belonging to National Cadet Corps (N. C. C.)](15)

"That the demand under the head Ministry of Defence be reduced by Rs. 100."

[Need to promote co-operation and understanding between the civil authorities and armed forces.](16)



[Shri Ramachandra Reddy]

"That the demand under the head Defence Pensions be reduced by Rs. 100."

[Need to give over-riding priority for the welfare and resettlement of ex-servicemen.](17)

"That the demand under the head Defence Pensions be reduced by Rs. 100."

[Need to take steps so that sufficient credit is provided to retired defence personnel who intend to start small scale, and House-hold industries](18)

"That the demand under the head Defence Pensions be reduced by Rs. 100."

[Need to raise a Welfare Fund for the War Bereaved families of defence personnel](19)

"That the demand under the head Defence Pensions be reduced by Rs. 100."

[Need to start Sainik Boards in the backward districts of Rayalseema in Andhra Pradesh.](20)

"That the demand under the head Defence Services Navy be reduced by Rs. 100."

[Need to examine the purchase of Air-craft carrier from Britain.](21)

"That the demand under the head Defence Services—Air Force be reduced by Rs. 100."

[Need to re-consider purchase of helicopters at exorbitant rates from U. S. A](22)

"That the demand under the head capital outlay on Defence Services be reduced by Rs. 100."

[Need to allot more funds for the Naval Dockyards Project Vishakha-patnam.](23)

"That the demand under the head capital outlay on Defence Services be reduced by Rs. 100."

[Need to construct a full fledged ordnance factory in Medak district in Andhra Pradesh.](24)

"That the demand under the head capital outlay on Defence Services be reduced by Rs. 100."

[Need to pay more compensation for the lands acquired for the ordnance factory in Medak district in Andhra Pradesh.](25)

"That the demand under the head capital outlay on Defence Services be reduced by Rs. 100."

[Need to give employment to persons whose lands have been acquired for Medak Ordnance factory.](26)

"That the demand under the head capital outlay on Defence Services be reduced by Rs. 100."

[Need to give preference to the local people in the jobs in Medak Ordnance factory.](27)

"That the demand under the head capital outlay on Defence Services be reduced by Rs. 100."

[Need to finance adequately for the ancillary industries that are coming in and around the Medak ordnance factory.](28)

MR. DEPUTY SPEAKER : Shri Amal Datta. He is here.

SHRI AMAL DATTA : Will Shri Arun Singhji speak at 5-30 ?

MR. DEPUTY SPEAKER : You speak now; you take 10 minutes or 15 minutes.

SHRI AMAL DATTA : Then, will I speak again tomorrow ?

MR. DEPUTY SPEAKER : No, no. The time allotted is 14 minutes. You take one more minute and finish in 15 minutes. You can take one more minute.

SHRI AMAL DATTA : You give me more time. I will take a little more time.

(*Interruption*)

MR. DEPUTY SPEAKER : You have already put so many questions.

SHRI AMAL DATTA : Sir, I am in a very difficult position.

MR. DEPUTY SPEAKER : You briefly tell us what are your points. You are a good lawyer.

(*Interruption*)

SHRI AMAL DATTA (Diamond Harbour) : Sir, I rise to oppose these Demands for Grands not because I grudge any money to the Defence Department—that will be most unpatriotic—but it is because the Department can never be made accountable for what they are doing. This is a very peculiar situation and amongst all the so-called parliamentary democracies of the world, it is only in the Indian parliamentary democracy that Defence is such a holy cow that questions can not be asked it as to how the money given to it so generously by Parliament year after year is being spent, whether it is being wasted down the drain or thrown into the sea, one does not know. We have rised this point year after year in this debate, but no change has been forthcoming, no additional information is coming from the Defence Department. Questions asked in Parliament are returned back saying that it cannot be answered, sometimes without giving any reason, without stating under which clause of the Rules of Procedure and Conduct of the Business of the House questions cannot be answered. This is the position. Who decides that? I don't think that the Speaker or anybody on behalf of the Speaker decides that; it is the Defence Department that decides that. They dictate terms to Parliament and the Parliament accepts it meekly. This is the position. That is one of the reasons why the time for the Defence debate has been cut from 8 hours to 6 hours this time and if we do not get any further information also, in future I hope the Defence Debate does not take place or is at all it will be ritual for 15 minutes and we will all say, 'We will support, we will support, you take the money that you

want'. So, that is the position and it becomes a useless ritual to have a Defence debate without information, as Mr. Faleiro said. I fully support him when he said that there is a peculiar security psychosis as if anything that the Defence Department people know—they are entitled to know, nobody else outside the Department is entitled to know anything about Defence. That is the attitude so far displayed. It is very unfortunate because in other countries, in U.K. from whose Parliament we have taken up this parliamentary system, and even U. S. A. they decide after thorough discussion of any arms acquisition.

PROF. N. G. RANGA : In other countries there would not be any debate.

SHRI AMAL DATTA : Any arms acquisition is thoroughly discussed there in Parliament and in public before that acquisition is gone through and here we come to know that commitment has been made to acquire such and such arms and only then they say 'This is required for such and such reasons'. So, the strategy is build up after the arms have been acquired to explain why the arms have been acquired and people are never taken into confidence either before or after the arms have been acquired as to the capability and competence, what they have been acquiring for, what is the role, what is the function, what is the cost and how it will be effective against the enemy, which front, which theatre—nothing at all.

Sir, the accountability should be much more than is otherwise obvious to the people. When Mr. Ayyapu Raddy said that 14 paise out of every rupee of the Government is spent on Defence, I think it is true that the Budget says that kind of thing with a diagram and all that to make it easy for the people, but those who are willing to scrutinise the thing a little deeper than that will realise that the total disposable income of the Central Government is not Rs. 52,000 crores which is the total amount spent through the budget because the totality of it is not income of on the Central Government. The Central Government collects quite a bit of this money on behalf of the State Governments, under the Constitution they are bound to hand it over to the State Governments. That is about Rs. 7000 crores. And another Rs. 8000 crorers goes for

[Shri Amal Datta]

interest payment which the Central Government has to make. After taking out all this, only Rs. 34,000 crores remain out of which the Defence expenditure is Rs. 11,285 crores. I have personally calculated that by taking into account not only the Demands 17 to 22, which comes to Rs. 10,349 crores, but adding to that the other expenditure which relates to Defence, namely, paramilitary forces, Defence industries and border roads. All this together comes to Rs. 13,185 crores, a full 1/3rd of the expenditure of the Central Government—Plan, non-Plan, revenue capital, all put together. 1/3rd of the total expenditure goes into Defence. So, I will say that your accountability is much more than what you otherwise make it out to be. It is not 14 paise in a rupee. Then, if you calculate what is the Central Government's revenue the Central Government's revenue is only Rs. 22,692 crores net of payment to States, because payment to States is a Constitutional obligation. They are just collecting on behalf of you. They are collecting agents. Out of this say Rs. 22,692 crores, Rs. 11,185 crores is the Defence expenditure, more than 50 per cent of total revenue earning of the Central Government. So, that is your accountability and you should give information to Parliament, because otherwise 50 per cent of the Government's money is being voted without any proper discussion as the working of the Department. We only discuss generally as to what is happening, what Pakistan is doing, what U.S.A. is doing and what we should be doing, what arms we should be acquiring, not knowing at all what is the capability of F-16—I do not know. Some newspaper will say something and some agency says something else. The question whether Pakistan, in fact, has got all the avionics, whether Pakistan has got all the armaments, all the missiles which go with it, we do not know. Our Defence Department has not made it clear, whatever is its information. They say, they have acquired F-16: so we must now acquire Mirage, as the Jaguar is old. You did not know that Jaguar was old. When we went into the agreement in 1978-79 for Jaguar and when the agreement was signed in 1978-79—we started acquiring it from 1980—did we not know that Pakistan had already asked for F-16? They had already asked for F-16 in 1979 itself. Our people should have known it if they

have any intelligence service. This has come out in recent time when the Iranian government published the documents seized from the American Embassy in Tehran. Pakistan had asked for F-16 in 1978 and at that time they had made it clear; they did not want it against Afghanistan but they wanted it against India. It was made clear by the Pakistan Government, by the then Foreign Secretary, Mr. Agha Shahi. It had come out last year when the Iranian Government published these documents.

So, coming back to the Defence expenditure side, some people said, it is 4 per cent or less. It is not 4 per cent or less. If you take GNP which is Rs. 188 thousand crores, and take the entirety of the defence expenditure, it is Rs. 11 thousand crores. It is 6 per cent. But GNP should not be the basis of calculation although many people do it—I do not know for what reason. It should be net national product. And then, it is 6.5 per cent or so, we are spending on defence. I am not saying that you do not spend it. I am saying that you spend it and account for it. Show the account for every penny that you have taken out from the revenue of the country where people do not get enough to eat. They do not even get drinking water. Are you not wastefully spending the money? You should ensure that you spend purposefully. That is your obligation which you are not discharging. Year after year you are just evading your obligation. Even for Questions in Parliament, you just are careless. When we ask for certain details of the Defence Department you just don't care and you say, "No, it cannot be answered". It is simply like that.

Now, we have got a very peculiar situation, here in India. I will start with the Defence Report, as everybody does that. The national security environment... (*Interruptions*) Now on this national security environment chapter, the report does not speak of Sri Lanka issue, as if it is not only not an irritant to us but also not a future threat to India. And it does not speak of Bangladesh issue. Fencing and illegal immigration are big issues, at least in some parts of India, if not in the whole of India or to Delhi. And then, what is the position in the Indian Ocean so far as the rapid deployment forces and other things are concerned. A vague

reference has been made. It should have been made clear where real threat lies, not only today but also in future days. In future days, Pakistan may not be a threat but the threat will come from those for whom Pakistan is playing a proxy today directly. And that should have been made very obvious to us. The report omits to state the U.S. role in getting bases in Pakistan, a very recent affair.

Then how are they trying to escalate the insurgency in Afghanistan to tie up the Soviet forces? How have they spread in the Indian Ocean bases about 200,000 strong rapid Deployment Forces in all the littoral States bordering East Coast of Africa to Maldives and everywhere?

The other thing is China. No progress has been made after six rounds of talks and then apprehension in that the Chinese will re-deploy their forces from Sino-Soviet border. They will bring them to the Tibetan border. Are you writing a fiction or what? Don't you know that Chinese are halving their army strength? They are reducing the expenditure as a percentage of gross national product of income to half of what they were spending before. They are also very rightly reducing *(Interruptions)*. That intelligence must be available to you. But just to mislead, you said that there is a threat.

AN HON. MEMBER : Has it got any source?

SHRI NARAYAN CHOUBEY : The source is the newspaper reports published in India.

MR. DEPUTY SPEAKER : No. Take your seat. *(Interruptions)*

SHRI AMAL DATTA : I do not feel ashamed because China has never harmed India, according to me after 1962 war. At that time *(Interruptions)* you showed your muscles, they showed their muscles.

The main defect of our defence structure is that there is no proper organisation which is there in every other country. There

should be a joint organisation of the External Affairs and Defence Department, some kind of National Security Council which will perceive what are the threats of the country from various sources, what are the technologies through which these threats can come, what are the technologies available to us, what is the position not only today but tomorrow and day after, 15 or 20 years hence. There is no such organisation which will jointly assess and perceive the threat, jointly plan the strategy by which to dispel the threat today, tomorrow and after that, how to plan for that and then integrate the defence planning with the country's total over-all industrial and economic planning. This is something wonderful. There is no organisation to do that. There is supposed to be a Cabinet Committee on Political Affairs which is the ultimate Body which decides the policies. There is no Secretariat and no such supporting staff who will advise them, who will prepare papers for them, to make them knowledgeable about what is happening elsewhere in the world. Today's technology may not be tomorrow's technology. Tomorrow it will be quite different when the SDI America has started, when it matures, what will be the position? If we are to think today of 21st century which the Prime Minister is already doing, in that case, we have to know what will be the position in 21st century and not be afraid of today's F. 16s and Harpoon missiles. We have to prepare for that and assess who will be the enemy whether Pakistan at all comes in the sphere of things or not.

Regarding planning the Defence Report, say there was a 1980-85 Plan, after that, the next plan is being finalised. That is what the report says. The planning machinery is a compilation machinery. These plans come from different services and there is a small Section in the Secretariat whose duty is just to compile these plans and coordinate and harmonise them. But this is not the concept of over-all planning and then reflect it into the planning of defence production, mobilisation and operation. What should be done is to keep the object of self-reliance in view. This has never been done. Unfortunately, our Ministers have said that we are producing so much and so little the import content of



[Shri Amal Datta]

that. I ask you what is the totality of our sophisticated imports and what is the import content of that, our sophisticated arms and armaments and what is the import content of that? Sir, whenever we go for sophistication, we go for imports and 90 per cent of what we use, the sophisticated armaments we use, are imported and the armaments, weapons, aircraft cannot be used because at the crucial time, the supply of vital parts fails. This has been happening because we have diverted from the policy which we have taken earlier of self reliance; we have diverted from the policy of relying on those who are reliable in times of need. We depended on the Soviet sources of supply since 1965, when we knew that the American sources dried up at the time of need when the Americans came here and made sure that we do not use the armaments that we bought from America by paying our hard earned dollars against Pakistan which today are not...

(Interruptions)

MR. DEPUTY SPEAKER : The time of the Hon. Member is up.

SHRI AMAL DATTA : Sir, why are you ringing the bell ?

MR. DEPUTY SPEAKER : You have taken 18 minutes.

SHRI AMAL DATTA : We have gone to France to buy; we have gone to Germany to buy and we have gone to America also to buy. They have not signed the agreements yet and we are in a dilemma whether to sign that 'security on defence information agreement or not. I do not know whether the Government has done it surreptitiously. They do not let us know because of that it is always suspect to us, it does not supply us information, but we get the information through third party sources.

One or two words about which something has been mentioned in the Report. Nothing can be done at this time. They have been claiming for some time that they

have manufactured the MBT. Even the picture has been shown here. It is said that the MBT is the pride of the Army. On page 72 they say, "The prototypes of the ARJUN are undergoing technical evaluation. "When these are undergoing technical evaluation, it becomes the pride of the Army already. The Army does not know when to take pride? They could not wait for the trials. You have imposed this pride on the Army.

The MBT has been under development for the last 12 to 13 years. What have you done ultimately? Your people have been praising the DRDO. The DRDO is responsible for not being able to develop the engine. Wonderful'. We have imported the engine now after 12 years trying to develop it. I would have understood if at the first instance you said 'let us bring one from outside and later let us develop our own'. For 12 years you failed. Then you have bought the engine from outside. Now you take pride in this? Are not you ashamed that we have not been able to do it? If they are not, then we are very sorry for them.

So far as the ICA is concerned, again the same picture is repeated. ICA, it is surprising to hear, the concept of ICA came in 1968. The Committee under the Chairmanship of Shri C. Subramanian, the then Minister, recommended that there should be an all purpose air supremacy aircraft built indigenously. The thing was kept in cold storage and again revived in 1978. In 1980, they took the decision that they will go for ICA. They gave HAL design bureau this job and it took seriously this job for three years; they worked on it. They did some design. In the meantime, in the process of designing it, they designed the Advanced Jet Trainer (AJT) for which the specifications were submitted to the Defence Ministry in 1984. No decision has been taken because the vested interest found that AJT would have developed 90 per cent of the role of ICA. This has been admitted by no less a person than the Director General of Aeronautical Development Agency. Dr. Valluri in his recent article has said that AJT would have performed 90 per cent of the role of the LCA. Only a loss of 10 per cent. What does not

matter? If we have today manufactured AJT, we could have reached the position where by incremental improvement difference would have been significant. We have done so. We have been saying that Rs. 600 crores were allocated. Actually Rs. 1500 crores is the visualised project cost. Today project cost visualised at Rs. 2000 crores, for not evolving through our research an engine, an air-frame and a weapon system or avionics, but to get them from abroad. The Report says that ADA has finished feasibility studies? What does it mean? Has it done the feasibility studies? It has not. It had given to four different companies in Europe to do the feasibility studies—one in France, two in Germany, one in Great Britain and so on. You will be surprised to know that these four companies have different philosophies of avionics, different philosophies of aeronautics, and all these four companies have said, peculiarly enough, that the design which was made by HAL was fundamentally correct. Now what we are going to do is to buy the engine, get the design for air-frame and build everything here, that is, do the assembly. Again we are going back to our original technology; the same for MBT, the same for LCA. Why do we praise the DRDO for wasting money? What have they done? They are claiming in this Report that today the cumulative production on their designs is Rs. 1200 crores. Is it true? What is the basis of that? Can you give us an account? I challenge, you cannot give us an account that the DRDO has produced this thing that thing, and the total value of what has been produced on such designs is Rs. 1200 crores—not produced in one year, but produced over the whole period of time; it is not even that. It is a miserable failure. The scientists who work there are very brilliant scientists, but the total management is so arbitrary, so tyrannical, that it is demoralising them; those people cannot work there as scientists and they cannot get the results. The DRDO has not achieved any results. Until this malaise is removed, our research will be at its rock-bottom where it is today. The DRDO must be totally reorganized and there should be no ad hoc appointments, ad hoc recruitments, ad hoc promotions, which position has been going on for so long. You must reorganize the DRDO. Otherwise, there is no way we can do our defence even adequately, not to say, totally.

MR. DEPUTY SPEAKER: Mr. Kumaramangalam. Then the Minister will intervene.

AN HON. MEMBER: When?

MR. DEPUTY SPEAKER: Today itself.

SHRI S. JAIPAL REDDY (Mahbubnagar): We want the Minister to reply at the end of the debate tomorrow...

MR. DEPUTY SPEAKER: The Prime Minister will reply. He is only intervening!

SHRI S. JAIPAL REDDY: The Prime Minister will naturally revel in glossy generalities. We want more specific answers which can be given only by the Minister. (Interruptions)

SHRI P.R. KUMARAMANGALAM (Salem): Mr. Deputy Speaker, Sir Defence is one of the most important activities of any Union Government, especially ours. It is known normally as the prime, sovereign function. After all, you cannot have a politically independent State with no defence.

My friend from the other side who just spoke before me spoke of China never having done any harm to India at all and seems to have forgotten the 1962 conflict. I suppose, I do recollect, the Communist Parties split on this issue, and I was hoping that their stands had changed. But the loyalty looks like being very firm and well-entrenched; the loyalty does not seem to be to our nation but to some other nation. It is rather unfortunate; that without even taking note of the fact that China aggressed at one time and has, in fact, quite a bit of our territory under their control even now, the statement was made. Instead of taking note of this well known fact, to go ahead to say that China has never harmed India and never will harm and, therefore, we need not have even an army is rather unfortunate.

AN HON. MEMBER: I did not say it.

**SHRI P. R. KUMARAMANGALAM :**  
Well, you implied it. I Unnikrishnam, do you also join it ?

**SHRI K. P. UNNIKRISHMAN :** I thought at least you knew where I am.

*(Interruptions)*

**SHRI P. R. KUMARAMANGALAM :**  
Mr. Deputy Speaker Sir, at least somebody has admitted that there is a question of recovery of land, I am obliged. I am sure you would agree with me that one cannot say that Defence should not have a reasonable budget. After all, what is the use of having economic development if we don't have even the political independence, when you cannot protect the same. Therefore, I quite understand that none of them is grudging the amount that has to be granted to Defence Department.

The question that they have raised is the accountability. I think, I would like to go on record saying that it is in our country that the question of defence is accountable not only in Parliament, but also in articles, in newspapers and magazines far more than anywhere else in the world. You can know more about the Indian Army and the Indian Armed Forces in a normal newspaper and magazine than you can know about any other Armed Forces. There, I think, you get more details than what the Department itself would give out.

Sir, I would like to stick to one or two subjects because the time is very short and I know that the Hon. Minister of State would be intervening. The question essentially I deal with is, of course, the purchase of the aircraft carrier Hermes. I know the Hon. Member of Parliament who opened the debate from the opposition had mentioned it in passing. I thought it was in approval. I am not too sure, it is or it is not, because he himself was not sure.

Mr. Deputy Speaker Sir, we all know of the Pakistani naval re-armament. Not only are we aware of it, we are also aware of the new Harpoon missiles, and of the earlier missiles which they had with them. It is high time that, considering the range,

trajectory etc., of those missiles we develop a stand-all superiority over their fleet at least. We can do this by having an aircraft carrier. Vikrant alone would not do. The question is if we go in for an aircraft carrier like the Enterprise it is going to cost us way high somewhere around Rs. 700 or Rs. 800 crores, because it is a nuclear power aircraft carrier. But the question is, first of all, that of its availability. Secondly we all must take note of the fact that the Hermes, the Saratoga, the Midway etc., all these famous aircraft carriers are of the same age. If one tries to buy a new one, it is going to cost anywhere between Rs. 100 and Rs. 120 crores. That figure is reasonably right. It is known in the international market and we are getting it for almost 1/5th of its price. I don't see why we should look a gift-horse in the mouth. There is no purpose in being foolish especially when it is going to be re equipped for us. We have gone ahead and bought the Harrier aircraft. These vertical take-off and landing aircrafts need special jumping facility which is a different facility from what is now available in Vikrant. In fact, we are re-equipping Vikrant for these planes. Well, this particular Hermes was and is effectively handling these planes.

If we have Harriers and buy more Harriers, obviously the most important thing is to have an aircraft carrier which suits for us.

Mr. Deputy Speaker Sir, we all know that this was the flag ship in the Falkland struggle. It can take on nearly 38 aircraft on it and it would be very useful. Of course, the question does arise of negotiations. I hope that the Ministry of Defence does a good bargain, I am quite certain about it. The Carrier would be useful to us. In addition to the Hermes aircraft carrier, I think there is an important point about missiles. We cannot continue spending millions of dollars of foreign exchange on buying missiles from abroad. Is it not time that we indigenously develop them. After all we have started putting satellites in space. It is time that we have a range to test these missiles. It is time that we develop the technology to that level. It is obvious that to have a range in a country as dense as ours it must be in a coastal area. I understand from a report that a site has been chosen but, however, there are certain

people who are whipping up local sentiments against. Well this goes against national interest. If I may in short say I would be very very grateful if we find that the other States which have been chosen and I understand that Orissa is unwilling to have this range—if they could send it to Tamil Nadu, I am sure, Tamil Nadu would be the most happy to accept it because we require a few Central projects and a little employment. I understand that Kanyakumari is well suited except that there may be a little more expenditure. If the Government is willing to spend it there would be local resistance and we are willing to have it, and we will come with all the reception they require. There will be no local opposition at all. On the contrary we will lay a red carpet for them. But, however, the importance of a national range cannot be minimised.

Sir, I understand that it has been set-up at Balasore in Orissa. It is necessary that people understand that this provides employment and avenues for technology development and also raises the standard of living. If I may just complete by saying that there are many questions which are of importance including the light combat aircraft. The question is that we have the capacity and capability and it is necessary for us to go ahead. That decision is a good decision though a little late. Unless we have a light combat aircraft we will not be really self-sufficient in Defence.

There are questions, of course, on the matter of service. Armed forces and the civilian employees should get on with each other and have a better understanding. There is a tendency for armed forces to take civilian employees for granted. That is not going to work. It is the proper coordination between these two sections of employees of our State that would be in the better interest of Defence. I can quite categorically say on the Floor of this House that on the part of the civilian employees they are willing to work; they have worked hard and they will even work harder. Even on question like pension it is these employees who have come forward and said let us have a survey and decide how much is the productivity that is required from each employee and we will give it. All we want is co-operation from the

Defence Ministry and the Armed Forces personnel. Let them not take civilian employees as bonded labour.

I congratulate the Department of DRDO for their developmental activities, especially in the development of advanced radar or a sophisticated sonar or a light field gun. I know that they have lot of credits to their advantage but more than that, I think, their scientists require a lot more encouragement and not discouragement from this House. There is a tendency for us to criticise the DRDO without realising that the scientists who work in DRDO get demoralised, when they find that, though they sacrificed a fantastic career in the western countries for the interest of this nation, yet the representatives of the people are ridiculing them.

Sir, I thank you and I am sorry for having taken so much time. I might only say that my learned friends on the other side should understand that Defence is a very sensitive subject and anything they say on the Floor of the House is a matter that can even affect the morale of this country.

THE MINISTER OF STATE IN THE DEPARTMENT OF PARLIAMENTARY AFFAIRS (SHRI GHULAM NABI AZAD) : Mr. Deputy-Speaker, Sir, according to the List of today's Business, half-an-hour discussion will have to be taken at 6'o clock. I may request the Hon. Members concerned that we may postpone the subject to some other day so that the Minister of State in the Department of Research and Development, Shri Arun Singh may intervene in the debate.

MR. DEPUTY SPEAKER : Yes, we can postpone the Half-an-hour discussion to some other day. I hope the House will accept his proposal.

SOME HON. MEMBERS : Yes, we can postpone the Half-an-hour discussion.

MR. DEPUTY SPEAKER : Now, Mr. Arun Singh to speak.

THE MINISTER OF STATE IN THE DEPARTMENT OF DEFENCE RESEARCH



**AND DEVELOPMENT (SHRI ARUN SINGH) :** Mr. Deputy-Speaker, Sir, it is rather unfortunate that both Mr. Dutta and Mr. Jaipal Reddy have left the House because one of the fundamental criticisms that both were making stem from the same basic source. Both Mr. Datta and Mr. Reddy and Mr. Faleiro before them, made reference to the fact that the Department of Research and Development in the Ministry of Defence tends to treat its deliberations, its policies and its decisions as a matter of great secrecy. It is our objective in this particular debate to take advantage of the fact that there happens to be one Cabinet Minister, the Prime Minister himself, two Ministers of State of the Ministry of Defence and what we are attempting to do was that my colleague Mr. Sukh Ram would discuss in detail the activities of the Department of Defence Production and Supply and I would look after or discuss matter relating to Defence Research and Development and the Prime Minister tomorrow would respond principally to the subjects arising out of matters relating to Department of Defence. The objective behind that was to make available to you and through you to the House as much information as we could about what is happening in the Ministry of Defence. There have been several references in the past two months to the activities of the DRDO and also in this debate, as in previous budget debates. We have proceeded from one polar extreme to the other in this short afternoon today. Mr. Ayyapu Reddy praising the activities of the Department fulsomely and Mr. Dutta criticising them. In the normal course, the activities of the Department of Defence Research and Development have been confined to some of the more glamerous projects that is, battle tanks, light-combat aircrafts, national test range, international co-operation, etc Since I have had the good fortune to be the first Minister specifically in charge of this Department, I therefore take this opportunity to discuss the activities of our Department in a little more detail. Before I start, I would like to set the fundamental framework to outline what Defence Research in our context actually means, because it means somewhat more than the Department of Research and Development. We see Defence Research as a 3-tier activity. At the first level, the Defence services themselves—the Army, the Navy and the Air Force—

have a very considerable design and the development capability in their workshops, in their depots in their Dockyards, in their training camps we have a very encouragingly and impressively high level of skilled manpower.

18.00 hrs.

These are facts which are not known, I think as widely as they should be. This manpower in the Defence Services themselves, again somewhat surprisingly, a very high proportion of this manpower, is devoted to the development of software as opposed to its utilization for hardware. And, therefore, when I discuss Defence research, I believe that there is a very significant place which the Defence Services officers themselves occupy in activities of research and development.

At the second level, we have the ordnance factories, and public sector undertakings. Again, what is perhaps not commonly known is that many of these public sector undertakings and some of the ordnance factories possess skills in terms of manpower, equipment assets, laboratory assets, research assets, comparable to anything available in the developing world and in some cases comparable to the best in the developed world. Some of the most extraordinary achievements of the Department of Space, Department of Atomic Energy, Department of Ocean Development and all other scientific Departments in this country have taken place because of the activities conducted in ordnance factories and public sector undertakings.

The third tier of defence research is the D.R.D.O. which deals with the basic research skills and basic development activities.

The second factor that I wanted to place before you is that defence research also embodies two types of activities in very broad and general terms. On the one hand, they have, what we call *ab initio* research system developments. That means working on developing weapon systems, weapon platforms within the country based on components and sub-systems all available indigenously. This is a very important part

of defence research in our view; it is the critical part of defence research. These are the activities which must be enhanced. This is where we need to spend more money. But I would also draw the attention of the House to the fact that there is another very important aspect of defence research which I would like to define as system integration. By system integration I mean putting together, marrying of sub-systems from all kinds of sources of all types, different sources, western sub-systems, eastern sub-systems and locally developed sub-systems, all merged and married together into one package and that package has to operate as an integral whole. This part of defence research is also a very critical component. I will elaborate a little further as to why I am making this distinction.

Concept of integration plus the concept of development together are synergistic. It is out of this combination that we can hope to develop defence products for future. There is no possibility, in my opinion, of our developing every single sub-system and sub-component indigenously for every single piece of equipment that we require. I do not think that any country in the world will try to do that. I think, that we, who are a developing country, have limitations of resources and we would be, in fact, reinventing the wheel time and time again, if we took that approach for everything. Therefore, we must look upon defence research as a combination of system development on the one hand and system integrations on the other.

One of the thing which is perhaps again not commonly known is that when we talk of defence research, we are talking about a field of activity which spends so much on diverse fields of activities. I would, in fact, take the indulgence of the House and list it. We deal with the following items and the following fields of research. We deal with aeronautics. We deal with rockets and missiles including propulsion. We deal with electronics and instrumentations. We deal with the combat vehicles, tracked and wheeled. We deal with Naval systems, surface and sub-surface. We deal with armament technologies, explosives' research, computer science, engineering research, raw materials science including metallurgy, food research, agricultural re-

search medical sciences, behavioural sciences, terrain research, work study and systems' analysis. Therefore, in other words, what I am trying to convey to the House, through you is that, we are spanning virtually the entire gamut of science and technology, as it is known in the world today. And one other factor which I believe is very critical is that, in attempting to do this, we must also be attempting at the same time too in certain of these fields to be at the cutting edge of science right up in front with the world leaders-in those specific fields-in those specific areas. We have been attempting over the past few years to share this sense of pride and the sense of achievement with the nation as a whole. We have been mounting exhibitions; we have been attempting public literature on this. And I am very pleased to convey Sir, that there has been a very good public reaction on this. I do feel that this effort should be expanded and we should do more on this. One of the proof of the putting in this particular case is that, I am very pleased to announce that we are fortunately now beginning to attract much larger numbers of young scientists to DRDO from our academic institutions. Mr. Datta, queried the figure that we have quoted in our Report of 1200 crores worth of accumulative production, separately, I will not take the time of the House. Separately, we will convey the proof to him. I trust that he would then be satisfied. Some of the very outstanding successes we have had that I would like to list. These are all fairly recent developments. So, we have developed a surveillance Radar which I would be in a position to say is among the best in the world, but I will not perhaps go that far, as to say it to the best available in the world today. On the communications front, we have an automatic electronic switch and a time division modular exchange entirely state of the art technology. We have an advanced panoramic hullmounted Sonar for the Navy which again, I think, I would not be wrong in saying is about the best available in the world today. We have developed night fighting equipments in this country of the type that not more than two or three countries in the world are in a position to build. These are areas at the cutting edge of science and we have had specific product successes in these areas. Apart from these, we have a very wide and long list of individual we have developed. I will quote some examples only. We have some of the

[Shri Arun Singh]

Members, I think Mr. Kumaramangalam made a reference to some of these. For example Shri Ayyapu Reddy mentioned about kinetic energy ammunition. Well, we have what is described as FSAPDS (Fin Stabilised Armour Piercing Discard Sabot Ammunition) is kinetic ammunition. We are again one of the very few countries in the world who are in a position to develop this because the science that has gone into that development, ranging from metallurgy to explosive sciences is very highly complex. Some other fields of interests would be for example, we are one of the few countries in the world who have built torpedos. We have developed very advanced torpedos for the Navy which are under manufacture. We are developing sea-mines. Very few countries could develop advanced sea-mines. We are in the process of developing mission simulators for fighter pilots. Again this is technology which not more than seven to ten countries in the world are in a position to develop. We are looking at advanced avionics, upgrades of the new aircraft that we are buying. In other words, the upgrades of aircraft which are coming into service now, or have just come into service. It will upgrade the system for the next decade.

In addition to these, I will of course make some reference to our normal sacred cows, as Mr. Amal Datta puts them—the Main Battle Tanks. While it is true that the tank is a prototype, and the prototypes are undergoing evaluation, perhaps the phraseology of the report could be corrected. I think, and I believe that the House would share my views, that if it is not yet the pride of the Army, certainly it should be the pride of our industries.

Perhaps I would share this information with the Members. There are 4 or 5 countries which have recently developed modern Main Battle Tanks. I will quote some examples to you :

The M. L. Abrams of the USA, i. e. the main battle tank in use now, expected to be in use till the '90s. It took them 17 years to develop that tank.

The Leopard, which is a German tank produced for their NATO forces. It took them 16 years to develop that tank.

The Challenger, the United Kingdom tank, the upgrade of G. II. It took them 13 years to develop that tank.

So, a time-scale ranging between 10 and 15 years, for the Main Battle Tank can be considered to be a very normal time-scale, more importantly in a country where we have never built a tank before. What we have built, certainly are tanks under licensed production systems. Therefore, the criticisms that specifically Mr. Amal Datta had made are, in my view, incorrect, and I refute them. (*Interruptions*)

In the process of developing these tanks I will give you some examples, some idea of what else has had to be developed when we made this type of tanks. We had to develop a gun of our own. We have developed the ammunition for that gun. We have developed the armour for that tank. We have developed and suspension system for our tank, which is entirely indigenous, and I will venture to say that it is about the best suspension system available in the world today. We have had to develop our own laser range finder. We have developed our own fire suppression system, within the tanks. We are also developing our own engine. It is true that we did run into some snags on the engines. We have, or are in the process of looking at imported engines, for the prototype; but I am pleased to inform you that we are on the schedule on the engine now; and when this tank goes into serious production, we will have an indigenous engine.

Another very important large project that we are working on, is the guided missile. It is tactical weapon, and not a strategic weapon. We are in the face of systems evaluation. These are very critical weapon systems. We have the weapon systems of the '90s.) and certainly of the 2000 A.D. We are working on all the three : surface to air anti-tank which is air to surface plus surface to surface. There, considerable development is taking place. This is aimed at dealing with threats which would arise in the next decade, and the decade after that—the State of the Art technologies. We are

working, and the Members would be interested to know this, in this project, e.g. very closely with academic institutions. Some of the best work that has been done on the missile programme for us has been done at the Universities in India; and this is a funded research by DRDO, with the Universities concerned fully involved, and the whole departments working on it. We are working at the moment on air-borne surveillance warning and control systems. We are expected to go into a technology demonstrator project shortly.

May I spend a little time on LCA? That seems to be attracting a lot of attention.

Probably, then there is some need to examine what we are talking about. What is the rationale behind this LCA? What is the strategy that we are using to put this rationale together? We believe and I think that there is an adequate experience, empirical experience in the world to suggest that aircrafts, as we know them, are basically coming to the end or virtually to the end of that possible extension of their utilization in terms of their flights enroute; and the world, in most cases, is now looking for new form of flights, new form of aerodynamics. For this, all kind of changes are required; new materials are required. Steel will not do any more; titanium will not do any more. New system of control, we will require; hydro-pneumatic control and so on is not going to work. New weapons will be required, because we are talking about an aircraft which will be so manoeuvrable that current weapon system would not be able to handle that manoeuvrability. In other words, when we are talking about LCA in this country, we are talking about a gamble. It is our estimation that in 1990 the Indian Air Force is going to require a large number of light combat aircrafts.

There is no doubt that we have an option, and the option before us is to do nothing today knowing that when a time comes, no doubt there will be some foreign supplier and that foreign supplier no doubt for the right price will supply this aircraft. The gamble that we are taking is that we feel, we believe that our experience so far

suggests that we have it in ourselves to build an aviation industry in this country; we, I think, have missed the opportunity before. Members would perhaps agree with me. I don't think we should just miss this opportunity again. But in saying that I say when we are looking for the opportunity for future, then we must look at it which will carry us into the year 2010. In other words, new materials, new technology, new control system and therefore, the rationale behind LCA is to, in a sense, bypass our current state of the art technology of aviation in this country, to go around it and to find ourselves up-front with three or four or five countries in the world who are in a position to develop a light combat aircraft.

Questions have been raised, I think, somewhat unfairly on what an indigenous aircraft is; I mean, for example, it has been said that, you know, we are thinking of importing a radar system, and therefore, it cannot possibly be an indigenous aircraft. How can for an indigenous aircraft we import radar? I think this is somewhat unfair; and here I would like to refer back to the role I have mentioned earlier of Defence Research; one of the roles they have is an integrated system. It is quite likely that we will not be able to develop every single sub-system that goes into LCA; we will develop the main sub-system; some we will have to import. But the responsibility will be on us to integrate an important sub-system along with our indigenously developed sub-system to make a weapons package or weapons platform; that is the state of the art.

Questions have been asked about our engine; and there has been some comment in the Press too about a possible change or a proposal, whatever you may call it, of importing an engine from the United States of America or Britain or whatever. I would like to confirm that we intend to fit the LCA with indigenous engine at a time when the LCA goes into this production. However, since we will have to fly prototype, fairly a large number of prototypes, we will have to give it first to fly ourselves in terms of test and evaluation; then give it to the Airforce to fly, to test it. For the prototype air-



[Shri Arun Singh]

crafts, we may require to import an engine. The objective we have is to develop our own engine; we have developed an engine. It has not some of the specifications that we need. There are certain very critical parameters of that engine which will need to be improved; certain performance parameters need to be improved, certain technologies will have to be improved which is what is going to take us some time. However, in concept terms, we are talking about an indigenous LCA with an indigenous engine.

I think a little bit more detail on this project in terms of our organisational structure and so on, perhaps, is warranted. We are dealing with certain technologies which have been developed and which are matters of interest, like composite materials, digital fly-by-wire control systems, multi-mode radar, digital cockpit technology, computer aided design and computer aided manufacture. These technologies and capabilities had existed in some measure in various places and various establishments in India like for example, HAL, DRDO itself and CSIR, laboratories, and certain universities, the Indian Institute of Science and so on.

We have established, therefore, what we call the Aeronautical Development Agency to integrate this work, to integrate these capabilities. This ADA does not in any way supplant these capabilities. It is merely a catalytic project management organisation which will pull back under these various streams under various heads into one composite whole.

There has been quite a lot of discussion in the Press recently about this project,—most of it unfortunately is occasioned by the gentleman who has now left the project. I would only like to say that about the point which Shri Amal Datta has raised which I want to make very very clear, and there is no comparison at all between the advanced jet trainer and a light combat aircraft.

When we talk about an advanced jet trainer it is an aircraft which is intended for

primary training in advanced fighters of the young pilots. The LCA will require to be flown by some of veterans, experienced pilots. The two have not been equalled. And, therefore, the concept that one should automatically lead us to build an advanced jet trainer is entirely incorrect. It does not share the same material, it does not share the same flying systems, it does not share the same avionics, it does not share the same control systems, it does not share the same weapons system.

R & D project, as I have already mentioned, for Defence Research has a three-tier structure. I will give an example of certain systems where all the three tiers have worked, being simultaneously in their own way all the three being meshed into one. For example, we have what we call the 'Aron' programme for Army communication, Army Radio Engineered Network. Here, everybody was together. The Army, the Production Unit, the Defence Research and Development—all work as one to produce the programme.

For the Air Force, we have ADGES, Air Defence Ground Environment System. Here again, we have all the three agencies which will come together and still remain as one.

For the Navy we have a Naval Communication Project, where similarly all the three agencies are working together.

In fact, Hon. Members may be interested to know that the tallest structure—towering structure—in the country today is now in Tamil Nadu—no longer in Bombay—that is the Naval Communication Project.

Having touched upon these fairly well-known projects, I would like to crave your indulgence to discuss about a few which are not so well-known, where again I can give an example of meshing together of all the Defence establishments takes place, namely, the user, the Army and the Navy the, Air Force, Defence Research and Defence Production.

Shri Ayyapu Reddy mentioned about Siahin and the high Himalayas and complications of living and fighting in the high Hima-

layas. It has to be seen to be believed, that the most inhospitable terrain known to man anywhere on the earth—it is worse than that known to any society anywhere in the country. Because apart from everything else, there is the problem of the altitude and oxygen starvation. For the high Himalayas, for example, we have an integrated research programme. Through the process of that integrated programme we have done some experiments. We have developed our own high altitude clothing, combat clothing, adequate to be sought in. We have developed highly sophisticated food preservation and packaging techniques. We are in the process of developing systems to evaluate snowfall and forecast avalanches. We have had to develop communication technologies which will operate in those environments, weapon technology. We have looked at housing, shelter. We have even looked at physiological problems, human problems, what is mountain sickness, what is pulmonary oedema. We even have to look at psychological problems—what happens when you leave him alone in the company of two or three men at 20,000 ft. for four nights at minus 70 degrees. We have to look at transportation system—what system works at those altitudes.

Exactly similarly we take the desert which is the exact opposite—I mean, if there is a possible opposite to the Himalayas, it is the desert. We have to live and fight in the desert also. There again similar technologies have been developed. We even have to develop technologies of water desalination. And even more important in the context of Rajasthan. We have to develop technologies for water defluoridation because fluoride in water is a big problem.

We have some of the most incredibly specialised medical facilities available in India today. We deal with everything ranging from treatment of high third degree burns to cancer. Many of these technologies are of direct relevance to the civilian world. Why I call it the civilian world being in the Ministry of Defence, is, because I do believe that we have not done enough yet to marry these two together. I think, in many countries—in fact, probably in most of the countries—the defence research is the catalyst which leads to development in the non-defence world.

We have started work on this. We are now in the process of transferring of technologies in fields which are as disparate as metallurgy, communications, high altitude animal husbandry, plant genetics. And this process will have to continue.

There is a view, I think, shared by quite a few Members present here, that we should be spending more on defence systems. While I concur with this view in principle, I also want to draw your attention to the fact that it is not just the money that matters. It is the ability that matters: It is the ability to optimise that money. We started from very humble beginning. We are now in the process of going through 50 per cent increase in one year, from something like Rs. 300 crores last year to Rs. 450 crores this year. We will need time to absorb this. But there is no dispute whatsoever in my mind that these investments will have to be stopped up. We are now in the process of looking at various new possibilities. We are looking at concepts, for example, something called enabling technology centres. Can we in the Defence be the catalyst for enabling technologies in semi-conductors devices, for example? Can we be the catalyst in lasers—I am not talking of star war or SDI, but I am talking of laser in more simplistic terms—but with application in medicine, with application in communication for beyond anything that the defence sector would need? We are looking at possibilities of releasing transfer of technology, how do we move technologies even within our own country from the Department of Defence Research and Development to the defence production units? Is there any way we can improve upon this? How do we move technologies in licence production? In licence production, the most interesting thing that happens is that licence production technology gets transferred to the producer, to the factory. And we need actually to transfer those technologies to the research lab because it is research lab that will assimilate those technologies and build on them the future. Very importantly we are looking at methods of increasing the interaction that we have with the academic institutions of this country.

Shri Amal Datta has returned in time for me to deal with one of his queries. There is no doubt whatsoever that one of the most

[Shri Arun Singh]

critical assets that we can hope to build is manpower. Scientific manpower, both in quantity and quality, is our potential strength. The problem that we have, and which I think is a purely common sort of Indian problem, is to get this together, is to organise this manpower. We are now in the process of reviewing this. We are attempting to enlist cooperation of universities and similar institutions, I mean, Indian Institute of Technology, Indian Institute of Science, TIFR and so on and so forth, through supporting them by paying for their programmes of fundamental research and also programmes of applied research. We are hoping to develop and hold together a pool of trained manpower within the Ministry of Defence. I am not restricting it to the Department of Defence Research but within the Ministry of Defence, and also by orient re-training of our own scientists. We have found, for example, that it is not always possible to find, let us say, the electronics men in certain disciplines but you can take physics men and re-train them into electronics men. So, that kind of reorientation we want. We attach very great importance to this process because we believe, as one of the speakers has said earlier this evening, that too much of our talent leaves us, too much of our talent goes abroad. It is just one thing for them to go abroad and then our asking them to come back. My view is that it is much better that they never leave in the first place, and to do that we need to pose before them the scientific and technological challenges of the type which will match their requirements of job satisfaction, in that sense of the word, which gives them the impression that they are participating in nation building because that is the kind of satisfaction which is only available in certain restricted fields of activity. We will also naturally have to provide them wherewithals in terms of their material comforts. In terms of our policies for recruitment and promotion, I am very pleased to inform Mr. Datta that I am as distressed by the concept of *ad hoc* as he is. We have now come to the stage where we have brought it down very sharply. In one year, we have reduced this *ad hoc* business by more than 50 per cent. I hope that by the end of this exercise, we will, more or less, be able to eliminate *ad hoc* in terms of recruitment. Also I want to high-light

another particular evil—which I think is an evil—and that is the concept of vacancy-based promotion because here again, if a man does good job and does well, he should be rewarded. We will have in the DRDO, a flexible system where reward is given to those who deserve it.

One very important feature which has featured even today and which has been a regular feature of discussion both in the Press and Parliament, is the international cooperation. Cooperation in defence research, surprisingly perhaps, is a quite common feature. It is a very normal kind of twentieth century global phenomenon. We have bilateral arrangements with certain governments—Governments of France, Poland, Italy. We are looking for bilateral arrangements with few other countries. We also have signed the memorandum of understanding of high technology with United States of America and have been discussing with them cooperation on certain technologies... (*Interruptions*). We will consider U.S. sources for those technologies along with other sources in what we consider to be in the best interest of the development that we are looking forward. However, I would like very categorically to make a clear distinction between cooperation on technology and the purchase of arms. I also would like to state absolutely categorically that we have not approached the United States Government for any arms purchases, either outright purchases or in terms of licensed production. I would like to say further, Sir, that we have not even discussed the purchase of any weapon system, if that would clarify the Hon. Member's doubts.

SHRI AMAL DATTA : It is all right, I have no personal knowledge.

SHRI ARUN SINGH : I am just making the point. Unfortunately you came late. I am clearing up your confusion or your doubt on this point. Sir, I am sorry I have taken so much time. I am most grateful to Hon. Members for giving me this opportunity. I would touch on the subject of the National Test Range at Balasore, Orissa. May I start by saying that it is a national facility and it is not merely a defence facility? It could be used both by the Department of Space and the Department of Defence.

I would like to assure the House that the site has been selected after very, very careful scrutiny and the only criterion that is counted happens to be its geographical location. Hon. Members will be interested to know this. Mr. Shivraj Patil is here. The Department of Space has a programme for Polar Satellite Launch somewhere towards 1990. Members will be interested to know that the launch from this site, compared to existing sites, will add very significantly to the satellite payload because of a massive reduction in the engine range. It is only the best geographical location.

SHRI AMAL DATTA : Away from the Equator.

SHRI ARUN SINGH : I am merely making a point. I am just making a fundamental point. It is a fact which I am putting across, Sir, every effort will be made to minimise any hardship which may be caused to the citizens who may be displaced. Both the Government of India and the Orissa Government will work together in regard to the rehabilitation programmes or resettlement programmes.

I am confident that Members present here and the House and the country as a whole will recognise the importance of this particular facility in the nation's interest and will give it their support.

In conclusion, Sir, I hope that hon. Members will share my view that we are proud of the contributions that are made by the DRDO and are conscious of the very large challenges that lie ahead of them. 30,600 odd employees will be managing and working with the Budget Estimates of something of the order of Rs. 427 crores in the year 1986-87. In this process they will be handling tasks and objectives of vital national significance and relevance. I wish the House to join me in wishing them all success in their endeavours.

18.39 hrs.

*The Lok Sabha then adjourned till  
Eleven of the Clock on Tuesday,  
April 8, 1986/Chaitra 18,  
1908 (Saka).*