

ment and machinery was concerned. After nationalization, as I stated, public money to the extent of Rs 6000 crores by the end of the Sixth Five Year Plan has been invested in the coal sector alone. Therefore the cost per tonne has gone up on account of the equipment cost. That is the main reason. That is why you should not calculate the percentage. percentage will appear to have gone down; but in terms of actual wages, actual wages have increased from nearly Rs 350/- to an average of about Rs 2000/- today. Therefore, it cannot be said that Government has not been fair to the workers. The percentage aspect is misleading. I would also like to submit that it is desirable both for the workers and for the management to ensure in public interest that the poor man's money is utilised better as a trust and we give maximum production in this coal sector which is a very crucial and key sector of our industry.

Clearance to power Projects in Karnataka

*165. SHRI VEERENDRA PATIL: Will the Minister of ENERGY be pleased to state :

- (a) the proposals for new power projects received from Karnataka Government;
- (b) the action taken by Union Government thereon;
- (c) the reasons for delay in clearing

these projects; and

(d) when these projects are likely to be cleared?

THE MINISTER OF STATE IN THE DEPARTMENT OF POWER IN THE MINISTRY OF ENERGY (SHRI KALPNATH RAI):
(a) to (d). A Statement given below:-

STATEMENT

(a) to (d). Power projects sent by the State Government are examined by the Central Electricity Authority (CEA) for according clearance from the techno-economic angle. The clearance of projects for execution depends upon several factors, such as the comprehensiveness of project reports, expeditious response of the project authorities to various comments/observations of the Central Electricity Authority Central Water Commission, fuel availability, water availability, environment and forest clearance, clearance from the State Pollution Control Board and National Airports Authority, etc., tying up of funds on the basis of the relative priority accorded by the State Government, resolution of inter-state disputes in sharing of water resources, etc. The present position of the clearances of the power projects sent by the State Government of Karnataka is indicated in Annexure below. Efforts are made to expedite the various clearances involved, but it is not feasible to indicate a definite time limit for such clearances.

ANNEXURE

S.No.	Name of Scheme Proposal	Installed Capacity (MW)	Reasons for pending clearance/present status
HYDRO			
1.	Maddur Brarch Canal	1 x 1.5	Inter-State aspects yet to be resolved.
2.	Sivasamundram Seasonal Power House.	2 x 136	Inter-State aspect to be resolved. Environment clearance yet to be obtained.
3.	Brindavan Hydel Scheme	2 x 6	(i). Replies to comments on power planning and cost estimates awaited. (ii). Provisions of Section 29 of Electricity (Supply) Act to be complied with.
4.	Almatti Dam Power House	5 x 50 + 1 x 18	(i) Project is linked up with the Almatti Dam. Final decision of State Government on FRL of the Dam and its construction programme is awaited. (ii) Revised report would need to be sent to the Central Electricity Authority.
5.	Katla and Palna Diversion Scheme —		Inter-State aspects to be resolved. Returned to the State Government by the CEA.
6.	kabini Dam Power House	1 x 20	— do —

S.No.	Name of Scheme Proposal	Installed Capacity (MW)	Reasons for pending clearance/present status
THERMAL			
7.	D.G. Sets at Yelahanka	120	Techno-economic approval of the CEA accorded on 10.10.1988.
8.	Manglore Thermal Station	2x 120 .	Scheme found to be in order techno-economically by the CEA subject to (i) compliance of Section 29 of Electricity (Supply) Act and (ii) clearance from environment and forest angles (iii) clearance from State Pollution Board (iv) timely completion of proposed dam on Mulki river for availability of water (v) Finalisation of logistics of transportation of coal with Railways and port authorities and agency for construction of labour complex (iv) clearance by the CEA of associated transmission systems.

SHRI VEERENDRA PATIL: Sir, the statement, I must say, is a fine instance of bureaucracy misleading the Minister. I come to item No. 2, that is, Sivasamundaram hydroelectric project. Two reasons for the delay have been given. The first reason given is that inter-state aspects to be resolved. The Sivasamundaram hydro-electric project is the run of the river project. There is no question of impounding any water and construction of any reservoir. This is run of the river project. Not even one cusec water is consumed or wasted. Whatever water is used for generating power it goes again through the tribune to the valley and to Tamil Nadu. I cannot understand what is the inter-State dispute involved in this. There is no question of impounding any water at all. I must tell the hon. Minister that on the same river Kaveri when lower Mettur power station was sanctioned in Tamil Nadu no concurrence of the Karnataka Government was obtained. When Tamil Nadu wanted to start Bharani Kattali power scheme Karnataka Government readily gave their concurrence for the clearance of this project. Here no inter-State water dispute is involved. There is no question of impounding water. There is no question of constructing a reservoir. So I fail to understand how is it that inter-State aspect is involved in this.

The second reason that has been given is that environment clearance is yet to be obtained. I cannot understand this also. There is no question of impounding water, there is no question of constructing a reservoir then where is the question of environmental angle? So, I want the Minister to make a clear statement and say that both these reasons which have been given are just lame excuses.

THE MINISTER OF ENERGY (SHRI VASANT SATHE) : I am glad to hear such words from a seasoned and experienced member who himself has been a Minister. *(Interruptions)*

As far as inter-State aspect is concerned it is true that Tamil Nadu Government has not given its consent or approval to this project although we are of the opinion that Sivasamundaram project is one of the best projects for Karnataka and is a run of the river project. But Sir, in an inter-State river....

SHRI VEERENDRA PATIL: We are not consuming water.

SHRI VASANT SATHE : The reasoning is all right. Why don't you convince the Tamil Nadu Government? *(Interruptions)*

From our side, there is no objection to this project. We are now trying to use our good offices with the Tamil Nadu Government to see that the dispute is resolved. We can't force them. *(Interruptions)*

MR. DEPUTY SPEAKER : Let him finish. Then you raise your point. Let him finish his reply.

SHRI VASANT SATHE : I am saying here that the objection is from the Tamil Nadu Government. I am stating this here. Now, if this objection is removed...

SHRI VEERENDRA PATIL : Why objection? I can't understand it.

SHRI VASANT SATHE : I told you that they say: We don't want. This will affect our interests. *(Interruptions)* The very fact that we are having a difference of opinion means that there is a dispute. What is a dispute after all? The dispute is somebody says something, you say another thing. That's why difference of opinion is a dispute. And Government of India is trying to resolve it between Tamil Nadu Government and Karnataka Government. We will be very happy if this project is resolved.

SHRI VEERENDRA PATIL : Sir, I put my second supplementary. But before that,

I asked him in the first supplementary that when Government of India cleared the Lower Mettur power station in the same valley, they did not ask for the concurrence of the Karnataka Government. When Tamil Nadu wanted to take up Bharani Kattali power scheme in the same valley, Government of Karnataka readily gave their concurrence.

MR. DEPUTY SPEAKER: Karnataka is so generous.

SHRI VEERENDRA PATIL : I do not understand what is the objection.

Sir, now I put my second supplementary. Otherwise, the Deputy Speaker might say that I have exhausted two supplementaries. That is my problem.

MR. DEPUTY SPEAKER: Sir, you have put 5-6 supplementaries.

SHRI VEERENDRA PATIL: No, no. Sir, my second supplementary is with regard to item No. 7-DG sets at Yelhanka. The reply is that techno-economic approval is accorded by Central Electricity Authority. I want a certification. What is the techno-economic approval, whether it means that the Government of Karnataka will get the Yelhanka DG sets on the basis of supply of credit. When private sector units are getting suppliers' credit, I fail to understand why Government of India is insisting that the State Government should not get suppliers' credit.

Then I want to have another clarification. So far as bilateral credit is concerned, I am told that it is insisted by Government of India that this credit should not be available to State Government when it is available to private sector.

I would like to know whether the DG set is cleared on the basis of suppliers' credit or

is cleared only on the basis of free foreign exchange.

SHRI VASANT SATHE: As far as suppliers' credit is concerned we have no objection to the State Government getting the suppliers credit. The Finance Ministry has certain reservations on policy matters. They have explained it to the Karnataka Government that suppliers' credit cannot be made available to the State Government as a Government.

SHRI VEERENDRA PATIL: But is is available to private parties. I cannot understand this point.

SHRI VASANT SATHE: You discuss it with the Finance people and get it clarified.

SHRI VEERENDRA PATIL : On a point of order.

MR. DEPUTY SPEAKER : No point of order.

SHRI VEERENDRA PATIL : You please allow me.

SHRI VASANT SATHE : There cannot be any point of order in the Question Hour.

MR. DEPUTY SPEAKER: Please allow him to reply. Then you speak.

SHRI VASANT SATHE : I took initiative in clearing this project nearly a year back. I have been pursuing it personally to see that Karnataka gets necessary clearances. Today, under the existing rules we are trying to see if we can have the suppliers' credit made available for Yelahanka gas turbine project through the Power Finance Corporation. If, of course, the rules have to be changed, they would have to be taken up. I am finding every possible way to help them.

SHRI V. S. KRISHNA IYER : In respect

of the Mangalore multi-fuel thermal station, if you see the conditions imposed by the Central Electricity Authority, it looks as though it will never come into being for many generations. They have put so many conditions. We were extremely happy when we saw in the newspaper that the CEA has cleared this project. But if you see the conditions, it look as if it is a dream. When the CEA gives clearance, it is presumed that they have considered all these aspects and then given clearance. From the beginning of the 7th Plan, this has been hanging fire. I would like to know, how long it will take for the Ministry to clear it finally. The hon. Minister is very energetic and sympathetic also. But we are concerned with the results. I would like to have a definite and categorical answer when you are clearing the project finally and whether the Government has posed it for Soviet assistance.

SHRI VASANT SATHE: As far as the results are concerned, the Karnataka Government has also to cooperate. It must not be an one-sided affair. Karnataka wants to have the cake and eat it too. They want the project, but do not want to put money in it. They want the Central Government to fund even the State projects. For Yelahanka earlier the State Government said that they would raise the funds, but they were not able to raise the funds. Therefore, now the ball is in our court. We have to find the money for them and that is why this delay. It is not as if we have not been trying to be helpful, but the State Government must also cooperate.

As far as the Mangalore project is concerned, I am glad to inform that we have already posed it for the Soviet aid. The agreement includes this. But again, all this is subject to clearance from environment and forest angles, railway siding, completion of the proposed damon Mulki river etc. Don't you think that the Karnataka Government has a role to play in this? Please try to persuade them.

SHRI MURLI DEORA : Though the question relates to the power projects in Karnataka, there are complaints from all the States that there are long delays as far as the clearances of the State power projects are concerned. One single reason that is causing the delay is the techno-economic feasibility report. In your own Department, while the CEA clears the project, the Department of power does not do that. Even if both of them have cleared, the NTPC again does the techno-economic feasibility. Why don't you have a system where all the clearances can be given under one umbrella, specially the techno-economic feasibility report? There are cases where the CEA and the Department of Power do not see eye to eye and there is delay of two-three years. Will you agree to stream-line this?

SHRI VASANT SATHE : Factually, this is not correct. The CEA is a part and parcel of the Ministry of Energy. CEA is the final authority as far as techno-economic angle is concerned. Once it is cleared by the Central Electricity Authority there is no further dispute between the Power department, i.e. the Ministry and the CEA. No time is lost in this. Factually it is not correct.

As I said, in the State projects certain things are required to be done by the States. They must find some money for these projects and to say that they do not have money will be actually funny because then they cannot have the projects, unless you say that for everything the money must come from the Central Government. But then there also we will have to give the money for every State. Where from the Planning Commission will get the money? Therefore, we must be clear that as far as the responsibility of the State is concerned, they must play their part. As far as the Central Government is concerned we will ensure that there will be no delays in the clearance of the projects.

SHRI K. RAMAMURTHY : Mr. Deputy

Speaker, Sir, I was listening very carefully to the Hon. Member Shri Veerendra Patil who has put forth this question. Sir, the crux of the problem is the Sivasamundran Power Generation scheme or the other schemes which have already been planned like the Hogonakkal Biligundu Power Project, are centering around the Cavery water dispute. Now, if your leader advises the Government of Karnataka to agree for referring the matter to the tribunal the problem will be solved. They were very generous to the Tamil Nadu and at the same time we were also generous to have allowed them to construct the tributaries and dams. Why I am saying this is because it is an inter-State water dispute and we should not bring the question of water into the politics. Sir, I would like to suggest that they should agree to have the Hogonakkal Biligundu Power Project at the same time the Tamil Nadu Government will agree to the Sivasamundran Power Generation Project. Unless you resolve this matter, it is very difficult to solve this problem. It has been delayed from 1971 onwards, and the entire thing is centering around the Cavery water dispute.

SHRI VASANT SATHE : Sir, the proof of the pudding is in the eating. I said there was a dispute and that it was being disputed by the Karnataka Government and now here is the Hon. Member from Tamil Nadu who says that there is a dispute. We only hope that the Government of Tamil Nadu and the Government of Karnataka will look at the question in totality and try to resolve the problem. We will use our good offices to help them.

Setting up of Power Plants and Import of Power Generation Equipment

*166. SHRI M.V. CHANDRA
SEKHARA MURTHY†:
SHRI BANWARI LAL PURO-
HIT:

Will the Minister of ENERGY be pleased to state:

(a) whether Government have decided to allow foreign companies to set up power plants in the country and import power generation equipment during the Eighth Plan Period;

(b) if so, what would be the impact of this decision on the indigenous power generation equipment manufacturers; and

(c) the steps proposed to be taken to protect the interests of indigenous manufacturers?

THE MINISTER OF STATE IN THE DEPARTMENT OF POWER IN THE MINISTRY OF ENERGY (SHRI KALPNATH RAI) : (a) to (c). The Eighth Five Year Plan has not yet been finalised. However, primary reliance in the matter of supply of plant and equipment for power development programmes continues to be placed on the indigenous manufacturers. Imports are resorted to only selectively and merits, depending on the totality of the circumstances, and the interests of indigenous manufacturers of power generation equipment are kept in view.

SHRI M.V. CHANDRASEKHARA MURTHY : Sir, the indigenous power generation equipment manufacturing industry fear that the bulk of the power generation equipment plants would be taken by the foreign companies as under the 8th Plan, under the bilateral credit, it was decided that 6300 MW is under the bilateral project. Therefore, I would like to know whether it is a fact that because of this the companies concerned have put a condition that the manufacturing equipments will have to be purchased from them; if so, the details thereof.

SHRI KALPNATH RAI : Import is being resorted to top external financial assistance or where equipment is not available indigenously due to technology constraints.