

[Mr. Speaker].

recommendations have to be implemented expeditiously, he can always put questions here and draw the attention of the hon. Minister concerned. I am sure that will be done.

12.07. Mrs.

ELECTION TO COMMITTEE

INDIAN CENTRAL OILSEEDS COMMITTEE

The Deputy Minister of Agriculture (Shri M. V. Krishanappa): I beg to move:

"That in pursuance of clause(s) of section 4 of the Indian Oilseeds Committee Act, 1946, as amended from time to time, the Members of Lok Sabha do proceed to elect, in such manner as the Speaker may direct, one Member from amongst themselves to serve as a Member of the Indian Central Oilseeds Committee in the casual vacancy caused by the resignation of Shri Manikya Lal Varma subject to the other provisions of the said Act and of the Rules and Regulations made thereunder."

Mr. Speaker: The question is—

"That in pursuance of clause(s) of section 4 of the Indian Oilseeds Committee Act, 1946, as amended from time to time, the Members of Lok Sabha do proceed to elect, in such manner as the Speaker may direct, one Member from amongst themselves to serve as a member of the Indian Central Oilseeds Committee in the casual vacancy caused by the resignation of Shri Manikya Lal Varma subject to the other provisions of the said Act and of the Rules and Regulations made thereunder."

The motion was adopted.

12.08 Mrs.

INDIAN ELECTRICITY (AMENDMENT) BILL—Contd.

Mr. Speaker: The House will now resume discussion on the motion for reference of the Indian Electricity (Amendment) Bill, 1958, to a Joint Committee. Out of five hours allotted to this motion, 4 hours 23 minutes have already been availed of and 37 minutes now remain. Shri Mulchand Dube may continue his speech. After him, I shall call upon the hon Minister.

Shri Mulchand Dube (Farukhabad). Mr. Speaker, Sir, yesterday afternoon I said that electricity was going to play a very vital role in the development of our country. It is true, as stated by the hon. Minister, that in 1910 only 18,000 kw. were produced and that in 1958 the amount produced was 28 lakhs. This is certainly a very great progress, but even so, unless this progress is maintained, and we produce electricity a thousand fold of what we are producing now, we shall not be able to carry electricity to every village in the country, and the day will be far off when every oil lamp in the remotest village will be replaced or substituted by an electric light.

So far as the industrialisation of the country is concerned, I submit that electricity is the only power which can be transmitted over thousands of miles and used at even a very distant place by merely pressing a button. I find in my State of Uttar Pradesh that most of the towns and town areas or notified areas and municipalities are being electrified. This may, to a certain extent, solve the unemployment problem of the urban area. But, I submit, this is not enough. Efforts should be made to make the country and the people machine-minded. And so long as this is not done and so long as the factories are not established in these towns and people are not educated in the right

use of electricity the progress will be bound to be very slow. Whatever is being done to improve the food position, by the village level workers and other workers who go to the villages and tell the villagers how to proceed with the cultivation, ploughing of land, utilisation of better seeds and implements etc. The same thing should be done in the towns also so that people, instead of looking for government jobs, may be able to see that the use of machines with electric power is going to be more beneficial to them and more profitable to them monetarily than government jobs. This I submit is very necessary and the hon. Minister should look into this matter and see if anything can be done to educate the people in the use of machines so that the production of industrial goods may increase the wealth of the country.

For that purpose it is also necessary that electricity should be made as cheap as possible so that it may be within the reach of the poorer people. It may be that the Government may think that it is not profitable or does not pay to make it cheap but since we are not paying unemployment doles to persons who are unemployed we might give them electricity even below the cost price, below the price at which it is produced. There is no harm in doing so and, I think, the country will be benefited in the long run by doing that.

The hon. Minister pointed out that he has extended the facilities to the consumers. But if these facilities are examined, it will be found that they are more or less illusory. The first facility that has been pointed out is that the consumers are given the same rights against the government as they had against the licensee. Even though there may have been no provision in the law with regard to grant of rights, my submission is that the general law was applicable and the State Governments would have been still liable to the same extent as any private

licensee with regard to the right of the consumer. So, this facility that is sought to be given to the consumer is not of much value.

The second facility that is sought to be given is that instead of the minimum of six which was required to enable the consumers to get electricity the number has been reduced to two. This again amounts to giving by one hand and taking it away by the other. Because, the consumers or would-be consumers would be liable to a charge of 15 per cent of the cost of the laying of mains in that area. So this facility is worth nothing.

The third facility that is sought to be given is that the tenants are entitled to take electric connections even without the consent of the landlord. This also, I may submit, is illusory. There will be very few tenants who will be able to spend money that is required for getting electric connection at their own cost because there is no provision in the Act that the cost will be borne by the landlord. If the landlord is not to bear the cost and the tenant has to bear it, he cannot do it because his occupation is of a precarious nature and he can be evicted any day. So only such tenants as are in occupation of the premises for a longer time like 10—16 years will be able to derive advantage from this concession. So, I submit, that so far as the concessions that have been announced by the hon. Minister are concerned, they are more or less illusory and are of no practical value.

Then, some hon. Members yesterday raised objection that the Government has not announced any policy with regard to nationalisation of this industry. My submission is that that policy is there to a certain extent. In my own State at least, if a particular town is to be electrified the electricity board or the municipality or the State Government try to take it up and it is only if they are unable to do so that a licence is given to a private

[Shri Mulchand Dube]

person. In respect of old licences also the same procedure is prescribed in the Bill. Therefore, so far as the question of nationalisation is concerned, it is there in the Bill and does not, in the present circumstances, require any greater stress.

Then, it has been stated that preference has been given to government with respect to supply of electricity as against an individual. But this objection has no validity because government work is a public work. So, public utility concerns should be given preference as against the rights of an individual. That has been properly put in the Bill.

The third objection was about the preference to be given to the government at the time of revocation of the licence. That also, I think, is as it should be. With these words, I support the Bill.

The Deputy Minister of Irrigation and Power (Shri Hathi): Mr. Speaker, I am really grateful to the hon. Members who partook in the discussion, for the keen interest they have evinced in this measure. Some of the hon. Members have put in very useful and constructive suggestions. Members that took part in the debate have touched a number of subjects, beginning from the policy of nationalisation right to the defects in the preparation of bills, checking of meters and various other details of administration. They have also dwelt upon the question of power generation, importance of power for the country, the new projects to be taken up etc. It was also mentioned by some hon. Members that projects like Sharavati and Barauni should be completed and all the power projects should be included in the core of the Plan. Some of them referred to the function of the State Electricity Boards, representation of the consumers and the labour working in the electrical industry etc. Some hon. Members also referred to the rate

structure and also the facilities to be given for irrigation and small-scale industries.

One hon. Member also touched the question of utilisation of power from Hirakud. This all shows the keen interest that hon. Members take in the generation, supply and distribution of power—electrical, of course—and the need for adding to the power potential of the country.

12.20 hrs.

[SHRIMATI RENU CHAKRAVARTY in the Chair.]

It is very natural that in the present age when electricity has been put to various uses for the benefit of the community, hon. Members show that keen interest that they have shown. But, Madam, as I have mentioned in my opening observations, the scope of this Bill is different than the other legislation which this House has passed only a couple of years back, viz., the Electricity Supply (Amendment) Act of 1956. Anyway, whatever has been said on the floor of the House only helps the Government in taking into consideration the viewpoints of this House on the various subjects though they were not absolutely relevant to the present measure. But, in spite of that all that has been said will certainly be duly considered whenever occasion arises for another amendment to another Act.

So far as the present Bill is concerned, as Shri Mathur rightly pointed out, the question of the Boards, the question of policy etc. were not the subject matter of this measure. This is a Bill which only aims at laying down the terms and conditions of the licence, when it could be revoked in case it has to be revoked or it has to be purchased, what should be the priority arranged and the facilities which the consumer should get, the rights and obligations of the consumers and the power of the State

Governments with regard to distribution and supply of electrical power

I shall now come to the various suggestions and observations which have been made by hon Members. At the very beginning I may say that my attitude, at least, and the Government's attitude to these suggestions will not be a rigid one. I will approach them with an open mind. There were certain suggestions which I think have sufficient force behind them. I think, they are reasonable and the Joint Committee will consider them and the Government will approach them with an open mind.

I shall now deal with the individual points raised by hon Members. Shri Bharucha with his deep study of the subject and the experience he had in Bombay State has made some very useful suggestions and I think they deserve all consideration. The first point that he touched was the provision of the amendment under clause 11 which gave tenants a right to have electrical installations in the premises without the consent of the landlord. He pointed out that perhaps this amendment may not serve a useful purpose. It may be that under the terms of the lease there might be certain restrictions imposed on the tenant and if the tenant violates that agreement or if there is a breach of that agreement the landlord may have the right to eject the tenant. It may also be that with this new amendment even the landlords may try to get a clause inserted that the tenant will not get any electrical installations installed without his prior consent and a tenant, who is in need of a tenant or a house, may at that time under force of necessity be compelled to agree to those terms and conditions. It may be so. I fully visualise these contingencies and it is, therefore, thought and I also feel that if this clause is not sufficient we might consider what other provision would safeguard the interests of the tenants so that this particular facility which the Government wants to bestow upon

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the tenants would not be circumvented by these agreements and I hope we shall try to find out if there is any possible solution which could give the benefits which are envisaged in the present amendment.

The other point that he and several other hon Members, including Pandit Thakur Das Bhargava, raised was that under the amendment we are providing that instead of six persons minimum required to sign a requisition for getting electric supply even if a requisition is received under the signature of two persons the licensee will have to give electric connections to those consumers. The point that was raised was that the reduction of the number from six to two was quite good but it should be reduced to one instead of two. That was one point.

The other point was that when the two persons apply for an electric connection they have to give a minimum guarantee of an income of 15 per cent to the licensee. On this point I may explain that this 15 per cent is 15 per cent of the additional cost which the licensee would have to incur. Now, the 15 per cent is worked out from various sample checks. It is not that the two persons will have to go on paying or guarantee the payment of 15 per cent all the time. It is only for the first two years. But then a point was raised that suppose after these two persons some other people also applied and took electric connections should the burden be borne only by the first two people and should it not be borne by others also who enjoyed the benefit from this transmission line. I think it is proper that the other people also who take advantage of these lines should bear the burden and they must also contribute, that is, give a minimum guarantee. It does not mean that they have to deposit the amount. It means that the gross income which the licensee gets should be 15 per cent of the total cost. If more than two persons join, the position will be that the income of the licensee from that locality will be increased and to

[Shri Hathi]

that extent the burden on the first two will decrease. If whatever deficit there is in the 15 per cent is to be borne only by the two and not by a third person, I think we may provide that within two years all the new consumers also should bear any deficit to the company. This 15 per cent is not the actual money deposited. It is only a provision that whatever income is derived should not be less than 15 per cent of the total cost. It should not be borne by two as was pointed out by hon. Members; it should be borne by others also who subsequently join. I think there is reasonable force behind what they have stated. This will be put before the Joint Committee that if subsequently other consumers join, they should also proportionately bear the cost.

Then, the question was, why 15 per cent, is it not too much. Fifteen per cent is not actually the net income which they have to get. Fifteen per cent is the gross income. On a sample check it was found that out of the 15 per cent, 7 per cent would be the cost of generation for that particular area, 1.6 per cent would be the cost of maintenance, 2.5 per cent would be the cost of repairs and 6 per cent is the profit which has been given in the 1948 Act. The net profit to the licensee would be only 6 per cent. The remaining will be the cost of maintenance, repairs and the cost of energy.

Shri Naushir Bharucha (East Khadesh): That also becomes part of the profit.

Shri Hathi: It comes to 17.7 per cent when worked out. We shall further work out and examine if this could be reduced. The idea is that power should be given at a cheap and economic rate and that it should not be a burden to the consumer. Within the restrictions and these limitations, while seeing that the licensees do not make much profit out of proportion, and they only make a reason-

able profit after deducting their cost for maintenance, repairs, etc., the consumers should not be burdened with a heavier rate or deposit or guarantee. We shall further look into that and see what will be the reasonable amount and we will have no objection to consider this matter also.

The further point that was raised about the broad question of policy by Shri Naushir Bharucha was the question of nationalisation. As the House perhaps knows, when we passed the Act of 1948 and when it was again amended in 1957, in that Act we have laid down what actually the Government aims at. What it aims at is as it has been stated in the preamble of the Act of 1948:

"Whereas it is expedient to provide for the rationalisation of production and supply of electricity, for taking measures conducive thereto, electrical development and for all matters incidental thereto".

The policy that the Government is following is very clear and very specific in this respect. While we want that the generation and power supply in the public sector should go on increasing, the Government would not like that the efficient undertakings which are working should be taken up and we should spend money only in acquiring those efficient undertakings which are functioning well. On power generation, the House would be interested to know that the installed capacity has been increasing in the public sector from year to year. Before the beginning of the First Five Year Plan, in the public sector, the installed capacity was .6 million kw. As against that, in the private sector, it was 1.1 million kw. At the end of the First Plan, in the public sector, it went up from .6 million to 1.4 million kw., while in the private sector, from 1.1 million, it only rose to 1.3 million kw. At the end of the Second Plan, the public sector will have 4.3 million kw. from 1.4 million, while the private sector

will have, from 1.3 million kw, before the Plan only 1.5 million kw. That means that the generation capacity in the public sector goes on increasing. On the distribution side also, the Act of 1948 provides that wherever the licensee is not running the station properly, the Boards will have power to declare that station as a controlled station and then, they have to work according to the directions given to those undertakings by the Boards. In case they fail to act according to the directions, the Boards have got power to acquire those undertakings. That means, they will come under the direct jurisdiction of the Board. They will be managing it. That means, gradually, we will be diminishing or decreasing the private enterprises that are not functioning properly or not functioning well

Not only that. In cases where Boards were not formed, special legislations were also passed in certain States Madras, Andhra, Travancore-Cochin. Before Boards were formed in those States, they wanted to take over those undertakings which were not functioning properly by special legislation and those States were empowered to take over those undertakings. Even in the case of those undertakings which, before their term of expiry, are not functioning properly, the Act of 1948 gives power to the Board to acquire those undertakings, of course, on payment of reasonable compensation. That means that the policy which the Government has in view is a very specific and clear policy. We go on increasing the public sector. We go on taking the undertakings which are not functioning efficiently and which are not economically run. But, whether it will be wise to take over efficient undertakings, which are run economically and which are giving all benefits and satisfaction to the consumer, whether we should spend our money in acquiring those undertakings rather than in spending the same money in further generation of power in the country, has to be seen. The views expressed by the Members of the House also

were divergent. Some of them were in favour of nationalisation, while many were against it. The majority view seems to be that wherever the undertakings are doing good work, they may be allowed to continue; wherever they are not doing good work, the State Boards may take them over, but we should not go on spending money on acquiring all the undertakings at a time

The third point which Shri Bharucha mentioned was about administrative details—that is, the bills are sometimes inflated, they are not sent from month to month, the replies are not given in time, there is much delay, testing of the meters etc. Generally, the licensee is interested in sending monthly bills and recovering the money month after month

Shri Naushir Bharucha: These are sent monthly, but the meter-readers are not reading meters every month.

Shri Hathi: Generally they are interested in sending out the bills every month so that they can recover the money also every month. They would not be interested in letting the money lie with the consumer. So, under the rules it is provided that it should be done from month to month. I know in certain cases, in villages far away, some stations do not have sufficient staff, and they ask whether they can do it every two months instead of every month, but the rules are there. But the point about meters is important

Wherever consumers want to have their meters, they are at liberty to have them, they can do it. Where the consumer finds that the meter of the licensee is not working accurately or properly, or there is something wrong, or the reading record is wrong, then they can get it checked, but section 28 of the 1910 Act provides that if any party is dissatisfied it can appeal to the inspector or any other officer appointed by the State Government in this behalf. He will look into the matter and decide the question.

[Shri Hathi]

The other point that he raised was about giving priority to the representation of licensees and consumers on the Central Electricity Board. As I said, the Act of 1948 really is an Act which deals with the formulation of policy in regard to power generation and distribution. There we have a provision for having State Electricity Councils. Section 16, which is the relevant section, states that the consumers, labour and almost all the various sections of society are to be represented on that State Electricity Council. The section provides that the Government concerned may appoint it after consultation with representatives or bodies representative of the following interests, viz., local self-government, electricity supply industry, commerce, industry, transport, agriculture and labour employed in the electricity supply industry. On that Council which is really going to do useful work, all these interests are to be represented. The consumer is represented.

Shri Naushir Bharucha: The interests of the consumer and the industry are often hostile and conflicting.

Shri Hathi: You say consumer. For example, the agriculturist would be a consumer.

Shri Naushir Bharucha: I am talking of the lakhs of consumers in the cities.

Shri Hathi: Then people interested in transport are also consumers; then the labour employed, people working in industry, people in commerce are also consumers. If we were to add "general consumers", how would it be possible to distinguish them? A consumer is either an agriculturist or a businessman. Maybe some people may not come within it; of course, I do not want to name that particular profession, but they could not be named here as such, or any particular profession, but generally, agriculturists in the villages, people interested in commerce, people in

industries, in transport, would be consumers. Then, the local authorities have also to send their representatives. So, they can send some general consumers. That provision is there in the Act of 1948. That is really the Act which deals with these questions.

The next point which Shri Bharucha raised was why Government establishments should be given preference. It was not Shri Bharucha alone, some other Members also raised that point. The new amendment that is sought to be made says that the State Government may issue instructions if in its opinion it is necessary in the public interest to do so. The first requisite or condition would be that the State Government should come to the decision that it is in the public interest. Clause (b) is very clear. It says, "any other establishment notified by the State Government in the Official Gazette, being an establishment which in the opinion of the State Government, is essential to the life of the community". I think clause (b) is very clear and there should be no objection to that particular clause, because there the Government is empowered to issue instructions to the licensee to supply power to only such establishments which are notified in the Official Gazette as establishments which in the opinion of the State Government are essential to the life of the community.

So far as the new section 22A(1) (a) is concerned, it provides: "any establishment belonging to, or under the control of the Central Government or the State Government", but in that case also the condition precedent is that in the opinion of the State Government it should be in the public interest to do so. Supposing, electric connection is wanted for a particular office of the State Government or a house of a particular officer, this clause should not come into operation. Suppose there is a hotel as Pandit Thakur Das Bhargava or somebody

else stated, or a commercial concern of Government, would it be covered by clause (a) if it does not fall within the definition of an establishment essential to the life of the community? I think we would consider this suggestion and see that this clause (a) is not used for giving power connections to officers or to houses where it is not actually in the public interest or not required for State purposes. I keep an open mind. I see the reason behind it. Before the Joint Committee, we might consider these particular suggestions. As I have said, so far as very useful and constructive suggestions are concerned, I do not keep any rigid attitude. I am always having an open mind, and it is with that openness that I am approaching this subject. So, we shall consider this point also.

Shri Narayanankutty Menon mentioned about the lack of policy on the part of Government. As I said, the purview of this Act is not the formulation or the declaration of any policy. In the 1948 Act, we specifically laid down what we meant to do; not only has it been stated, but it has been followed up in action; and I have just now given figures to show that what we are doing is in furtherance or in implementation of that policy. So, there is no question of lack of policy.

I could not really understand when he read out a letter written by some branch office of some foreign company, and said that according to their assessment, the potentiality for power generation in this country would be so much by a particular year. I do not know what the hon. Member meant thereby to say. Perhaps, he suggested that our policies were being dictated, or were being guided by what those people said. I say, not in the least. We formulate the Plan. We take into consideration the needs of our country; we consult the various sections of the community; we put the Plan before this House, and it is discussed here.

We assess the needs of the country. In fact, when the Second Plan was formulated, the Ministry of Irrigation and Power in consultation with the Ministries of Commerce and Industry, Railways, and others, and the business community, arrived at an assessment as to what the power needs would be, and that was that 4.5 million k.w. of additional capacity would be required. Subsequently, however, having regard to the various limitations and restrictions, financial and others, it was curtailed to 3.5 million k.w. But the assessment was made by the people of the country, and not by any outsider. The Plan was formulated by the people of the country, and it was approved by this House. And it is that which is being implemented now. And if they only quote a figure as to what is going to happen at the end of the Second Plan, perhaps, it may be from the published document, The Planning Commission's report is a published document. They may be able to get all information from that. They may also be able to find out at what rate the country will develop; having regard to the fact that before the First Five Year Plan, the power generation in the country was so much, and at the end of the Plan it went up from 1.7 million k.w. to 3.4 million k.w. and at the end of the Second Plan, this country is going to generate 6.9 million k.w., they may well say that in the Third Plan, it is likely that we may do 5 million k.w. more. But that does not mean that the policy is being dictated or that Government are being guided by any such bodies.

Shri Narayanankutty Menon: On a point of personal explanation. What I said has been misunderstood. I did not say that Government were being dictated to by these companies. What I wanted to draw the attention of the Minister was that that company was one of the biggest financial interests in Great Britain; they are having their own assessment as far as power is concerned. Almost all the foreign exchange, as far as this

[Shri Narayanankutty Menon]

is concerned, comes from Great Britain, and that company has got a great voice in that. Therefore, simultaneously with your planning on the one side, on the other side, the other interests who really control foreign exchange, as far as credit is concerned, are planning in a different way. I pointed to that document only in order that the hon. Minister may know how they are planning, and may take notice of it.

Shri Hathi: I am thankful to the hon. Member.

Then, a point was raised about the compensation to be given. The fair market price has to be judged. Now, there are two sides of the question. It may be the book value, or it may be the fair market price. Two years before, the position was that the prices were falling. In many of the projects, we have been able to save lakhs of rupees, because the prices were coming down. If, at that time, we had mentioned that only the book value should be given, then, even though the prices would have gone down, we would have had to pay the book value, that is, even in case the market price had gone down. In fact, it did come down a couple of years back. So far as the market value is concerned, if the machinery has worked for 20 years, then there will be depreciation, and the depreciation will naturally be deducted from the utility of the machinery, and the price will be fixed accordingly. It is true that at present the price of the equipment has gone high, but it may be that five years hence, the market price may come down. If we only put book value, then irrespective of the market value, we have to pay the book value as it is. But if it is market value, it will mean that we shall be able to take into consideration the present condition of the machinery, the present state of the equipment, the years of life prescribed by the manufacturers for that machinery,

the number of years for which it has worked, and so on; then, the depreciation could be deducted, and whatever remains would be the fair market price.

Shri Naushir Bharucha: Whichever is less can be mentioned.

Shri Hathi: So, there are two ways of looking at this.

Shri Narayanankutty Menon: What is the difficulty in putting 'whichever is less'?

Shri Hathi: There is no question of any difficulty. I am only saying what I feel about it. But there also, as I said, I am not going to take any rigid attitude. We shall leave it to the Joint Committee and place it before them. I do not take any rigid attitude in regard to this. Wherever I have to say that this is what the policy is, I have said it by saying that this is the policy. Where I want to say definitely I do put it definitely. But where I feel that the matter has to be looked into, I plainly say that we shall look into it. There is no question of any difficulty, so far as I am concerned.

The question of bonus was also touched by the hon. Member. I do not understand his difficulty in this respect. There was difficulty before the amendment of 1956. And as you, Madam, know very well, the item of payment of bonus was not included in the items of expenditure permissible under the Act, and therefore, the companies did not give bonus, for, this was no an item of expenditure permissible. The rate structure of this Act is that all the licensees are allowed to make only a reasonable profit, which was 5 per cent previously; but now, it is two per cent above the bank rate, whatever the bank rate is; that comes to 6 per cent. If the bank rate is 3 per cent, then it comes to five per cent.

In calculating this, there were certain items which were to be considered as items of income; certain items which were specified as items of expenditure. And income minus expenditure should not exceed six per cent or five per cent. The companies refused to pay bonus because they said that it was not an item of expenditure; therefore, whatever be the difference would be deducted from the 5 per cent profit. There was that difficulty. The matter went to the appellate tribunal. We took into consideration the real difficulties of the workers, and we thought that they should not be deprived of what is due to them. So, an amendment is being made whereby bonus has been made now an item of expenditure, so that the workers can get it. Subsequent to that, if there is any difficulty—it has not come to my notice that any difficulty has arisen—it will be considered. Shri Naval Prabhakar mentioned about a particular licensee company in Delhi, I have made enquiries.

13 hrs.

Shri Naval Prabhakar (Outer Delhi—Reserved—Sch. Castes): I said Narela.

Shri Hathi: He is not actually a licensee, but belongs to another category known as the sanction holder. The Chief Commissioner is looking into it with a view to seeing if he can revoke the sanction; that is being considered by the Delhi Administration.

Then I come to the points made by another hon. Member, Shri Mahanty. He pointed out that boards have not been formed in all the States; he also wanted to know the States where they have been formed and those where they have not been. Boards have been formed in all the States except, the Punjab, Orissa, Uttar Pradesh and Andhra Pradesh. These are the only four States which have not formed

boards. They are taking steps for their formation. There are, however, certain legal difficulties as to whether a joint project could be entrusted to a board or not. That is being looked into.

Then he mentioned about the utilisation of power from Hirakud. This is really not a matter relevant to this Bill, but I would like to deal with almost all the points made by hon. Members, if I am permitted to do so. He said we are not generating power to our capacity. It is true that we are not generating to the maximum. That is because upto December 1958 we have booked power almost to the full. For example, the steel factory which is coming up at Rourkela requires 60,000 kw.; the aluminium factory immediately wants power of 55,000 k.w.; the railways require 25,000 k.w.

Mr. Chairman: May I point out to the hon. Minister that he has already exceeded his time-limit by fifteen minutes. I do not wish to shorten his speech, but I would request him to answer only those points which are relevant to the discussion.

Shri Hathi: I Shall do so. There are not many points left, because they were all repetitions. I will only touch on one point, that is, the question of rates for irrigation and industries. There the important factor to be considered is that under the 1948 Act the licensees are not permitted to make more than what is said to be a reasonable profit, that is the bank rate plus 2 per cent. which comes to 5 or 6 per cent. They cannot make more profit than this. Before the amendment of 1956 there were various loopholes which they took advantage of and they were able to make big profits. We have blocked all those loopholes and now no company can make more than 6 per cent profit. If there are any cases where companies are still making profits beyond this that can be enquired into, but that is not really within the purview of this measure.

[Shri Hathu]

As for irrigation the Agriculture Ministry and the State Governments give subsidy. If the cost of generation of a thermal station licensee is four annas or more, we cannot compel him to supply electricity at two annas a unit. He cannot work at a loss. But the State Governments give subsidy and the Agriculture Ministry has issued instructions that subsidy should be given to the cultivator if the rate is not economical. Anyway that does not fall within the purview of this measure and would come under the Act of 1948.

That leads me to the end of my speech. I think I have replied to all the points that have been raised.

Pandit D. N. Tiwary (Kerala)
What about Barauni?

Shri Hathu: Barauni and Shervani are not within the purview of this Bill and the Chairman has asked me to touch only the relevant points.

Shri Dasappa (Bangalore) Mr. Chairman, we do not wish to force his hands, but if he is inclined, we shall be very grateful if you can kindly permit him a few more minutes.

Mr. Chairman: It is not a matter of a few more minutes. It is already 20 minutes past time and the next Bill is a very debatable Bill, as hon. Members know.

Shri Dasappa: Anyway that would not conclude today.

Mr. Chairman: It will not end today, but the House has already accepted the findings of the Business Advisory Committee and the particular points which are being replied to now are not relevant to the Bill.

Shri Dasappa: He had come to the most crucial point.

Mr. Chairman: I can understand the anxiety of the hon. Member, but I

wish to point out that they are not relevant to the Bill under discussion. They are not strictly within the purview of the Bill; therefore, I should think it better that he concludes now.

The question is.

"That the Bill further to amend the Indian Electricity Act, 1910, be referred to a Joint Committee of the Houses consisting of 45 members, 30 from this House, namely Sardar Hukam Singh, Shri Pendekanti Venkatasubbiah, Shri Vinayak Rao K. Koratkar, Shri Maneklal Maganlal Gandhi, Shri Chandramani Lal Choudhry, Shri Shree Narayan Das, Shri Shivram Rango Rane, Shri Ramappa Balappa Bidari, Shri K. R. Sambandam, Shri M. Ayyakkannu, Shri N. K. Pangarkar, Sardar Amar Singh Saigal, Shri M. G. Ukey, Shri Abdul Latif, Shri Pulin Behari Banerji, Shri Bhagwan Din Misra, Shri Ram Shanker Lal, Shrimati Krishna Mehta, Shri S. Hansda, Shri Diwan Chand Sharma, Shri G. D. Somani, Shri T. K. Tangamani, Shri P. K. Vasudevan Nair, Shri Shradhakar Supakar, Shri Ignace Beck, Shri Purushottamdas R. Patel, Shri Baishnab Charan Mullick, Shri Premji R. Assar, Shri Braj Raj Singh, and Shri Jaisukhlal Lalshanker Hathu and 15 members from Rajya Sabha,

that in order to constitute a sitting of the Joint Committee the quorum shall be one-third of the total number of members of the Joint Committee,

that the Committee shall make a report to this House by the first day of the next session,

that in other respects the Rules of Procedure of this House relating to Parliamentary Committees will apply with such variations

d modifications as the Speaker may make; and

that this House recommends to Rajya Sabha that Rajya Sabha do in the said Joint Committee and communicate to this House the names of members to be appointed in Rajya Sabha to the Joint Committee.

The motion was adopted

6 hrs.

PARLIAMENT (PREVENTION OF DISQUALIFICATION) BILL

Mr. Chairman: The House will now up the Parliament (Prevention of Disqualification) Bill, 1957, as reported by the Joint Committee. As the House is aware fifteen hours have been allotted for all the stages of the Bill. I would like to take the sense of the House as to how these fifteen hours should be distributed among the various stages of the Bill.

Shri Naushir Bharucha (East Punjab): I suggest that ten hours be devoted to the First Reading and ten hours for the clause-by-clause consideration as well as the Third Reading.

Shri Morarka (Jhunjhunu): Twelve hours may be devoted to the First Reading. There are only one or two important clauses, so clause-by-clause consideration will not take a long time.

Shri Dasappa: We can devote twelve hours for the consideration stage and six hours for the other stages.

Pandit Thakur Das Bhargava (Bihar): I would like to suggest that we should not take any specific decision about the time on the basis of the number of amendments, because

more amendments will be coming. We did not expect that this Bill would be taken up today. So many more amendments will be coming and we must give more time to amendments because they are very important. The general principles have been discussed many times, but with regard to specific amendments full time should be given.

Shri A. C. Guha (Barasat): There is only one operative clause on which amendments are usually tabled.

Mr. Chairman: And the Schedule also.

Shri Dasappa: Shri Guha's amendments are formidable ones, though they may look very brief. I should think the House would do well to discuss those.

Shri Morarka: That is not an amendment to the clauses.

Shri Dasappa: Therefore, more time should be devoted to the consideration.

Pandit Thakur Das Bhargava: So many items have been mentioned in the Schedule, there will be specific amendments with regard to those also.

Mr. Chairman: I have looked into the Bill and feel that there will be a large number of amendments which will have to be considered very carefully by the House, as such, a certain amount of time will have to be allocated for the Second Reading. Shri Arun Chandra Guha's amendments will come in the consideration stage, although I believe one of them may not be within the purview, because under Rule 341 as yet nothing new has been suggested to warrant a second Joint Committee. In any case a whole review of the matter is going to be suggested by various Members. Therefore, this aspect should have