

# LOK SABHA DEBATES

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## LOK SABHA

Tuesday, November 25, 1980/Agrahayana 4, 1902 (Saka)

The Lok Sabha met at Eleven of the Clock.

[MR. DEPUTY-SPEAKER in the Chair]

### ORAL ANSWERS TO QUESTIONS

#### Raising Coal Production by 10 per cent

\*101. SHRI M. V. CHANDRASHEKARA MURTHY: Will the Minister of ENERGY be pleased to state:

(a) whether the Union Government had proposed and started certain schemes under which the coal production was to be raised by 10 per cent;

(b) if so, whether Government now feel that 10 per cent rate of coal is doubtful;

(c) if so, what are the main factors responsible;

(d) whether any strong measures are being considered to achieve this target;

(e) if so, to what extent Government are confident to overcome this problem?

THE MINISTER OF STATE IN THE MINISTRY OF ENERGY (SHRI VIKRAM MAHAJAN): (a) Since January, 1980; 20 new projects for increasing the production of coal have been sanctioned by Government. The average growth rate in coal production during the Sixth Plan is expected to be about 10 per cent.

(b) No, Sir.

(c) Does not arise.

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(d) and (e). A large number of new projects are being taken up for sanction to ensure that the targetted growth rate is achieved. With a view to removing other constraints, Coal Companies are taking action to instal captive power generation stations, introduce new technology to increase output from underground mines and increase production from large open cast mines. Priority is also being given for supply of other essential inputs such as cement, steel, etc.

SHRI M. V. CHANDRASHEKARA MURTHY: Mr. Deputy Speaker, Sir, as you are aware coal is a dependable source of energy in our country. Unfortunately, the coal production never stepped up since the industry was nationalised. I would like to know whether it is a fact that there is widespread dis-contentment among the senior executives during 1979-80 regarding some promotion of the mining engineers in Coal India Limited? If so, whether government is prepared to step up and streamline the administration?

SHRI VIKRAM MAHAJAN: Sir, so far as coal production is concerned it has gone up after nationalisation and is even now going up. As has been stated in the statement, we are going to achieve the 10 per cent growth rate and it is one of the best in the developing countries. Regarding officers' discontentment we are looking into it. A Committee has been appointed. They have given a report and we are considering it.

SHRI M. V. CHANDRASHEKARA MURTHY: Sir, the energy crisis has become an international phenomenon. So also oil. We depend on foreign countries for oil. In 1977 Chakravarti

Committee Consisting of country's top energy experts had submitted a report suggesting that we should have a plant to convert coal into oil. In this connection I would like to know from the Hon'ble Minister—

(1) whether the Government is prepared to accept the Chakravarti Committee's recommendations and prepared to set up the plant and, if so, the details thereon;

(2) how far the steel plants and steel production in the country during 1979-80 were relatively affected due to the short-supply of coal; and

(3) the total loss of power production in 1979-80 due to short supply of coal.

SHRI VIKRAM MAHAJAN: So far as the conversion of coal into oil is concerned, our Coal Department has prepared a project report and they say that it is possible for this country to produce about 5 million tonnes of oil from coal in the next 5 or 6 years. But that is for the Government to decide whether they want to go in for oil exploration or conversion of coal into oil. That is a decision Government has to take. But so far as the capacity is concerned, technology is concerned, we have got a report. It takes about 6 million tonnes of B-Grade coal to convert a million tonnes of oil and the project would cost about Rs. 1000 to 1200 crores. This is under consideration. So far as steel is concerned, one of the reasons why steel production, to a certain extent, went down was due to a little coal problem. But we have enough coal and the marginal requirement has been made up by improving coking coal. So production is not much affected because of coal itself. The loss of production is due to power. As far as coal is concerned, the loss is very marginal. No specific loss of production can be attributed to shortage of coal. In fact, we are surplus in coal. We have so much of coal that we have started open sale system. A new scheme has been started that you can go to the

mine and buy coal and there is no shortage of coal as such. Whatever shortage was there it was due to constraint in the transportation and that is because of the last 3 years we had not added enough of rolling stock. That is why we had shortage.

SHRI K. RAMAMURTHY: Sir, the Government has proposed certain schemes to increase the production of coal by 10 per cent. I would like to know from the Hon'ble Minister whether it is a fact, particularly in the Eastern Coal Field, that due to violence in the shape of trade unionism or anti-social elements the existing production itself has gone down. The other reason is that the Coal India Ltd. is also not having the fullest control over other coal fields. If so, what are the measures the Government is going to take about the violence which has rocked the Eastern Coal field? What are the steps the Government is going to take in order to have a grip by the Coal India Ltd. over the other coal fields?

SHRI VIKRAM MAHAJAN: So far as the other coal fields are concerned, we have a fair grip on the situation and in fact Coal production is going up practically in all our companies. So, there is no question of not having a grip. It is true that so far as the E.C.L. is concerned, there is labour problem and we have been asking the West Bengal Government Ministers to look into this matter and they have assured us to do the needful. But in practice the results are not very encouraging.

(Interruptions)

SHRI K. RAMAMURTHY: I have asked the Hon'ble Minister about the violence. He has not replied on that.

MR. DEPUTY SPEAKER: You must know that Shri Ramamurthy is a trade union leader.

SHRI VIKRAM MAHAJAN: Because of indiscipline in this region, there is violence also and we are facing that problem.

SHRI NIREN GHOSH: Sir, the Minister has given a very misleading answer. There are continuous news reports of the short supply of coal to the power plants and the steel plants. He says that he is surplus in coal production, while everybody in the country is saying that coal production is stagnant and it should increase in order to meet the demands of the economy of the country. He has, therefore, to explain his reply, specially in view of the fact that the colliery units and the management always complain to us of the short supply of power and consequently the coal production is declining or is stagnant. Further, inferior grade of coal, with foreign material, is supplied which leads to tube leakage and affects the functioning of the power plants. In view of this, will you please consider setting up captive power plants in the collieries so that we can meet this demand and also set up a number of coal gasification plants to meet the energy crisis?

SHRI VIKRAM MAHAJAN: So far as the question of captive power plants is concerned, the Ministry has already taken a decision to have captive power plants in our coal fields. It is under active consideration and we hope to import the necessary equipment very soon.

So far as the quality of coal is concerned, the hon. Member must appreciate that in the same mine, the quality of coal sometimes changes and as each power station is linked to a particular mine, it can happen at times that the quality of coal may go down.

As regards the quantity of coal, I reiterate the fact that the quantity required for power stations is enough and in fact, we are surplus. It is only in coking coal where the question of shortage arises. There is some little short supply and that has been made up by importing the same.

DR. KRUPASINDHU BHOI: We all want the production of coal in diffe-

rent coal fields to go up. But I would like to know whether the hon. Minister has asked the Research and Development Wing or whether they have any specific suggestion so that the mineable reserves of coal present in the country could be mined upto 60 to 70 per cent which is the international standard. At present, the recoverable percentage of coal in India is only 30 to 40 per cent.

Secondly, the hon. Minister has said that there is no difficulty of coking coal for the steel plants. But as far as my knowledge goes, the process of liquidification of coal in the particular mines of coking coal like Jharia and other fields, is facing great problems. Has the Hon. Minister got any specific plan in his Research and Development Wing to enhance the production of coal without expanding so much of coal fields?

SHRI VIKRAM MAHAJAN: So far as the Jharia and Dhanbad coal fields are concerned, I would like to inform the Honourable Member that, in fact, in November, we have achieved a break-through and production has gone up. It is more than what was during last year in November. So, in this region, the production is going up and it is better, compared to the last year. It is true that in this region because the mines are very old, gasification occurs in these mines, but, we have taken steps and the result is evident that very few accidents have occurred this year. This shows that enough precautions have been taken.

DR. KRUPASINDHU BHOI: My question has not been replied. My question is about the research and development so that we can extract coal up to 60 to 70 per cent out of the mineable reserves.

SHRI VIKRAM MAHAJAN: A Research Wing is set up and wherever we find any shortcomings, we have taken the help of Russian, Polish and Czechoslovak technocrats in this regard.

**SHRIMATI GEETA MUKHERJEE:**

The Minister has said that there are no difficulties with regard to coal. But the only difficulty is in regard to supply.

Is the Minister aware that all the subsidiaries of the steel that is, Steel Authority of India, are complaining about the coal that they are receiving, they say, anything black is called coal now and they have to accept anything black as coal. Is the Minister aware of that?

**SHRI VIKRAM MAHAJAN:** So far as the steel is concerned, it is true that earlier they were complaining, but now things have improved and, in fact, the production of steel has gone up by 40 per cent in Bokaro and similarly in other steel plants, the production is going up. Since October, things have been picking up.

**SHRI MADHAVRAO SCINDIA:** May I know from the Honourable Minister, Sir, whether Government is aware of very large-scale illegal exploitation of coal reserves in Dhanbad and surrounding areas where unscrupulous elements with the help of daily-wage workers and overseen by musclemen are indulging in this activity and generating a very large volume of black money? If this is a fact, is Government aware of it? What steps the Government proposes to take to stop it?

**SHRI VIKRAM MAHAJAN:** We have made enquiries. We have found that there is hardly any illegal exploitation but it happens at times that mines which have stopped working, which are called dis-used mines, some times they try to exploit them, but it is so nominal that it should not cause any concern.

*(Interruptions)*

**SHRI VIKRAM MAHAJAN:** Even nominal illegal exploitation is not allowed. I have already said that there are certain mines which have been closed down, they simply exploit;

their exploitation is nominal, even so we take notice of it.

**MR. DEPUTY SPEAKER:** He wants that there should not be any exploitation.

**THE MINISTER OF ENERGY (SHRI A. B. A. GHANI KHAN CHAUDHURI):** What happens is this. In the Supreme Court, the coal mining was declared illegal. But from our experience, we have seen that from time to time Calcutta High Court gives some sort of writ in favour of those who do this illegal coal mining. That makes it very difficult for us. We are trying to vacate this injunction order as quickly as possible.

**DR. VASANT KUMAR PANDIT:** The hon. Minister has assured the House that production of coal increased, with which we are not agreeing. However, is there any serious proposal which the Government is now considering to put domestic or soft coal and non-coking coal for free-sale through the public distribution system?

**SHRI VIKRAM MAHAJAN:** We have already opened free-sale of non-coking coal. About 3 to 4 lakh tonnes has already been sold. This experiment is on for the last one month. We want to check up whether it will help the economy or not. That is why we started this experiment. And so far as soft-coke is concerned, in Bengal area, the experiment has started. We have opened up dumps and we intend to start similar dumps all over the country so that the situation might ease.

**SHRI KUSUMA KRISHNA MURTHY:** In view of the constraints faced by the coal industry, I would like to know from the Minister whether there is any long term planning by the government to achieve self-sufficiency in coal production.

**SHRI VIKRAM MAHAJAN:** I have already said that we have

enough stock to meet the present demand of the country. (*Interruptions*).

MR. DEPUTY SPEAKER: I will take care of all of you.

SHRI VIKRAM MAHAJAN: So, basically we are self-sufficient and our five year plan projections are also in the same nature. It is only in the case of coking coal that there is some marginal shortage which we are making up by importing.

(*Interruptions*)

MR. DEPUTY SPEAKER: You will get a chance in the next question. Now, the next question.

#### Crude Blocked in Assam Pipeline

\*103. SHRI SATISH AGARWAL: Will the Minister of PETROLEUM, CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that 65,000 tonnes of oil are lying blocked in Assam Barauni pipeline for the last 10 months;

(b) whether it is also a fact that unless released this oil will freeze and cause heavy damage to the pipeline;

(c) if so, the steps being taken to have the crude cleared from the pipeline;

(d) what is the total value of the crude lying blocked in Assam pipeline and whether Government have made it clear to the agitators that it would be against the national interest to allow the oil to be frozen in the pipelines; and

(e) if so, their reaction in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM, CHEMICALS AND FERTILIZERS (SHRI DALBIR SINGH): (a) and (b) Yes, Sir. About 65,000 tonnes of crude oil had been lying blocked in Assam Barauni Pipeline for about ten months and unless flushed out this oil would have gelled with the onset of the

winter which would have caused heavy damage to the pipeline.

(c) Flushing out of the de-conditioned crude oil by freshly treated crude oil has been taken up and is continuing.

(d) and (e) The approximate value of the blocked crude lying in the pipeline was about Rs. 14.95 crores at international prices. The implications of the pipeline being damaged have been amply brought to the notice of all concerned. The reaction of the agitators has not been helpful.

SHRI SATISH AGARWAL: May I know from the hon. Minister whether it is a fact that an offer was made by the Oil Employees Association to help them in this particular nature provided the army was withdrawn; if so, when was this offer made and why did the government spurn this offer?

THE MINISTER OF PETROLEUM, CHEMICALS AND FERTILIZERS (SHRI P. C. SETHI): The offer is said to have been made to the Adviser there. But the offer is highly loaded and it will be very difficult to accept the offer as it is.

SHRI SATISH AGARWAL: Highly loaded by what? The offer was made by the Oil Employees Association themselves that they will do the job provided the army was withdrawn. So, the only demand from them was to hold a judicial enquiry into the death of some employee there. But I am not concerned, at the moment, with that. I am simply concerned with this whether an offer was made by the Oil Employees Association that they will do the job provided the army was withdrawn; if so when and why did the government spurn that offer?

SHRI P. C. SETHI: As I said, the offer was made to the Adviser there and the offer was loaded in the sense that it had certain conditions. "If the army is withdrawn" could be