10

STANDING COMMITTEE ON ENERGY (2001) THIRTEENTH LOK SABHA

DEPARTMENT OF ATOMIC ENERGY

DEMANDS FOR GRANTS
(2000-2001)

[Action Taken by the Government on the Recommendations contained in the First Report of the Standing Committee on Energy (Thirteenth Lok Sabha)]

TENTH REPORT

Presented to Lok Sabha on 22nd Feb, 2001
Laid in Rajya Sabha on 22nd Feb, 2001

LOK SABHA SECRETARIAT
NEW DELHI
February, 2001/Magha, 1922 (Saka)

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(2001)

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3.	Shri R.S. Kambo	-	Under Secretary
4.	Shri P.C. Tripathy	-	Committee Officer

INTRODUCTION

I, the Chairman, Standing Committee on Energy having been authorised by the Committee to present the Report on their behalf, present this Tenth Report (Thirteenth Lok Sabha) on the Action Taken by the Government on the recommendations contained in the First Report of the Standing Committee on Energy (Thirteenth Lok Sabha) on "Demands for Grants (2000-01) of the Department of Atomic Energy."

2. The First Report (Thirteenth Lok Sabha) of the Standing Committee on Energy was presented to Lok Sabha on 18th April, 2000. Replies of the Government to all the recommendations contained in the Report were received on 18th July, 2000.

3. The Standing Committee on Energy (2001) considered and adopted this Report at their sitting held on 25th January, 2001.

4. An Analysis of the Action Taken by the Government on the recommendations contained in the First Report (Thirteenth Lok Sabha) of the Committee is given at Annexure-II.

5. For facility of reference and convenience, the observations and recommendations of the Committee have been printed in bold letters in the body of the Report.

New Delhi;
7 February, 2000
18 Magha , 1922 (Saka)

SONTOSH MOHAN DEV
Chairman,
Standing Committee on Energy.

CHAPTER I

REPORT

This Report of the Committee deals with Action Taken by the Government on the recommendations contained in the First Report (Thirteenth Lok Sabha) of the Standing Committee on Energy on 'Demands for Grants (2000-2001) of the Department of Atomic Energy" which was presented to Lok Sabha on 18th April, 2000.

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

(i) Recommendations/Observations that have been accepted by the Government:

Sl. Nos. 1, 3, 4, 5, 7, 11 and 12.

(ii) Recommendations/Observations which the Committee do not desire to pursue in view of Government's reply.

Nil

(iii) Recommendations/Observations in respect of which replies of the Government have not been accepted by the Committee:

Nil

(iv) Recommendations/Observations in respect of which final replies of the Government are still awaited:

Sl. Nos. 2, 6, 8, 9 and 10.

3. The Committee desire that final reply in respect of the recommendation for which only interim reply have been given by the Government should be furnished to the Committee at the earliest.

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

A. Shortfall in Expenditure

(Recommendation (Sl. No. 4, Para No. 2.30)

5. The Committee were dismayed to note that under Major Heads 4801 (relating to Capital expenditure on Plan Schemes covered under Power Sector), 5401 (relating to Capital expenditure on Plan schemes covered under R&D Sector) and 4861 (relating to

Capital expenditure on Plan schemes of I&M Sector and Non-Plan requirement for operational expenses of Heavy Water Plants), Plan expenditure during 1998-99 had been short of Plan BE by Rs. 24.46 crore, Rs. 46.50 crore and Rs. 34.88 crore respectively. The reasons for shortfall under Major Head 4801 had been cited as difficulty in importing the helium refrigeration unit required for additional upgrading facility of new power plant and non-completion of supply of equipment by the Bharat Heavy Electricals Limited (BHEL) and Larsen and Taubro (L&T) for the Prototype Fast Breeder Reactor (PFBR) Project. The Committee were of the view that the reasons cited above for shortfall in expenditure clearly pointed to nothing but administrative slackness on the part of the Department. The Committee recommended that the Department should not only make in-depth analysis of the various factors that attributed that the shortfall in expenditure but also take action against those vendors who were responsible for delayed/inadequate supplies of equipment and machinery. Wherever possible, a penalty clause should be incorporated in the tender/agreement documents so as to ward off any delay and inadequate supply of critical equipment and machinery. Other appropriate remedial measures should also be taken to check such problems for their future programmes.

6. The Department of Atomic Energy have stated in their reply that the shortfalls in expenditure under the Major Heads 4861, 5401 and 4801 (I&M, R&D and Power Sectors) are in many cases due to the difficulties encountered on account of sanctions imposed. However, alternative arrangements are being made for indigenising the procurement activities. As regards the Committee's recommendation on the action against defaulting vendors, the Department have stated that no action has been taken against BHEL and L&T since they are among the few large manufacturers of nuclear equipments in the country. The Department have further stated that frequent visits are being made to these industries to expedite the supplies as the technology involved is highly complex. They have also mentioned that indigenous manufacturers have necessarily to be developed when sourcing from outside the country is not possible. The Department have added that while the standard purchase documentation does include appropriate penalty clauses, the equipments required by the Department involve development and engineering efforts and are more often not off the shelf items.

7. The Committee do not concur with the arguments of the Government that shortfall in expenditure in many of the cases have been due to difficulties encountered on account of sanctions imposed. For instance, shortfall under Major Head 4861 owing to slow progress of infrastructure facilities, non-receipt of financial sanctions, etc. under no stretch of imagination can be termed on account of sanctions. The Committee still hold the view that in many cases the shortfall has been entirely due to lack of foresight in project planning, monitoring and execution and administrative slackness on the part of the Department. The Committee would like to reiterate that the Government should undertake an in-depth analysis and take corrective actions so that at least administrative slackness is not a cause of under-utilisation of funds. The Committee would also like to emphasize that the Department of Atomic Energy should explore the possibilities of in-house manufacturing capabilities and facilities of critical equipment so that dependence on outside agencies is minimized. The Committee are happy to know that the

Department are making alternative arrangements for indigenising the procurement activities. As it is difficult to attract the private entrepreneurs, the Department should provide necessary assistance to small and medium organizations which do not have necessary paraphernalia to prepare proposals, etc. but are keen to work with the Department. They would like the Department to apprise them of the specific steps taken/being taken in this direction.

B. Recovery of Outstanding dues by NPCIL

Recommendation (Sl. No. 8, Para No. 2.68)

8. The Committee were concerned to note the growing menace of outstanding dues from power utilities/State Electricity Boards (SEBS) to the Nuclear Power Corporation of India Limited (NPCIL) over the years. The amount of outstanding (including Delay Payment Charges) which was Rs. 2560.66 crore as on 31st March, 1998, decreased to Rs. 2456.10 crores as on 31st March 1999. However, the Committee found that the position had deteriorated subsequently and as on 29th February, 2000, the outstandings had gone up to Rs. 2656.36 crore in spite of a number of corrective steps taken by NPCIL. The Committee had been informed that most of the SEBs had opened Letters of Credit (LoC) to ensure timely payments of current bills against sale of power from the Nuclear Power Stations and as a result cash flows to NPCIL' had improved considerably. However, NPCIL seemed to be having problems in timely recovery of past outstandings as the percentage of appropriation of Central Plan Assistance (CPA) was restricted to 15% of the CPA due to the State Government and the CPA recovered was distributed among the Central Power generating companies, coal companies, etc. The Committee had further been informed that NPCIL had reached a settlement with the Rajasthan State Electricity Board (RSEB) in 1998-99 in regard to payment of outstanding dues. The Committee hoped the NPCIL would make vigorous efforts to reach similar settlements with other SEBs. Some incentives like partial waiving of Delay Payment Charges, etc. might also be offered to the SEBs in order to attract them to go in for settlement.

9. The Department of Atomic Energy have stated in their reply that the realisation of dues from SEBs has increased in absolute terms during 1999-2000 compared to 1998-99 but come down as a percentage of sales. The position deteriorated during 1999-2000 because of complete default of Madhya Pradesh State Electricity Board (MPSEB). In spite of continuous efforts at all levels, M/s. MPSEB have not made payments. The Department have also stated that NPCIL is making efforts to divert the power to other SEBs who are willing to open LoC. They have further stated that the possibility of supplying power directly to Railways is also being explored. NPCIL is making vigorous efforts to reach settlement package with Uttar Pradesh Power Corporation Limited (formerly UPSEB) in which partial waiver of DPC is also considered. Similar efforts are being made to arrive at settlement packages with other major defaulting SEBs.

10. The Committee are happy to note the Nuclear Power Corporation of India Limited (NPCIL) is making vigorous efforts to arrive at settlement packages with defaulting State Electricity Boards (SEBs) in regard to recovery of outstanding dues. The Committee hope that with the inclusion of the provision of partial waiver of Delay Payment Charges (DPC) in the settlement packages, a number of defaulting SEBs would come forward for settlement. The Department have informed that in spite of continuous efforts at all levels, the Madhya Pradesh State Electricity Board (MPSEB) have not made payments and that NPCIL is making efforts to divert the power to SEBs who are willing to open Letter of Credit (LoC). The Department should also explore the possibilities of taking up the matter with the Central Electricity Regulatory Authority, if rules permit. The Committee feel that NPCIL's action to divert power to other SEBs is absolutely justified. The Committee desire that possibilities of supplying power directly to Railways be expedited and they be apprised of the outcome.

11. The Committee note that industrial sector consumers 45% of the electrical energy produced in the country. Some of the most energy intensive industries include Aluminium, Fertilizers, Iron & Steel, Cement, Pulp and Paper, Choier Alkali, Sugar, etc. The Committee recommend that the Department should also explore the possibilities of supplying power to bulk consumers also like cluster of industries in an industrial estate, municipalities, port trusts, defence establishments, etc.

C. Gestation Periods of Nuclear Power Projects.

Recommendation (Sl.No. 9, Para NO. 2.69)

12. The Committee had noted that the actual gestation periods of Nuclear Power Projects so far constructed in the country from the first pour of concrete to synchronization varied from 54 to 150 months. The Committee had further noted that the current gestation period of our Nuclear Power Projects was 7 years. The longer gestation periods were mainly attributable to learning phase, indigenisation efforts and focus of self-reliance. The Committee were happy to note that the Department had taken a number of steps such as obtaining regulatory clearance in advance, carrying out pre-project activities beforehand., etc. to reduce this period of about six to six and a half years. The Committee would, however, like the Department to further reduce the period of about five and a half years so as to avoid the cost overruns of Nuclear Power Projects. Further, the Committee understood that NPCIL had difficulties in going in for substantial market borrowings because of prevailing high market rate of interest on loans. Besides, the bonds issued by NPCIL had short maturity period vis-à-vis the current gestation period of Nuclear Power Projects. The Committee had, therefore, recommended that long-term maturity loans be made available to NPCIL at reasonable rates of interest.

13. The Department of Atomic Energy, in their reply, have stated that NPCIL's objective is always to reduce gestation periods thereby reducing the capital cost in terms of interest, overhead and escalation cost and all out efforts will be made to achieve

shorter gestation periods. They have further stated that the recommendation to the Committee for long-term maturity loans at reasonable interest rates to NPCIL is a welcome step and is being examined in the Department for further necessary action.

14. The Committee are happy to learn about the resolve of the Department to make all out efforts to achieve shorter gestation periods of Nuclear Power Projects. The Committee would, however, like the Department to take concrete steps so as to reduce the gestation period of such projects to about 5-1/2 years which would go a long way in reducing cost overruns of such projects. The detailed action taken by the Department in regard to availability of long-term maturity loans to NPCIL at reasonable interest rates may also be intimated to the Committee.

D. Setting up of Atomic Power Stations

Recommendation (Sl. No. 10, Para No. 2.73)

15. The Committee had noted that Atomic Power Stations had been set up in southern, western and northern parts of the country. The eastern and northeastern parts had perhaps not been explored as far as setting up of such stations was concerned. The Committee were of the view that this exercise needed to be undertaken on priority basis considering the fact that coal was an exhaustible source of energy. The Committee had, therefore, recommended that the Department should explore the feasibility of setting up of Atomic Power Stations in these regions. The Committee had further recommended that the Department should make a detailed and in-depth study of various aspects such as economic, strategic, environmental, safety, etc. involved in the process and might consider such sites for their future projects.

16. In their reply the Department of Atomic Energy have stated that Site Selection Committee (SSC) constituted by the Department is in the process of exploring/sites for setting up of Nuclear Power Plants (NPPS) in the northern, western, southern and eastern electricity regions of the country for recommending suitable sites to the Department for meeting the long-term needs of the sites for the future nuclear power programme. This sites for NPPs require clearances from the Union Ministry of Environment and Forests and the Atomic Energy Regulatory Board before a decision can be taken by the Government of India. The Department have further stated that the decision of the Government of India will be guided by various considerations including economic and environmental factors and priorities accorded to the future nuclear power programme in terms of availability of funds. Other policy considerations such as energy options available to a region for electricity generation, demand-supply scenario with regard to electricity in the region and availability of suitable sites will also be determining factors.

17. The Committee would like to be apprised of as to when the Site Selection Committee (SSC) was constituted to explore sites for setting up Atomic Power Stations as also whether any time limit was fixed by the Department for completion of exploration work by SSC. The Department may furnish the Committee with

details about the sites explored by SSC and those recommended by SSC as suitable for setting up of Atomic Power Stations in the Eastern and North-Eastern regions. Follow-up action taken/proposed to be taken by the Department on the recommendations of SSC may also be intimated to the Committee at the earliest.

CHAPTER II

RECOMMENDATIONS/OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

Recommendation (Sl. No. 1 Para No. 2.27)

The Committee are distressed to note that the Department of Atomic Energy have been unable to utilize as much as Rs. 199.45 crore out of the budgetary support component amounting to Rs. 3992.87 crore during 1998-99. The budgetary support component for Industries & Minerals (I&M), Power and Research & Development Sectors was Rs. 997.93 crore, Rs. 2149.28 crore and Rs. 845.66 crore respectively. While there has been a marginal shortfall in expenditure in the Industries & Minerals (I&M) Sector amounting to Rs. 2.30 crore, the Power and Research & Development Sectors have registered a shortfall of Rs. 156.83 crore and Rs. 40.32 crore respectively. More distressing is the fact that the Plan expenditure in the budgetary support component during 1998-99 has been short of the Plan budgetary allocation by as much as Rs. 227.67 crore. All the three Sectors of the Department- Power, I&M and R&D-have registered shortfalls in the Plan expenditure out of the budgetary support component during the year. While this shortfall has been more pronounce din the Power Sector with Rs. 135.88 crore, the shortfalls in the I&M and R&D Sectors have been to the tune of Rs. 34.87 crore and Rs. 56.92 crore respectively. The reasons advanced by the Department for shortfalls, such as delay in procurement of machinery and equipment, time taken for formulating and sanctioning new IX Plan projects, suspension of operation of the Heavy Water Plant at Baroda, etc., are hardly convincing and clearly showing a lack of foresight on the part of the Department. The Committee are concerned to note that while the, Department have been clamouring for more and more budgetary support, they have failed to utilise fully the allocated amount for one reason or the other. The Committee apprehend that actual expenditure during the years 1999-2000 and 2000-01 may fall short of allocation since the Plan Schemes are yet to be sanctioned. The Committee, therefore, recommend that the Department should review and strengthen their budgetary mechanism so as to ensure utilisation of the allocated amount to the extent possible.

Reply of the Government

The Department has been continuing its efforts to strengthen the budgetary mechanism to forecast realistic Budget Estimates so that the final Budget utilisation would be close to the Estimates. Initial Budget Estimates are prepared by having detailed discussions with user groups for procurement of Machinery and Equipment and execution of works etc. These estimates are subsequently reviewed at senior level by critically examining the high value items. The progress of the physical and financial targets are being reviewed at the Unit level by Head of Unit. These Estimates are further reviewed in the Department at quarterly intervals. It is further stated that Steering/Project Implementation Committees for the larger projects and Project Coordinators for the others, have been denominated at the Unit level for strengthening the budgetary mechanism so that utilisation of the approved outlay is closely monitored by monitoring the high value items and the progress of works of major items etc. All efforts will be made to further strengthen the budgetary control mechanism as recommended by the Committee.

[DAE O.M. No. 1/2(6)/2000-Budget dated July 14, 2000]

Recommendation (SI. No. 3, Para No. 2.29)

The Committee are also unhappy to note that as against a target of Rs. 178 crore, the actual utilisation of Internal and Extra Budgetary Resources (IEBR) during the year 1998-99 has been a meager Rs. 69.88 crore. Thus, there has been a shortfall of Rs. 108.12 crore. The share of the Power and I&M Sectors in the shortfall has been to the extent of Rs. 79.87 crore and Rs. 28.25 crore respectively. The Committee note that the Nuclear Power Corporation of India Ltd. (NPCIL) has utilised an IEBR amount of Rs. 59.13 crore as against the target of Rs. 139 crore during 1998-99. Similarly, IEBR amounting to Rs. 10.75 crore has been utilised by the Indian Rare Earths Ltd. (IREL) as against the target of Rs. 27 crore. The Electronics Corporation of India Ltd. (ECIL) could not generate any IEBR since 1997-98 even though a target of Rs. 150 crore was set for the entire duration of Ninth Plan in this regard, owing to extra-ordinary procurement problems and huge losses. The performance of the Uranium Corporation of India Ltd. (UCIL) in mobilising IEBR is also dismal, as it has not been able to generate any IEBR since 1997-98 as against a target of Rs. 50 crore for the Ninth Plan period. The Committee do not appreciate the fixation of unrealistic IEBR targets year after year. It is understood that the capacity of the Department to raise resources from the International market is bleak and their position of internal accruals not too healthy. Therefore, it would be prudent on the part of the Department to set IEBR targets at realistic/achievable levels. The Committee have recommended to this effect a number of times in the past. They reiterate the same, expecting the Department to wake up to the reality and take corrective action in this direction.

Reply of the Government

NPCIL

The approved IEBR for NPCIL for the year 1998-99 (net of repayments of past borrowings) was targeted at Rs. 139 crore. During the year 1998-99 the actual realisation of IEBR was Rs. 425 crore. Hence, the targeted IEBR has been achieved. However, the actual utilisation was only Rs. 59.13 crore, in view of the lower expenditure of Rs. 835.54 crore compared to the approved outlay of Rs. 1021.91 crore due to the following major reasons.

1. On account of short fall in expenditure of TAPP 3 & 4 by about Rs. 50 crore due to delay in reactivating the order for Turbine Generator.

2. In case of Kaiga 1&2, lower expenditure of about Rs. 40 crore mainly due to lower interest burden consequent to early redemption of bounds.

3. Due to lower expenditure at operating stations and ancillary schemes by about Rs. 40 crore due to deferment of certain activities to the next year.

I&M Sector

For the year 1998-99 against the target of IEBR of Rs. 27.50 crore actual utilisation by IREL has been of the order of Rs. 10.75 crore.

The main reasons for short fall were:-

1. Delay in the finalisation of various capital expenditure proposals and transfer of technology in view of difficulties in sourcing imports.

2. Delay in acquisition of land at Chavara due to local resistance. This has resulted in delay in implementation of expansion project at Chavara.

3. The OSCOM rehabilitation package with respect to mining, mineral separation and synthetic futile production prepared by IREL and vetted by M/s. MECON was thoroughly examined by IREL-Board during a number of meeting and was approved recently.

Keeping the trend of the earlier years in view, utilisation of IEBR during the year 2000-2001 is likely to be Rs. 20.00 crore.

The provision of Rs. 168.50 crore of IEBR was made in 1996 for the 1Xth Plan. Though IREL will be in a position to generate IEBR of such magnitude i.e. actual utilisation of IEBR could be less (about Rs. 90.00 crore) due to delay in implementation of various projects. This would result in having sufficient cash balance at the end of IX Plan.

The observations of the Committee with regard to the IEBR utilisation have been noted and steps will be taken to improve the utilisation by strengthening the budget forecasting and monitoring mechanism.

[DAE O.M. No. 1/2(6)/2000-Budget dated July 14, 2000]

Recommendation (Sl. No. 4, Para No. 2.30)

The Committee dismayed to note that under Major Head 4801 (relating to Capital expenditure on Plan Schemes covered under Power Sector), 5401 (relating to Capital expenditure on Plan schemes covered under R&D Sector) and 4861 (relating to Capital expenditure on Plan schemes of I&M Sector and Non-plan requirement for operational expenses of Heavy Water Plants), Plan expenditure during 1998-99 has been short of Plan BE by Rs. 24.46 crore, Rs. 46.50 crore and Rs. 34.88 crore respectively. The reasons for shortfall under Major Head 4801 have been cited as difficulty in importing the helium refrigeration unit required for additional upgrading facility of new power plant and non-completion of supply of equipment by the Bharat Heavy Electricals Limited (BHEL) and Larsen and Toubro (L&T) for the Prototype Fast Breeder Reactor (PFBR) Project. Similarly, the shortfall under Major Head 5401 has been attributed to non-receipt/delay in procurement of machinery and equipment for various projects. As regard Major Head 4861, the shortfall in Plan expenditure during 1998-99 has been stated to be due to slow progress of infrastructure facilities, non-receipt of financial sanction, delay in procurement of machinery and equipment, delay in finalisation of work and reduction in financial assistance to the Uranium Corporation of India Limited (UCIL) following unexpected difficulty in importing some high value items. The Committee are of the view that the reasons cited above for shortfall in expenditure clearly point to nothing but administrative slackness on the part of the Department. The Committee note that consequent upon mid-term review of Ninth Plan, there has been major reduction in Plan activities under Major Heads 4801 and 4861. The Committee while recommending that the Department should not only make an in-depth analysis of the various factors attributed to the shortfall in expenditure but also desire that action should be taken against those vendors who were responsible for delay/inadequate supplies of equipment and machinery. Wherever possible, a penalty clause should be incorporated in the tender/agreement documents so as to ward off any delay and inadequate supply of critical equipment and machinery. Other appropriate remedial measure should also be taken to check such problems for their future programmes.

Reply of the Government

The reasons attributed for the shortfall in expenditure under the Major Heads 4861, 5401, 4801 (I&M, R&D and Power Sectors) in many cases are due to the difficulties encountered on account of sanction., imposed. However, alternate arrangements are being made for indigenising the procurement activities.

As regards the Committee's recommendation m the action against defaulting vendors, it is stated that no action has been taken against BHEL and L&T since they are among the few large manufacturers of nuclear equipment in the country. Frequent visits are being made to these industries to expedite the supplies as the technology involved is highly complex. Indigenous manufacturers have necessarily to be developed when sourcing from outside the country is not possible.

It may be stated that while the standard purchase documentation does include appropriate penalty clauses, the equipments required by Department involve development and engineering efforts and are more often not off the shelf items. However, the observations of the Committee have been noted.

[DAE O.M. 1/2(6)/2000-Budget dated July 14, 2000]

Comments of the Committee
(Please see Paragraph 7 of Chapter 1 of the Report)

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Recommendation (Sl. No. 5, Para No. 2.35)

From the financial allocations made and utilisation thereof, it is seen that the Nuclear Fuel Complex (NFC) has failed to fully utilise the Plan budgetary allocation for three consecutive years from 1996-97 to 1998-99. The shortfall in expenditure has been to the tune of Rs. 5.93 crore, Rs. 2.82 crore and Rs. 6.32 crore respectively. The reasons cited for shortfall are delay in indenting, spilling over of certain payment to subsequent year and delay in delivery of equipment. It is also observed that Plan BE for the year 1999-2000 in respect of NFC has been scaled down from Rs. 15 crore to Rs. 5.75 crore at RE stage. This reduction has been attributed to a hold on implementation of one project pending a review of its scope and the anticipated delay in delivery of certain equipment. The Committee feels that the reasons advanced for shortfall/reduction in expenditure/estimates are not convincing at all. They take a serious view of the failure on the part of the organisation to fully utilise the budgetary allocations over the years. The Committee expect the organisation to carefully analyse the reasons for shortfall and take steps in the right direction in future.

Reply of the Government

The remarks of the Committee have been noted. Action has been initiated towards careful review of each project. Detailed plan of action is being taken to ensure fuller utilisation of allocated budget and f(completion of each project in time.

[DAE O.M. No. 1/2(6)/2000-Budget dated July 2000]

Recommendation (Sl. No 7, Para No. 2.67)

The Committee note that the department aim at setting up about 20,000 MWe of Nuclear power generation capacity in the country by the year 2020. This appears to be an over-ambitious and unrealistic programme considering the fact that the total cost involved in this venture is a whopping Rs. 96,400 core (1996 constant rupee value) without including financing cost and escalation, particularly, when the Nuclear Power Corporation of India Ltd. (NPCIL) has a limited operating base and consequently, its capacity to raise internal resources is grossly limited. Besides, NPCIL also does not have access to long- term maturity loans. Moreover, NPCIL is also plagued by the menace of heavy arrears of outstanding dues from various power utilities. The Committee, therefore, feel that it would be better if the Department draw up a plan fixing short and achievable targets to be achieved in the short time-frames and make concerted efforts to achieve those targets which could ultimately lead to their target of 20,000 MWe. While fixing the targets, care may be taken not to put too much reliance on the kind of reactors which would depend on global political situation. The Committee feels that if NPCIL is to achieve its targets, then it should be provided with sufficient budgetary support for 8 to 10 years.

Reply of the Government

Observations of the Committee are noted in formulating realistic long term plans of nuclear power generation consistent with the availability of financial resources.

The plan for nuclear power capacity addition by NPCIL during the three plan period i.e. IX, X and XI Five year Plans (upto 2011-12) is given below:

The installed nuclear capacity by the end of VIR Five Year Plan was 1840 MWe. During the IX Five Year Plan, a capacity of 440 MWe out of the expected addition of 880 MWe has already been added and the balance 440 MWe is expected by the year 2000-01. As per approved IX Five Year Plan, commencement of work on TAPP 3 & 4, Kaiga 3&4, Detailed Project Report (DPR) for Kudankulam (KK) and Prototype Fast Breeder Reactor (PFBR) were planned.

The work of TAPP 3&4 has already been started. Project financial sanction for Kaiga 3&4 project is expected to be accorded during the year 2000-01.

Commencement of work on RAPP 5 &6 (2x500 MWe) and Kaiga 5&6 (2x220 MWe) are envisaged in the X Five Year Plan period. In addition to this, work on additional two units of 500 MWe (RAPP 7&8) may also commence towards the end of X Five Year Plan subject to availability of funds and thereby capacity addition from RAPP 7 & 8 can materialise during the XII Five 'Year Plan.

Regarding KK Project, DPR work has commenced and the accord of project financial sanction would depend upon the techno-commercial offer and its acceptance by the Government of India. Subject to this, the 2x1000 MWe capacity is expected to be added during the XI Five Year Plan.

Considering the above, the nuclear power capacity additions during IX, X and M Five Year Plan period would be 880 MWe (Kaiga 1 & 2 of 2 x 220 MWe and RAPP 3 & 4 of 2x220 MWe), 1000 MWe (TAPP 3 & 4 2 x 500) and 3880 MWe (Kaiga 3 to 6 of 4 x 220 MWe, KK of 2 x 1000 MWe and RAPP 5 & 6 of 2 x 500 MWe) respectively leading to the total installed nuclear power capacity of 7600 MWe by the end of XI Five Year Plan (2011-12). Further, addition of Light Water Reactors (LWRS) beyond KK project will depend upon the prevalent International Political situation.

[DAE O.M. No. 1/2(6)/2000-Budget dated July 14, 2000]

Recommendation (Sl. No. 11, Para No. 2.84)

The Committee are happy to note that the commercial Demonstration Plant for Radiation Processing of Spices at Navi Mumbai has become operational and that the POTON Plant at Lasalgaon, Maharashtra is likely to be completed by December, 2000. The Committee hope that these plants would go a long way in preserving spices, potatoes and onions for longer periods. They desire that after analysing the commercial success of these plants, the Department should go in for setting up more such plants in other parts of the country like Punjab and Haryana in collaboration with other agencies. The Department should realise that unless entrepreneurs are fully able to comprehend the technology involved in these plants and are satisfied with its efficacy, it is highly unlikely that they would come forward to invest in this venture. The Department have therefore, to, make concerted efforts to explain the technology to the prospective entrepreneurs. They should organise demonstration programmes at various places to prove their point, besides resorting to holding of seminars and distribution of written pamphlets on the subject. Based on experience gained from their work on these plants, they should also endeavour to bring in further improvement in the technology if it is called for.

Reply of the Government

POTON Project at Lasalgaon is the first demonstration facility for the commercial use of the technology and will have capacity to process 10 tonnes of onion per hour. The Department will assess the possibilities of setting up radiation processing plants in other parts of the country as suggested by the Committee, after analysing the commercial success of the plant. The help of other agencies such as the Ministry of Food Processing Industries, Ministry of Agriculture, individual entrepreneurs and farmers co-operatives as well as those of financial institutions would be sought for further harnessing the benefits of this technology. With regard to the suggestion of the Committee to organise demonstration programmes, efforts are already on to explain the technology to entrepreneurs, journalists and consumers at large through seminars and workshops. The help of Food & Drug Administration, Maharashtra, has also been taken for the launching of an awareness campaign on food irradiation with technical inputs from Food Technology Division, BARC. Awareness programmes have also been undertaken in collaboration with different scientific associations and bodies. The Department has also prepared some publicity material on the subject (including answers to common questions) for distribution. As advised by the Committee the experience gained from the work on these Plants would be used to bring further improvement in the technology, if called for.

[DAE O.M. No. 1/2(6)/2000-Budget dated July 14, 2000]

Recommendation (Sl. No. 12, Para No. 2.85)

The Committee are happy to note that the Bhabha Atomic Research Center (BARC) has developed 22 crop varieties relating to green gram, black gram, pigeon pea, groundnut, mustard, jute and rice and released the same for commercial cultivation. These crop varieties were released between 1973 and 1995. The Committee are also happy to note that the percentage yield increase of these crops over normal varieties varies from 10% to SO%,. At the same time, they have noted that BARC has not released any crop variety after 1995. They are also sad to note that only one variety of rice has been released so far and that too as far back as in 1988. The Committee recommend that the Department/ BARC should broad-base their agricultural R&D programme and develop/improve food crop varieties as it would go a long way in boosting agricultural production in the country. However, in developing high yield variety seeds, due care should be taken to protect their nutrition values. The Department/BARC should undertake collaborative R&D programmes with the Indian Council of Agricultural Research (ICAR) and other agricultural universities, especially in the eastern region, where both production and yield are abysmally low. They should also organize 'Kisan Melas' in collaboration with Agricultural Extension Department of States/Krishi Vigyan Kendras and also hold periodic seminars in rural areas for dissemination of the relevant information for the use of farmers.

Reply of the Government

It may be said here that besides the three crop varieties (TARM- 1, TARM-18 mungbean and TG-26 Ground nut) released for commercial cultivation in 1995, one more highly effective black grain variety TU- 94-2 was released in 1999 also.

Development of crop varieties suited to commercial cultivation is a time consuming, long drawn programme. It needs in-depth Research at BARC followed by several multi-location field trials at State Agricultural Universities and ICAR sponsored trials for several years before a variety can be considered for release considering its superiority in yield and other attributes in comparison to checks under different agro-climatic conditions. In view of this, it is rather difficult to release crop varieties at regular intervals. It may however be stated that several promising BARC varieties (mungbean, blackgram, soyabean and pigeonpea) are now in the final ICAR trials and are expected to be released in due course of time.

The rice improvement programme was phased out after 1988 in view of the renewed interest of the Central Government to increase production of pulses and oilseeds. More efforts were, therefore, put to improve productivity of pulses and oilseeds. As a result, 10 BA.RC varieties (6 pulsed and 4 groundnut) were released between 1991 and 1999.

As per the suggestions of the Committee, BARC has broad-based agricultural programmes involving genetic improvement of crops by mutation breeding and biotechnological approaches, cell and tissue culture of banana, pineapples and high-value crops, isotope-aided studies on soils and fertilizers, pesticide residues and integrated pest management. The research efforts are directed towards high agricultural productivity with the concept of sustainability of the production system. The BARC pulse and groundnut varieties have essentially similar nutrients in comparison to other high yielding varieties which have been bred by conventional breeding. Care is taken to see that the nutrition values are not altered and in programmes related to improvement in quality, efforts are made to improve the nutrient contents of the produce.

With regard to the suggestion of the Committee on collaborative R&D Programmes, it may be stated that BARC has very effective linkages with ICAR and regularly participate in the ICAR-sponsored national programmes for crop improvement and other programmes. BARC has established collaborative research programmes through signing of MoUs with several State Agricultural Universities and other organisations also. (e.g. KKV, Dapoli; MPKV, Rahuri; Dr. PDKV, Akola; MAU, Parbhani; UAS, Dharwad, UAS, Bangalore; KKV, Pondicherry; MSSC, Akola; DFAS of DRDO, Shantha Biotechnics, Hyderabad; Kabra Drugs Ltd., Indore, an MoU is to be signed with Rajasthan Agricultural University, Bikaner in July, 2000 which has already been finalised).

In the eastern regions, BARC has already initiated crop improvement programmes with several organisations namely Orissa Agricultural University and Technology, BCKV, West Bengal, Deptt. of Agric. Shillong and ICAR Complex, Shillong and Deptt. of Science, Technology & Environment, Govt. of Tripura. In Tripura, interest has been shown to set up irradiation facility for food preservation, spice irradiation and delay in ripening of pineapples and also use of radiation for mutation breeding of crops important for the State.

BARC conducted Krishi mesas and meetings with farmers with the help of MSSC, Akola and KVK, Kosbad Hill, Thane, RCF, Mumbai and IFCO. Seeds of BARC varieties were distributed in these meals.

[DAE O.M. No. 1/2(6)/2000-Budget dated July .4, 2000]

CHAPTER III

RECOMMENDATIONS/OBSERVANCES WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF THE GOVERNMENT'S REPLIES

--NIL –

CHAPTER IV

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

-NIL –

CHAPTER V

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

Recommendation (Sl. No. 2, Para No. 2.28)

The Committee are dismayed to note that there are wide variations between the Budget Estimates (BE) and Revised Estimates (RE) pertaining to the year 1999-2000. Total BE amount of Rs. 4969.38 crore for 1999-2000 has been reduced to Rs. 4628.67 crore at RE stage. Again, there have been huge variations between the Plan BE and Plan RE in the budgetary support component in the Power and I&M Sectors during 1999-2000. While Plan BE of Rs. 950 crore in the Power Sector was reduced to Rs. 885.30 crore at RE stage, in the I&M Sector the Plan -BE of Rs. 225 crore was scaled down to Rs. 143.39 crore at RE stage. The reduction in the Power Sector has been attributed to the delay in establishment of technical procedure with regard to release of payment of Russian credit in connection with preparation of the Detailed Project Report (DPR) for the Kudankulam Atomic Power Project as the entire Russian credit of Rs. 111 crore could not be utilised even though the payment of advance of DPR work of Rs. 28 crore as against Rs. 9 crore budgeted had been released. The reduction in the I&M Sector has been attributed to the rescheduling of the Zirconium Oxide-Titanium Sponge Project due td technical reasons, reduction in the financial assistance to the Uranium Corporation of India Limited (UCIL) for the IR Stage Shaft Project at Jaduguda Mines, delay in the finalisation of joint venture projects of the Indian Rare Earths Limited (IREL), etc. The Committee find it hard to believe that the huge reduction at RE stage was mostly because of the administrative reasons stated above. Rather, they feel that this is indicative of poor planning and budgeting on the part of the Department for which corrective action is imperative. The Committee apprehend that with the mis- management of expenditure on Plan schemes, the realisation of Rs. 20,000 MWe by 2020 through Nuclear Power will remain a distant dream. The Committee recommend that the Department should make accurate and realistic budget estimates in future after making an in-depth analysis of each and every scheme.

Reply of the Government

Power Sector

The reduction under Power Sector in RE stage is mainly on account of the following..

1. Reduction in Interest on borrowing because of early redemption of bonds.

2. In case of TAPP 3 & 4, the reduction in outlay is mainly due to:

Delay in finalisation of contracts related to Boiler Feed Pump, Liner Plates, Valves etc., due to delay in the finalisation of scope of the packages in view of their special technical requirements. –

Time taken in revival of on-going orders pertaining to the advance procurement action of Turbine Generators, PHT Pumps Motor Assemblies, End-Shields.

The decrease of outlay in case of Kudankulam Project is mainly on account of reduction in utilisation of Russian Credit due to delay in establishment of technical procedure for accounting the Russian State Credit by Controller of Aid Accounts and Audit, Ministry of Finance and Russian Economic Affairs Bank.

With regard to the observation of the Committee on reduction in budgetary support in RE stage, it is to state that only in case of Russian Credit the RE was placed lower at Rs. 59 crore against the budget amount of Rs. 102 crore for the above reasons.

With the strengthening of the budget forecasting and monitoring mechanism and also taking into consideration the observations of the Committee vide para 2.67, a realistic plan with regard to Nuclear Power capacity build up will be formulated considering all relevant factors including those suggested by the Committee and all efforts will be made to achieve the target.

I&M Sector

The observations of the Committee have been noted. Action has been initiated towards careful review of each project. Detailed plan of action is being taken to ensure fuller utilisation of allocated budget and for completion of each project in time.

[DAE O.M. No 12(6)/2000-Budget dated July 14, 2000]

Recommendation (Sl. No. 6, Para No. 2.49)

The Committee are concerned to note that the physical performance of the Electronics Corporation of India Limited (ECIL) during 1998-99 and 1999-2000 has been rather dismal. Actual production and net sales of the company during the above period have been far short of the targets set in this regard. The financial performance of the company during 1998-99 has been equally bad. The gross earning, gross profit and net profit of the company during the year have gone down to unimaginably low levels. Inability to generate business/sales volume, heavy salary burden of man-power, working capital constraints, difficulties in obtaining adequate business in Nuclear Power Defence and Telecommunications Sectors, intense competition from Private Sector Companies and Public Sector Undertakings, etc., have been cited as reasons for poor performance of the company. Moreover, ECIL does not enjoy the advantages of excise duty concession and receipt of orders on nomination basis available to Public Sector Undertakings (PSUS) of the Ministry of Defence. The Committee have been informed that the company has initiated a re-structuring process encompassing product rationalisation and downsizing of manpower and that a detailed proposal is being drawn up to seek Government approval therefor. The Committee would like to be informed of the details of the said proposal as also the action taken by the Government thereon. The Department should take up with the Ministry of Defence and/or Finance the question of charging similar excise duty from ECIL as from other Defence Undertakings. Pending finalisation of re-structuring exercise, the Government should take steps for transfer and export of emerging frontier technologies to other developing countries. With the availability of infrastructure and trained man-power at their disposal, ECIL should also consider Information Technology (IT) Industry as another viable means to improve their bottom-lines.

Reply of the Government

Details of the Restructuring Plan for ECIL

The steps outlined in the turnaround proposal of ECIL are as under:

- Regrouping the business activities into 'Core' and 'Non-core areas.

- Nurturing ECIL into a valued national asset in the strategic areas of Nuclear and Defence.

- Product rationalisation in respect of market driven lines to decide m continuance/discontinuance.

- Creating exit paths for manpower associated with redundancy of skills and non-viable business lines.

- Operating the market driven activities as viable entities so as to attract outside participation at a later date.

To enable achieving the above objectives of the restructuring plan, it is necessary to restore the financial health of the company by:

- reducing the interest burden
- improving the asset base (leading to a better credit rating)
- improving the liquidity position
- providing suitable compensation for the company for the losses suffered during 1998-99 due to extraordinary circumstances; and
- helping by way of grants to install an appropriate Voluntary Retirement Scheme aimed at reducing the salary burden.

These steps have been detailed in the note put up to the Government.

The core products pertaining to the Nuclear and Defence programmes of the country are planned to be regrouped into two independent business entities viz., ECIL-Nuclear and ECIL-Defence and these have to be consciously nurtured to become national assets. In order to achieve this objective, certain business related assistance (especially from MoD) has been sought from the Government to enhance the business volumes in these strategic areas. Products belonging to the market driven sectors have to be operated on commercial lines to emerge as a cluster of joint ventures with outside equity participation.

The Company has already initiated steps to improve its internal processes in tune with those which are valid in the present market scenario. These efforts, coupled with the extension of assistance sought in the restructuring plan submitted to the Government, will enable the company to realise its objectives of becoming a national asset in the strategic sectors of Nuclear and Defence and operating viable units for its products in commercial areas.

While the IT knowledge base is fairly broad based, it is being employed by ECIL to support and sustain the application products in the Nuclear, Defence and Telecom sectors in a large measure. In respect of pure software products, demand-supply position of IT professionals vis-a-vis the remuneration structure, is putting ECIL in a very disadvantageous position in attraction and retention of talent, in comparison to the MNCs/Private Sector Companies. This activity is purely market driven and JV formation/Privatisation are essential to create the needed flexibilities in working conditions.

Status as on date

A draft Cabinet Note on the restructuring plan for ECIL was submitted to the Government in August 1999.

This draft note for the Cabinet Committee on Security was discussed in detail in a meeting of all concerned on 15 December, 1999 at New Delhi. It was agreed at this meeting that the proposals for restructuring of ECIL be considered in two stages. In the first stage, the issues related to closure of the MCU without any liability on ECIL and NRF assistance for VRS in 1999-2000 were to be covered. The second stage proposal was to cover the issues related to business, finance and manpower areas aimed at achieving the turn-around of the company.

Accordingly, a note covering the first stage of the proposals was submitted during January 2000 to the Cabinet Committee on Security and has been approved by the Government.

A draft Cabinet note covering the second stage proposals in respect of business, finance and manpower, was submitted by ECIL to the Department of Atomic Energy in April 2000 for consideration and submission to the Government.

[DAE O.M. No. 1/2(6)12000-Budget dated July 14, 2000]

Recommendation (SI. No. 8, Para No. 2.68)

The Committee are concerned to note the growing menace of outstanding dues from power utilities/State Electricity Boards (SEBS) to the Nuclear Power Corporation of India Limited (NPCIL) over the years. The amount of outstanding (including delay payment charges) which was Rs. 2560.66 crore as on 31st March, 1998, decreased to Rs. 2456.10 crore as on 31st March, 1999. However, the Committee find that the position has deteriorated subsequently and as on 29th February, 20M, the outstanding have gone up to Rs. 2656.36 crore in spite of a number of corrective steps taken by NPCIL. The Committee have been informed that most of the SEBs have opened Letters of Credit (LCs) to ensure timely payments of current bills against sale of power from the Nuclear Power Stations and as a result, cash flows to NPCIL have improved considerably. However, NPCIL seems to be having problems in timely recovery of past outstanding as the percentage of appropriation of Central Plan Assistance (CPA) is restricted to 15% of the CPA due to the State Government and the CPA so recovered is distributed among the Central power generating companies, coal companies, etc. The Committee have further been informed that NPCIL has reached a settlement with the Rajasthan State Electricity Board (RSEB) in 1998-99 in regard to payment of outstanding dues. The Committee hope that NPCIL would make vigorous efforts to reach similar settlements with other SEBS. Some incentives like partial waiving of Delay Payment Charges, etc., may also be offered to the SEBs in order to attract them to go in for settlement.

Reply of the Government

The realisation of dues from SEBs has increased in absolute terms during 1999-2000 compared to 1998-99 but has come down as a percentage of sales. The position has deteriorated during 1999-2000 because of complete default of Madhya Pradesh Electricity Board (MPEB). Inspite of continuous efforts at all levels, M/s MPEB have not made payments. NPCIL is making efforts to divert the power to other SEBs who are willing to open LC. The possibility of supplying power directly to Railways is also being explored.

NPCIL is making vigorous efforts to reach settlement package with Uttar Pradesh Power Corporation Limited (formerly UPSEB) in which partial waiver of DPC is also considered. Similar efforts are being made to arrive at settlement packages with other major defaulting SEBS.

[DAE O.M. No. 1/2(6)/2000-Budget dated July 14, 2000]

Comments of the Committee

(Please see Paragraphs 10 and 11 of Chapter 1 of the Report)

Recommendation (Sl. No. 9, Para No. 2.69)

The Committee note that the actual gestation periods of Nuclear Power Projects so far constructed in the country from the first pour of concrete to synchronization have varied from 54 to 150 months. The Committee further note that the current gestation period of our Nuclear Power Projects is 7 years. The longer gestation periods are mainly attributable to learning phase, indigenisation efforts and focus on self- reliance. The Committee are happy to note that the Department have taken a number of steps such as obtaining regulatory clearance in advance, carrying out pre-project activities beforehand, etc. to reduce this period of about six to six and a half years. The Committee would, however, like the Department to further reduce the period to about five and a half years so as to avoid the cost overruns of Nuclear Power Projects. Further, the Committee understand that NPCIL has difficulties in going in for substantial market borrowings because of prevailing high market rate of interest on loans. Besides, the bonds issued by NPCIL have short maturity period vis-a-vis the current gestation period of Nuclear Power Projects. The Committee, therefore, recommend that long-term maturity loans be made available to NPCIL at reasonable rates of interest.

Reply of the Government,

NPCIL's objective is always to reduce gestation periods thereby reducing the capital cost in terms of interest,, overhead and escalation cost and all out efforts will be made to achieve shorter gestation periods. The recommendation of the Committee for long term maturity loans at reasonable interest rates to NPCIL is a welcome step and is being examined in the Department for further necessary action.

[DAE O.M. No. 1/2(6)/2000-Budget dated July 14, 2000]

Comments of the Committee

(Please see Paragraph 14 of Chapter 1 of the Report)

Recommendation (Sl. No. 10, Para No. 2.73)

The Committee note that Atomic Power Stations have been set up in southern, western and northern parts of the country. The eastern and northeastern parts have perhaps not been explored as far as setting up of such stations is concerned. The Committee are of the view that this exercise needs to be undertaken on priority basis considering the fact that coal is an exhaustible source of energy. The Committee therefore, recommend that the Department should explore the feasibility of setting up of Atomic Power Stations in these regions. They should make a detailed and in-depth study of various aspects such as economic, strategic, environmental, safety, etc. involved in the process and may consider such sites for their future projects.

Reply of the Government

Site Selection Committee (SSC) constituted by the Department is in the process of exploring sites for setting up of Nuclear Power Plants (NPPS) in the Northern, Western, Southern and Eastern Electricity Regions of the country for recommending suitable sites to the Department for meeting the long term needs of the sites for the future nuclear power programme. The sites for NPPs require clearances from

the Union Ministry of Environment and Forests and Atomic Energy Regulatory Board before a decision can be taken by the Government of India. The decision of the Govt. of India will be guided by various considerations including economic and environmental factors and priorities accorded to the future nuclear power programme in terms of availability of funds. Other policy considerations such as energy options available to a region for electricity generation, demand-supply scenario with regard to electricity in the region and availability of suitable sites will also be determining factors.

DAE O.M. No. 1/2(6)/2000-Budget dated July 14, 2000]

Comments of the Committee

(Please see Paragraph 17 of Chapter 1 of the Report)

New Delhi;
7 February, 2000
18 Magha , 1922 (Saka)

SONTOSH MOHAN DEV
Chairman,
Standing Committee on Energy.

ANNEXURE I

MINUTES OF THE FIRST SITTING OF THE STANDING COMMITTEE ON ENERGY (2001) HELD ON 25TH JANUARY, 2001 IN COMMITTEE ROOM 'E', PARLIAMENT HOUSE ANNEXE, NEW DELHI

PRESENT

1. Shri Sontosh Mohan Dev - Chairman
2. Shri Basudeb Acharia
3. Shri Prakash Yashwant Ambedkar
4. Shri Rajbhar Babban
5. Shri Vijayendra Pal Singh Badnore
6. Shri Lal Muni Chaubey
7. Shri Sanat Kumar Mandal
8. Shri Dalpat Singh Parste
9. Shri B.V.N. Reddy
10. Shri Chada Suresh Reddy
11. Shri Chandra Pratap Singh
12. Shri Tilakdhari Prasad Singh
13. Shri Manoj Sinha
14. Shri Ramji Lal Suman
15. Prof. Ummareddy Venkateswarlu
16. Shri P. R. Khunte
17. Shri Girdhari Lal Bhargava
18. Shri Trilochan Kanungo
19. Shri Lakhiram Agarwal
20. Shri Dara Singh Chauhan
21. Shri Manohar Kant Dhyani
22. Shri Vedprakash P. Goyal
23. Shri Santosh Bagrodia
24. Ven'ble Dhamma Viriyo
25. Shri R.P. Goenka
26. Shri V.V. Raghavan

SECRETARIAT

1.	Shri P.K. Bhandari	-	Deputy Secretary
2.	Shri R.S. Kambo	-	Under Secretary

2. At the outset, the Chairman, Standing Committee on Energy welcomed the Members to the sitting of the Committee.

3. The Committee then took up for consideration the following draft Reports: -

(i) Action taken by the Government on the recommendations contained in the First Report of the Standing Committee on Energy (1999-2000) of the Department of Atomic Energy.

(ii) Action taken by the Government on the recommendations contained in the Second Report of the Standing Committee on Energy (2000-01) of the Ministry of Non-Conventional Energy Sources.

(iii) Action taken by the Government on the recommendations contained in the Third Report of the Standing Committee on Energy (2000-01) of the Ministry of Power.

(iv) Action taken by the Government on the recommendations contained in the Thirty-ninth Report of the Standing Committee on Energy (1999-2000) on Demands for Grants (2000-01) of the Ministry of Coal.

4. The Committee adopted the aforesaid draft Reports with minor additions/deletions/amendments.

5. The Committee also authorized the Chairman to finalise the above-mentioned Reports after making consequential changes arising out of factual verification by the concerned Ministries/Department and the present the same to both the Houses of Parliament.

The Committee then adjourned.

ANNEXURE II

[Vide Para 4 of the Introduction]

ANALYSIS OF ACTION TAKEN BY THE GOVERNMENT ON THE RECOMMENDATIONS CONTAINED IN THE FIRST REPORT OF THE STANDING COMMITTEE ON ENERGY

(THIRTEENTH LOK SABHA)

I.	Total No. of Recommendations	12
II.	Recommendations that have been accepted by the Government (vide recommendations at Sl. Nos. 1, 3 4, 5, 7, 11 and 12)	7
	Percentage of total	58.57%
III.	Recommendations which the Committee do not desire to pursue in view of the Government's replies	Nil
IV.	Recommendations in respect of which replies of the Government have not been accepted by the Committee	Nil
V.	Recommendations in respect of which final replies of of the Government are still awaited (vide recommendations at Sl. Nos. 2, 6, 8, 9, and 10)	5
	Percentage of total	41.67%