

that goes against the provisions of this law. The Minister has stated that there are two provisions—one is the compensatory afforestation and the other is upgradation of the forest. Kerala is a thickly populated State and hardly any land is available with the Government either for compensatory afforestation or for upgradation of forests. In that kind of a situation, the condition laid down in the Act has become unenforceable.

Sabarimalai is a pilgrimage place which 40 lakh devotees visit every year. When Kerala Government made a request for construction of toilets for providing primary facilities, the Government of India disallowed it. In my constituency, townships like Kattappana and Edumbalam which are going to be municipalities, now they are Panchayats...(Interruption)

MR. SPEAKER : Please ask your question. Time is very short.

SHRI P.C. CHACKO : It is about tribal development, Sir. Kindly permit me. I am putting my question...(Interruption). The cutoff year of 1976 is not being implemented properly and fairly because the survey is defective. In view of this, will the hon. Minister take the initiative to conduct a fresh survey in coordination with the State Government; and will the Government of India identify the areas where forests are converted into townships and give pattas to the inhabitants in those areas?

Secondly, will the Government waive this condition and allow developmental activities in such places where compensatory afforestation or upgradation is not possible?

SHRI SURESH PRABHU : Sir, I can explain the position of the law as it exists today. According to the law that exists in the statute book, which is passed by the hon. House, the condition as stipulated for conversion of forest land for non-forest purposes is what I have mentioned. We can find out, if there are specific cases which can be solved within the parameters of the law. I welcome the hon. Members on this. We can have a meeting and discuss this issue pertaining to the State of Kerala.

SHRI P.C. CHACKO : Thank you.

[Translation]

#### Setting up of Regulatory Commissions

\*66. SHRI MOTILAL VORA:  
SHRI NARESH PUGLIA:

Will the Minister of POWER be pleased to state:

(a) whether the Government have decided to set up Electricity Regulatory Commissions both at the Central and State levels;

(b) whether the views of the State Governments have been sought before setting up such commissions;

(c) whether almost all the SEBs have a large sum to pay to the Government;

(d) the extent to which the setting up of these panels will help improving the power position, regulatory transmission and enable the SEBs to pay their dues; and

(e) the steps the Union Government contemplate to take during 1998-99 in the direction of solving the problem of power shortage throughout the country?

[English]

THE MINISTER OF POWER (SHRI P.R. KUMARAMANGALAM) : (a) to (e) A Statement is laid on the Table of the House.

#### Statement

(a) and (b) Yes, Sir.

(c) The Delhi Vidyut Board owes around Rs. 6,000 crores to Badarpur Thermal Power Station owned by Government of India. The outstanding dues of SEBs to Ministry of Railways as on 31.1.1998 were of the order of Rs. 1003 crores. In addition, SEBs owe around Rs. 17,000 crores to Central Power Sector Undertakings in power and coal sectors.

(d) As per the available information, the total effective subsidy to agricultural and domestic sectors is over Rs. 19,200 crores during 1996-97. Of this, the State Governments proposed to compensate only Rs. 2634 crores through budgetary subventions. This is only 12.7% of the effective subsidy that the SEBs had to bear at the given levels of tariffs for agricultural and domestic sectors. SEBs, recovered around Rs. 8035 crores through cross-subsidization. Thus the total net loss to the SEBs on account of low agricultural and domestic tariffs has been of the order of Rs. 8,500 crores. This is around 20% of the total revenue of electricity for power sale. The extent of the increase in the financial burden on SERs during the period from 1992-93 to 1996-97 can be seen from the fact that 1992-93 the losses on account of tariffs, after taking into account the accruals on account of budgetary subventions and cross-subsidization were only Rs. 2277 crores (i.e. around 10% of the total revenue from the power sale). The major impact of this has been:

(i) The net internal resources of SEBs needed to plan and undertake new investments have gone down from Rs. (-) 161.5 crores in 1992-93 to Rs. (-) 4482 crores in 1996-97.

(ii) High level of outstanding dues of SEBs to CPSUs has negative impact on the capacity of CPSUs to invest in capacity addition programmes. This compels CPSUs to depend upon costly borrowings from the domestic and international markets.

(iii) Poor financial health of SEBs does not permit the State Governments to extend adequate and commercially acceptable guarantees to private investors. It is assessed that

escrowable capacity of SEBs can support only around 10,000 MW capacity in the power sector. Thus despite receiving encouraging response from IPPs for investment in the power sector, the actual inflow has been below par.

The establishment of Regulatory Commissions would help in rationalising tariff and also provide for cross-subsidies, wherever required. The setting up of Regulatory commissions does not preclude the State Governments from extending subsidies to agriculture which is an important and crucial sector of the economy. The State Governments can exercise the option of providing subsidies over and above those recommended by Regulatory Commissions. Such subsidies could cover free power to agriculture, and/or to weaker sections on condition that the State Governments compensate the SEBs by providing adequate budgetary support. When tariffs are rationalized and budgetary support is provided, the SEBs will improve their financial health and their capacity to invest. This in turn will help in flow of greater resources, both public and private, into the power sector, thereby improving the power position considerably. This will go a long way in enabling the SEBs in investing on critical works such as renovation and modernisation of existing generation facilities, improvements of transmission and distribution systems etc. In the long run, this will have the effect of optimising operational performance, reducing the T&D losses and improving the quality of power supplies to the consumers.

(e) In order to improve the utilisation of existing capacity and to meet the projected increase in demand, Government is pursuing both short term and long term measures which include raising PLF of existing stations. Quick completion of on going schemes, renovation and modernisation of old plants, setting up of inter-regional transmission links, system improvement programme for the power utilities, building of new capacities and institutional reforms in the power sector.

[Translation]

SHRI MOTILAL VORA : Mr. Speaker, Sir, I would like to know from the Hon'ble Minister of Power whether the parliamentary Standing Committee of Ministry of Power has not accepted the recommendation made by the Central Government to set up Central Electricity Regulatory Commission instead of Central Electricity Authority and the panel headed by Shri Jag Mohan, Member of Parliament had on 8.7.97 criticised the setting up of a Parallel organisation and instead, suggested to make C.E.A. more efficient and strong?

[English]

SHRI P.R. KUMARAMANGALAM : The CRC, and the SCRC Ordinance which is now proposed to be brought for the as a Bill to be converted into an Act, deals with tariff, Now, tariff fixation under the Electricity

Act is a matter that is left to the Government. It is not one which deals with the Central Electricity Authority. The Central Electricity Authority is basically a technical body attached to the Ministry of Power. It deals with technical clearances. It deals with the advising on tariff fixation in a sense that when you talk of cost of a project; and from the cost of a project if the tariff notification applies, then it comes into operation. These are really the powers of the Central and State Governments, which have been given to a regulatory body.

With regard to the strengthening of the Central Electricity Authority, I can assure the hon. Member that we are taking steps. We are looking into the Committee. We believe that the CEA has much stronger role to play and it will play. We would be coming forth and I would be informing the hon. Member of the situation.....  
(Interruptions)

SHRI MOTILAL VORA : This is not clear.

I am saying that the Standing Committee had totally rejected the proposal of forming this...(Interruptions)

MR. SPEAKER : Now, you can ask the first supplementary.

SHRI MOTILAL VORA : This is my first supplementary.

I think, the hon. Minister has not understood my point. The point is that the Standing Committee had rejected the proposal of the formation of the CREC under the Chairmanship of Shri Jag Mohan, and the recommendations of the Standing Committee had been taken into consideration.....(Interruptions)

SHRI P.R. KUMARAMANGALAM : No. Sir,

SHRI MOTILAL VORA : What I want to know from the hon. Minister is whether he is ignoring the recommendations.....(Interruptions) Let me say.

MR. SPEAKER : Let him say first.

SHRI MOTILAL VORA : When a Standing Committee was constituted by Parliament, its recommendations have to be followed. I want to know from the hon. Minister whether the recommendations of the Committee were taken into consideration.

SHRI P.R. KUMARAMANGALAM : With regard to the Standing Committee recommendations, I wish to assure the hon. Member that on the recommendations of the Standing Committee, two Conferences of the Chief Ministers were held. In fact, the request of the Standing Committee was that the Chief Minister of the States should be consulted. The Common Minimum National Action Programme on Power was finalised on a consensus basis. It is on the basis of that document that the present Bill which has incorporated amendments suggested by them, has come in. It would have gone back to the Standing Committee if the House had not dissolved. Because of the dissolution of the House, the earlier Standing Committee could not get the Report of the Common Minimum National Action Programme on Power.

[Translation]

SHRI NARESH PUGLIA : Mr. Speaker, Sir, through you, I would like to know from the Hon'ble Minister that as the Hon'ble Minister has stated in Para 'e' of his reply that reforms would be made to improve the utilization of existing capacity.

[English]

Modernisation of the existing units, improvement of the transmission and distribution systems, and the quality of power supply to the consumers.

[Translation]

Besides, agriculture and domestic use, power is being consumed by the industrial sector on a large scale in the country. The previous Government had allowed the big industries with turnover above Rs. 100 crore to install their own small power units. It had also announced to provide facilities for installing these units.

12.00 hrs.

However, according to my information these facilities are not being provided to the industrial units who want to set up captive power Projects. I would like to know from the hon'ble Minister what type of facilities would be provided to the industries for setting up Captive Power Projects?

[English]

SHRI P.R. KUMARAMANGALAM: Sir, though it is beyond the scope of this question, since the hon. Member has asked the question seriously, I would like to respond to him. With regard to captive power projects. If the hon. Member has any specific instance and if he brings it to my notices, I shall definitely extend immediate personal attention and see that the problem is solved.

## WRITTEN ANSWERS TO QUESTIONS

[Translation]

### Pollution due to Power Projects

\*64. SHRI MOHAMMAD ALI ASHRAF FATMI : Will the Minister of ENVIRONMENT AND FORESTS be pleased to state :

- whether the power projects spread pollution in the environment;
- if so, the details thereof; and
- the remedial steps taken by the Government to minimise the level of pollution due to such projects?

THE MINISTER OF ENVIRONMENT AND FORESTS (SHRI SURESH PRABHU) : (a) to (c) Power projects can cause environmental pollution, the nature and extent of which depends on the type of fuel used and the power generation systems installed. Power projects based on coal emit suspended particulate matter,

sulphur dioxide and oxides of nitrogen as the main pollutants. Combined cycle power plants using clean fuel such as gas/naphtha emit oxides of nitrogen.

The steps taken for minimising the levels of pollution from power plants include the following:

- Directions have been issued under the Environment (Protection) Act, 1986 to the power plants for complying with the prescribed pollution discharge standards by installing requisite pollution control systems.
- All thermal power plants having an investment of over Rs. 50 crores require an environmental clearance under which conditions prescribe environmental safeguards and pollution control systems including provision of green belt and utilisation of flyash over a prescribed time frame.
- Mandatory use of beneficiated coal with an ash content not exceeding 34 per cent has been stipulated with effect from 1st June, 2001 based on distance criteria.

[English]

### Norms for Opening Post Offices

\*65. SHRI RAVINDRA KUMAR PANDEY : Will the Minister of COMMUNICATIONS be pleased to state :

- the existing norms for opening of Post offices in Rural, Urban, Tribal and Backward areas; and
- the status of implementation of suggestions made in Justice Talwar Committee Report regarding changing the existing norms?

THE MINISTER OF INFORMATION AND BROADCASTING AND MINISTER OF COMMUNICATIONS (SHRIMATI SUSHMA SWARAJ) : (a) The norms for opening post offices in Urban, Rural, Tribal and backward areas are given in the Statement enclosed

(b) Justice Talwar Committee has not suggested any change in the existing norms for the opening of post offices.

Statement

### Norms for opening of Post Offices (Last revised in 1991)

#### 1. Norms for Opening of Extra-Departmental Branch post offices (EDBOs)

##### 1.1 Population:

- In Normal Areas :

3000 population in a group of villages (including the PPO villages)