

27

**STANDING COMMITTEE
ON ENERGY
(1995-96)**

TENTH LOK SABHA

**MINISTRY OF NON-CONVENTIONAL
ENERGY SOURCES**

—DEMANDS FOR GRANTS (1995-96)

*[Action taken by the Government on the recommendations
contained in the 22nd Report of the Standing Committee
on Energy (Tenth Lok Sabha)]*

TWENTY-SEVENTH REPORT



LC

28.3657 R

15.27.5

**LOK SABHA SECRETARIAT
NEW DELHI**

December, 1995/Agrahayana, 1917 (Saka)

TWENTY-SEVENTH REPORT
STANDING COMMITTEE ON ENERGY
(1995-96)

(TENTH LOK SABHA)

MINISTRY OF NON-CONVENTIONAL
ENERGY SOURCES

—DEMANDS FOR GRANTS (1995-96)

*[Action Taken by the Government on the recommendations contained
in the 22nd Report of the Standing Committee on Energy
(Tenth Lok Sabha)]*

Presented to Lok Sabha on _____

Laid in Rajya Sabha on _____



LOK SABHA SECRETARIAT
NEW DELHI

December, 1995/Agrahayana, 1917 (Saka)

C.E. No. 042

Price : Rs. 10.00

PARLIAMENT LIBRARY
CENTRE GOVT. PUBLICATIONS
No. NC. 925.76 (6)
Date.. 30/1/96----

lc
328.3657R
NJ5.27j5

© 1995 BY LOK SABHA SECRETARIAT

Published under Rule 382 of the Rules of Procedure and Conduct of Business in Lok Sabha (Seventh Edition) and Printed by M/s Jainco Art India, 1/21, Sarvapriya Vihar, New Delhi-110016.

CONTENTS

COMPOSITION OF THE COMMITTEE	(iii)
COMPOSITION OF ACTION TAKEN SUB-COMMITTEE OF STANDING COMMITTEE ON ENERGY (1995-96)	(v)
INTRODUCTION	(vi)
CHAPTER I Report	1
CHAPTER II Recommendations/Observations that have been accepted by the Government	4
CHAPTER III Recommendations/Observations which the Committee do not desire to pursue in view of the Government's reply	11
CHAPTER IV Recommendations/Observations in respect of which replies of the Government have not been accepted by the Committee	12
CHAPTER V Recommendations/Observations in respect of which final replies of the Government are still awaited	14

APPENDICES

I.	Extracts of Minutes of the Third Sitting of the Action Taken Sub-Committee of Standing Committee on Energy held on 16th November, 1995	15
II.	Extracts of Minutes of the Ninth Sitting of the Standing Committee on Energy (1995-96) held on 11th December, 1995	16
III.	Analysis of Action Taken by the Government on the recommendations contained in the Twenty-Second Report of Standing Committee on Energy (10th Lok Sabha)	18

**COMPOSITION OF STANDING COMMITTEE
ON ENERGY (1995-96)**

CHAIRMAN

Shri Jaswant Singh

MEMBERS

Lok Sabha

2. Shri Bhawani Lal Verma
3. Shri Murli Deora
4. Shri Motilal Singh
5. Shri Khelsai Singh
6. Shri Khelan Ram Jangde
7. Shri Parasram Bhardwaj
8. Shri S. Thota Subba Rao
9. Shri K.P. Reddaiah Yadav
10. Shri Shiv Charan Mathur
- *11. Dr. Krupasindhu Bhoi
12. Shri Dalbir Singh
- *13. Shri Vilas Muttemwar
14. Shri P.C. Chacko ,
15. Shri Arjun Singh Yadav
16. Shri Virender Singh
17. Shri Laxminarain Tripathi
18. Prof. Rita Verma
19. Shri Shankersinh Vaghela
20. Shri Haradhan Roy
21. Shri Anil Basu
22. Shri Keshari Lal
23. Shri Rajesh Kumar
24. Shri Vijay Kumar Yadav
25. Dr. Venkateswara D. Rao

26. Shri Chitta Basu
27. Shri Mohan Singh (Ferozpur)
28. Shrimati Dil Kumari Bhandari
29. Shrimati Lovely Anand
30. Shri B. Shankaranand

Rajya Sabha

31. Shri Parmeshwar Kumar Agarwalla
32. Shri M.M. Hashim
33. Shri Bhubaneswar Kalita
34. Shri Dipankar Mukherjee
- *35. Shri M. Rajasekara Murthy
36. Shrimati Ila Panda
- **37. Shri J.S. Raju
38. Shri T. Venkatram Reddy
39. Shri Rajni Ranjan Sahu
40. Shri Viren J. Shah
41. Dr. Naunihal Singh
42. Shrimati Kamla Sinha

SECRETARIAT

- | | | |
|-------------------------|---|-----------------------------|
| 1. Shri S.N. Mishra | — | <i>Additional Secretary</i> |
| 2. Smt. Roli Srivastava | — | <i>Joint Secretary</i> |
| 3. Shri G.R. Juneja | — | <i>Deputy Secretary</i> |
| 4. Shri A. Louis Martin | — | <i>Under Secretary</i> |

* Ceased to be a Member of the Committee consequent upon his appointment as Minister in the Union Council of Ministers w.e.f. 13th October, 1995.

** Ceased to be a Member of the Committee consequent on his retirement from Rajya Sabha w.e.f. 24th July, 1995.

COMPOSITION OF ACTION TAKEN SUB-COMMITTEE OF
STANDING COMMITTEE ON ENERGY (1995-96)

CONVENOR

Shri Shiv Charan Mathur

MEMBERS

2. Shri Parasram Bhardwaj
- *3. Dr. Krupasindhu Bhoi
4. Shri P.C. Chacko
5. Shri Dalbir Singh
6. Shri Khelan Ram Jangde
- *7. Shri Vilas Muttemwar
8. Shri K.P. Reddaiah Yadav
9. Shri B. Shankaranand
10. Shri Khelsai Singh
11. Shri Motilal Singh
12. Shri S. Thota Subba Rao
13. Shri Bhawani Lal Verma
14. Shri Arjun Singh Yadav
15. Shri Parmeshwar Kumar Agarwalla
16. Shri M.M. Hashim
17. Shri Bhubaneswar Kalita
- *18. Shri M. Rajasekara Murthy
19. Shri T. Venkatram Reddy
20. Shri Rajni Ranjan Sahu
21. Dr. Naunihal Singh
22. Smt. Kamla Sinha

* Ceased to be a Member of the Committee consequent upon his appointment as Minister in the Union Council of Ministers w.e.f. 13.10.1995.

INTRODUCTION

I, the Chairman, Standing Committee on Energy having been authorised by the Committee to present the Report on their behalf, present this Twenty-Seventh Report (Tenth Lok Sabha) on Action Taken by the Government on the recommendations contained in the 22nd Report of the Standing Committee on Energy (Tenth Lok Sabha) on Demands for Grants (1995-96) of the Ministry of Non-Conventional Energy Sources.

2. The 22nd Report of the Standing Committee on Energy was presented to Lok Sabha on 3rd May, 1995. Replies of the Government to all the recommendations contained in the report were received on 28th August, 1995.

3. The report was considered and approved by the Action Taken Sub-Committee at its sitting held on 16th November, 1995 and adopted by the full Committee on 11th December, 1995.

4. The Committee place on record their appreciation for the work done by the Action Taken Sub-Committee (1995-96) of Standing Committee on Energy.

5. An analysis of the action taken by the Government on the recommendations contained in the 22nd Report of the Committee is given in Appendix-III.

NEW DELHI;
13 December, 1995
22 Agrahayana, 1917 (Saka)

JASWANT SINGH,
Chairman,
Standing Committee on Energy.

CHAPTER I

REPORT

The Report of the Committee deals with the action taken by the Government on the recommendations contained in the Twenty-Second Report (Tenth Lok Sabha) of the Standing Committee on Energy on Demands for Grants (1995-96) of the Ministry of Non-Conventional Energy Sources which was presented to Lok Sabha on 3rd May, 1995.

2. Action Taken Notes have been received from the Government in respect of all the 8 recommendations contained in the Report. These have been broadly categorised as follows:

- (i) Recommendations/Observations that have been accepted by the Government : Sl. Nos. 1, 4, 5, 6, 7 and 8.
- (ii) Recommendation/Observation which the Committee do not desire to pursue in view of the Government's reply: NIL
- (iii) Recommendations/Observations in respect of which replies of the Government have not been accepted by the Committee: 2 and 3.
- (iv) Recommendations/Observations in respect of which final replies of the Government are still awaited: NIL

3. The Committee will now deal with action taken by the Government on some of their recommendations.

Mechanism for Collection of Data

Recommendation Sl. Nos. 2 & 3 (Paragraph No. 5)

4. The Committee had observed that in respect of solar cookers the results of commercialisation during 1994-95 have not been given. The Committee also desired to know whether the Ministry undertook any review of programme which were given market orientation with a view to assessing their success or otherwise of commercialisation.

5. The Ministry in their reply have *inter-alia*, stated that there is no mechanism established for getting the data on the solar water heating systems installed by the user directly either by using their own resources or through commercial loans.

6. The Committee are surprised to learn that there is no mechanism established for getting data regarding installation of solar water heating

systems. The Committee do not expect an expression of helplessness from the Government in the matter. It should be possible to evolve a mechanism in co-ordination with various manufacturers of the system to collect the requisite data periodically. The Committee desire the Ministry to take action accordingly.

7. The Ministry have not furnished any reply to two points *viz.* (i) results of commercialisation in respect of solar cookers during 1994-95 and (ii) review of programmes which had been given market orientation. The Committee require that replies to these points must be furnished within 30 days.

Solar Photovoltaic Programme

Recommendation Sl. No. 5 (Paragraph Nos. 9 & 10)

8. The Committee had observed that the achievement with regard to solar lantern as on 31. 12. 94 during 1994-95 fell too short of target and wondered whether it would be really possible to achieve the target of 60,000 lanterns during 1994-95 considering that the materialisation till 31st December was just 11,668 lanterns. The Committee in this connection noted that during 1995-96, 10,000 Nos. solar lanterns would be taken up through budgetary resources and in addition 90,000 solar lanterns were proposed to be taken up through additional resources mobilisation. The Committee desired to know how resources will be mobilised for taking up one lakh solar lanterns during 1995-96.

9. The Ministry have *inter-alia*, stated that in their reply the original target of SPV lanterns for 1994-95 was 10,000. Against this 17,222 solar lanterns have been distributed. The target for 1995-96 is fixed at 10,000 with the present level of budgetary allocation. The Ministry is hopeful to get some additional funds at the stage of supplementary grants. It has been stated that if additional funds are made available it is proposed to extend the targets to 1,00,000 lanterns.

10. The Committee are distressed to observe that achievement regarding solar lanterns for 1994-95 was only 17,222 as against that target of 60,000 lanterns indicated in the Performance Budget. The Ministry's comparison of the achievement with the original target of 10,000 lanterns appears to be an attempt to present a rosy picture about the Ministry's performance. The Committee feel that there is a need to fix targets realistically taking into consideration all relevant factors.

11. The Committee had observed that during 1995-96, 10,000 solar lanterns would be taken up through budgetary resources and in addition 90,000 solar lanterns are proposed to be taken up through additional resources mobilisation. The Ministry have, however, now stated that if

additional funds are made available at the stage of supplementary grants, it is proposed to extend the target of 10,000 to 1,00,000 lanterns. The reply of the Ministry appears to be different from the information contained in the Performance Budget. It was clear from the information given in the Performance Budget that additional 90,000 lanterns were proposed to be taken up through additional resources mobilisation which implies internal and extra budgetary resources and not supplementary grants as now stated. The Committee would like the Ministry to clarify the position and indicate what efforts have been made to mobilise additional resources.

CHAPTER II

RECOMMENDATIONS/OBSERVATIONS THAT HAVE BEEN ACCEPTED BY THE GOVERNMENT

Recommendation Sl. No. 1

The Committee are constrained to record its displeasure on the Ministry's delay in furnishing copies of Performance Budget to the Committee. The copies of Performance Budget (1995-96) of the Ministry were not received until draft of the report was finalised on 13th April, 1995. As a result, the Committee had to rely on draft version of Performance Budget, one copy of which was provided by the Ministry for scrutiny. The Committee require that the Ministry should ensure in future that copies of Performance Budget, Annual Report and Budget Notes are made available to the Committee alongwith copies of Demands for Grants well in time.

Reply of the Government

The Ministry has noted the observations regarding the timely submission of copies of Performance Budget, Annual Report and Budget Notes alongwith copies of Demands for Grants. The Ministry will make efforts in submitting the above documents well in time.

[Ministry of Non-Conventional Energy Sources, OM No. 4/3/94-P & C dated the 24th August, 1995]

Recommendation Sl. Nos. 4 and 5

It is observed from the Performance Budget that the actual expenditure under this programme was Rs. 13.65 crores as against a provision of Rs. 15.50 crores during 1993-94. The Committee expect the Ministry to explain the reasons for shortfall in utilisation of budgetary provision during 1993-94.

The physical achievements with respect to the Solar Photovoltaic Programme during 1993-94 and 1994-95 (as on 31.12.94) were as given below:

	1993-94		1994-95	
	Target	Actual	Target	Actual as on 31.12.94
1	2	3	4	5
(i) Street lighting systems. (Nos.)	400	1,240	—	285

	1	2	3	4	5
(ii) Domestic lighting systems (Nos.)	1000	6,399	500	3,641	
(iii) Solar lanterns	10,000	11,248	60,000	11,668	
(iv) SPV Power Plants	200	122	100	39	

It can be observed from the above table that the achievement with regard to solar lantern as on 31.12.94 during 1994-95 fell too short of target. The Committee wonder whether it would be really possible to achieve the target of 60,000 lanterns during 1994-95 considering that the materialisation till 31st December 1994 was just 11,668 lanterns. The Committee in this connection note that during 1995-96, 10,000 Nos. solar lanterns will be taken up through budgetary resources and in addition 90,000 solar lanterns are proposed to be taken up through additional resources mobilisation. The Committee are anxious to know how resources will be mobilised for taking up one lakh solar lanterns during 1995-96, considering the likely shortfall in performance in 1994-95.

Reply of the Government

Solar Photovoltaic lanterns are becoming increasingly popular in rural areas. The original target of SPV lanterns for 1994-95 was 10,000 against this 17,222 solar lanterns have been distributed. The target for 1995-96 is fixed at 10,000 with the present level of budgetary allocation. The Ministry is hopeful to get some additional funds at the stage of supplementary grants. If additional funds are made available it is proposed to extend the targets to 1,00,000 lanterns.

The shortfall in expenditure 1993-94 was mainly on the Research and Development component of the programme. The Ministry was in the process of formulating new R & D policy and hence no new proposals were taken up.

[Ministry of Non-Conventional Energy Sources, OM No. 4/3/94-P & C dated the 24th August, 1995]

Comments of the Committee

(Please see paragraph 10 and 11 of Chapter I of the Report)

Recommendation Sl. No. 6

It has been stated in the Performance Budget that a 35 MW solar thermal power generation proposal has been submitted under the investment category of GEF for support. Grant assistance of US \$ 30

million has been sought from Global Environment Facility for implementation of this power project in Jodhpur district of Rajasthan. Total cost has been projected at U.S. \$ 100 million. The Committee in their 5th report had observed that this project which had been conceived 15 years back was still at the stage of preparation of project report. A detailed project report for this project has now been prepared by Bharat Heavy Electricals Limited in collaboration with M/s. Solel Solar Systems of Israel. The Committee trust that there will be no further delay in implementation of the project.

Reply of the Government

The detailed project report for the 35 MW solar thermal power generation project proposed for Mathania, near Jodhpur, Rajasthan has been submitted by the Ministry to the World Bank. The World Bank has fielded a Project Identification Mission last month and a 'fast track' programme for processing of the proposals has been prepared. According to this programme, after the pre-appraisal of the of project in July, 95 the detailed appraisal is likely to take place in January, 96 followed by approval by World Bank/GEF in June, 96. Simultaneously steps have been taken to get various approvals. The State Government has already taken necessary preparatory steps. Land has been allotted and fenced at the project site. Arrangements for supply of water from Rajasthan canal are being firmed up. A separate company has been established by the State Government which will own, operate and maintain the project. After approval of the project by World Bank and GEF in June, 96 and mobilisation of adequate financial resources for implementation of the project, construction work could be initiated in July, 96. The Ministry is working simultaneously on various fronts to facilitate early implementation.

[Ministry of Non-Conventional Energy Sources O.M. No. 4/3/94-P & C dated the 24th August, 1995]

Recommendation SI. No. 7

The budgetary provisions for R&D of new and renewable energy sources programmes during 1994-95 and 1995-96 are as under:—

(Rs. in lakhs)

Research & Development	1994-95		1995-96
	B.E.	R.E.	B.E.
Solar Thermal Energy	150	150	55
Photovoltaic	165	165	100

1	2	3	4
Amorphous Silicon Programme	275	275	50
Solar Thermal Power Generation	100	100	50
Small Hydro Power	1700	1700	25

It can be observed from above that there is steep reduction in budgetary provisions of 1995-96 as compared to 1994-95 for R & D of various non-conventional energy sources programmes. The Committee would like to know whether the R & D programmes undertaken during 1994-95 have yielded desired results. The Committee feel that vigorous R & D efforts are required to bring down the cost of solar photovoltaic systems to bring them within the reach of consumers. In this context, considerable reduction in budgetary provision for R & D is matter of concern. The Committee would like to be informed of the reasons for reduction in budgetary outlay for R & D during 1995-96 and alternatives that are thought of to accelerate R & D effort.

Reply of the Government

Ministry of Non-Conventional Energy Sources, since its inception, is giving high priority to the Research and Development of Non-Conventional Energy Sources. As part of the R & D efforts new technologies and their applications have been developed indigenously. In almost all renewable energy areas research is undertaken in the country to improve existing technologies and to develop new technologies. As a result of these efforts, many technologies have been commercialised and have taken the shape of large programmes on renewable energy in the country.

Recently the Ministry has reviewed its R & D approach and formulated a new strategy for R & D efforts in this direction. Now the R & D efforts are driven from the objectives of various programmes and are directed towards specific tasks for achieving improvement in efficiency, cost reduction, enhancement or reliability etc. The involvement of industry is kept from the very beginning in all applied R & D projects so that technology transfer takes place most expeditiously. Specific areas of R & D have been identified in each renewable technology area.

The programme-wise actual expenditure, during last two years and the B.E. for 1995-96, on Research and Development is given in Table-I. It may be seen from the Table that the actual overall expenditure on R & D in renewable energy area has increased from Rs. 5.33 crores to Rs. 11.21 crores in last two years. The budget estimate for 1995-96 for R & D is Rs. 20.43 crores.

The actual expenditure on R & D of Solar Thermal during 1994-95 was Rs. 29.92 lakhs as against a budget of Rs. 150.00 lakhs. This is mainly due to shift in R & D policy and market orientation given to the programme. The B.E. for R & D of this programme is kept at Rs. 55.00 lakhs.

A provision of Rs. 100 lakhs for the research activities in Solar Photovoltaics was kept for 1994-95 which was fully utilised. The same provision is made for the year 1995-96. The remaining 65 lakhs, reflected in the Table referred by the Committee, was for training and other related activities. The provision for this activity is now made in the budget of Solar Energy Centre.

During 1995-96, the budget provision of Rs. 50 lakhs is for amorphous silicon programme as against Rs. 275 lakhs in 1994-95. This is considered adequate to support the research activity in the amorphous silicon technology. The pilot plant facility is proposed to be operated on a regular basis either by BHEL or other manufacturing unit.

The research budget of solar thermal power generation was Rs. 100 lakhs during 1994-95. A provision of Rs. 50 lakhs is kept for this programme as the main work in the project is expected to start only in June/July, 96. This amount is expected to be utilised towards the partial cost of the studies required by the World Bank.

For the R & D in the Small Hydro Power area, a budget provision of Rs. 125 lakhs is kept for 1995-96 which includes Rs. 100 lakhs for UNDP technical assistance project. Upto 1994-95, the provision for SHP programme was made under a single head and covered all aspects including subsidy based demonstration projects.

[Ministry of Non-Conventional Energy Sources O.M. No. 4/3/94-P & C dated the 24th August, 1995]

TABLE-I

**PROGRAMME-WISE DETAILS OF R & D EXPENDITURE
AND B.E. FOR 1995-96**

(Rs. in lakhs)

S. No.	Programme	Expenditure		B.E.
		1993-94	1994-95	1995-96
1	2	3	4	5
1.	Biogas Programme	27.00	30.00	30.00
2.	Improved Chulha Programme	31.03	25.16	30.00

1	2	3	4	5
3.	Biomass Programme	95.23	132.71	50.00
4.	Animal Energy Programme	9.35	5.60	5.00
5.	Solar Thermal Systems	35.56	29.92	55.00
	Solar Thermal Power	14.00	68.00	50.00
6.	Solar Photovoltaics Programme			
	(a) SPV others	29.60	100.00	100.00
	(b) SPV Amorphous Silicon	240.88	250.00	50.00
	(c) SPV Power	-	35.00	-
7.	Solar Energy Centre	90.51	202.98	413.00
8.	Wind Pumps	-	10.00	5.00
9.	Wind Farms	130.00	50.00	210.00
10.	Mini-Micro Hydro	-	-	125.00
11.	Biomass based cogeneration of power	-	-	100.00
12.	Energy from Urban and Indus. Wastes	120.00	55.00	150.00
13.	Energy Conservation	0.25	2.45	1.00
14.	Hydrogen Energy	9.00	20.00	49.00
15.	Chemical Sources of Energy	11.00	67.00	80.00
16.	Geo-Thermal Energy	7.00	1.00	20.00
17.	Alternate Fuels for Surface Transportation	83.00	27.00	500
18.	Ocean Energy	-	10.00	20.00
Total		533.41	1121.82	2043.00

Recommendation Sl. No. 8

The Committee find that budget provision for energy conservation programme has been reduced from Rs. 30 lakh in 1994-95 to Rs. 1 lakh in 1995-96. The Committee would like to know whether the programme has achieved the desired results during 1994-95. It appears that the programme is being side lined with a nominal provision of Rs. 1 lakh in 1995-96. The Committee would like to know the reasons for steep reduction in budgetary provision for this programme.

Reply of the Government

The subject of Energy Conservation is with Ministry of Power. For this activity, a budget provision of Rs. 12.30 crores have been made for 1995-96 as against Rs. 6.33 crores in 1994-95 by Ministry of Power.

Ministry of Non-Conventional Energy Sources have sponsored during last two years, a few studies to identify areas where renewable energy sources can be used as means of energy conservation. In view of the inescapable link between renewable energy and energy conservation, MNES has been advocating for the transfer of energy conservation subject from Ministry of Power to Ministry of Non-Conventional Energy Sources. However, till now there is no positive indication on this. In view of this, a token provision of only Rs. 1.00 lakh in 1995-96 have been made by Ministry of Non-Conventional Energy Sources.

[Ministry of Non. Conventional Energy Sources OM No. 4/3/94-
P & C dated the 24th August, 1995]

CHAPTER III

**RECOMMENDATIONS/OBSERVATIONS WHICH THE
COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW
OF THE GOVERNMENT'S REPLY**

— NIL —

CHAPTER IV

RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH REPLIES OF THE GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE

Recommendation Sl. Nos. 2 and 3

To give market orientation to the programme, subsidy on solar water heating systems was withdrawn with effect from 1.7.1993. It is observed from the draft performance budget of the Ministry that the actual collector area installed during 1994-95 (till 15.11.1994) was a little as 1848 sq. m. against an indicative goal of 35,000 sq.m. In respect of solar cookers for which the Central subsidy was withdrawn from 1.4.1994, the results of commercialization during the year has not been given. The Committee would like to be informed whether the Ministry undertook any review of the programmes which were given market orientation with a view to assessing their success or otherwise of commercialization. The Committee would like to know the outcome of such review, if undertaken.

It is observed that the 8th Five Year Plan target for the low grade solar thermal devices programme is to install 2.75 lakh sq. mtrs. of collector area. The targets and achievement during the last three years and target for 1995-96 in respect of solar thermal systems are shown below:

	Target	Achievement
1992-93	66,000 M ²	24,595 M ²
1993-94	55,000 M ²	40,198 M ²
1994-95	35,000 M ²	1,848 M ² (Upto 15th Nov. 94)
1995-96	25,000 M ²	-

It can be observed from the above, that installation of solar water heating systems during the first three years of the 8th Plan (Upto 15 Nov. 94) was around 66 thousand sq. m. as against a target of 2.75 lakh sq. m. during the 8th Plan. The target in this regard has been steadily brought down year after year.

If the trend is of any indication, the Committee are not reassured that the target of 2.75 M² collector area set for 8th Plan period would be achieved. The Committee would like to know how the Ministry proposes to achieve the 8th Plan target.

Reply of the Government

Ministry of Non-Conventional Energy Sources had given market orientation to the Solar Thermal Programme. The subsidies on Solar Water Heating Systems was gradually reduced and finally withdrawn as it was felt that it is becoming a self limiting factor for the growth of Solar Water Heating Systems and its removal will bring competition among the manufacturers, reduction in cost and improvement in technology. While the subsidies on Solar Water Heating Systems were withdrawn w.e.f. 1st July, 1993 and the installation of these systems were left to market forces, a soft loan scheme through IREDA was introduced w.e.f. 1st September, 1993.

With the commercialization of the technology, Ministry is getting regular information on the Collector Area installed only through IREDA soft loan scheme. There is no mechanism established for getting the data on the solar water heating systems installed by the user directly either by using their own resources or through commercial loans. However, it is estimated that about 15,000 sq. mtr. collector area have been installed during the year 1994-95.

The Ministry is constantly monitoring the progress of commercialization of solar water heating systems. There may be some shortfalls during the transition period from subsidy to commercialization. Efforts are being made to give publicity, create mass awareness, organise business meets to further popularize solar water heating systems and it is expected that commercialization of these systems would pick up.

[Ministry of Non-Conventional Energy Sources OM No. 4/3/94-
P & C dated the 24th August, 1995]

Comments of the Committee

(Please see paragraphs 6 and 7 of Chapter I of the Report)

CHAPTER V

RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF
WHICH FINAL REPLIES OF THE GOVERNMENT
ARE STILL AWAITED

— NIL —

NEW DELHI;
13 December, 1995
22 Agrahayana, 1917 (Saka)

JASWANT SINGH,
Chairman,
Standing Committee on Energy.

APPENDIX-I

EXTRACTS OF MINUTES OF THE THIRD SITTING OF THE ACTION TAKEN SUB-COMMITTEE OF STANDING COMMITTEE ON ENERGY HELD ON 16TH NOVEMBER, 1995

The Sub-Committee sat from 15.00 hrs. to 16.15 hrs.

PRESENT

Shri Shiv Charan Mathur — *Convenor*

MEMBERS

2. Shri Khelan Ram Jangde
3. Shri Khelsai Singh
4. Shri Arjun Singh Yadav
5. Shri Bhubaneswar Kalita
6. Shri Rajni Ranjan Sahu
7. Smt. Kamla Sinha

Secretariat

1. Shri G.R. Juneja — *Deputy Secretary*
2. Shri A. Louis Martin — *Under Secretary*
2. ** ** ** **
3. ** ** ** **

4. The Sub-Committee next took up for consideration the Memorandum No. III regarding Draft Action Taken Report on 22nd Report relating to Demands for Grants (1995-96) of Ministry of Non-Conventional Energy Sources and approved the same.

5. ** ** ** **
6. ** ** ** **

7. The Sub-Committee, thereafter, authorised the Convenor to submit the two Draft Action Taken Reports referred to in Para 4 and 5 above to the Chairman, Standing Committee on Energy on their behalf.

The Sub-Committee then adjourned.

** Paras 2, 3, 5 and 6 of the Minutes relating to consideration of three other Draft Action Taken Reports have not been included.

APPENDIX-II

MINUTES OF THE NINTH SITTING OF THE STANDING COMMITTEE ON ENERGY (1995-96) HELD ON MONDAY, THE 11TH DECEMBER, 1995 IN COMMITTEE ROOM NO. 63, PARLIAMENT HOUSE, NEW DELHI.

The Committee sat from 15.00 hrs. to 15.45 hrs.

PRESENT

Shri Anil Basu — in the Chair.

MEMBERS

2. Shri Bhawani Lal Verma
3. Shri Khelan Ram Jangde
4. Shri Parasram Bhardwaj
5. Shri S. Thota Subba Rao
6. Shri P.C. Chacko
7. Shri Arjun Singh Yadav
8. Shri Virender Singh
9. Prof. Rita Verma
10. Shri Vijay Kumar Yadav
11. Smt. Lovely Anand
12. Shri Dipankar Mukherjee
13. Shri T. Venkatram Reddy
14. Shri Rajni Ranjan Sahu

SECRETARIAT

1. Shri G.R. Juneja — *Deputy Secretary*
2. Shri A. Louis Martin — *Under Secretary*

2. In the absence of Chairman, the Committee chose Shri Anil Basu, M.P. to act as Chairman for the sitting under Rule 258 (3) of the Rules of Procedure and Conduct of Business in Lok Sabha.

3. ** ** ** **

4. The Committee next took up for consideration the following draft action taken reports and adopted the same :

- (i) **The draft Report on Action Taken by the Government on the recommendations contained in the 22nd Report of Standing Committee on Energy (1995-96) on Demands for Grants (1995-96) of Ministry of Non-Conventional Energy Sources.**

(ii) **

5. The Committee also authorised the Chairman to finalise the above mentioned reports and present the same to Parliament.

The Committee then adjourned.

* Paras 3 and 4 (ii) of the Minutes relating to consideration of two other draft Action Taken Reports have not been included.