

[Mr. Speaker]

difficulty, but it has become part of the Report.

PROF. P. G. MAVALANKAR: I am grateful to you to find out that my minute of dissent has become part of the Report. But my point is that, on such occasions when the reports are drafted and are passed by the Committee and then the reports are to be presented before the House, within 24 to 48 hours, how can the Members be in a position to give their minutes of dissent? After all, there must be some time lag between the passing of the Report and the presentation of the Report before the House. I was fortunate yesterday when I came here, because I drafted my minute of dissent immediately after carefully reading the Report yesterday afternoon, and then I walked into the Parliament House and put it in the box. Now it is part of the Report. Henceforward, however, you kindly give a guidance to the Chairman of the Committees—with great respect, I am saying to my all colleagues, Members of Parliament—that time given for minute of dissent should be longer and not within 24 to 48 hours, rushing the way it had been done. I am glad that my minute of dissent has been accepted.

MR. SPEAKER: We are sorry for the inconvenience that has been caused to you. But you would have avoided the inconvenience of the House if you had taken up this matter, at the first instance, with the Chairman of the Committee.

PROF. P. G. MAVALANKAR: I wrote two letters to the Chairman.

MR. SPEAKER: So far as this Report is concerned, it has become part of the Report. The general formula is that a matter of this character must be taken up with the Chairman of the Committee at the appropriate time. I cannot give direction in a general way saying, you do this. It would be appropriate to take up the matter with the Chairman.

15.45 hrs.

CALLING ATTENTION TO MATTER OF URGENT PUBLIC IMPORTANCE

REPORTED SHORTAGE OF COAL IN THE COUNTRY

DR. VASANT KUMAR PANDIT (Rajgarh): Sir, I call the attention of the Minister of Energy to the following matter of urgent public importance and request that he may make a statement thereon:—

“Reported shortage of coal in the country affecting adversely many industries, power houses and steel plants and leading to cancellation of trains and the steps taken by the Government to overcome the shortage.”

15.46 hrs.

[MR. DEPUTY-SPEAKER in the Chair]

THE MINISTER OF ENERGY (SHRI P. RAMACHANDRAM): During the current year a production of 113.5 million tonnes of coal has been planned to meet the demand of the various sectors of our economy. Against this, up to the end of June we have already produced 23.3 million tonnes. The current year opened with reasonably comfortable pithead stocks which stood at 12.5 million tonnes on 1st of April 1978, we were able to despatch more than our production during the first quarter of the year. Against the production of 23.3 million tonnes, despatches to various categories of consumers were 23.6 million tonnes. Even today the pithead stocks are about 11 million tonnes.

The first quarter of the current year has been a difficult period for the coal industry. As Members may be aware there was a prolonged strike in the Singareni Collieries which led to a considerable loss of production. This also made it necessary to divert coal from other sources to meet the requirements of the traditional consumers of Singareni. There have also been continuing problems with the availability of explosives and of power which have affected coal production.

We have been keeping a close watch on the progress of coal production and

despatches during the year. No power station according to our information was completely closed due to shortage of coal. A few power stations, however, were in distress for a short period but immediate action was taken to rush supplies to them so that generation was not unduly reduced. We have taken a number of steps to deal with the difficulties being faced by certain categories of consumers in the matters of coal supplies. In the first week of July I held detailed discussions with the Chairman of all the coal companies with a view to identifying the problems in meeting the consumers demand and removing bottlenecks in stepping up production. Not only have I talked to the Industry's Minister who was good enough to allow import of explosives, but I also had discussions with my colleague, the Minister for Railways, in order to step up the machinery for close coordination between the coal companies and the Railways. As a result of the review that we have carried out, the following steps are being taken to increase coal production:—

(1) It has been decided to import explosives to overcome the shortage in the country.

(2) Efforts are being made to transfer surplus power from Orissa to Bihar to make up the shortfall in that State.

(3) Efforts will be made to increase the supply of railway wagons for transport of coal above the existing limit and to ensure fuller utilisation of wagons being supplied.

(4) The movement of coal to the South by sea will be increased so as to supplement the existing railway movement capacity.

(5) The possibility of increasing road movement of coal to power stations within a distance of 60 km from the coalfield is being examined.

(6) Regular meetings are being held at the highest level between representatives of the coal companies and the railways to ensure that there is complete coordination between the coal producers and the railways

in the matter of loading and transporting coal to consumers.

(7) The coal companies have been asked to revise their production programme for the remainder of the year so as to ensure that the target of production for the year is achieved.

(8) Coal companies have been asked to identify and implement short gestation projects from which additional coal production can be quickly made available.

In conclusion I would like to assure the Members that we are keeping an extremely close watch on the production and despatch of coal within the country and that we have set up a machinery to identify promptly problems as and when they arise and to take effective steps for their removal. It is my hope that during the year we will be able to meet the demand of coal within the country.

DR. VASANT KUMAR PANDIT: The hon. Minister has given a detailed statement, but still it does not satisfy us. There are many things which have not been said—they are like *suppressio veri*. We would like to know from the hon. Minister what is the total annual target, what is the total annual demand and what is the production. No figures have been given of the estimated demand.

They have stated certain targets, but the entire demand is much more than that.

Secondly, we find that there is a total collapse in the CIL and its subsidiaries with regard to maintenance, administration, distribution and production. There are certain factors which are said to be responsible for this. We have been told there was a strike or there was shortage of wagons or shortage of explosives. But this question was worse last year when there was shortage of explosives. And it is now the Government thinking of importing explosives with the kind permission of the Ministry of Industries.

There is also great dis-content in the CIL and its subsidiaries because

[Dr. Vasant Kumar Pandit]  
of the posting of Army officers during the Emergency and there is total lack of coordination within CIL itself.

Therefore, I would like and would request the Hon. Minister to come forward before this House once again with a complete Blue paper on coal production, supply and demand situation in this country. The CIL has itself given notice to the industries in the Southern States that they better switch over to other sources of energy. This shows that the situation is not as simple as has been explained in the statement. There is a crisis. About 300 to 400 foundries are closed in the States of Madhya Pradesh, Rajasthan, Gujarat and Maharashtra and the four southern States. The situation is going to be very acute in the coming few months.

The second point I want to raise is that there are conflicting statements from the CIL and the Ministry of Energy. We learn from one statement that coal is going to be exported, but now we read another statement that coal is going to be imported and steel is going to be imported because the steel plants are facing acute shortage—while the CIL makes the charge that the steel plants have no storage capacity.

It is also said that there is wagon shortage, but according to my knowledge, at the loading stations there is a 20 per cent fall in loading. Loading orders are not sufficient and wagons are less because, in some cases they are being retained. All these issues arise out of the basic shortage of coal for industry, for energy and for other uses, and even for Railways. In Maharashtra a few railway-lines had to be closed because there was no coal. Therefore, I would like to tell the Minister that this statement does not satisfy us. It is a pious statement, but it does not state the facts. Therefore, would he accept our request and come before the House with a complete statement—a Blue Paper on the coal production, coal distribution, coal targets and the methods by which complete coordination, not only between the Ministry of Energy and the Rail-

ways, but also with Industry and Commerce will be ensured? If they are going to import now, a Coordination Committee of a high-powered nature would have to be set up to solve the problem of coal.

**SHRI P. RAMACHANDRAN:** The Hon. Member raised a few points with regard to coal production. The production programme is based on the valuation of the demand in the country. It is only based on that, that the target is fixed. That target is 130 million tons for the current year. Even last year the target was fixed at 110 million tons, and it was achieved; and we have despatched coal to the various consumers.

But, with regard to the problems of explosives and other factors which were constraints in the production of coal, I have explained in my statement that because of the strike in the explosives factory there were constraints about the availability of explosives. The import of explosives also cannot be done quickly for the simple reason that a number of formalities and also certain regulations also have to be followed in regard to their import in particular. That is why it is only after serious consideration and consultation with the Minister of Industries, my colleague, that we have decided to import a few thousand tons of explosives into the country.

With regard to the availability of coal in various sectors, I would like to explain a few points. In this country, out of the production, nearly 80 per cent is a linked quantity, and it is only about 20 per cent of the production that will be distributed to low-priority consumers in this country. For instance, steel, power stations, railways, cement industries are the priority industries and the consumers are also there. First, we just distribute coal available to these sectors. The hon. Member was telling about the steel plants. Today, the stock position at the steel plants is 3.34 lakh tonnes and at no time the stock in the steel plants went down below 2.87 lakh tonnes. In the discussions that

we had a few days ago, I enquired from the Chairman of the Steel Authority if there had been any occasion for the steel plants to close down for want of coal. There may be other reasons. He assured me that the steel plants were never closed down for want of coal and as I told you, the lowest stock at the steel plants at a particular point of time was 2.87 lakh tonnes. That means, it is a few days' consumption. It may be that certain varieties of coal may not be available at that particular time; that also, we are looking into and we are trying to supply whatever coal they want.

With regard to the power stations, I can assure the hon. Members that we have tried to supply to all the power stations, the coal that was necessary. At times, what happens at the pit-head stations for example Talcher, Kordil etc. is this. There are ropeways and conveyor belts by which coal is supplied to them. At time, there may be some failure in the ropeway and conveyor belt; that also affects the coal supply to the power stations. I can tell you categorically that at times, because of the low stock position of coal at the power stations, the power generation could have been reduced, but no power station was closed for want of coal.

DR. VASANT KUMAR PANDIT: Power shedding is there.

SHRI P. RAMACHANDRAN: That is different; do not mix up that.

The hon. Member has also raised certain other points about the coal companies and the coordination or lack of coordination between Coal India Ltd. and the subsidiary companies. That is a matter of administration. I can tell the hon. Member that all these problems, when they are raised, are being looked into and efficiency is being achieved in the functioning of the coal companies also. There may be many reports appearing in the press; that does not mean that they are authentic. Whatever statement is made by us periodically, I think, the

hon. Member should go by them. I think, it would satisfy the hon. Member.

DR. VASANT KUMAR PANDIT: What about the railways?

SHRI P. RAMACHANDRAN: About the railways, it is true that during the peak period, a few short-distance trains were cancelled. Even here, it may be due to some bottleneck in the movement of coal or coal being diverted to some needy industries. As I said, some of the short-distance trains were cancelled but at the same time, a number of special trains were run with the help of diesel locos or the power locos. A few trains were cancelled, but that is not because of non-availability of coal only.

SHRI KANWAR LAL GUPTA: (Delhi Sadar): Sir, I have read the detailed statement made by my friend the hon. Minister. He has painted a very good picture of his performance. I appreciate his difficulties and I would not outright condemn his performance. I agree with the difficulties he has mentioned, but the picture which he has painted is not like that. Is it not a fact that we are losing about eighty crores of rupees per year in this coal business, whereas when it was in the private sector, they were minting money? I do not suggest that we have committed a mistake by nationalising the industry, but I think, there is something wrong somewhere which needs improvement. We lack efficiency. And there is a lot of pilferage.

16 hrs.

Secondly, is it not a fact that there are certain targets fixed for the whole year and you fix the target for every quarter also and for this quarter, the production was less by 3 million tonnes? So, the production is less as against the target fixed by you.

Thirdly, last year there were reports in the Press that stocks had piled up at the mines and that there was no demand and they were lying. But this year there is no coal. Is this your planning. The only planning is that there is no planning. That

[Shri KANWAR LAL GUPTA]

is the only planning. So, I seriously object that you do not have proper planning. Last year you had sufficient coal but there was no demand and the coal piled up. But now you are not able to supply coal.

Then you say that the picture is very good and the hon. Minister has rightly said, 'Don't go by the news that appears in the Press.' In the Press if we read the comment of the Railway Ministry officials, they say that there is a shortage of coal and you are responsible for it. And if we read the statement of your officers, they say, 'No, we have got. The railways do not have the wagons. They are responsible for it.' Sometimes the energywalas say, 'No, we are not responsible. We have sufficient electricity to give them. They are responsible for the shortfall.' The Industry Ministry officials say that the problem is there. Now you have started to import it. You rightly said, 'You do not listen to the papers.' But before your officials issue their statements, you must control your officers. In the same way, the Railway Minister should control their officials as also the Industry Ministry. You tell us, 'You believe me.' So I am going to believe you or your State Minister. Let me quote what the Minister of State has to say. He has made a statement at Calcutta.

SHRI P. RAMACHANDRAN: I inquired about it. He tells me that it is all distorted. He did not say like that.

SHRI KANWAR LAL GUPTA: It is the prerogative of the politicians to deny everything which does not suit them.

The Minister of State said:

"If the coal industry was not immediately re-organized, it would be suicidal for the coal industry in future."

Then he says:

"Since nationalisation the department of coal due to lack of vision and imagination could not plan for

raising coal in sufficient quantities. Only old mines were being worked up and no new mines opened."

The Minister said:

"The crisis of coal has come all of a sudden because of the sharp demand and power failure aggravated the situation...."

So, he also says that it is on account of lack of planning. It cannot be misquoted. I do not want to waste the time of the House. It cannot be wrong....

SHRI VASANT SATHE (Akola): A loss of Rs. 200 crores has taken place in Coal India Ltd.

SHRI KANWAR LAL GUPTA: My question is that you need re-organization of the whole set up. Are you going to re-organize the set up of the Coal Department or not? This is my question. Another question is there was a news item in the press that you are losing the money heavily—about Rs. 80 crores or Rs. 100 crores per year and you intend to raise the price of coal. Is it a fact that you proposed to increase the price of coal? It will be again disastrous. This is on account of your inefficiency and to hide your inefficiency you want to put burden on the people. That is not proper. Kindly do not do it.

There is no co-ordination among three or four Ministries. I want co-ordination at the Ministers' level. The Railways Minister, the Energy Minister, the Minister of Coal and the Minister of Industry must have full co-ordination so that your officials may not accuse each other. Is it not a fact that the production of steam coal is much less? The demand is much more.

Is it not a fact that about 150 trains have been cancelled even now. I give you exact figures. It is not one or two but hundred and fifty trains which have been cancelled and he says there is no power station which was closed on account of shortage of coal. Well these may not have been

closed continuously for a fortnight, or a year or six months. The standards may differ but there are cases where power stations were closed for a day or so at many places. For instance at Bhatinda that was closed for a day. What is their stock? Their stock is only for two, three or four days. Every day they have a headache. So, I want to know, when according to your statement you have 11 million tonnes with you, or say 10 million tonnes, why do you not send it to respective places where it is needed? What is the difficulty? If you have it, why do you not send it to the plants?

We have talked about power stations, steel plants and all that. Is it not a fact that brick kilns had no supply. I know about Delhi. No coal was at all available to the brick kiln owners with the result that no construction activity was there. All the construction activity was completely stopped on account of shortage of coal. Will you do something in this direction and is it also a fact that the quality of coal is very bad?

I appreciate your difficulty. I know about your energy, about the installed capacity. In some cases it is even 20 per cent or perhaps 15 per cent. What specific steps do you propose to take to utilise more capacity so that there will not be any problem in the production of coal?

If there is no electricity, they will take out the labourers and put them again.

I do appreciate the difficulty of the Minister. I agree that he is trying his best. But the picture still is not very good as is expected from a competent Minister like Shri Ramachandran.

SHRI P. RAMACHANDRAN: Sir, the hon. Member has raised certain important points.

First he has raised some points about the losses which we are incurring in

the coal industry. It is a fact that we are incurring some losses.

I would like to bring it to the notice of the hon. Member and that of the House that in regard to the production of coal, in regard to the input that goes into the production, these costs have gone up very steeply. There was an earlier committee which was appointed to go into the question of price structure of coal and that committee reported in favour of having higher prices. But Government did not accept that position to have higher prices and so the loss continued. We thought that this should not be done as coal is the major input in many industries. It will lead to increase in price of many items in a number of economic industries. That is why we did not increase the price of coal, even though the prices of all other inputs have gone up. There was increase in cost of power transmission, machinery, wage bill etc. which constitute more than 65 to 70 per cent of the total cost of production. All these have gone up—including the payment of bonus but yet we have not increased the price of coal keeping pace with the other inputs. That is why the loss is continuing.

SHRI VASANT SATHE: What about overheads?

SHRI P. RAMACHANDRAN: About overheads we are pruning them. We have appointed another committee—this is called the Baweja Committee to go into the economics of the coal industry. They have made certain recommendations. Those recommendations are under the consideration of the Government, because, when we want to increase the price of coal, we want to effect utmost economy wherever this is possible. That is why we have appointed this committee to go into the matter. Certain steps in this regard have been recommended. We want to implement those recommendations and the Government will be taking certain decisions in this regard very shortly. That is why after all these, we will think of revising coal



[Shri P. Ramachandran]

prices and at the same time, not cause undue difficulties for the consumers in the country.

About Planning, he said there is no plan. Unfortunately, coal production is not a short gestation period industry. It takes a long time not only to plan it but also to mine coal. We have planned for some reconstruction projects and some new projects. After taking into consideration the demand in the country, we have decided in the current year alone to sanction 106 new projects and reconstruction projects. It will take some time for the results to fructify. In spite of that, we are trying to see whether we can get some short gestation period projects and try to mine coal as quickly as possible. Even then, as you know, it takes at least a couple of years even to sanction them. This year we have taken certain advance action in regard to some of these projects, pending sanction, so that the necessary infrastructure can be created for mining coal in a short period. That we are doing gradually. In the current plan itself we propose to sanction nearly 106 projects—both new projects as well as reconstruction projects.

With regard to what he said about confusing reports that come from different agencies, it is only to avoid such things that we have tried to discuss things at the highest level, not only discussing with ministerial colleagues, but with officers etc., so that the best possible coordination can be effected in regard to the implementation of these programmes. And, as I have stated in my statement, we have taken certain decisions during the last week or so.

**SHRI VASANT SATHE:** How are you going to make up the loss of Rs. 200 crores?

**SHRI P. RAMACHANDRAN:** Please wait for some time. In a couple of months I will come before the House with details how we are going to make up the losses.

**SHRI KANWAR LAL GUPTA:** What do you say about cancellation of 150 trains?

**SHRI P. RAMACHANDRAN:** Some trains have had to be cancelled. I have accepted that. But, it is not purely for want of coal because, when we considered, short distance trains were cancelled to feed some of the industries in the South also because some amount of coal that was used by the railways was diverted to some of the cement plants and other industries in the South. Because there was a strike in the Singareni Colliery for a long period, there was some bottleneck. And so, we had to divert some of the coal that was being fed to the railways to meet the industries' demands. That is why some trains were cancelled. (*Interruptions*).

No thermal project was closed down for want of coal. In Koradi Station also it was not because of lack of coal there was some difficulty but there was also the ropeway which failed for a few hours or a few days. That was one reason. And immediately the Secretary of the Department went there, had a conference there and we diverted some coal from Singareni to Koradi Station.

**SHRI KANWAR LAL GUPTA:** What about reorganisation?

**MR. DEPUTY-SPEAKER:** Let him complete his answer.

**SHRI P. RAMACHANDRAN:** This is a constant endeavour of the Government to find out the problems facing the coal industry. We are in the process of reorganising. Already we have taken steps and we continue to take certain steps to make the coal industry more efficient. With regard to the quality of coal, as was mentioned, brick kiln industry has got a low priority. That is why when people come with the trucks to take the coal, they are free to take the coal. In fact, there are five to six million tonnes of brick kiln coal available in various pitheads. Because that has got a low priority in the movement, the railways may not be able to allow

more wagons for the brick kiln coal. That is why we have even published in the newspapers that coal is available; the people can go with the trucks and take that. Even now, last night, one of my colleagues from the U. P. Government came and met me. He asked me about the coal. He asked: Will you be able to allow us to take the coal by trucks. I said 'you write to me and I shall make arrangements for whatever amount of coal he wants to carry by trucks for the brick kiln'. So, it is not that we have not supplied coal. That is a question of meeting the priority. In respect of closing down the thermal station, if it is a choice between that and brick kiln, naturally the priority is for the brick kiln. And if it is a question of choice between the cement industry and some other, we would definitely prefer cement industry. That is how the coal is being supplied. It all depends upon the priority that we have got in the matter of supply of coal or the movement of coal. So, it is not purely because of lack of coal availability. Coal is available. The question is of a certain priority that we have set before ourselves. That is why I am telling the House that this problem will be solved and the coal production will go up. In the discussion that I had, a few days back I made known to the Officers of the Coal Department that within one month the production must improve. And the shortfall is made up.

**SHRI A. C. GEORGE** (Mukandapuram): You said that within a month or so they should improve it. Have you noticed any improvement in these two weeks after that?

**SHRI P. RAMACHANDRAN**: There is, for instance, coal stock at the steel plant. It was only 3.7 lakh tonnes but to day it is 3.34 lakh tonnes. Is it not an improvement within one week?

Like that, there is no power station which is closed down. On the other hand, we have commissioned two

power stations in Badarpur. We have improved the supplies in one month. I have given them time so that there may be perceptible improvement in the coal production. Another thing that I would like to tell you is this. We have rephased our programme of production. The shortfall that we noticed in the first quarter must be made up in the second quarter so that when we reach the third quarter of production, the programme is complete. This is our direction to the coal company. I am sure the coal companies will rise up to the occasion and see that the target is achieved.

**SHRI SHAMBHU NATH CHATURVEDI** (Agra): Sir, there is a general shortage of power in the country. Among the sources, coal is probably available in abundance in this country. But even that is not supplied at the proper time and there is a hue and cry from one place or the other either on account of short supply or on account of bad quality. This time there was a virtual crisis as some trains had to be cancelled or there was partial shut-down of some power houses. This has been reported in the Press.

Mr. Deputy Speaker, Sir, planning means that there should be coordination. Some sort of reserves should be available in contingencies like strikes, etc. This is all that we expect when there is planning and particularly when the Government has taken over the coal mines from private hands. The question that is asked by the public is that on the one hand targets of production have not been reached and also the prices have gone up and on the other hand, the exchequer has been burdened with losses every year. So, may I know in what way the country has benefited from the take-over and what is going to be done to remedy the present state of affairs. Even for cooking purposes the coal is not available sometimes to a poor man. The same is the situation with foundries, brick-kiln owners, etc. So, there should be proper coordination and



planning. The tax-payer is paying Rs. 80 crores every year through the nose. We want to know what is going to be done to improve this state of affairs.

**SHRI P. RAMACHANDRAN:** Mr. Deputy Speaker, Sir, I have already explained that we are looking into the price structure. The new committee has made certain recommendations and the same are being examined and as soon as a decision is taken, I will come before the House.

Sir, I want to make one point clear with regard to the quality of coal. Most of the complaints about quality of coal are from brick kiln owners, foundries and domestic users. What happens is in respect of the coal used by these lower priority sectors the middleman buys the coal at the statutory price from the pit-head. Unless the State Government stipulates certain conditions there is no restriction on the price of coal in the State. Here what happens is some quality coal is purchased by the middleman and also some slack coal or middlings which are of low quality are bought simultaneously from washeries. At the consumer end they are selling to the foundries and brick-kilns a mixture of these two. At the pitheads quality is regulated and anybody can go and buy a particular quality of coal. So, there is no question of poor quality of coal being available. As regards the other problems, I have already explained that all steps are being taken to meet the demand in the country.

16.24 hrs.

#### RESIGNATION BY MEMBERS

**MR. DEPUTY-SPEAKER:** I have to inform the House that on 29 June, 1978 the Speaker received a letter from Shri D. B. Chandra Gowda, an elected Member from Chikmagalur constituency of Karnataka, resigning his seat in Lok Sabha. The Speaker

has accepted his resignation with effect from 29 June, 1978.

I have also to inform the House that on 10 July, 1978 the Lok Sabha Secretariat received letters from Shri M. M. Hashim and Shri G. Venkateswamy, elected Members from Secunderabad and Iddipet constituencies respectively of Andhra Pradesh, resigning their seats in Lok Sabha. The Speaker has accepted their resignations with effect from 13 July, 1978.

**SHRI VASANT SATHE (Akola):** Sir, under direction. . . .

**MR. DEPUTY-SPEAKER:** It has not been accepted. Please allow Dr. Nayar to move a motion regarding Report of Joint Committee—Extension of Time.

#### MENTAL HEALTH BILL

Extension of time for presentation of Report of Joint Committee

**DR. SUSHILA NAYAR (Jhansi):** I beg to move:

“That this House do extend upto the last day of the first week of the next Session, the time for presentation of the Report of the Joint Committee on the Bill to consolidate and amend the law relating to the treatment and care of mentally ill persons, to make better provision with respect to their property and affairs and for matters connected therewith or incidental thereto”.

**MR. DEPUTY-SPEAKER:** The question is:

“That this House do extend upto the last day of the first week of the next Session, the time for presentation of the Report of the Joint Committee on the Bill to consolidate and amend the law relating to the treatment and care of mentally ill persons, to make better provision with respect to their property and affairs and for matters connected therewith or incidental thereto”.

*The motion was adopted.*