

SHRI SONTOSH MOHAN DEV : About the specific district, I will not be able to say right now, but he is very much right that wherever there are electronic exchanges we are trying to cover with STD facilities and in the Seventh Five-Year Plan we are trying to cover almost all the areas. About your particular request, I shall write back to you, I do not have the information right now.

PROF. P.J. KURIEN : Micro-wave tower is already there.

(Interruptions)

THE MINISTER OF COMMUNICATIONS (SHRI ARJUN SINGH) : No problem, we will connect it.

[Translation]

SHRI SHAMINDER SINGH : I would like to know from the hon. Minister whether he has fixed some criterion under which manually operated exchanges in small towns could be converted into automatic exchanges when the number of telephone connections in such a town reaches say 1,000 or 1,500? Has he fixed such a criterion?

MR. SPEAKER : Have you fixed any criteria that after 1,000 or 1,500 telephone connections, manuals would be converted into automatic ones?

[English]

SHRI SONTOSH MOHAN DEV : Sir, in the main answer of the question, I have said that in the Seventh Five Year Plan, we propose to have 11 lakh telephone connections. And the process which is being involved is, for the oldest telephone exchange, the earliest is the replacement. If in this category, some of the exchanges of your State come, we shall take care of them.

MR. SPEAKER : Sometimes ago also helps!

SHRI AMAR ROYPRADHAN : Mr. Speaker, Sir, just like TV, the Communication Department is producing so many small auto exchanges with 10 or 12 telephone lines. But it is a fact that all these

telephones are not working properly and the exchanges are not working properly. Merely in transferring one small operator from one place to another, there is no difference. I am myself is a victim of this non-functioning. I am from the rural area and I never got a call matured, even the lightning call, from Delhi to my residence.

Because of the fact that rural exchanges are not working properly, may I know that before you produce so many more exchanges, would you kindly ensure that the auto exchanges are functioning properly?

SHRI SONTOSH MOHAN DEV : Sir, in our country, 70% of the population is living in rural areas and we trying to give more exchanges in rural areas. As a matter of fact, our policy is to introduce 10-line automatic exchanges. Now, we are giving only 25 lines and we are not giving any manual exchange where the lines are less than 100.

As regards the functioning, as I said, more automatic exchanges will be given with modern facilities and the trouble that you are facing now will be overcome by the end of the 7th Five Year Plan.

Private Sector Participation in Power Generation

*111. **SHRI HARIHAR SOREN† :**
PROF. K.V. THOMAS :

Will the Minister of ENERGY be pleased to state :

(a) whether Government have any proposal to set up additional capacity to generate 3000 MW power in the private sector during the Seventh Five Year Plan;

(b) whether the private participation proposed to be permitted to such an extent is in accordance with the Industrial Policy Resolution of 1956; and

(c) if not, the reasons for allowing this departure from the approved policy?

THE MINISTER OF STATE IN THE DEPARTMENT OF POWER IN THE

MINISTRY OF ENERGY (SHRIMATI SUSHILA ROHTAGI) : (a) to (c). The policy with regard to the generation and distribution of electricity continues to be regulated by the Industrial Policy Resolution of 1956. The expansion of existing privately-owned utilities or the establishment of new units in the private sector is not precluded under the Resolution. The additional generating capacity which may be set up in the private sector in the Seventh Plan will depend on the suitability of the proposals.

SHRI HARIHAR SOREN : Sir, the hon. Minister has not replied specifically to (a) part of my Question, *i.e.* whether Government has any proposal to set up additional capacity to generate 3,000 M.W. power in the private sector during the 7th Five Year Plan. However, the Minister has stated in her reply that the Government policy continues to be regulated by the Industrial Policy Resolution of 1956.

As you know, there is acute shortage of power in the whole of the country, specially in the State of Orissa. In view of the shortage of electricity in the country, whether Government have any proposal to allow projects being set up in the private sector? If not, what is the proposal to meet the power requirements of the country, particularly in the the State of Orissa in the 7th Five Year Plan?

SHRIMATI SUSHILA ROHTAGI : Sir, may I start with the last one regarding Orissa first? In Orissa, there is a proposal and it is in the nature of a large size captive power plant from M/s. Torsteel Research Foundation for 3×120 M.W. This is under examination. The proposal of the Foundation which is going to be a joint sector captive unit was cleared by the CEA in January, 1986 subject to the confirmation of coal linkage, environmental clearance and other requirements to be fulfilled. These requirements are still to be met. This is with regard to Orissa.

I do agree with the hon. Member that there is great shortage in the country in the power sector and in spite of all our efforts, we will be able and we hope to expand during the Seventh Five Year Plan, 22,245 MW of electricity only. Financial

constraints stand in the way and it is because of this that we have referred to the Industrial Policy Resolution and every thing falls within the framework and under the Policy as it stands today. Only we have clarified regarding the captive plant so that though it falls within the 25 MW, it can be taken up immediately by the State Electricity Board. Above 25, MW has to be cleared by the CEA. Otherwise, I think, the hon. Member agrees with me that the Policy has not been modified and we have tried to expand and replace those as we have stated in the Resolution, in two or three utilities.

Only in new one, in Bombay suburban, we have allowed in principle the generation of 500 MW subject to various conditions. But that is the only exception.

SHRI HARIHAR SOREN : It is understood that there are two proposals in the public sector undertakings in the State of Orissa, the construction of Ib Valley Power Project and the expansion of Talcher Thermal Power Station. May I know what is the allotment of funds for those two projects?

SHRIMATI SUSHILA ROHTAGI : This Question is about private sector participation in power generation.

I need notice for this particular question.

SHRI INDRAJIT GUPTA : According to press reports—which I would like the hon. Minister either to confirm or deny or correct—sanction has been given for the erection of a Thermal Power Station in Bholpur to one of the large industrial houses. It is said in the press report—I am sorry I could not bring that newspaper cutting with me today—that it is in collaboration with some Japanese firm. I would like to know whether there is any truth in this report and if so, could the hon. Minister kindly give us some more details.

SHRIMATI SUSHILA ROHTAGI : I do not have the press report just now here. I can neither confirm nor deny. That is the position at present.

SHRI INDRAJIT GUPTA : She may not be able to confirm or deny the details. The Minister must know whether clearance

for generation of power is given for private party.

PROF. MADHU DANAVATE : She said it has not been given.

MR. SPEAKER : Are you taking about press report or from your knowledge ?

SHRI INDRAJIT GUPTA : I have to depend on press reports.

SHRI VASANT SATHE : May I say that no such clearance has yet been given ?

PROF. MADHU DANAVATE : In that case, why is she following non-alignment policy ?

SHRI INDRAJIT GUPTA : Is there such a proposal ?

SHRI VASANT SATHE : I had said it before and I want to reiterate that there is going to be a gap of about 10,000 MW in the Seventh Five Year Plan itself. Now, keeping in mind the present Industrial Policy Resolution, if additionality to Seventh Five Year Plan allocation which is above Rs. 35,000 crores will help us to generate and instal 22,000 MW of capacity, and if to make up this gap we get proposals from private parties within the country or bilaterally that would help us to generate power, and if it is in the national interest, we would consider such proposal on merit. That is the only way we can meet this gap. Otherwise, we will not be able to meet this gap. The only criterion is 'national interest'. National Interest will be the supreme criterion.

SHRI S. JAIPAL REDDY : According to him, Public Sector is not in the national interest.

(Interruptions)

SHRI VASANT SATHE : It is in the national interest.

(Interruptions)

MR. SPEAKER : Why are you replying to the question which has not been put ?

SHRI INDRAJIT GUPTA : He has

publicly stated that Public Sector is not in the national interest. He has written a series of articles on that.

SHRI VASANT SATHE : I beg to submit that I have not said so. This is total distortion of facts. You have not even read those articles.

(Interruptions)

MR. SPEAKER : Not allowed.

(Interruptions)

MR. SPEAKER : This is not allowed.

(Interruptions)*

MR. SPEAKER : Without my permission, nothing goes on record.

(Interruptions)*

MR. SPEAKER : Mr. Panika, will you take your seat ? I have allowed only Mr. Rath.

SHRI SOMNATH RATH : As far as Orissa is concerned, we are only hearing five words—that is : 'in principle', 'in policy', 'as far as' 'the infrastructure is concerned', 'there is enough scope for generation of electricity in Orissa' and the last word is : 'on account of financial constraints it is under consideration'. I want to know from the hon. Minister—he has just now stated that in the national interest, where there is infrastructure and possibility of generating electricity steps will be taken. I want to know whether immediate steps should be taken to start construction at least one project and complete it ?

SHRI VASANT SATHE : As far as Orissa is concerned...

SHRI THAMPAN THOMAS : I want to raise one important point...

MR. SPEAKER : There are so many hon. Members who are always ready...

(Interruptions)

MR. SPEAKER : Nothing doing. There is no hard and fast rule...

SHRI VASANT SATHE : As far as Orissa is concerned, we have good deposits of coal in Talcher and Ib. There are proposals ready for posing financial assistance in both Ib and Talcher—from the State Government as well as from Central Government. As soon as we are able to find resources, these projects will be taken up.

SHRI SOMNATH RATH : How soon ?

SHRI VASANT SATHE : As soon as resources are available.

SHRI SOMNATH RATH : That is vague.

(Interruptions)

SHRI VASANT SATHE : I am trying to find resources from everywhere.

(Interruptions)

[Translation]

SHRI DAMODAR PANDEY : Mr. Speaker, Sir, I would like to know from the hon. Minister whether the gap of 10,000 MW left in the Seventh Five Year Plan will not affect the eastern parts of the country the most, especially Bihar, Orissa and Bengal which are already highly deficit in the matter of electricity ? Does he propose to set up super thermal power stations to remove shortage of electricity in the areas where infrastructure as well as cheap coal is available ? Will such power stations be set up at places where coal is produced and has he any programme to remove shortage of electricity in such areas ?

SHRI VASANT SATHE : Our programme is to set up most of the super thermal power stations at such places where coal is available, where pithead stations can be set up which facilitates generation of energy and with this end in view, we are formulating our policy. As I said earlier, we are very anxious to generate more power but we are short of resources. If we choose to get resources from abroad, we incur your displeasure and if we mobilize resources from within, even then we are at the receiving end. How then can energy be generated, if we do not mobilize resources ?

[English]

SHRI THAMPAN THOMAS : I want to raise a very important point. The hon. Minister told us in the last Session in this House that they were having short-term and long-term policies for making power available, that he is inviting black-money holders to invest in power generation and that he would see that power is given to the industry. Has Government made any assessment about closure of factories on account of power shortage, how many factories are closed today ? And what are the remedial measures taken to have them reopened ? I would also like to point out that in the aluminium industry, power is one of the main things. The Indian Aluminium Company in my State is closed on account of power shortage. Have you got any programme to supply power on a short-term basis to the industries and factories which are closed today ?

SHRI VASANT SATHE : I know there are industries like aluminium industry which are, what is called, power-guzzlers; power is the main raw material for aluminium. Our policy, therefore, is to allow such industries to have captive power plants either individually or even collectively. This is our present policy. But they must generate resources to set up captive power plants. This is the essence of the whole thing.

SHRI K.P. SINGH DEO : The hon. Minister has just now mentioned in his reply that there are vast quantities of good coal available in IB and Talchar. But both these projects have not been included in the Seventh Five-Year Plan. How does he propose to find funds for them and how soon ?

SHRI VASANT SATHE : We have placed both these projects for bilateral assistance, and there are proposals for such assistance. The moment such proposals are finalised, I will be glad to have them included for implementation.

[Translation]

MR. SPEAKER : The House is not concerned about from where you get the funds, but the fact remains that we cannot do without power.