

THE MINISTER OF TOURISM AND CIVIL AVIATION (DR. KARAN SINGH): (a) 53 travel agents and 54 branch offices are at present operating as recognised travel agents in the country.

(b) Yes, Sir.

(c) It has recently been decided by the Government that recognition to India travel agencies will henceforth be granted by a Central Coordinating Committee which will eliminate multiplicity of procedures adopted by various Governments Department each of whom has its own system of granting recognition to travel agencies. It is expected that the new system will simplify procedures and also act as a safeguard to the travelling public which utilises the services of travel agencies.

Misuse of Import Licences by various Companies

2790. **SHRI N. K. P. SALVE:** Will the Minister of FOREIGN TRADE be pleased to state:

(a) whether his attention has been drawn to a report in 'Economic Times' dated the 22nd and 23rd August, 1972 wherein names of various Companies are mentioned regarding corruption and misuse of import licences; and

(b) if so, what action has been taken to stop the allegedly unscrupulous utilisation of licences?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI A. C. GEORGE): (a) Yes, Sir.

(b) So far as the Import Trade Control Organisation is concerned, all possible steps to prevent misuse of import licences are taken by keeping the import trade control regulations under constant review. Directors of Industries and other sponsoring authorities keep watch on the utilisation of the material imported under the licences. Action is taken either departmentally or in a Court of Law whenever misutilisation comes to notice.

Criticism on Working Nationalised Banks

2791. **SHRI N. K. P. SALVE:** Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware of the criticism on working of Nationalised Banks as not having given positive direction to them in utilising their funds towards encouraging production as desired by Government in their 'End poverty' programmes; and

(b) how Government propose to utilise the Banking system to grant credit to increase production and keep daily prices under check?

THE MINISTER OF FINANCE (SHRI YESHWANTRAO CHAVAN):

(a) and (b). The nationalised banks are fully aware of their responsibility of granting credit for productive purposes.

12.00 hrs.

CALLING ATTENTION TO MATTER OF URGENT PUBLIC IMPORTANCE

PROPOSAL BY NEYVELI LIGNITE CORPORATION TO CLOSE DOWN BRIQUETTING & CARBONISATION PLANT

MR. SPEAKER: Shri G. Viswanathan—not here; Shri C. T. Dhandapani.

SHRI C. T. DHANDAPANI (Dhara-puram): I call the attention of the Minister of Steel and Mines to the following matter of urgent public importance and I request that he may make a statement thereon:—

"The report proposal by Neyveli Lignite Corporation to close down the Briquetting and Carbonisation Plant which will result in the retrenchment of more than 2,000 workers."

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI SHAHNAWAZ KHAN): The Neyveli Lignite Corporation has

[Shri Shah Nawar Khan]

been compelled to close down the Briquetting and Carbonisation Plant from 30th October, 1972 (6 00 P M) due to non-availability of lignite. There are about 1860 workers engaged in this Plant.

The production from the lignite mine has not been keeping to the targets and the present level of output is only 5,500 tonnes per day. In 1972-73, the production of lignite till 31st October, 1972, has been only 17.91 lakh tonnes. The target for the year had to be revised downwards to 3 million tonnes from 36 million tonnes. Among the main reasons for the fall in output have been the technological problems in lignite mining, the lack of sufficient preventive maintenance and disturbed labour relations.

At the present level of output of 5,500 tonnes of lignite per day, about 4,300 tonnes is being supplied to the Thermal Power Station which is sufficient for generation of only 150 MW of power as against the generation-capacity of 600 MW. The remaining 1,200 tonnes are being supplied to the Fertilizer and Process Steam Plants.

There has been continuous pressure from the Tamil Nadu Government for stepping up power generation at Neyveli. The State Government had also requested for diversion of supplies of lignite from the Briquetting and Carbonisation Plant to the Thermal Power Station. Although, the capacity of the Thermal Station is 600 MW, the efforts to generate even 300 MW on a sustained basis have not succeeded so far. Despite stoppage of lignite to the Briquetting and Carbonisation Plant, the present level of power generation is only 150 MW which is far short of the power requirements especially when there is an acute shortage of power in the southern region.

There does not appear to be any possibility of diverting lignite to the B and C Plant till at least January,

1973. Even thereafter, the B and C Plant can be re-started only if the output of lignite goes up considerably. The Chairman-cum-Managing Director has met the Union Representatives and exhorted them to co-operate with the Management in increasing the production of lignite.

While no decision has yet been taken by the Corporation to lay off the workers of the B and C Plant, this would be inevitable unless the production of lignite is stepped up considerably.

SHRI C T DHANDAPANI Sir, actually I wanted to confine myself only to the Briquetting and Carbonisation unit. But after the statement of the hon. Minister, I would have to elaborate on the situation prevailing in Neyveli.

I have received a telegram from the General Secretary of the Progressive Union which is attached to DMK stating:

"NCL Management Propose to Lay off Briquetting and Carbonisation Plant, Clay Washing Plant 2000 Workers may be thrown out of Jobs Tense Situation"

This is the telegram I have received.

Then, in Hindi of 25th, it has been stated:

"Production of domestic lignite in the Briquetting and Carbonisation Plant here which was stopped three weeks back due to non-availability of finer variety of lignite is not expected to resume for a few more months."

Before I go into the matter, I want to say one thing. Even the Neyveli unit itself is a sick unit as is called by many people because the inception itself, the starting itself, was very bad.

and the conditions were the worst. Even then, the *Hindu* in its article on 19th May, 1972, has stated:

"The reason given for the lower power generation in the lignite production was insufficient. The production of urea also declined. The Department of Mines of the Union Steel Ministry informs in its Annual Report for 1971-72 that the production of six million tonnes can be achieved only if the specialised mining machinery which is old and due for replacement is replaced by machinery with larger capacity. A replacement proposed with a view to have an increased output lignite at a cost of Rs. 18 crores is under consideration for the Government". The Annual Report does not tell us the whole story.

This is what the *Hindu* has reported. At the same time, the Panning Commission does not seem to think that the Neyveli Lignite Corporation has presented a convincing case for an investment of Rs. 18 crores for the replacement of the existing machinery. It must be pointed out that heavy rains in 1969-70 badly impeded mining operations.

Another thing is this. Mr. M. V. Arunachalam, the former Managing Director, when he was talking to the Press, said on 30th September, 1970:

"The third stage expansion of the Thermal Station from 400 to 600 megawatts will be taken up in the Fourth Five-Year Plan. Investigations and preliminary project reports for opening a second mine to produce seven million tonnes of lignite per annum at a cost of Rs. 48.80 crores have been sent to Government of India in September, 1964. The mine will supply lignite to feed a Super Thermal Power Station of 800 megawatts capacity and Neyveli Salem Steel Plant of five lakh tonnes capacity; in its absence the

lignite will go to generate more power. Both the second lignite Mine and Super Thermal Power Station are recommended for inclusion in the Fourth Five-Year Plan."

But it was not at all considered by the Government of India. Now the paper is lying with the Ministry.

Thirdly, the *Economic Times* dated 28th June, 1970, has stated:

Thirdly, the *Economic Times* dated Rs. 25 crores incurred by the Neyveli Lignite Corporation are expected to be wiped out by 1977-78. Dr. Triguna Sen, Union Minister for Petroleum, Chemicals and Mines and Metals said in Neyveli on Friday.

"Dr. Sen was addressing the Consultative Committee of MPs attached to the Department of Mines and Metals which raised a discussion on the losses being incurred by the Corporation from its very inception.

"Dr. Sen explained that the losses had been mainly due to the non-availability of raw lignite for feeding the thermal briquetting and carbonisation plants to full operating capacity and operational difficulties in reaching optimum production in the fertiliser plant. To achieve full utilisation of the installed capacity of power, fertiliser and briquetting six million tons of raw lignite per annum was required, he said."

In a way, because of the non-availability of raw material, i.e., lignite, the condition in the B and C Unit is very precarious. The Government have failed to install a new machinery and, at the same time, sanction a new project at a cost of Rs. 48 crores and new machinery for Rs. 18 crores.

In the same way, I would like to say that even in his report, the

[Shri C. T. Dhandapani]

Comptroller and Auditor General of India has made this comment:

1. Property/plant registers/individual asset cards were not kept upto date and reconciled with the financial books.
2. Internal Audit has not been considered comprehensive and adequate.
3. Targets of production were not achieved.
4. The selling prices are less than the cost of production and procurement.
5. The maximum and minimum limits of stores were not fixed.
6. Out of stores valued at Rs. 91.79 lakhs declared surplus/unserviceable during the last four years, stores awaiting disposal as on 31st March, 1970, were worth Rs. 44.17 lakhs.

Secondly, apart from that, I myself visited that spot and I found so many irregularities. Large quantities of iron and steel scrap valued at several lakhs of rupees have been dumped in the pits which are misappropriated for personal benefits by the management staff.

SHRI JYOTIRMOY BOSU (Diamond Harbour): Political?

SHRI C. T. DHANDAPANI: The hon. Minister only knows that.

Secondly, the briquetting and carbonisation scheme was conceived in 1957 but it was started only in 1965. It took eight years for the scheme to materialise. The scheme envisaged the utilisation of 1.5 million tonnes of lignite per annum for the production of 3,80,000 tonnes of carbonised briquettes for use as domestic fuel. But the production of carbonised briquettes has been only 70 per cent of the rated capacity and it has been purposely kept low so that the market for the same is in the process of being built up.

Even during the trial run in December, 1964, the I.D. and F.D. fans supplied by an Indian firm failed due to the shaft giving way. An examination revealed that it was due to defect in manufacture. The fans were ordered by the foreign contractors. The fans were not tested by the Corporation or the foreign experts to ensure that they were according to the specifications supplied by the Indian firm.

According to the report of M/s. Powell Dugryn Technical Services Ltd, the consulting engineers of UK, the plant was scheduled to commence production in 1961 but the production started only in 1965. The contract was signed under the Colombo Plan but it was a free service. But the very same company was given Rs. 2 lakhs as service charges. In this manner, this unit is actually being ruined by this Department, by its management very badly. I request the hon. Minister through you to look into the matter because our Minister, Shri Mohan Kumaramangalam has many more work in Tamil Nadu. I request that at least he must divert his attention to NLC also.

SHRI DINEN BHATTACHARYYA (Serampore): He has some other work?

SHRI C. T. DHANDAPANI: I would like to know whether the Government have given their thought to the following issues:

(1) Whether the Government is convinced that the frequent breakdowns and structural damages are due to ageing and fatigue of machines and the machinery obtained from abroad initially was not of required sophistication and durability? If that is so.

(2) When will the proposals for additional capital of Rs. 18 crores for replacement of machinery be approved by the Government?

(3) In view of the fact that Rs. 5 crores in foreign exchange per annum for importing furnace oil to maximise power generation cannot be thought of, in view of the fact that coal cannot be transported over long distances due to acute wagon shortage, when will the second mine-cut in Neyveli be sanctioned by the Government, which will result in an additional output of 7 to 10 million tonnes of lignite?

Here I would say that the second mine cut is inevitable for the thermal project as also for the other projects in the unit. The generating cost in Neyveli is about Rs. 9.75 paise per kilowatt hour, which is certainly less than that in many other thermal stations in the country.

MR. SPEAKER: You can ask one question only. I would request the Minister to treat all the questions as one question.

SHRI C. T. DHANDAPANI: He was leader of that union once. When he was communist, he was leader of that union.

THE MINISTER OF STEEL AND MINES (SHRI S. MOHAN KUMARAMANGALAM): Not that Union.

SHRI C. T. DHANDAPANI: (4) In order to remove the discontent among the workers and scavengers who have not been provided with residential accommodation when will the housing schemes be sanctioned and implemented?

(5) What steps have been taken to staff the top management with men of technical and marketing experience in the country?

(6) Will the hon. Minister constitute a Committee to go into the question of disposal of unserviceable surplus stores running to several lakhs of rupees and also iron and steel scrap worth about a crore of rupees?

(7) In the Minister's statement it is stated that unless the production of lignite is stepped up considerably the Corporation may have to lay off the workers of the B. and C. Plant. What steps have the Government taken or propose to take for augmenting the production of lignite?

There is a contradiction in the statement. In the first part of the statement he stated:

The Neyveli Lignite Corporation has been compelled to close down the Briquetting and Carbonisation Plant from 30th October, 1972.

This is the first part of his statement. Towards the end of his statement he stated:

"No decision has yet been taken to lay-off the workers of the Briquetting and carbonisation Plant."

Now, Sir, these two statements appear to be contradictory.

Therefore, I would like to know whether the hon. Minister would give an assurance to this House that there will not be any lay-off or any sort of retrenchment in the case of the workers of the Neyveli Lignite Corporation.

SHRI S. MOHAN KUMARAMANGALAM: Mr. Speaker, Sir, my hon. friend has covered a very wide area. Therefore, you would kindly permit me to confine myself to the crucial question which he has asked in the end of his statement. I may say in passing that many of the statements which he has made are not correct, but I do not think I have got the time to contradict all of them.

The immediate cause for the problem that face us has been due to exceptionally heavy rain. The target for October, November and December, 1972 was 2,40,000 tonnes of lignite and the production fell in October and also

[Shri S. Mohan Kumaramanglam]

in November. This was due to exceptionally heavy rains causing abnormal flooding. Certain pumps were submerged and only two could be retrieved and commissioned. One bucket wheel excavator was in danger of immersion and submersion and being badly damaged but, by the energetic and sustained efforts of the management and the workers, they have saved it.

In October, 1972, the rainfall was exceptionally heavy, being 524 mm. as against an average of 279 m.m. So, this is the immediate cause. We are, however, taking action to see that the machinery which has not been operating properly is effectively strengthened.

The hon. Member is not quite right in suggesting that defective or bad machinery was ordered. If it is a question of technical difficulty arising out of...

SHRI C. T. DHANDAPANI: Sorry for interrupting the hon. Minister. Here is the report of the Public Undertakings Committee.

SHRI S. MOHAN KUMARAMANGLAM: I have listened to the hon. Member with great patience. Now, he may listen to me and then have his say afterwards.

The hon. Member is not entirely correct in that. It was not a question of the machinery being defective so much as the question of the Cuddalore sandstone there, it being difficult to remove it by the use of these bucket wheel excavators without resorting to blasting also. The technical committee, which we had appointed at the beginning of 1972, in February, 1972 to go into this matter, have recommended that we should use intensive blasting, and in that way make better use of the bucket wheel excavators and we are doing so.

So far as the replacement of machinery is concerned, we have already taken action and sanctioned foreign exchange for purchase of crucial equipment, particularly two pipelayers, which have already been released, and other matters are under the consideration of the Government, and we shall be taking a decision soon.

So far as the question of second mine-cut is concerned, the hon. Member has referred to the statement made by Mr. M. V. Arunachalam, who was never the managing director of the undertaking, but was the honorary chairman of the undertaking and who made a statement which included also the use of lignite for the Salem steel plant. It is better if the hon. Member does not refer to statements which are now somewhat out of date, because as the hon. Member is well aware, our technical consultants, namely Messrs. Dastur & Co. who had originally recommended that Neyveli lignite could be used for the Salem steel plant have now come to the conclusion that because of the quality and character of the lignite, it cannot be used for the Salem steel plant. Therefore, these statements that were made at that time in support of a second cut no longer hold good, and that is why, as I have said previously in this House, the question of the second cut is being examined by a committee headed by Prof. Chakravarti of the Planning Commission, and we are expecting the report of the committee very soon, probably by the end of this month or some time next month.

The difficulty is that the overburden ratio is steadily increasing and that naturally affects the economics of the second cut. But I have no doubt that the committee will go into the matter with considerable care and will give us a proper reply.

So far as the question of the top management is concerned, we are taking certain steps in that regard.

The special difficulties of Neyveli are in the field of mining. Government have appointed Shri S. Yegneswaran, a leading open cast mining engineer of our country, at present, or till yesterday, in the National Mineral Development Corporation, who should have taken charge today of the office of Chairman and Managing Director in Neyveli. In addition, we have also deputed another senior open cast mining engineer, Shri D. P. Gupta of the National Coal Development Corporation to take over as General Superintendent of Mines in Neyveli. We hope that as a result of the introduction of these two senior mining engineers, the position so far as mining engineering is concerned will improve in Neyveli.

The hon. Member has referred in rather generous or overgenerous language to the amount of steel and iron which he has himself seen with his own eyes. I must say that this is the first time that I have heard about the report of his eyes, but I would only like to say that if he can give me concrete instances so far as this is concerned, I shall certainly look into it.

SHRI C. T. DHANDAPANI: It was reported to the then managing director Mr. Gopal Kumaramangalam, but no action was taken.

SHRI S. MOHAN KUMARAMANGALAM: Gopal Kumaramangalam is undoubtedly my brother, but a representation to him is not a representation to me. I am not my brother's keeper, as it is said sometimes. But so far as I am aware, the statement which the hon. Member has made must be in the realm of exaggeration, because Rs. 1 crore worth of iron and steel is somewhat large.

Though undoubtedly the hon. member is a very brilliant man, to be able to assess merely by looking at iron and steel and say it is worth one crore of rupees is beyond the capacity of an ordinary technician, and I do not know whether it is even within

his capacity (*Interruption*). I can also interrupt when he speaks, but I listened to him patiently. He must also listen to me patiently occasionally.

So far as this question is concerned, if the hon. member will give me not generalities but a statement of facts regarding the persons whom he considers to have misused or misappropriated material in Neyveli, I will certainly look into it. But he should appreciate that general charges of misappropriation against the management cannot fairly be made without any substantial basis.

The hon. member claims that he found so many irregularities and so many misappropriations for personal benefit. I would like to know who are the persons who misappropriated for their benefit and what they misappropriated. If he could illuminate me on that, I will certainly inquire into it and take whatever action is necessary. But general statements making general allegations may not help.

Finally, regarding the matter in issue to which he came at the end of his long contribution, I would like to make this clear. No doubt the Briquetting and Carbonisation Plant was closed down on 30 October 1972. I think the hon. member will appreciate that we have not yet laid off the workers, though we would have been entitled to lay them off from the 1st November.

SHRI JYOTIRMOY BOSU: How on earth could he do it?

SHRI S. MOHAN KUMARAMANGALAM: Under the law, when a particular part of an industrial unit has to be closed down due to reason which the hon. member knows and which I have explained earlier, we would have resorted to lay-off at that time. That is the law in our country. Now, we have not done that

[Shri S Mohan Kumaramangalam]

because we were hoping that the lignite situation would improve. Unfortunately, it has not done so. At present, the management is discussing with the Union and also with the Government of Tamil Nadu as to what would be the proper course to follow. I know the hon member is interested in the Neyveli Lignite Corporation operating at a profit or at least in minimising its losses. It may interest him to know that at present if we produce on the basis of what we produced in August the cost of production of Leco has been Rs 2,291 per tonne whereas the sale price is only Rs 276 per tonne. That is due to non-availability of lignite.

This is a difficult situation. I know and I can appreciate and sympathise with the difficulties of the workers. But let us try and find a solution that does justice both to the Corporation and to the workers. That is my plea.

SHRI SEZHIYAN (Kumbakonam)
The Minister ended his main statement with the remark

"The Chairman-cum-Managing Director has met the Union representatives and exhorted them to co-operate with the management in increasing the production of lignite."

From this, it looks as though the workers have not been co-operating with the management and all the ills of the Corporation have been due to this. But if you see the earlier part of the same statement you will find

"Among the main reasons for the fall in output have been the technological problems in lignite mining, the lack of sufficient preventive maintenance and disturbed labour relations."

These two factors, lack of sufficient preventive maintenance and technological problems are not new. If you take the earlier report, for example that of 1966-67, you find this

"A comprehensive review of the working of the Mine was carried out in the context of the major

breakdown of plant and machinery and the troubles experienced during the monsoon, to spot out imbalances and defects for necessary corrective action. This appraisal brought out the needs for certain changes in the working of the Mine and additional equipment to maintain a higher level of production with reference to the actual site conditions. Consequent on this, certain proposals for procurement of additional mining equipment have been sent to Government."

This has been done in the year 1966-67. In 1967-68 also, it has been reported that additional mining equipment including a spreader will necessarily have to be purchased for increasing the lignite output from 4.5 million tonnes to over 8 million tonnes for meeting the full requirements of the consuming units. Therefore, these technological difficulties which the Minister now states are nothing new. This has been analysed and located as early as 1965-66.

I would like to know from the Minister why it has taken six long years for putting them into effect. What action has been taken after the annual report of 1967-68 which pointed out the technological defects which needed some remedy?

The second thing he is now saying is about rainfall. Heavy rainfall is nothing new for Neyveli. If you take the year 1970-71, the annual report of that year, there also the same reason is given, that "Heavy rains of 517.5 mm during November 1970 restricted the movement of the machines and it resulted in a low removal of the overburden." If we take 1969-70, in that report also it is stated that "heavy and unprecedented rainfall between October and December, 1969 affected the mining operations." So, rainfall has been there in the mining area all along and any planning should put up with this rainfall. To quote rainfall this year as an impediment to the low output shows bad planning and bad management.

On this corporation, the Central Government has put in as much as Rs. 182 crores including equity and on loan, out of which, up to 31-3-1972, they have lost as much as Rs. 45.85 crores. Therefore, I am making an appeal to the Minister because, for a public undertaking to work successfully, profitability should be there. I do not want the workers to be laid off, because of some mismanagement. I can say to this House that there has been a bungling at the highest level in the Neyveli Lignite Corporation. In spite of locating the difficulties, in spite of coming to an earlier decision that there are technological defects, I want to know why the Neyveli Lignite Corporation and the Ministry have not remedied the situation.

SHRI S. MOHAN KUMARAMAN-GALAM: Regarding the question which the hon. Member raised, about the purchase of new machinery, etc., we have been taking steps during the last few years, and quite an amount of new equipment has been purchased. But the problem has really arisen out of the difference of opinion regarding the technical reasons for the weaknesses in Neyveli and that is why we have appointed a Committee, in February, and on the basis of the report of that Committee, we are now proceeding to purchase the machinery and so on. I do not think I can go further into that

Regarding the rather sweeping statements about mismanagement, I would not be prepared to go as far as that. The hon. Member must be aware that throughout this period, on the Board of the Neyveli Corporation have been the representatives also of the State Government, and they have been fully associated in the working of the Neyveli project.

The hon. Member is rightly sympathetic to labour, and so am I, but he will appreciate again and he knows it for a fact that very substantial concessions have been made to labour in the recent past particularly in the last three years, but despite that, in a number of areas, we have quite

some difficulties from labour, making demands which, he again is well aware, have not been in their interests or in the interests of the project. Occasionally, either go-slow or even wild cat strikes have been resorted to without any proper basis whatsoever. The hon. Member could certainly help by seeing to it that the large number of union which exist in Neyveli as elsewhere take a more positive attitude to some of the difficult problems that we face there.

So far as the procurement of additional equipment is concerned, the actual figures are that nearly Rs. 5 crores of equipment were purchased in 1970, hoping that we will be able to take up the output far beyond the four million level. This was based on the advice of a German technical expert. However, the experts committee that we set up in February to examine why we have not been able to achieve the expected improvement despite this additional expenditure has found that we will not be able to raise the production beyond 3.6 million tonnes which is substantially lower than what we need if we are to work the plants—fertiliser, power and briquetting plant—at optimum capacity.

So far as the question of heavier rainfall is concerned, the hon. Member must appreciate that there is such a thing as average rainfall; we do allow for a certain margin but in this case according to the figures that I have already given the rainfall was nearly twice the average which is a very substantial increase.

SHRI SEZHIYAN 517 mm in 1970 and in 1969 also the same amount of rainfall was there.

SHRI MOHANRAJ KALINGARAYAR (Pollachi): I should like to ask the hon. Minister one or two questions. Have the Neyveli Lignite Corporation sought financial assistance from the Government for the purchase of machinery to raise more lignite from the mines and if so what

[Shri Mohanraj Kalingarayar]

is the Government's decision thereon? When was this request made to Government? Secondly, due to the heavy losses there, an expert committee was set up under the chairmanship of Prof K V Subramaniam. The hon Minister answered saying that one of the recommendation was about the preparation of detailed project report for stepping up the production of lignite to 65 million tonnes per annum. I should like to know the approximate time by which the report will be submitted for this recommendation? What is the delay in setting up such a committee well in advance when there were continuing losses in this unit?

Just now the hon Minister contradicted his own brother J Kumaramangalam who has said in one of his statement

SHRI S MOHAN KUMARAMAN-GALAM The reference was to Shri Arunachalam not to my brother

SHRI MOHANRAJ KALINGARAYAR From the statement it appears that the estimated deficit of power in the area served by the four southern States is expected to be about 590 MW by 1973-74 and that the anticipated loadgrowth during the Fifth Plan period in the four Southern States would be 800-900 MWs per year and these States will require an additional generating capacity of between 4500-5000 MW by the end of the Fifth Plan and out of this about 3000 MWs would have to be made by thermal power

The loss in the Neyveli Lignite Corporation in 1971-72 was something like Rs 1332 crores. It is stated the main cause for this loss was due to technological difficulties in mining lignite resulting in low production of lignite which is insufficient for the operation of power. We have been having this problem since the last two years. I am really surprised why the Government cold-shoulders this. They should have had this expert committee long time back, with more

technical know-hows they could have seen that this unit is run, if not at a profit, at least to compensate the loss

SHRI S MOHAN KUMARAMAN-GALAM The hon member asked whether the Board of Neyveli Lignite Corporation has asked for financial assistance. It is a fact they have asked for it. After the submission of the expert committee report, assistance has been partly given and partly under consideration. The hon member has presumed, as he sometimes does, that there has been delay in the appointment of a team to prepare a report for the increase of production to 65 million tonnes, as recommended by the Subramaniam Committee. I am sure he will be happy to know and also to be corrected that the team of officers was appointed and it has submitted its report and that report is already under examination. So, he will be extremely happy that we have been so speedy in the matter. Regarding the allegation that Government has cold-shouldered this project, I do not think it is a fair allegation. Every attempt has been made in all these years to take whatever technical help was available both inside and outside the country to get over the problems of Neyveli. Unfortunately, on a number of occasions we have not succeeded. But that is not a ground for making such a general allegation that there has been cold-shouldering of the project. Even in relation to purchase of fresh machinery, when necessary this has been done. But we are facing problems which the hon member is well aware of. These problems cannot be smiled away or dealt with by merely saying that the management is incompetent, inefficient, useless, should be dismissed and so on. They are real technical problems which we are examining and trying to solve.

1242 hrs.

QUESTION OF PRIVILEGE—Contd.

MR. SPEAKER: Mr Manoharan, before you raise the matter, would