

## LOK SABHA DEBATES

### LOK SABHA

Wednesday, July 17, 1996/Asadha 26,  
1918 (Saka)

(The Lok Sabha met at  
Eleven of the Clock)

[MR. DEPUTY SPEAKER in the Chair]

[Translation]

MR. DEPUTY SPEAKER : Question No. 101, Shri Parasram Bhardwaj is not present.

SHRI KRISHAN LAL SHARMA (Outer Delhi) : Today is Prime Minister's day and he is not present in the House. Please give some information about him...(Interruptions). He has to come only one day.

[English]

SHRI PRAMOD MAHAJAN (Mumbai North East) : Today is the Prime Minister's day. He must be present here. Where is the Prime Minister?...(Interruptions)

THE MINISTER OF RAILWAYS (SHRI RAM VILAS PASWAN) : He is coming. Why are you worried?

[Translation]

It seems that you have very much affection for the hon. Prime Minister...(Interruptions)

[English]

MR. DEPUTY-SPEAKER : Question No. 101. Shri Parasram Bhardwaj is absent.

(Interruptions)

MR. DEPUTY-SPEAKER : Question No. 102. Shri Shantilal Parostamdas Patel.

(Interruptions)

SHRI SHANTILAL PARSOTAMDAS PATEL (Godhra): Question No. 102...(Interruptions)

SHRI SANAT MEHTA (Surendra Nagar) : Sir, who is replying?...(Interruptions)

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI T.R. BAALU): Sir, I have to answer the first Question, i.e. Question No.101...(Interruptions)

MR. DEPUTY-SPEAKER : But the Member is not present

(Interruptions)

[Translation]

MR. DEPUTY SPEAKER : The Member who asked the question is not present...(Interruptions). He wants to know whether the Member who asked question No. 101

is not present? (Interruptions) Is Shri Parasram Bhardwaj present?...(Interruptions)

[English]

SHRI SANAT MEHTA : Sir, where is the hon. Minister? You have called the name of Shri Shantilal Patel. But who is answering the question?...(Interruptions)

MR. DEPUTY-SPEAKER : Where is the hon. Minister?

(Interruptions)

SHRI PRAMOD MAHAJAN : Sir, I request you to adjourn the House till the hon. Minister comes here...(Interruptions). Where is the hon.

[Translation]

MR. DEPUTY-SPEAKER : Any of you may please reply.

[English]

SHRI PRAMOD MAHAJAN : Sir, the Prime Minister is absent and the Minister concerned is also absent...(Interruptions)

MR. DEPUTY SPEAKER : Please sit down. I am on my legs.

(Interruptions)

MR. DEPUTY-SPEAKER : Please sit down first.

(Interruptions)

[Translation]

THE MINISTER OF STATE IN THE MINISTRY OF POWER AND MINISTER OF STATE IN THE MINISTRY OF NON-CONVENTIONAL ENERGY SOURCES (DR. S. VENUGOPALACHARI) : I beg your pardon for coming late.

[English]

MR. DEPUTY-SPEAKER : The Minister has expressed his regrets. That is all.

SHRI PRAMOD MAHAJAN : He must read the reply.

### ORAL ANSWERS TO QUESTIONS

[Translation]

#### Agreements with Entrepreneurs

\*102. SHRI SHANTILAL PARSOTAMDAS PATEL : Will the PRIME MINISTER be pleased to State .

(a) the number of agreements made by the Government with private entrepreneurs in power sector in the country during the Eighth Five Year Plan period; and

(b) the power projects undertaken and completed in Gujarat during the period?

[English]

THE MINISTER OF STATE IN THE MINISTRY OF POWER AND MINISTER OF STATE IN THE MINISTRY OF NON-CONVENTIONAL ENERGY SOURCES (DR. S. VENUGOPALACHARI) : (a) and (b). A Statement is laid on the Table of the House.

#### STATEMENT

(a) From the time of the formulation of the private power policy of the Government of India in 1991, upto 18th February, 1995, State Governments entered into Memoranda of Understanding with, or issued Letters of Intent to, private entrepreneurs for setting up power generating stations. As on date, Government of India is monitoring 94 projects, costing more than Rs.100 crores each, that are proposed to be set up through this route. Power projects costing less than Rs. 100 crores each which do not require the approval of the Central Electricity Authority (CEA) are monitored by the State Governments. Further, according to information available, as on date, 23 private entrepreneurs have signed power purchase agreements with State Electricity Boards for sale of power generated by their stations.

(b) In Gujarat, the 515 MW combined cycle power plant at Hazira has been undertaken and completed by M/s. Essar Power Limited in the private sector.

[Translation]

SHRI SHANTILAL PARSOTAMDAS PATEL : Mr. Deputy Speaker, Sir, there is acute shortage of electricity in Gujarat as well as in many other parts of the country. Even new industries and farmers do not get proper supply of electricity. I, through you, would like to know from the Union Government as to how many companies which had made agreement in Eighth Five Year Plan, executed the work? I would also like to know the extent of work executed by these companies in every State and specially in Gujarat.

[English]

DR. S. VENUGOPALACHARI : Mr. Deputy Speaker, Sir, six out of the 11 power projects are presently under bidding.

Shall I read them out one by one or is it enough if I confine only to the number of projects?...*(Interruptions)*

SHRI SANAT MEHTA : Sir, the first question was this: How many power projects have been completed by now and what are the pending projects, State-wise?

DR. S. VENUGOPALACHARI : Essar Power Project was completed in Gujarat. They have started and commissioned. This the only project which is completed. The remaining projects are under bidding. The rest few are under the consideration of the State Government.

Sir shall I lay the list of those projects under consideration on the Table of the House? ...*(Interruptions)*

SHRI SANAT MEHTA : No.

DR. S. VENUGOPALACHARI : Jegurupadu Power Project in Andhra Pradesh is with a capacity of 216 MW and promoted by GVK; Godavari Power Project is also in Andhra Pradesh with a capacity of 208 MW, promoted by Spectrum Technology; Dabhol is a Maharashtra with a capacity of 715 MW, by Enron; Baspa HEP is in Himachal Pradesh with a capacity of 300 MW, by JP Industries; Hazira in Gujarat with a capacity of 515 MW, by Essar; Paguthan is also in Gujarat with a capacity of 655 MW, by Torrent; Maheshwar HEP is in MP with a capacity of 400 MW, by S. Kumars; Tawa HEP is also in MP with a capacity of 12 MW, by HEG; Jojobera is in Bihar with a capacity of 200 MW by Jamshedpur Power Company;

GIPCL, Baroda in Gujarat with a capacity of 160 MW; Shivpur HEP in Karnataka with a capacity of 18 MW by Bhoruka Power Company, Maniyar HEP in Kerala with a capacity of 12 MW by Carborundum Universal; Adamtilla in Assam with a capacity of 9 MW by DLF and Bansakandi is also in Assam with a capacity of 15.5 MW by DLF. So, the total Megawatt comes to 3435.

These are the Power Projects that are under consideration.

It is a project-wise statement.

SHRI SANAT MEHTA : Has the Government any benchmark for the cost of production per megawatt and cost per unit? Or is it to be agreed by the States? I would like to know about it.

DR. S. VENUGOPALACHARI : So far as power projects are concerned, the cost is roughly Rs. 4 crore for one megawatt. It depends on the State to complete it. The State has to complete the negotiations about the project. They are to submit it to the CEA with PPA.

SHRI SANAT MEHTA : Regarding Gujarat, is it a fact that allegations had been made that originally the Essar company had indicated very low cost and afterwards the cost was increased? Is the Government aware of it?

DR. S. VENUGOPALACHARI : After seeing all the reports from the State Governments, the CEA has cleared the Gujarat-Essar Company. First, it started with 200 MW. Later it became 250 MW. The techno-economic clearance was given by the CEA. Now, it is pending in the High Court. I think, it is *sub judice* and we shall not discuss it in Parliament.

[Translation]

SHRI ANANT GANGARAM GEETE : Mr. Deputy Speaker, Sir, I, through you, would like to know from the hon. Minister whether the Dabhol Project in Maharashtra is in progress or not and what is the Union Government's role in this regard?

[English]

DR. S. VENUGOPALACHARI : The Dabhol Project in Maharashtra has been cleared by the Cabinet.

[Translation]

SHRI ANANT GANGARAM GEETE : Mr. Deputy Speaker, Sir, I have asked the hon. Minister whether the work is in progress or not?

[English]

DR. S. VENUGOPALACHARI : It is about to be commissioned.

[Translation]

SHRI BRIJ BHUSHAN TIWARI : Mr. Deputy Speaker, Sir, Uttar Pradesh, at present is facing acute shortage of electricity and the major reason for it is that though the Government of UP has signed the MOU on all the projects despite that the Central Electricity authority has not cleared these projects. I, through you, would like to know from the hon. Minister as to how much more time will Central Electricity Authority take in clearing all these projects?

DR. S. VENUGOPALACHARI : Sir, generally, the agreement with the CEA is made within four months. The detailed project report takes nearly three to four years. I have recently convened a meeting with the CEA. The hon. Minister of Power has given clear instructions to minimise the period.

SHRI JAG MOHAN : Sir, there are seven Central Projects—Rihand-II, Unchahar-II, Dulhasti, Faridabad, Uri, Barsigar and Jamuna Nagar - from which Delhi was to get 400 MW as its share. In spite of the fact that so many years have passed, not a single project has come through with the result Delhi had not been able to draw even one MW. All the power breakdowns, which are now taking place, are largely due to the total ineffectiveness of the Central Government to get its projects through. What have you to kindly say about it?

DR. S. VENUGOPALACHARI : In Delhi, there is no case pending at the CEA level. I think, the Government of Delhi will look after it.

SHRI JAG MOHAN : I have given you the name of the seven projects... (Interruptions) If you like, I can read them over again. All these projects had to be done by the Central Government. The State Government of Delhi has nothing to do with it. Delhi had only to get 400 MW as its share after paying the price for it. None of these projects has been executed.

The result is that the people of Delhi, the capital, are put to lot of inconvenience and sufference; lot of industries are suffering losses due to the frequent breakdown. What have you to say about that? My point is, the projects have to be planned and executed by you and Delhi has to get only a share as the other States have to get their share.

DR. S. VENUGOPALACHARI : Sir, what the hon. Member is saying is, Delhi is not getting enough from the central stations. Eighty per cent of the DESU power is supplied by the Central Electricity Authority. Regarding the projects specially mentioned by the hon. Member, I will look into all the projects and let him know about them.

[Translation]

SHRI DATTA MEGHE : Mr. Deputy Speaker, Sir, the hon. Minister has just stated that we have started the Dabhol Project but the hon. Chief Minister had stated that he had cleared Nippon Denro which was to be started in Vadodra under Vidarbha in, Maharashtra. I would like to know the current position of Nippon Denro's 500 megawatt proposal to be built in Vadodra? Secondly, a very good quality of coal is found in Vidarbha coal mines which can be used by establishing a project there. Is there any other project to be awarded to coal mine?

[English]

DR. S. VENUGOPALACHARI : Nippon Denro Ispat Limited is in Bhadravati, Maharashtra. I think we have to receive the PPA from the State Government; it is not pending with the Central Government. We are to receive the PPA; they have not sent the PPA. So, it is only with the State Government now.

[Translation]

SHRI DATTA MEGHE : Where it is pending. The State Government has sent it to you.

[English]

DR. S. VENUGOPALACHARI : But, Sir, we have not received the PPA.

[Translation]

SHRI GEORGE FERNANDES : Mr. Deputy Speaker, Sir, I would like the hon. Prime Minister to give reply to my question. I would like to state that almost half of the total amount of Rs.4387 crore which was to be incurred on Congentrics Project of Karnataka i.e. Rs. 2090 crore is being spent on such works which have no direct relation with that project.

[English]

We agree that insurance and freight come to Rs.139 crore, turnkey fee and expenses come to Rs.214 crore, pre-operational expenses to Rs.66 crore, consultancy claims Rs.124 crore, finance expenses - I do not know what they are - come to Rs.166 crore, legal and accounting expenses come to Rs.42 crore, sponsoring and development expenses come to Rs.51 crore - I do not know the meaning of this as to who is sponsoring etc. - contingency comes to Rs. 157 crore and interest during construction is Rs.890 crore.

[Translation]

Over all 48% of the amount is being spent on such work. 22,000 crore rupees are being spent on mechanical electrical work, civil works, roads and infrastructure and 48 per cent is being spent on rest of the items many of which are meaningless.

I would like to know from the Prime Minister the details of the amount to be spent under each head while formulating the plan. If complete information is

available with him, what are the details thereof. You should clarify the same in the House. People in Karnataka and throughout the country are questioning about environment clearance. The company personnel in Bangalore are saying something else and you people have entirely different version. What I am asking for is that the Prime Minister should take this House into confidence and tell us very clearly as to where this matter stands...*(Interruptions)*

We would like that Prime Minister himself should give the reply. Not because this matter is related to Karnataka but because he has got the complete information in this regard. Though he is present here, others are replying.

MR. DEPUTY SPEAKER : You expressed your views. It is not binding on the Prime Minister to reply to it. Though if he desires to do so, I have no objection whatsoever.

*[English]*

DR. S. VENUGOPALACHARI : Mr. Deputy Speaker, Sir, Shri Fernandes has said that the cost of the Cogentrix project is about Rs.2100 crore. It is not true. So far as the other part of the question is concerned, he is a very senior Member. He knows it. I request the hon. Member to put a separate question...*(Interruptions)*

SHRI GEORGE FERNANDES : Mr. Deputy Speaker, Sir, I seek your protection. ...*(Interruptions)* The question covers every project in the country. How can they run away like this?...*(Interruptions)*

MR. DEPUTY-SPEAKER : Please listen to the Prime Minister.

THE PRIME MINISTER (SHRI H.D. DEVE GOWDA): With your permission, Sir, I would like to say that the hon. Member has tried to attribute motives.

SHRI GEORGE FERNANDES : I have attributed no motives, Sir. I have asked a direct question. I take strong objection to it. I have not attributed any motives. How can the Prime Minister make that statement? What motives have I attributed, please ask him...*(Interruptions)*

SHRI H.D. DEVE GOWDA : I have understood it. Let me answer...*(Interruptions)*

MR. DEPUTY-SPEAKER : Shri George Fernandes, you had your say. Please listen to him.

*(Interruptions)*

SHRI GEORGE FERNANDES : You please ask him, what motives have I attributed. He has to withdraw that statement. I have attributed no motives.

SHRI H.D. DEVE GOWDA : I can also shout. I can shout better.

MR. DEPUTY-SPEAKER : Please sit down.

SHRI H.D. DEVE GOWDA : Sir, the Minister has given a break-up. The Cogentrix Project has not yet been cleared by the Central Government. The PPA is at the level of the State Government, which is the Karnataka Electricity Board. So far as this power

purchase agreement and its other aspects are concerned, the State Government has to finally take a decision. The Central Electricity Authority will then examine the whole issue and only then will it come before the Central Government. At this stage I am not in a position to say as to what are the items that they have agreed to the ultimately what the Central Government is going to agree while giving the counter guarantee agreement. At this stage, I cannot spell out the details.

*[Translation]*

MR. DEPUTY SPEAKER : It is an important question and it has already taken twenty minutes. Therefore, I am allowing only one more supplementary. Later on, you may take it up for half-an-hour discussion.

*[English]*

SHRI. H.D. DEVE GOWDA : May I make a submission, Sir? I myself appeal to the Chair that so far as the power sector and the power policy are concerned, this is an important question. In the last five years we have not been able to produce even a single megawatt of power. This is the situation that we are facing. My colleague Minister has said that about 14 projects have been cleared in various States. He has given the break-up; in Andhra Pradesh, two projects have been cleared, one project each has been cleared in Maharashtra and Himachal Pradesh and two projects have been cleared in Gujarat...*(Interruptions)* Please hear me. I have the list of 14 projects which have been cleared and they are at various stages of progress. When they will be completed, we will be able to produce about 3,435 MW of electricity. At this stage, I am unable to say as to when they will be completed because there are a number of problems.

Two fast track projects have been cleared. One was cleared just about a week back, that was Enron. The other one is in Orissa and that also the Orissa Government is re-examining. It has been started. Other six fast track projects, including Congentrix, have not been cleared.

SHRI PRAMOD MAHAJAN : Maharashtra has cleared the Bhadravati project.

SHRI. H.D. DEVE GOWDA : I have not given the details. I am only saying that 14 projects have been cleared. The Central Electricity Authority has cleared about 94 projects but the detailed project reports with respect to 23 projects only have been received.

They are under various stages of scrutiny. We do not want to delay this issue, I tell you very frankly. I am not responsible for what happened in the earlier stages. I tell you frankly, we want to see and clear all those projects with the cooperation of the State Government. There is no question of delay on our part whether the project belongs to Madhya Pradesh or Himachal Pradesh or whichever State. My Primary concern is to see that this power problem is sorted out.

I request the hon. Members that this subject be discussed separately because this is a very important

issue. I think, the whole matter cannot be explained to the House during Question Hour because there are various issues involved. I request the Chair that in consultation with Business Advisory Committee, separate time be allotted for an exclusive discussion on power situation in the country.

so far as power projects are concerned, some have been taken up under the MOU method, and some have been taken up under the open bidding method.

The things mentioned by George sahab and others can be discussed threadbare. I am prepared to answer on all these points. There are many doubts lurking in the minds of the hon. Members which cannot be cleared during the Question Hour. So, my sincere appeal to the Chair is, if the House agrees, to allow an exclusive discussion on power situation in the country. ...*(Interruptions)*

*[Translation]*

MR. DEPUTY SPEAKER : It can be discussed under Rule 193. I am allowing only one are supplementary.

*[English]*

SHRI H.D. DEVE GOWDA : I request the Chair that the Rule under which this can be discussed be decided in the Business Advisory Committee...*(Interruptions)*

MR. DEPUTY-SPEAKER : Right.

SHRI P.R. DASMUNSI : Sir, the hon. Minister in his reply had stated that 94 projects are monitored directly by the Central Government of which 23 entrepreneurs have already signed Power Purchase Agreements. While the Government welcome the private entrepreneurs to participate in the power sector because it is the genuine need of the hour, it was thought of that per-unit-rate for consumption by the public will be taken care of while clearing these Power Purchase Agreements. May I know from the hon. Minister, out of these 23 private entrepreneurs that have signed the Power Purchase agreements, who has signed at the lowest per-unit-rate, and which is the State concerned? That is precisely my point.

DR. S. VENUGOPALACHARI : As the hon. Prime Minister has informed just now, only two projects are cleared so far. As far as the Orissa project is concerned, it is with the State Government. Out of 94 only 23 Power Purchase Agreements are signed which include MOUs as well as letters of intent. As to the lowest per-unit-cost and other details, we will inform the hon. Member separately.

SHRI MANORANJAN BHAKTA : Mr. Deputy Speaker, Sir, I would like to seek a clarification from the hon. Minister. The hon. Minister has replied that in cases where a project is worth less than Rs.100 Crore, the States will be deciding. But nothing specific has been mentioned as far as the Union Territories are concerned. They are small territories and they being the Union Territories the responsibility should be with the Union

Government. I would like to know whether this aspect will be considered by the Union Government or will it be left to the Union Territory Administration?

DR. S. VENUGOPALACHARI : We have already discussed it with the hon. Prime Minister, we will examine the case...*(Interruptions)*

*[Translation]*

#### Diseases Caused by Coal Ash

\*103. DR. LAXMINARAYAN PANDEY : Will the PRIME MINISTER be pleased to state :

(a) whether attention of the Government has been drawn to the growing incidence of Tuberculosis and Asthma among employees of thermal power stations due to pollution caused by coal ash, noise and unclean environmental premises;

(b) if so, whether the Government have conducted any survey/study to assess the number of employees so affected in various thermal power stations across the country;

(c) if so, details thereof; and

(d) the steps taken by the Government to check this hazard in the thermal power stations?

*[English]*

THE MINISTER OF STATE IN THE MINISTRY OF POWER AND MINISTER OF STATE IN THE MINISTRY OF NON-CONVENTIONAL ENERGY SOURCES (DR. S. VENUGOPALACHARI) : (a) to (d). A Statement is laid on the Table of the House.

#### STATEMENT

(a) to (d). Government has not received any Report indicating the growing incidence of Tuberculosis and Asthma among the employees of Thermal Power Stations due to pollution caused by coal ash.

Environmental guidelines for Thermal Power Plants provide that proper and adequate precautionary measures should be taken :

- (i) To check the emission of dust from coal handling areas; workers engaged in the coal handling operations should be medically examined regularly for lung diseases, personal protection equipment such as dust masks, respirators, helmets, face shields etc should be provided to the workers.
- (ii) To control the level of noise below 85 dB (decible); workers are required to wear ear-plugs or ear-muffs for their protection.
- (iii) Proper house keeping and cleanliness should be maintained, both inside and outside plant.