

**SHRI HANUMANTHAIYA:** Yes, the hon. Member is right. This is not a Matter for the State Governments. It is our property and we file cases, we get the lands vacated. Only we take the help of the State authorities.

**SHRI DINESH CHANDRA GOSWAMI:** Encroachment on railways has virtually become a national problem. There are cases of *bone fide* and *mala fide* encroachment. Therefore, will the Government make a comprehensive policy as to the case in which they will prosecute the encroaching persons without any mercy?

**SHRI HANUMANTHAIYA:** I do not know what the hon. Member means by *bone fide* encroachment. Encroachment cannot be *bone fide* in the very nature of things. But I will pursue his other suggestion.

**SHRI B. R. SHUKLA:** May I know if any prosecutions have been launched either under the Railways Act or under the Indian Penal Code against persons who have trespassed upon railway property?

**SHRI HANUMANTHAIYA:** Yes, Sir.

#### Reduction in Electricity rates for Small Scale Industries

\* 1234. **SHRI S. M. BANERJEE:** Will the Minister of IRRIGATION AND POWER be pleased to state:

(a) whether there is any proposal to reduce the electricity rate for the small scale industries on all-India basis; and

(b) if so, the nature of the scheme chalked out in this connection?

**THE DEPUTY MINISTER IN THE MINISTRY OF IRRIGATION AND POWER (SHRI B. N. KUREEL):** (a) Not at present Sir.

(b) Does not arise.

**SHRI S. M. BANERJEE:** May I know whether he is aware that certain small scale industries especially situated in the eastern districts of U. P. are suffering because of the high rates of electricity whereas people like Birlas have been given electricity at a rate which is less than the production cost?

Is there any proposal to have uniform rates of electricity both for men like Birlas and for the peasants and the small scale industries?

**THE MINISTER OF IRRIGATION AND POWER (DR. K. L. RAO):** The tariffs are different according to the type of load. An organisation which consumes a large amount of load and has 100 percent load factor every day of the year gets a rate which is much less. For example, the aluminium industry can never bear the same rate as the small scale industry. That is because the small scale industries consume a smaller amount of power. Similarly, the domestic rate is still higher than the rate for small scale industry. Therefore, each type of load has got a different rate, and for the small scale industry it varies in the country from 10 to 21 paise. U.P., unfortunately, happens to be one of the States which has got a high rate for the small scale industry. Of course, it is very desirable that it should be brought down, but to equate it with a large industry like the aluminium industry or the fertiliser industry and to charge them at the same rate as the small scale industry is not possible.

**SHRI S. M. BANERJEE:** Apart from the high rates of electricity, there is a tremendous shortage of electricity in the State of U.P., and other States also. Even Punjab is suffering because of this. So, I would like to know what Positive steps have been taken by the Centre to help the Government of U.P., and other States to see that the shortage is properly met.

**DR. K. L. RAO:** It is true that there is shortage of electricity generally all over the country, and it is very regrettable. So, we have drawn up a plan for the decade, as to what should be the power in 1981, so that there should be no shortage, because any electrical power station takes six to eight years to be commissioned after the sanction of the project. Therefore, we have got to look ahead, and that is what we have done. Our present installed capacity is about 16.5 million kw., and we have planned to reach 52 million kw. in 1981, and if we can get that, there will be no shortage in the country. That is what we are planning for.

**MR. SPEAKER:** The original question was about reduction of electricity rates.

Now it has gone to production and k.w. and all that. The questions and replies are going out of control.

**SHRI JAGANATH RAO:** May I know whether it is a fact that the Central Water and Power Commission has issued a directive or recommendation to the State Electricity Boards that they should earn a 11 per cent dividend in these projects, and therefore they are not able to reduce the power rates for the small scale industries or the new industries which are coming up ?

**DR. K. L. RAO:** Yes, Sir. Electricity undertakings should earn that as a minimum. It includes interest charges at six per cent, depreciation and so on, plus a profit element of three per cent, making a total of 11 per cent. That is the rate that is required because power projects are highly capital-intensive, and that is also the promise we have made to the people who give us loans like the World Bank. Therefore, that is what we aim at. Not that we are getting 11 per cent today, but in the course of two years gradually, 11 per cent must be there. And the only way in which we can reduce the rate will be by introducing greater economy measures and bigger sizes of the power plants. At the moment, we are having something like 2 to 3 megawatts size sets also. We should have 200 to 300 megawatts; that is, big-size machine and big size power houses. That is being done, and that is our aim in the future years.

**श्री एन० एन० राव :** क्या मातनीय मंत्री महोदय बतायेंगे कि एल्युमिनियम फैक्टरी को जो बिजली दी गई है 12 साल के समझौते पर वह प्रोडक्शन रेट से कम पर क्यों दी गई है ? क्या उसको रिवाइज करने की कृपा करेंगे ?

**DR. K. L. RAO:** In the case of the aluminium factory at Rihand, the rate is less than the cost of production now. But that was an agreement which was entered into much earlier at a time when Uttar Pradesh wanted to have the industry in their State. There were other reasons for that. As I submitted earlier, the rate for aluminium industry is much less than the other kinds of loads.

**SHRI G. VISWANATHAN:** A number of districts in the country have been declared industrially backward districts. I want to

know from the Minister whether the Government is contemplating to give a concession to the small-scale industries at least in the industrially backward districts.

**DR. K. L. RAO:** At the moment, it is not under consideration. That is a point which I would like to discuss; it is a good point. I will discuss that suggestion with the concerned State Electricity Boards.

**MR. SPEAKER:** Shri Singh Deo.—Absent. I think this questioner is seldom present. Next question.

#### Capacity and Demand for Electricity

\*1236. **SHRI P. NARASIMHA REDDY:** Will the Minister of IRRIGATION AND POWER be pleased to state:

(a) the estimated gap between installed capacity and demand for electric power in the country for the next ten years.

(b) the steps proposed to fill the gap; and

(c) whether steps are proposed to be taken to step up Central assistance to facilitate taking up of all feasible power generation projects and for early completion of projects under execution by different State Governments ?

**THE DEPUTY MINISTER IN THE MINISTRY OF IRRIGATION AND POWER (SHRI B. N. KAUREEL):** (a) to (c). A statement is laid on the Table of the House.

#### Statement

(a) to (b). In the next ten years (1970-71 to 1980-81), the load demand is expected to grow to 36.5 million kw. To meet this demand, an installed capacity of 48.5 million kw. would be required whereas the installed capacity which would become available from the present installations and projects under construction or already sanctioned would be only 27 million kw. There would, therefore be a gap of 21.5 million kw. and additional generating capacity to the extent of 21.5 million kw. is required to be installed over and above what has already been sanctioned for implementation.

To bridge the estimated gap of 21.5 million kw required to be installed during the next decade, a plan covering the decade has been formulated wherein the schemes proposed