

HIGH COST OF ELECTRICITY IN INDIA

*195. SHRIMATI DEVAKI GOPIDAS:
Will the Minister of IRRIGATION AND
POWER be pleased to state:

(a) whether it is a fact that electricity is scarce and its price comparatively high in India; and

(b) if so, what steps Government are taking to bring down the price of electricity?

THE MINISTER OF STATE IN THE
MINISTRY OF IRRIGATION AND
POWER (SHRI O. V. ALAGESAN): (a)
and (b) A statement is laid on the
Table of the House.

STATEMENT

(a) There is, no doubt, shortage of power in certain parts of the country but the price of electricity in India for various classes of consumers, by and large, compares favourably with that obtaining in the advanced countries such as the United Kingdom.

(b) The rates of supply of power have to be co-related essentially to the cost of production. In the case of licensees, the provisions of the Sixth Schedule to the Electricity (Supply) Act, 1948, apply, which entitle licensees to earn a 'reasonable return' on their 'capital base' as laid down in the Act referred to above. The State Electricity Boards are, under Section 59 of the Act, also required to so adjust their rates of supply of power that their financial operations do not involve any loss. The Boards are continuously endeavouring to bring down the cost of production of electricity sold by them by improving their operational techniques, viz., (i) closing down of small and uneconomic power stations, (ii) use of larger and more efficient generating units whenever power expansion schemes are implemented and (iii) by combined operation of hydro and thermal units, wherever possible.

SHRIMATI DEVAKI GOPIDAS: May I know, Sir, why there is very great shortage in the production of power in our State?

SHRI O. V. ALAGESAN: Which State?

SHRIMATI DEVAKI GOPIDAS: In the country as a whole generally, and at present there is shortage of power in Kerala, and may I know, Sir, why? There are ample facilities for producing more power in the country and there are the natural facilities in some of our States. May I know if the Government has any scheme to tap those resources?

SHRI O. V. ALAGESAN: I could not hear the hon. Member distinctly.

MR. CHAIRMAN: Would you please repeat the question?

SHRIMATI DEVAKI GOPIDAS: May I know whether the Government is aware that there are so many natural resources for producing more power in our State and in the various States, and has the Government any particular scheme to make use of those resources?

SHRI O. V. ALAGESAN: Yes, Sir; the hydro and the thermal resources are being harnessed and we are constantly at it.

SHRI N SRI RAMA REDDY: There are some doubts expressed in the press about the possibility of producing all the power that the Third Five Year Plan envisages. I would like to know if the Ministry is confident of being able to produce all the power that has been envisaged in the Third Five Year Plan?

SHRI O. V. ALAGESAN: Yes, Sir; at present we are bending all our efforts to reach the target. We have not made any exhaustive review and it is not yet time to answer that question.

SHRI NIREN GHOSH: I understand that D.V.C. sells its electricity to the Calcutta Electric Supply Corporation, a British concern, and they sell it to the consumers. As a result, at the cost of public money on a public project the foreign concern is making

profits. May I know, Sir, whether the Government will take steps to see that the State itself or the D.V.C. itself makes some public arrangement whereby D.V.C. electricity is given to the consumers at cheaper rates.

SHRI O. V. ALAGESAN: It is true, Sir, that the D.V.C. sells electricity on a wholesale basis; it has not taken to individual distribution. That is being done by the Corporation now. But the profits of the Corporation itself are prescribed by the Electricity Supply Act under the relevant chapter, and they cannot make profits beyond a certain limit.

SHRI A. D. MANI: I should like to have, in regard to part (a) of the question, which has been answered in the paper laid on the Table of the House, some information. Would the Ministry give us an idea about the comparison made of the highest rate of electricity charged in India in any one region and the highest rate charged in the U.K.? I am asking this question because the Minister has stated that though there was shortage of power the price of electricity in India compared favourably with that obtaining in the advanced countries, such as the United Kingdom. The highest and the lowest, I want both these comparisons.

SHRI O. V. ALAGESAN: I have got these figures with regard to India and U.K. I give the cost in nP per kilowatt hour. *Domestic and Commercial*—In India it is 16.4; in U.K. 10.2; *Agricultural*—It is 6.93 in India and 9.6 in U.K.; *Industrial*—It is 5.57 in India and 7.5 in U.K. And the average for all classes comes to 7.55 in India and 8.88 in U.K.

SHRI FARIDUL HAQ ANSARI: May I know, Sir, what is the cost of production of electricity in the capital of Delhi?

SHRI O. V. ALAGESAN: I am not able to give it off-hand.

MR CHAIRMAN: He is not in a position to give the answer off-hand.

SHRI AKBAR ALI KHAN: Is it not a fact, so far as electricity is concerned, that we are not proceeding according to the programme in the Third Five Year Plan and we have not attained that target?

SHRI O. V. ALAGESAN: Yes, Sir; unfortunately, in the first two years of the Third Plan we have not installed that capacity which we programmed to instal, but I hope we will make good in this year and in the coming two years.

*196. [The questioners (Shri M. N. Govindan Nair and Shri Bhupesh Gupta) were absent. For answer, vide col. 1568 *infra*.]

UNSOCIAL ACTIVITIES IN BLOOD BANKS AND RESEARCH INSTITUTE

*197. SHRI BANSI LAL: Will the Minister of HEALTH be pleased to state:

(a) whether Government's attention has been drawn to a news item published in a news-weekly, "Hind Samaj" of Delhi, dated the 31st March, 1963, regarding unsocial activities in the "Blood Banks and Research Institute" in Room No. 163 of the 'P' Block, New Delhi; and

(b) if the answer to part (a) above be in affirmative whether Government conducted an enquiry in the matter; and if so, what is the result of the enquiry?

THE MINISTER OF HEALTH (DR. SUSHILA NAYAR): (a) Yes.

(b) The matter is receiving attention.

RAISING OF BOUNDARY WALL OF BUNGALOWS ON PANDARA ROAD

*198. SHRI P. C. MITRA: Will the Minister of WORKS, HOUSING AND REHABILITATION be pleased to state:

(a) the number of 'A' and 'B' type Government bungalows on Pandara Road in New Delhi;