

SHRIMATI MARGARET ALVA : I am sorry, Sir. About the hawala case, I just do not know how it is related to this.

#### **Garbage-Based Power Plants**

\*143. SHRI BOLLA BULLI RAMAIAH :

SHRI D. VENKATESWARA RAO :

Will the PRIME MINISTER be pleased to state :

(a) whether some foreign countries have shown keen interest to invest in garbage-based power plants in large cities;

(b) if so, the details thereof;

(c) the reaction of both Union and State Governments to the proposals; and

(d) the time by which a final decision is likely to be taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF NON-CONVENTIONAL ENERGY SOURCES (PROF. P.J. KURIEN) : (a) to (d): A statement is laid on the Table of the House.

#### **STATEMENT**

(a) & (b) : Ten companies/firms from the U.S.A., U.K., Italy, France, Netherlands, Newzealand and Australia have shown interest in garbage based power plants in large cities. However, no foreign government have shown any such interest. The interest shown by the companies/firms are in the form of preliminary enquiries before formulation of specific investment and/ or technology proposals.

(c) & (d) : Both Union and State Governments have responded favourably to the above foreign firms. Final decision could be taken on receipt of detailed project proposals and necessary tie ups by concerned agencies for investment and technology transfer.

SHRI BOLLA BULLI RAMAIAH: India's first biomass power producing 15 MW from waste wood, is likely to be started at Ramagundam in the premises of NTPC. And with the use of various wood waste and other things, I would like to know whether the project has been evaluated, whether any foreign assistance is being contemplated. What is the state of this project?

PROF. P.J. KURIEN: Sir, the hon. Member has asked a question.

(Interruption).

MR. SPEAKER: You are complimenting him.

PROF. P.J. KURIEN: Thank you, Sir.

The hon. Member has asked a question about the foreign proposal with regard to waste management in municipalities. The question that has been referred to now is a particular and specific one which has nothing to do with foreign investment. So, that it needs a separate notice.

SHRI BOLLA BULLI RAMAIAH: Sir, is it a fact that the Ministry of Non Conventional Energy Sources has already

had some Australian proposal regarding bio-mass energy generation from the various cities like Bombay, Madras, Calcutta and other places which are generating more than five thousand tonnes of garbage per day? I would like to know whether that proposal has been examined by the Government. If so, they can generate nearly thousand M.Ws of power from it and they can also dispose of all the waste in this country. I would like to know whether the Government has made any proposal on this and whether they are also providing any financial assistance in the Eighth or Ninth Plan period.

PROF. P.J. KURIEN: It is true that there are some foreign terms who have come forward with proposals for waste management and for conversion of energy from the municipal waste. But they are only in the nature of enquiries/exploratory questions. No specific proposal has been received by us. What I mean by specific proposals is that they should explain the financial tie-up, they should say what technologies they are using and they should specify a location etc. Such specific proposals have not been received. In fact, we have received nine proposals from abroad from municipal waste management. We are encouraging them. We are waiting for specific proposals. I can assure the hon. Member that if any specific proposal has reached the Ministry, we will clear it and we want to clear it and we are taking it as a very important one because we know that we can produce energy from garbage, which is a problem today for the municipalities. It serves us in both ways. It will clean the municipalities and also we can generate energy from this. So, if we receive any proposal, from abroad or from within the country, we want to encourage them. But the only thing is that they should have the best technology. If you go in for a technology which is outdated, then finally it comes to nothing. So, I can assure you that such proposals will be examined and cleared favourably.

As far as the Australian proposal is concerned, we are waiting for specific proposals with all necessary tie-ups.

SHRI RAM KAPSE: Sir, garbage clearance is a very big problem as far as all municipalities and corporations are concerned.

The Kalyan Corporation has thought of a garbage clearance scheme and a London-based company had already given a proposal to them. I would like to know from the hon. Minister about this because it is in the interest of energy production as well as garbage clearance. I would like to know whether this Kalyan Corporation scheme has reached your office and whether it is cleared or not.

PROF. P.J. KURIEN: Sir, as I already told, we have received nine proposals. But they are only in the nature of enquiries. We have not got any specific proposal. We can consider a proposal only if it is specific. I mean it should give details of financial tie-up, technology tie-up etc. It is also very important that technology should be appropriate.

So far as the proposal mentioned by the Hon. member is we have not received such specific proposals. If this particular proposal which the hon. Member has mentioned is made specific, I can assure you that we will consider it.

SHRI A. CHARLES: As rightly pointed out by the hon. Minister, the disposal of garbage is a very serious

problem for most of the States. In Kerala this question has been examined in detail and there is an effort to have a power project based on garbage. I understand that the proposals have also been sent to the Government of India.

May I know from the hon. Minister whether any monitoring is done here and whether there is any machinery to give the technology know-how etc. to the States and whether the Government of India will take the initiative, wherever the State Governments come forward, to ensure that these projects will be completed in a time frame by giving them the technological assistance?

*(Interruptions)*

May I know whether any proposal in this regard has come from the Government of Kerala and whether the Government of India has considered it?

PROF. P.J. KURIEN: Sir, I agree with the hon. Member when he says that disposal of garbage of municipalities is very important. We have already evolved a scheme whereby garbage can be utilised in a useful way for generating energy. We have assessed that there is 1000 MW power potential available in the country from the municipal garbage. Accordingly we have recently launched a scheme, under the direction of the hon. Prime Minister, to generate one thousand MW power. Under that scheme we are providing certain incentives to the entrepreneurs, if they come forward with specific proposals. I can assure the hon. Member that if the State Governments come forward with any specific proposal, we are ready to give technological assistance to them because we have identified the proven technologies. We give fiscal incentive to the investor by way of 100 percent depreciation for the purpose of income-tax, we give them soft loans through IREDA and we also give interest subsidy. But the problem is that garbage is controlled by municipalities and the land is under the control of State Governments. The most serious problem that we are facing today is that most of the State Governments have not evolved a policy for power purchase. Power Purchase Agreement has to be entered into with the investor. From the Central Government side, I can assure the Hon. Member that we are giving much importance to this scheme and we want this scheme to be made use of. We want that over a period of five years, the garbage of all municipalities should be utilised for energy production. The scheme which we have launched under the direction of the Hon. Prime Minister is such and it is for the State Governments and the Municipalities to come forward and make use of it. Through you, I am making an appeal to all the Hon. Members also; there is such scheme and the municipalities should come forward and utilise this scheme.

With regard to the specific question whether a proposal has come from the Government of Kerala, I am not aware of any specific proposal under this scheme. I am aware of only one proposal which has come from a private party, to the Corporation of Cochin, for garbage treatment for production of energy.

SHRI ANIL BASU : Sir, the Minister has just now stated that the municipal waste can be utilised for production of power but the proposal should be specific and the technology should not be outdated. Utilisation of municipal

waste for production of power is useful not only for energy production but also for a clear environment in the municipal cities, as also in the metropolitan cities so there is an environmental aspect also involved. I would like to know from the hon. Minister whether his Ministry has had discussions with the Ministry of Urban Development to formulate any such scheme in any metropolitan cities of India and whether the technology is available in our country.

PROF. P.J. KURIEN: Sir, the Ministry of Non-Conventional Energy Sources is taking up not only with the Urban Development Ministry but also with the municipalities and the State Governments. We are in the process of discussing with all these agencies so that there is a coordinated effort. We are also planning to convene a conference of the Mayors and the heads of the local bodies in order to apprise them of this scheme and also to evolve a common strategy for implementing it. I came to know from my hon. colleague in the Ministry of Urban Affairs Ahluwalia Ji, that he is convening such conference. So, we are making use of that opportunity also... *(Interruptions)*.

SHRI ANIL BASU : Would it be on the agenda of that meeting? When the Minister has said something, he should assure the House also.

PROF. P.J. KURIEN : We have discussed it with the Ministry of Urban Affairs.

We are proposing to hold a conference of the Heads of Municipalities and Mayors and there we would like to discuss the issue. But I would like the hon. Member to know that the Central Government is prepared to give technological assistance, financial assistance etc.... *(Interruptions)*

SHRI ANIL BASU : Is there indigenous technology?

PROF. P.J. KURIEN : Yes there is.... *(Interruptions)* But the question is that the subject of garbage is with the municipalities and the subject of land is with the State Government and the power purchase agreement is to be extended by the State Government .... *(Interruptions)*

SHRI ANIL BASU : Garbage is in the country.

PROF. P.J. KURIEN : You should prevail upon the State Governments and Municipalities to come forward with the schemes.

*[Translation]*

SHRI NITISH KUMAR : Mr. Speaker, Sir, two things come to the surface out of what hon. Minister has stated. First, he says that the garbage Disposal comes under Municipality. I want to say that garbage is in the entire country. And electricity could be produced by disposing this garbage and a proven technology is available as you have stated. The state government should sign an agreement with the entrepreneurs who will produce electricity as stated by you. I want to know from the government as to whether proven technology has already being put on trial and cost efficiency has been discussed on this basis. Whether this is getting cost efficient or not?

Secondly whether it has been deliberated about the disposal of wastes of garbage based power plant?

*[English]*

PROF. P. J. KURIEN : Sir, I only mentioned that the

subject of garbage is with the municipalities.

MR. SPEAKER : There are only two questions, one is : whether it is going to be cost effective and the second is : whether the residue after the power is generated will be used for any other purpose or not.

PROF. P.J. KURIEN : Sir, with regard to the question of cost-effectiveness I would like to inform the hon. Member that the cost of the project for producing per M.W. of power goes from Rs. 4 crore to Rs. 8 crore.

AN HON. MEMBER : It is expensive.

PROF. P.J. KURIEN : But we have got a proposal from within the country where the investor agrees to supply power at Rs. 2.25 per KW/Hour, that is per unit. After considering all the aspects, the cost of the capital, technology and other aspects, we have also more or less arrived at a formula by which we find that the price of Rs. 2.25 per unit is more or less viable. It is now for the State Governments to decide whether this price of Rs. 2.25 per unit is acceptable for them. To encourage the State Electricity Boards to go in for this we have offered that we will give five paise per unit as incentive. ... (*Interruptions*).

MR. SPEAKER : Mr. Minister, you are discussing the administrative aspect. He is trying to understand the technical aspect, whether it is going to be cost-effective or not. If the economies of scale are there, it can become cost-effective. Please tell the house whether it is cost-effective now.

PROF. P.J. KURIEN : Yes sir.

MR. SPEAKER : You can say that it is cost-effective.

PROF. P.J. KURIEN : It is cost-effective. The price is Rs. 2.25 per unit. Already some State Governments ... (*Interruptions*) Let me clarify this a little more. ... (*Interruptions*)

SHRI ANIL BASU : It is much cheaper than ENRON price.

PROF. P.J. KURIEN : Already some State Governments for example the Tamil Nadu Government and other state governments have agreed and made P.P.A. at this cost for wind energy. It has already been agreed to.

MR. SPEAKER : Very Good.

SHRI P.C. THOMAS : Sir, I would like to know whether the government is encouraging foreign-waste also apart from indigenous waste ... (*Interruptions*) It is not a silly question. We heard from the newspaper that there was a proposal given by a foreign country to import garbage / waste from its country to this country and use it for the purpose of generating electricity. It is also known that they have offered that this could be given in a very cheap way.

But there are after effects which we should think of. I would like to know from the hon. Minister whether it is true and if it is not already true, I would like to know whether the government will look into both the positive and the negative aspects of such a proposal if the proposal comes to the government.

SHRI ARJUN SINGH : Mr. Speaker, Sir the hon.

Finance Minister should also be involved. Will he be allowing import of garbage?

PROF. P.J. KURIEN : Sir, we have no information about such a proposal.

MR. SPEAKER : But have you got the intension?

PROF. P.J. KURIEN : No Sir.

SHRI P.C. THOMAS : Is there a proposal like that?

PROF. P.J. KURIEN : That is his figment of imagination.

SHRI PRITHVIRAJ D. CHAVAN : Mr. Speaker, Sir, I would like to come to a different aspect of the issue. Many units generating power from Bio-gas which is generated from effluents have not succeeded because of lack of appropriate technology. The hon. Minister is very right that we should only encourage appropriate technology. There are many proposals from my area for generating power from bio-gas which is generating from waste. But they need appropriate engines. These engines are not available locally and people have given proposals that they should be allowed duty-free import of such engines. Will the government consider duty-free import of high hydrogen sulphide contained bio-gas energy producing engines?

MR. SPEAKER : No; on this technical aspect I do not expect him to reply.

[*Translation*]

SHRI ANADI CHARAN DAS : Mr. Speaker, Sir, I want to know from hon. Minister the name of the companies which have put forth their proposals for producing electricity out of wastes/garbage? My next question is which are the Municipalities wherefrom wastes could be largely available, whether a survey has been made to this effect and which are the cities where electricity producing factories will be set up, whether any details to this effect is with non-Minister, if so, the details thereof?

[*English*]

PROF. P.J. KURIEN : Sir, there are 30 companies which have given preliminary proposals from within the country for garbage treatment to produce energy. With regard to the question of the total quantity of garbage in the country, I am sorry, I need a separate notice.

[*Translation*]

SHRIMATI GIRIJA DEVI : Mr. Speaker, Sir, garbage comes from various sources, the Chairman of our Pollution Control Board has said in this connection that it is better to produce electricity out of it so that we could get rid of it and we could utilize it in economically gainful purpose, whether hon. Minister wants to consider this suggestion?

Mr. Speaker, Sir, I have got a small question that we could produce 12 thousand cubic metres biogas out of solid and liquidity wastes coming from the factories engaged in the production of distilleries of 30 kilos and this could produce 80 percent cooking gas then and there only. Whether the Department of Electricity proposes to set up such power plants by implementing it strictly?

PROF. P.J.KURIEN : Yes, Sir, We are already implementing scheme of energy production from distillery waste and 70 such units are already functioning.

SHRI NIRMAL KANTI CHATTERJEE : Mr. Speaker, Sir, at Calcutta a nodal research centre is experimenting on various technologies in order to have management of solid wastes of the municipalities. They are in search of funds for research. I would like to know whether the hon. Minister is aware of this research organisation and this research effort. Is he prepared to be generous enough to provide funds for them?

PROF. P.J.KURIEN : Sir, if that falls within the scheme of the Ministry, I have no problem.

SHRI UMRAO SINGH : Mr. Speaker, Sir, in most of the areas the garbage of the municipal waste is being utilised as manure also. May I know from the hon. Minister whether, after utilising the waste for producing energy, the residue will also be useful as manure?

PROF. P.J.KURIEN : Sir, there are different technologies. In one technology that is the latest one the residue will be very less. But in some other technologies, the residue can be used as manure.

#### WRITTEN ANSWERS TO QUESTIONS

##### Gauge Conversion

\* 144. SHRI MANORANJAN BHAKTA : Will the PRIME MINISTER be pleased to state:

(a) the names of the projects for conversion from Metre Gauge to Broad Gauge in the country which have been approved but pending due to non-availability of the funds;

(b) the time by which these projects are likely to be taken up and completed;

(c) whether any World Bank assistance has been sought for these Projects; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI SURESH KALMADI) : (a) The following projects which have been approved for conversion are pending due to non-availability of funds:

(1) Kashipur-Lalkuan

(2) Bhildi-Luni

(3) Mehsana-Patan with extension to Bhildi

(b) These projects are temporarily frozen due to constraint of resources and low operational priority. They would be taken up after some of the ongoing projects get completed and the resource position improves. The programme of completion of these projects would be decided once the work on these projects is resumed.

(c) No, Sir.

(d) Does not arise.

##### Foreign Investment in Capital Goods

145. SHRIMATI BHAVNA CHIKHLIA : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Government propose to constitute a core group to suggest measures to resolve the problems spawned by liberalisation;

(b) if so, the details thereof; and

(c) the steps proposed to be taken to further increase foreign investments in development of Capital goods industries ?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (DEPARTMENT OF SMALL SCALE INDUSTRIES AND AGRO AND RURAL INDUSTRIES) (SHRI M. ARUNACHALAM) : (a) No, Sir.

(b) Does not arise.

(c) Initiatives taken by the Government to promote investment both domestic and foreign in the development of capital goods include, *inter-alia*, automatic approval upto 51% foreign equity in 35 high priority industries (Annex III of statement of Industrial Policy, 1991) removal of physical restrictions on imports of raw materials and components; reduction in customs duty on capital goods, components and raw materials; extension of MODVAT to capital goods, etc. Accelerated industrial growth would further boost investment in capital goods industries.

##### Health Expenditure

\*146 SHRI RAJESH KUMAR: Will the Minister of HEALTH AND FAMILY WELFARE be pleased to state :

(a) the total expenditure spent on health in terms of GNP; and

(b) the reasons why real social sector spending has fallen in India during the past few years of fiscal restructuring?

THE MINISTER OF HEALTH AND FAMILY WELFARE (SHRI A.R. ANTULAY) : (a) and (b) : It is estimated that the percentage of total expenditure on health in terms of Gross Domestic Product (GDP) is 6% of which 1.3% is Public Sector Expenditure. The 4th Conference of Central Council of Health and Family Welfare held in October, 95 strongly urges the Central Government, Planning Commission and the State Governments to step up health allocation and also to encourage wider participation in health care by the private sector so that direct investment by the Government can be raised to a minimum of 5% of the GDP and the total investment in health goes upto 10% of GDP.

The Health and Family Welfare Sector, which constitutes a part of Social Sector spending, received the following plan allocations during the last four years:-

(Rs. in crores)

Year	
1992-93	2222.00
1993-94	2709.20
1994-95	3249.10
1995-96	3754.90

##### Accident of Goods Train

\*147. SHRI JAGAT VIR SINGH DRONA : Will the PRIME MINISTER be pleased to state :

(a) whether there was an accident of goods train