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# voice OF ELECTRICITY WORKERS

Organ of Electricity Employees Federation of India  
Jan.-Mar. & Apr.-Jun. 2015



Round Table Conference on Electricity (Amendment) Bill at Kolkata - 4th March, 2015

अच्छे दिन आने वाले हैं...



JOHANNESBURG, SOUTH AFRICA – 23 FEBRUARY 2015  
TUI (Energy) Declaration on Oil Price Volatility

The Executive Committee of TUI Energy met at WFTU Central Office, Athens on 18 – 19 February, 2015 noted with grave concern that the volatility of oil price in the global market tends to further deepen the world economic crisis.

This volatility has no bearing with the cost of production or resource crunch for a short while. It is exclusively the outcome of contradictions between the imperialist capitalist blocks, fighting for the oil hegemony since last five decades.

TUI (Energy), a platform energy workers under the class oriented World Federation of Trade Unions (WFTU) firmly declares that working class all over the world would come forward to fight tooth and nail against the obnoxious game plan of geo-politics with most essential energy resource like petroleum.

TUI (Energy) with its bitter experience in the part note that imperialist – capitalist duo create economic crisis to overcome their contradictions but adverse of the deepening crisis are shifted to working class. The only path is left before the workers is the path of class struggle.

Imbalance in the oil price will lead to dwindling of economy all over the world.

Economically weaker nations will have to face further crisis relating to jobs, food, health and social security.

TUI (Energy) noted with utter dissatisfaction that cascading effect of the crisis is leading to affect the oil workers. Workers of US oil refineries has resorted to strike action to protect their salary and working conditions. Decision of OPEC to cut production has complicated its relation with Russia, as their economy is overwhelmingly dependent upon oil export. Rapid growth of US shale oil production is also having an impact on the present market volatility. International Energy Agency (IEA) has become the silent spectator of the crisis.

Amidst this topsy tarry situation, TUI (Energy) calls upon all energy workers, organisations, as well the working class as a whole to raise their voice of protest against the present Petro – Politics leading to cohesive situation all over the world .

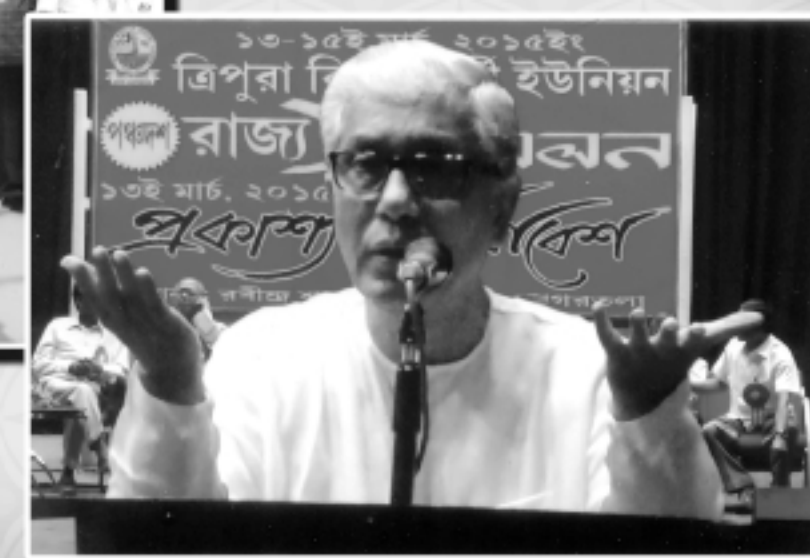
ISSUED BY  
TUI ENERGY SECRETARIAT



WBSE WMU  
Conference  
31 March - 2 April 2015



15th State Conference  
of  
Tripura Bidyut Karmi Union





# voice

OF ELECTRICITY WORKERS

JAN.-MAR. & APR.-JUN. 2015

VOL. XV NO. 1 & 2

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## Prepare Powermen : Struggle is Ahead

People of India are recollecting the promises of Narendra Modi aired in all over the country before the Parliamentary Election in 2014. Catchy slogans in the public meetings and attractive songs & dances over the television screens along with other form of electronic and social media swayed the young minds and simple down to earth people of our country. Modi manufactured the consent. A span of eleven months has been elapsed.

Rosy dreams of "*Achhe din anewale hein*" have been waned away from the eyes of commoners. But good days have come for the creamy layer of the society. Let us refer to budget proposal of the NDA Government. Subsidy used to be allocated for rendering some relief for the poor people has been reduced from Rs. 2.6 lakh crores to Rs. 2.44 lakh crores. In percentage reduction was 0.4% of GDP. Allocation for health and family welfare has been reduced from Rs. 35,163 crores to 29,653 crores. Similarly budget allocation for housing and poverty alleviation, Tribal Sub-Plan, Scheduled Castes welfare, Women welfare, Integrated Child Development Scheme and so on have been reduced from 5.5 to 50%. On the contrary the Central Government has graciously allocated subsidies in the form of tax incentives to rich men of our country to the tune of Rs. 5,89,285.2 crores. We are astonished to note that fiscal deficit projected in the budget was Rs. 5,55,649 crores. If generosity of the Government for the rich people at the cost of poor people would have been less, we could have avoided a deficit budget. Besides the Government's sympathy for the affluent class prompted them to abolish wealth tax, reduction of corporate tax as well reduction of direct taxes by Rs. 8,315 crores & thrash upon additional tax burden of indirect tax for the commoners by Rs. 23,383 crores. A famous poet of Bengal wrote a line meaning "You won't find any country like this". Probably he has foreseen Modi's regime.

Prime Minister Narendra Modi, the sole Power in the cabinet, convened a conference of investors in September, 2014 titled "Make in India". He invited the capitalists and entrepreneurs to come to India to develop their business with a proposed environment of inhuman, mediaeval service conditions for the working class. Abolished bonded labour system will be reintroduced. Century & multi decades old labour laws, established by the working class of India through their historic struggles are being modified to ensure smooth exploitation of workers by the capitalists. One after another labour laws are modified in

## EDITORIAL

the form of Labour Codes. Method of introduction is unique. Modification proposals are being hosted in the Labour Department web page. Anyone may forward their comment for consideration of the Government. One fine morning the Labour Code Bill will be tabled in the Parliament and passed for implementation. Only constraint is the Governments poor strength in Rajya Sabha for which Narendra Modi is in search of new friend. Might be it Mamta or Amma. Whether they have burnt their faces with corruption and travesty of democracy is not the question as Narendra Modi himself has achieved his goal with travesty of secularism of our country and flesh and blood of minority people of Gujarat. From that angle they are his natural friend. He is in the habit of shaking his hands to ignore the views of majority people of our country, as he achieved the high office of Prime Minister of India securing support from less than one third Indians.

Parliamentary Standing Committee on Energy has cleared the Electricity (Amendment) Bill, 2014 in defiance of objection of CPI(M) & Congress Members of Parliament in the Standing Committee. Their comments like "segregation of carriage and content will result in windfall gains for Electricity Suppliers and disastrous for the end consumer" and "There would be limited Electricity penetration in the poorer, agrarian areas of our country" has been disdainfully disregarded with flat comment "The committee observe that these issues should be addressed satisfactorily."

How Modi Government evaluates the contribution and

role of workers & employees in the society can easily be understood from the attitude of the Standing Committee on Energy in the instant case of examination of the Electricity (Amendment) Bill, 2014. We have noted the introductory comment of the report of the Standing Committee. In paragraph 2 of the introduction it has been mentioned that "The Committee had extensive consultation with various stake holders." A list has been appended but none of the organizations of workers and employees has been mentioned. Besides our Federation, we have come to know many other such organizations submitted memorandum to the Standing Committee. Neither of those organizations has been called for discussion nor their points have been considered by the committee. Are the workers and employees not a stake holder in the industry? For this type of humiliation, we are to pay them with appropriate coin through the path of struggle.

Not only workers & employees of Electricity industry, working class of India is preparing to teach this Government a good lesson. On 26<sup>th</sup> May Modi Government is going to complete its one year. On the anniversary day, all the Central Trade Unions and National Federations of workers and employees will assemble at Delhi in National Convention of workers to declare their courses of actions. Obviously Electricity workers and employees will also join in the path of united struggle to teach a lesson to this Government. Let us prepare to make a new history of working class movement.

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26-03-2015

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Sir,

Sub: Submission of Memoranda before the Parliamentary Standing Committee on Energy  
(Sixteenth Lok Sabha) on the subject "Electricity Amendment (Bill) 2014"

Ref: Press Communiqué dated 15-01-2015

The submission of Electricity Employees Federation of India on the '**Electricity (Amendment) Bill 2014**' as placed before the Lok Sabha is submitted herewith for placing before the Parliamentary Standing Committee on Energy (Sixteenth Lok Sabha).

Considering the far reaching implications of the proposed amendments, our Federation has obtained inputs from a wide range of experts who had served as Chairmen of SEBs/DISCOMS, Electricity Regulatory Commission members, officials in Central Electricity Authority and renewable energy experts, while finalising this submission.

We also wish to appear before the Committee besides submitting the memoranda. Kindly place the matter before the Hon'ble Standing Committee and provide us an opportunity for presenting the matter before the Committee.

Yours faithfully,

Prasanta N. Chowdhury  
General Secretary

**SUBMISSION BEFORE THE PARLIAMENTARY STANDING COMMITTEE ON ENERGY  
(SIXTEENTH LOK SABHA) ON THE "ELECTRICITY (AMENDMENT) BILL 2014"  
BY ELECTRICITY EMPLOYEES FEDERATION OF INDIA**

The submission on the matter broadly covers the following areas

1. A brief review of impact of implementation of Electricity Act, 2003 and the state of the Electricity Industry
2. Suggestions and comments on the proposed Electricity (Amendment) Bill, 2014 focusing on
  - (i) Issues related to proposed separation of distribution and supply functions
    - No choice to ordinary consumers than to pay higher tariff
    - Cherry picking and its adverse consequences
    - No improvement in quality of supply by competing supply licensees
    - Increased burden on low end consumers
    - Loss of focus from chronic issue of high AT&C loss
    - Fate of contract employees engaged by DISCOMs
    - Lack of clarity on functional areas of distribution and supply licensees
  - (ii) Technological challenges posed by proposed separation
  - (iii) Functioning of Regulatory Commissions
  - (iv) Issues related with proposed skewed sharing of powers among Centre and State Governments
3. Clause wise specific comments and proposals.

1. A brief review of Impact of Implementation of Electricity Act, 2003 and the state of the Electricity Industry

**1.1 Preamble**

a) Attention of the Hon'ble members of the Parliamentary Standing Committee on Energy is drawn to the Aims and Objects of the "Electricity Act 2003". It was mentioned therein "for taking measures conducive to development of electricity industry, promoting competition therein, protecting interests of consumers and supply of electricity to all areas, rationalization of electricity tariff, ensuring transparent policies regarding subsidies..." etc

b) After a few years since promulgation of the EA 2003, National Platform of Electricity Employees and Engineers (NCCOEEE) in 2007, requested the then Prime Minister of India to review the power industry situation after implementation of the Act by an expert body. Dr. Man Mohan Singh accepted our proposal. He continued in his capacity for seven years thereafter but did not set up any such body. But adopted measures to amend the Act without due analysis.

c) Upon this background, we are to infer that the adverses were construed by our policy makers but they did not gather their courage to admit the same publicly. In order to cover the stupendous blunders, some weak barriers are being erected to resist the catastrophe people are to face in the forthcoming years.

d) State Electricity Boards (SEBs) were assigned the task of power

we are to infer that the adverses were construed by our policy makers but they did not gather their courage to admit the same publicly.

developments from the initial days of independent India, identifying the Electricity as a mandatory service for socio-economic development. They were not asked to earn profit but to extend the grid from the cities and towns to villages and from the industrial belts to remotest villages for industrial and agricultural prosperity to make jobs and food stuff available for our people.

e) In a span of four decades, SEBs electrified 80% of villages and energized 12.5 million tube wells to extend the benefit of irrigation with the basic object of making Green Revolution successful. India became a country of food sufficiency from a country of crores of starved people.

f) Yes, within this span of four decades they accumulated a cumulative loss of Rs.26,000 crores, if real value addition through their contributions in development of commerce & industry, agriculture, Science & technology, health and human development is not accounted for.

g) SEBs were blamed for state monopoly, inefficiency and lots of aspects but not appreciated for providing cheaper power to gear up pluralitarian development of an underdeveloped country totally destroyed by imperialist rulers, in the second world war, before they quit.

h) Let us recapitulate what happened in the power sector through last 2 decades and a half. In the early 90s private capitals were given inroad in generation citing fund crunch for investment in power sector. Enron, Bechtel, Augden, AES came to Indian power sector without committed fund. Their fund was made available by public financial institutions like LIC, SBI, and IDBI etc. All those saviours from abroad had to quit leaving aside their liabilities upon people of India.

i) Competition is a frequently used term. But we noted Government of India allocated UMPP to private hands through international competitive bidding. Base was weighted average tariff for 25 years. The bidders selected through competition is being allowed tariff revision within one/two years, in gross travesty of international policies on trade and commerce.

j) Electricity tariff has been increased many fold. But loss of Discoms could not be arrested. Accumulated loss of SEBs for four decades was Rs.26,000 crores. But within a decade it is going to touch a colossal sum of Rs. 3 lakh crores.

The evidences lead us to infer that electricity Act 2003 lead the electricity industry on to the verge of deep darkness.

#### 1.2 National Situation of the Industry in Brief

a) Generation capacity of India stands to the tune of 2,60,000 MW. Peak demand is around 1,35,000 MW. But everyday some states are to face huge peak shortage. Nationwide its ranges between 15,000 & 20,000MW whereas energy shortage to the extent of 8-12%.

b) Large part of India, are having shortage but our Govt.'s much adored Independent Power Producers (IPP) preferred to keep about 50,000 MW capacity stalled due to non remunerative tariff structure. Resources they harnessed belong to India but people of India is being exploited to protect investors' right to profit in gross disregard to Right to Electricity of Indian citizens. Still 30 crores people are left beyond the access to electricity.

c) State owned DISCOMS are accruing huge loss. Status is, more they supply more will be their loss. So they prefer not to buy electricity and private generators prefer to keep their plant idle. Result is darkness for the people of India, unemployment for its youth and its job-seekers, fall of Agricultural production and starvation death of farmers.

d) As per latest economic survey presented before Parliament, infrastructure projects worth 7% of GDP remains stalled. Among these electricity sector projects amount to 5% of the GDP.

The bidders selected through competition is being allowed tariff revision within one/two years, in gross travesty of international policies on trade and commerce.

Accumulated loss of SEBs for four decades was only Rs.26,000 crores.

But within a decade it is going to touch a colossal sum of Rs. 3 lakh crores.

Nationwide its ranges between 15,000 & 20,000MW whereas energy shortage to the extent of 8-12%.

**Independent Power Producers (IPP) preferred to keep about 50,000 MW capacity stalled due to non remunerative tariff structure.**

**Infrastructure projects worth 7% of GDP remains stalled. Among these electricity sector projects amount to 5% of the GDP.**

**Around 30 crore Indians having no access to electricity. Even for those having access, the number of hours of supply is grossly inadequate and varies hugely between 6 to 18 hours of the day only.**

e) Coal being the major resource of power generation in India has been subjected to speculators trade. Scam of Rs. 10.8 lakh crores unveiled. That may be tip of ice berg. Even role of Prime minister in that scam has become questionable. UMPP bidders also sold coal in the market, while their allocation was for specific purpose of power generation.

f) Other resources of power generation like Hydro potential & Gas Basins are also being transferred to private hands in gross contravention of National interest.

g) Cream of consumers like industrial, commercial and profitable urban areas are being handed over to private franchisees, leading to further losses for public sector distribution companies (DISCOMs). Loss making rural areas remain unattended. Someday we are to face total black out of power for agriculture and rural industries. Fate of rural people could be much worse.

h) Private Discoms are not paying dues of state and National sector power producers, while they hike their tariffs to have more and more profit.

i) The collapse of the Odisha power sector leading to revocation of license of all the three Reliance infra DISCOMs in the first week of March 2015 exposes the failure of the entire reform model.

### 1.3 Facts revealed through various official reports

1.3.1 Various reports prepared by Government agencies including the High Level Panel chaired by Former C&AG Shri. V.K.Shunglu, the World Bank report released in August 2014 titled "More Power to India: Challenge of Electricity Distribution" etc document the present state of affairs of the sector after 12 years of implementation of the Act, which could be summarised as below.

a) Accumulated losses in distribution sector crossed Rs 2,50,000 Crore; private utilities are no different and is making huge losses as in the case of Tata Power Delhi Distribution Ltd, Reliance utilities in Delhi, Orissa, Maharashtra etc; as is evident from the huge regulatory assets. The annual losses forms about 1.3 % of the GDP.

b) The total debt of the sector has crossed Rs 3,50,000 crores or 5% of GDP.

c) The huge debt of power sector threatens to derail the financial sector of the country and Banking Industry has raised serious concerns.

d) About 50,000 MW private power generation capacities are on the verge of becoming NPAs (Non-Performing Assets) either due to poor off-take or due to fuel side constraints.

e) There is virtually no new private sector investment in the last couple of years due to a variety of reasons like lack of interest from buying utilities (DISCOMs), fuel related risks etc.

f) Different private generating companies with an aggregate installed capacity of about 35,000 MW is sinking take over by the public sector generating company, M/s NTPC Ltd.

g) AT&C loss in the country which now stood at about 25%, is still abnormally high.

h) Status of Electrification in the country is still very poor with around 30 crore Indians having no access to electricity (almost equal to the entire population of US); access to electricity in rural areas only 67%. Even for those having access, the number of hours of supply is grossly inadequate and varies hugely between 6 to 18 hours of the day only.

i) The tariffs of consumers has tripled during the period, even as the losses of utilities are mounting.

j) Bulk market structure for transaction of electricity created by the

Electricity Act, 2003 has failed as could be seen from the following facts

- volatility in short term market; prices widely varies anywhere between Rs 1.00 to Rs 20.00 per unit
- long term contracts arrived through tariff based bidding has ended up in a series of litigations
- The price discovered in recent tariff based bidding for long term procurement of power from private generators based on the bidding procedure prescribed by Government is much above the tariff of public sector utilities like NTPC. The recent long term bids of Uttar Pradesh, Rajasthan and Tamil Nadu has discovered price in the range of Rs 5 to over Rs 6 per unit, whereas the tariff of NTPC stations generally vary between Rs 3 to 4 per unit.
- The bidding framework under section 63 of the Act has not succeeded the test of time as could be seen from the failure of celebrated UMPP model.
- While about 60,000 MW of generation capacity remains stranded, most of the States are reeling under power restrictions in one way or the other.

k) States that were early birds in the reform process is testing failure as can be seen from the poor performance of utilities in Odisha, Uttar Pradesh, Haryana, Rajasthan, Delhi etc. In contrast, it is those States which embarked the reform process rather hesitantly and managing better as seen in the case of Kerala, West Bengal, Punjab, Himachal Pradesh etc. The contrast is visible from the analytical data available in the report of High Level Panel as well as that of the World Bank. The extract from the World Bank report highlighting the performance of power sector of Kerala is placed at Annexure 1 for ready reference

l) The subsidy burden of the State Governments has increased manifold to keep the tariff of domestic and agricultural consumers at affordable levels. The subsidy burden of State Governments during the period 2003-2011 is estimated as Rs 1,75,000 Crores.

m) Most importantly, the Electricity Act, 2003 though promised choice to consumers for availing supply through mechanisms like multiple distribution licensees and open access, has failed to deliver.

1.3.2 The Electricity Act, 2003 has relied on creation of a Bulk Power Supply market along with a Retail Power Supply market for efficient governance of the power sector. The reliance on creation of Bulk power market was evident in the new provisions like (i) delicensing of generation sector (ii) open access in transmission for facilitating power flow in a liberalised power market (iii) recognition of power trading as a distinct activity etc (iv) generation tariff determination based on competitive bidding procedure (v) entrusting regulators for creation of market, power exchange etc. The design of retail power market relied on multiple distribution licensee in same geographical area, reduction of cross-subsidies and open access in transmission and distribution network.

1.3.3 However, evidently the functioning of bulk power market and market determined tariff for new generation projects has only increased the power procurement costs of DISCOMs to unaffordable levels. The unprecedented increase in power procurement costs were such that it was practically impossible to pass on all such costs to consumer tariff. This has resulted in draining the resources of DISCOMs leaving little resources for network expansion and technical loss reduction programs. Thus the reliance on a faulty bulk market design has pushed the Indian power sector to a seemingly bottomless abyss draining the financial resources of DISCOMs, State Governments and creating stress on financial institutions.

**States that were early birds in the reform process is testing failure as can be seen from the poor performance of utilities in Odisha, Uttar Pradesh, Haryana, Rajasthan, Delhi etc. In contrast, it is those States which embarked the reform process rather hesitantly are managing better as seen in the case of Kerala, West Bengal, Punjab, Himachal Pradesh etc.**



Instead of setting right the problems with bulk power market, it appears that the designers of Electricity (Amendment) Bill, 2014 is relying heavily on the fresh genesis of a retail power market

unless an efficient bulk power market is functional with proper checks and balances, the experiment can lead to exploitation of the consumers and result in failure of the entire system.

Instead the World Bank was cautious while suggesting piloting of the separation to gain experience in the Indian context.

1.3.4 Instead of setting right the problems with bulk power market, it appears that the designers of Electricity (Amendment) Bill, 2014 is relying heavily on the fresh genesis of a retail power market through the proposal for separation of distribution and supply (Carriage and Content), along with putting pressure on state regulatory commissions for enhancing consumer tariff to hitherto unheard of levels. However, it is apprehended that the proposed faulty design of this retail power market will potentially drive the Indian power sector into deeper crisis and rob the ordinary power consumers through sky rocketing electricity prices.

## 2. Suggestions and comments on the proposed Electricity (Amendment) Bill, 2014

2.1 As already noted the main focus of the proposed amendment is on separation of carriage and content for creation of a retail power market. Thus the proponents of the Bill claims that the enactment will provide choice to end consumers for selecting his supplier of electricity.

2.2 Any serious observer of the Indian power sector would understand that the major issue confronting the sector is not the lack of choice to the consumer, but it is the infrastructure deficit that is the main deterrent. The deficit in infrastructure starts from deficit in fuel supply for power generation, deficit in power generation capacity, deficit in power transmission capacity to deficit in power distribution capacity. All the problems listed earlier like bottlenecked power generation capacity, unelectrified households, high technical losses, long hours of power outages etc are the outcome of infrastructure deficit.

2.3 The experience of developed economies which had experimented with the separation of carriage and content for creation of the retail power market provides the important lesson that unless an efficient bulk power market is functional with proper checks and balances, the experiment can lead to exploitation of the consumers and result in failure of the entire system. The experience in US, especially that of California, provides ample insights on the necessity for a perfect bulk power market. However India is facing deficit in power generation, transmission and distribution infrastructure. When markets function in such deficits in the entire value chain, the results are predictable. It will be disastrous for the end consumers and windfall gains for suppliers.

2.4 The World Bank in its report titled "More Power to India: Challenge of Electricity Distribution" after surveying the international experience in separation of carriage and content in electricity distribution as well as the present state of Indian power sector has concluded that time is not ripe for such a country wide roll out of such separation. Instead the World Bank was cautious while suggesting piloting of the separation to gain experience in the Indian context. However, the Bill seeks to unbundle the distribution sector of the entire country within one year of enactment of the Amendment, which could be disastrous for the entire sector.

### 2.5 Issues with separation of carriage and content

#### 2.5.1 No choice to consumers

Even though the proponents of Amendment Bill are eloquent on the prospect of choice to consumers, clause 30 of the Amendment bill introducing new section 51B (1) suggests that the choice will be available to only those elite consumers who are having a load factor which is progressively prescribed by the Central Government. Already the Central Government has made it clear that only those consumer whose load is more than 500 kW or 1000 kW only have the said choice. Such consumers form only a very small fraction of the consumers mostly in the range of 0.01% of the entire consumers. Thus 99.99% of the consumers are out of the ambit of the provisions relating to choosing the supplier of choice. Although the Government suggests that the load profile will be revised progressively, the statute does not provide for mandatory choice for

the entire spectrum of consumers. We oppose separation of carriage & content.

#### 2.5.2 Cherry Picking and its consequences

As already noted, the subsequent supply licensee has an obligation to supply in respect of only those consumers as prescribed by the Central Government as per proviso to section 51(B)(1) (Clause 30 Inserting Part VIA in the amendment bill). These consumers having a higher load profile are the cream of the subsidising consumers owing to a number of factors like: (i) average consumer tariff is often higher than average retail tariff due to cross subsidy content in tariff (ii) average consumer tariff is higher than the cost of supply at the higher voltage level (iii) cost of service of consumers having high load profile is low due to higher supply voltage, higher volume of consumption at a single point etc. It is pertinent to note that the consumers served by the subsequent supply licensee need not pay the cross subsidy surcharge as in the case of open access consumers. These consumer who are few in number (around 0.01%) and consumes huge quantum of electricity (about 30% of the entire consumption in typical States) can easily be picked up by the subsequent supply licensee by offering lower tariff, since the cost of supplying them is lower than their prevailing tariff. Such 'cherry picking' of the cream of the consumers by subsequent supply licensee will abnormally increase the present tariff of all other consumers supplied by incumbent supply licensee, especially those subsidised sector of consumers.

The cross-subsidy system in electricity tariff is followed in all the States which results in tariffs higher than the average cost of supply for consumers like commercial customers, industrial customers etc who consume electricity in large quantum. It also allows tariffs lower than the average cost of supply for low end domestic consumers and small scale industries. The profit earned through sales at a higher rate is presently utilised by distribution utilities to offset the loss in selling power at lower rates to low end domestic/agriculture consumers. Roughly about 82% of the domestic consumers (as per World Bank report) are presently paying electricity tariffs at far less rates than the cost of supply due to cross subsidy structure in tariff. About 30% of electricity sold in the country is availed by our farmers at heavily subsidised rates. Who will serve these consumers and sectors of economy in future? Currently the distribution utilities could serve these sections since part of the burden is shared by the wealthy households and profitable business ventures through cross subsidy in their tariff. Once these consumers who are paying at rates much above the cost of supply are selectively picked up by the new private supply licensees, no one will be left to share the burden.

The proposed amendments open interesting options to wealthy sections of the society to avail power at lower rates. The markets will be happy that the creamy layer of consumers having better paying capacity are freed from the shackles of the existing distribution licensee and become potential direct beneficiaries through the new private supply licensees. The new supply licensees will be happy that they can cherry pick the wealthier sections and make huge profits since the heavy baggage of poor and the needy will continue to remain with the public sector incumbent licensee. And what will happen to this heavy baggage of low value consumers? Most probably the existing cross subsidy structure in tariff will disappear and the poor will start paying through their noses at rates similar to their wealthier counterparts. Eventually most of those ordinary consumers will be forced to surrender the electricity connection being a luxury item affordable only to the rich and the famous.

#### 2.5.3 No improvement in quality of supply due to competing supply licensees

From this proposed scheme of the Amendment Bill, it is evident that the supply licensee will not have any control over the state of the physical distribution network of distribution licensee and thus will not be in a position to make any improvements in the quality of supply, which is entirely dependent on the state

option of the consumer to choose any of the supply licensee does not bring in any value in terms of quality of supply.

'cherry picking' of the cream of the consumers by subsequent supply licensees will abnormally increase the present tariff of all other consumers supplied by incumbent supply licensee, especially those subsidised sector of consumers.

ordinary consumers will be forced to surrender the electricity connection being a luxury item affordable only to the rich and the famous.

It is all the more possible that the entire focus on reduction of AT&C loss will be lost, plunging the sector into further darkness.

section 133 need to be amended to protect the employment as well as the pecuniary benefits of all contract employees presently employed by the DISCOMs.

of distribution network. The issues related with quality of supply like supply interruptions, low or fluctuating voltage, faulty meter readings, harmonic content, neutral voltage and associated equipment damages, delay in restoration of supply after interruptions, delay in effecting connection etc are all associated with the distribution function and thus the so called option of the consumer to choose any of the supply licensee does not bring in any value in terms of quality of supply. To improve the quality of supply the distribution network has to be strengthened and extended to more areas for which the distribution licensee has to be financially strengthened.

#### **2.5.4 Increased burden on consumers**

At present a prospective consumer can avail supply by approaching a single distribution licensee. Same is the case for enhancement of load etc. For issues related with supply quality or billing issues also the distribution licensee is answerable at present. However in the new set up the consumer has to approach different agencies for each of these services. Thus the mandatory separation of distribution and supply will create burden on consumers who has to run between different agencies for availing connection, then to avail supply. In case load is enhanced subsequently by adding electrical equipments again he has to first approach the distribution licensee for modifying the connectivity and then approach the supply licensee for additional supply. For issues related with supply quality he has to approach distribution licensee and for issues related with billing etc he has to approach supply licensee.

#### **2.5.5 Loss of focus from the chronic problem of high AT&C loss**

At present the distribution utilities are answerable for the AT&C loss and is often penalised by the regulatory commissions by curtailing the power purchase cost encountered due to higher than approved AT&C loss. However, once the supply function is separated, only the supply company is responsible for procuring power and he can bill only whatever is recorded in the meter of the consumer. The lost energy in the distribution network or faulty meters cannot be a controllable parameter for the supply licensee, but his cost as well as revenue are dependent on these factors. The distribution licensee who can only control the AT&C loss has no incentive to reduce the same. Even though one can argue that the distribution licensee could be regulated by the state regulatory commissions for completing 100% metering and for reducing AT&C loss, the fact remains that the experience post Electricity Act, 2003 does not provide supporting evidence in this regard, even while reduction of AT&C loss provided a direct commercial incentive to the distribution licensees. Thus once such commercial incentive is also lost, it is all the more possible that the entire focus on reduction of AT&C loss will be lost, plunging the sector into further darkness.

#### **2.5.6 Fate of contract employees engaged by DISCOMs**

When Electricity Act, 2003 was enacted most of the works in the distribution sector like meter reading, attending supply failures and breakdowns, billing, cash collection etc were performed by regular employees. The Act sought to protect the existing service conditions of the existing employees by introducing mandatory provision under section 133, which provided that the terms and conditions of existing employees on transfer to new entities shall not in any way be less favourable than those which would have been applicable had there been no such transfer.

After more than a decade, most of the above works of permanent nature are now carried out through contract employees. When the Bill proposes to transfer the supply functions of the distribution companies to separate supply companies, it is important in the present context to safeguard the interests of these contract employees also through statutory provisions. The fate of these workers cannot be left to the whims and fancies of the new employers. Thus section 133 need to be amended to protect the employment as well as the

pecuniary benefits of all contract employees presently employed by the DISCOMs

#### 2.5.7 Lack of clarity on functional areas of distribution and supply licensees

The provisions in the Bill does not provide clarity on the independent functional areas of distribution and supply licensees. Unless the functional areas are properly defined, which are closely interwoven, the implementation is likely to land up in endless disputes and legal proceedings.

It is important to note that the separation of carriage and content in transmission sector through open access has not succeeded at the State level so far. Even at the inter-state level where it is often claimed to be a success, litigations are on the rise due to various factors. Also issues like congestion in transmission network in different parts of the country has lead to market distortions and bottling up of power plants even as potential buyers are reeling under power shortages. Thus the separation has not even been successfully implemented at the bulk transaction level, which leads to serious apprehensions on carrying out separation at the retail supply level where the number of users of the network are manifold.

#### 2.6 Functioning of Regulatory Commissions

While the existing provisions prescribe that the State Commissions shall be guided by the national tariff policy, the amendment proposed under new section 51(2) (Clause 36 of amendment bill) propose that the same shall be mandatory on the State Commissions. Since the maturity of electricity sector as well the state of the economy in each State vary, it is not prudent to prescribe a single policy mandatory on all State Commissions. Instead the State governments may be empowered to prescribe the State Tariff Policy as a guiding principle for the State commissions in consultation with the Central Government.

Through the proposed amendment in section 89 through clause 48 of the Bill, the term of office of Chairperson and members of the Regulatory Commissions are sought to be reduced from the present 5 years to 3 years. Earlier, the members or chairperson where not eligible for appointment again to the same position. However, through the amendment, after reducing the term of appointment to 3 years, provision for reappointment to the same position for another term is provided for. Obviously the intentions of such amendment is not to strengthen the regulatory mechanism. Such amendment proposals obviously aims at creation of undue loyalty among regulators, which is detrimental to the overall development of the sector and goes against the very objectives of the Act itself.

As part of strengthening of the State Regulatory Commissions, it is suggested that the Commission's may be authorized to direct auditing of the accounts of distribution and supply licensees through CAG or other independent authority as decided by the Appropriate Commission.

#### 2.7 Technological challenges posed by the proposed separation

The energy accounting of present open access transactions are achieved through costly Special Energy Meters (SEM) which has facility for remote data collection and has time stamped data to facilitate proper energy accounting. Even energy accounting of these bulk energy transfers facilitated through state of the art energy meters are not error free, especially on the matter of accounting transmission losses. Thus, implementation of energy accounting among multiple supply licensees in the same geographical area in respect of energy consumption by lakhs of discrete consumers (especially when distribution losses are manifold more than the transmission losses) is much more complex, costly and prone to disputes. Scheduling of energy transactions of different supply licensees supplying in the same area is again prone to disputes, difficult to adjudicate and complex especially when the availability of the distribution network is not the responsibility of any of these operators. It is pertinent to note

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even after 12 years of enactment of mandatory provisions for 100% energy metering for all consumers through Electricity Act, 2003, many States are yet to achieve the same.

the proposed amendments seeks to disturb this delicate balance of powers through various provisions that go counter to the Constitutional scheme of governance.

Creation of Universal Supply Obligation (USO) fund, clearly defining cherry picking, determination of element of cross-subsidy in the ceiling tariff by regulatory commission and operation of USO fund whenever explicit or implicit cherry picking is noticed etc are suggested

that even after 12 years of enactment of mandatory provisions for 100% energy metering for all consumers through Electricity Act, 2003, many States are yet to achieve the same. Also, even the AT&C loss accounting in the distribution system using remote meter reading with time stamped data under R-APDRP scheme has provided completely erratic results. It is thus immature to attempt multiple supply licensees across the entire country in one go.

#### **2.8 Issues related with skewed sharing of powers among Central and State Governments**

Electricity is listed under the concurrent list of the schedule of the Indian Constitution, which espouses a federal governance for the country. Thus while the inter-state generation and transmission are naturally governed by the Central Government, the distribution and supply functions are entirely in the domain of State Governments along with state specific generation and transmission systems. However, the proposed amendments seeks to disturb this delicate balance of powers through various provisions that go counter to the Constitutional scheme of governance.

Some provisions that leads to micro management of the distribution and supply functions by the Central Government which ought to be entirely in the domain of State governments include (i) the load profile of consumers eligible for choosing supply licensee in a State will be determined by Central government from time to time (ii) the expert committee to be constituted by forum of regulators for evaluating performance of state regulatory commissions will submit report of evaluation to Central Government (iii) the National tariff policy will have to be mandatorily followed by state regulatory commissions (iv) the separation of distribution and supply functions in the states shall be in accordance with the National tariff policy (v) the intermediary company formed by the state governments by unbundling the distribution company shall function as prescribed by the Central government (vi) only the Central Government can allow functioning of more than one distribution licensee in the same geographical area within a State (vii) smart meters to be installed at consumer premises as per prescription of Central Government etc.

#### **Proposals for modification in the Amendment Bill**

2.9 In view of the issues deliberated above, the following proposals for modifying the Amendment bill is submitted

(i) The subsequent supply licensee shall be allowed to start function only with universal supply obligation to inhibit the tendency for cherry picking.

(ii) Even with universal supply obligation there could be cherry picking, since urban areas within States are more profitable areas than rural areas. Thus the choice for selecting the area of supply cannot be entirely left to the private supply licensees. Instead areas in which subsequent supply licensees could be allowed shall be progressively notified by the State Governments in consultation with the State regulatory commissions and the STU. This is also important considering the technical prerequisites such state of the art energy metering with real time communication for all points of energy transaction, putting in place proper mechanisms for energy accounting among multiple supply licensees, putting in place foolproof systems of real time scheduling of power for multiple supply licensees etc. Such progressive introduction of multiple licensees is in tune with the approach of piloting new systems, learning and extending the perfected system in phases etc.

(iii) Creation of Universal Supply Obligation (USO) fund, clearly defining cherry picking, determination of element of cross-subsidy in the ceiling tariff by regulatory commission and operation of USO fund whenever explicit or implicit cherry picking is noticed etc are suggested to ensure level playing field among multiple supply licensees.

(iv) Creation of intermediary company by unbundling of distribution function is a loose replication of the failed single buyer model experimented in Odisha. It only adds transaction costs and does not create any value. The already imperfect bulk market in the country could become further skewed through the creation of single buyer model in every state and will inhibit competitive procurement of power by supply licensees. Thus the proposal for creation of intermediary company may be dropped.

(v) Since the Indian power sector is not mature for mandatory unbundling of distribution and supply functions, the State Governments shall be given freedom to choose the timing of such unbundling based on the maturity of the sector in each State. Also since the separation of distribution and supply need to be carefully carried out first by piloting in notified areas and thereafter taking the learnings from such implementation etc, as recommended by World Bank as well as in consideration of the apprehensions raised by many State Governments, it is suggested that the provision need to be an enabling provision instead of a mandatory provision. It is not prudent or wise to fragment and unsettle existing structures without having a proper appreciation of the impact of such separation. Once the time is ripe as assessed by the appropriate Government based on the experience gained through introduction of subsequent supply licensees in notified areas, the State Governments may be given the option to separate the distribution and supply functions in an appropriate manner. The recommendations of World Bank on the matter are attached as Annexure 2 for ready reference.

(vi) The World Bank report also underlines the importance of active public sector support for the success of any meaningful separation of carriage and content. Even in tiny countries, where the separation is stated to be successful, support from public sector was vital. In the case of larger countries including the US, the separation has not been successful. In this background, considering the size and complexities of the country any large scale roll out of separation of carriage and content is destined for failure. Thus only pilot implementation based on the independent assessment and decision of the respective State Governments only shall be consented by the Parliament.

(vii) Since the economies of integration and coordination of the entire value chain of electricity like generation, transmission, distribution and supply could be significant in view of the increased transaction costs due to unbundling, it is suggested that the State Government shall be allowed piloting of bundled functioning of all these functions in notified areas. This will enable comparison of the different models for power sector operation. The report of World Bank provides ample evidence that bundled utilities like that in Kerala function better than various unbundled utilities.

(viii) The matters related with distribution and supply as pointed out under paragraph 2.6 above may be mostly left with the State Governments, with the Central Government providing the overall framework and direction.

(ix) There shall be mandatory provision enabling State Governments to fulfil the obligation for having Government Owned or controlled supply companies in States like Odisha and Delhi, which presently does not have such distribution companies.

(x) The separation of distribution and supply functions of existing distribution companies which are not successor entities of SEBs is not mandated in the Amendment Bill. Such distribution companies include Reliance and TATA power companies in Mumbai, Torrent in Ahmedabad and Surat, CESC in Kolkata, Kannan Devan Hill Plantations in Munnar, Kerala, SEZs in different States etc. The same has to be looked into.

2.9 Based on the above, specific proposals and comments on different clauses in the Electricity (Amendment) Bill, 2014 is given in the table attached.

Creation of intermediary company by unbundling of distribution function is a loose replication of the failed single buyer model experimented in Odisha.

considering the size and complexities of the country any large scale roll out of separation of carriage and content is destined for failure.

The matters related with distribution and supply as pointed out under paragraph 2.6 above may be mostly left with the State Governments, with the Central Government providing the overall framework and direction.

## 3.0 Specific Suggestions/Remarks on different clauses of Electricity (Amendment) Bill, 2014

Clause No.	Section No.	Proposed Amendment	Suggested modification/Remarks
2(xvi)	2(35A)	after clause (35), the following clauses shall be inserted, namely:  “(35A) “incumbent supply licensee” means the entity to which the supply functions and undertakings, other than those vested in the intermediary company, is vested under sub-section (4A) of section 131;	(35A) “incumbent distribution licensee” means the entity to which the supply functions and undertakings, other than those vested in the <del>intermediary company</del> , is vested under sub-section (4A) of section 131 <b>and includes the successor distribution licensee(s) of the Board until such vesting takes place;</b>
2(xvi)	2(35B)	(35B) “intermediary company” means the entity succeeding to the existing power purchase agreements and procurement arrangements of the relevant distribution licensees on reorganisation as per sub-section (4A) of section 131;’	<b>Comment:</b> To be deleted since the introduction of intermediary company goes against the very basic principles of market development and goes back in history towards the failed single buyer model (Odisha). The same only adds transaction costs while no value can be added.
2(xviii)	2(46A)	after clause (46), the following clause shall be inserted, namely:—“(46A) “obligated entity” means the distribution licensee or the consumer owning the captive power plant or the open access consumer, as the case may be, which is mandated under section 86 of the Act in order to procure electricity from or any market instrument representing the renewable energy sources;’	“(46A) “obligated entity” means the distribution licensee or the consumer owning the captive power plant or the open access consumer, as the case may be, which is mandated under section 86 of the Act in order to procure electricity from or any market instrument representing the renewable energy sources;’
New Clause	2(11A)		after clause (11) the following clause shall be inserted, namely:— (11A) “Cherry picking” means selectively providing supply to cross-subsidising sections of consumers by default or by design or through deliberate action leading to a higher proportion of supply to such cross-subsidising sections of consumers in the supply mix of any supply licensee in comparison with the incumbent supply licensee of the area;

New Clause	2(15A)		after clause (15) the following clause shall be inserted, namely:— (15A) "Cross-Subsidy burden or support" means in respect of a supply licensee the positive or negative difference respectively between the ceiling tariff determined by the Appropriate State Commission for the retail sale of electricity to a consumer and the voltage wise cost of supply of the incumbent supply licensee in respect of such category of consumers.
3	3.(f)	The Central Government shall, from time to time, prepare, review and notify the National Electricity Policy, Tariff Policy and National Renewable Energy Policy, in consultation with the State Governments and the Authority for development of the power system based on optimal utilisation of resources such as coal, natural gas, nuclear substances or materials, hydro and renewable sources of energy and for separation of distribution and supply functions and measures to promote Smart Grid, ancillary services and decentralised distributed generation, etc.	The Central Government shall, from time to time, prepare, review and notify the National Electricity Policy, Tariff Policy and National Renewable Energy Policy, in consultation with the State Governments and the Authority for development of the power system based on optimal utilisation of resources such as coal, natural gas, nuclear substances or materials, hydro and renewable sources of energy and for separation of distribution and supply functions and measures to promote Smart Grid, ancillary services and decentralised distributed generation, etc.
6	For section 7 of the principal Act, the following section shall be substituted, namely:		
	7.(1)	"Any generating company may establish, operate and maintain a generating station without obtaining a license under this Act, if it complies with the technical standards relating to connectivity with the grid referred to in clause (b) of section 73. Provided that any generating company establishing may be required by the system operator to build and maintain a spinning reserve of such capacity as may be notified by	



# MEMORANDUM

	the Central Government from time to time:Provided further that any generating company before establishing or expanding the capacity of a generating station shall submit a detailed project report and duly inform about the same to the Authority. <i>Explanation.—</i> For the purposes of sub-section (1), the expression "spinning reserve" means the backup capacity of a generating station which shall be made available on the directions of the system operator, within a time limit as may be notified by the Central Government, to maintain grid safety and security.	
(2)	Notwithstanding anything contained in sub-section (1), any generating company establishing a coal and lignite based thermal generating station after a date and in a manner to be notified shall be required to establish a Renewable Energy Generation capacity as prescribed by the Central Government from time to time which shall not be less than ten per cent of the thermal power installed capacity.	<b>Comment:</b> The renewable energy resources in different States vary widely and thus it may not be practical to set up the specified renewable capacity for state sector generation projects. Therefore there may be differentiation between Inter-State generation projects and for state specific projects as suggested below. Notwithstanding anything contained in sub-section (1), any generating company establishing a coal and lignite based thermal generating station after a date and in a manner to be notified shall be required to establish a Renewable Energy Generation capacity as prescribed by the Central <b>Appropriate</b> Government from time to time which shall not be less than ten per cent of the thermal power installed capacity.
9	For section 14 of the principal Act, the following shall be substituted, namely—	
14.	The Appropriate Commission may, on an application made to it under section 15, grant a licence to any person— (a) to transmit electricity as a transmission licensee; or	

	<p>(b) to distribute electricity as a distribution licensee; Provided that the Developer of a Special Economic Zone notified under sub-section (1) of section 4 of the Special Economic Zones Act, 2005, shall be deemed to be a licensee for the purpose of this clause, with effect from the date of notification of such Special Economic Zone:_____</p> <p>(c) to undertake trading in electricity as an electricity trader, or</p> <p>(d) to supply electricity as a supply licensee, in any area as may be specified in the licence:_____</p> <p><b>8th Proviso:</b></p> <p>Provided also that the Appropriate Commission may grant a licence to two or more persons for supply of electricity within the same area of supply, subject to the conditions that the applicant for grant of supply licence within the same area shall, without prejudice to the other conditions or requirements under this Act, comply with the additional requirements (relating to the capital adequacy, Credit worthiness or code of conduct) as may be prescribed by the Central Government, and no such applicant, who complies with all the requirements for grant of licence, shall be refused grant of licence on the ground that there already exists a licensee in the same area for the same purpose:</p>	<p><b>Comment:</b> The scheme for separation of distribution and supply functions undertaken presently by existing SEZs is not provided in the Amendment Bill.</p> <p><b>Comment on 8th Proviso:</b> The grant subsequent supply licensee in the Indian context is not desirable. The natural tendency of any new supply licensee will be to seek license to creamy areas within a State leading to bleeding of incumbent supply licensee as well as the State Governments. Also the technical prerequisites like installation of time synchronised meters with real time communication facilities, proper energy accounting systems for transactions by each supply licensee of the area, proper systems for real-time scheduling of transactions of multiple supply licensees by SLDCs etc need to be put in place, which requires various resources like finance, time, IIR etc. Thus the subsequent supply licensee shall be first introduced/allowed on a pilot basis for an appropriately selected/notified area and allowed/expanded to other areas in a phased manner based on the learning and maturity of the sector and after considering due modifications/corrections warranted.</p>
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		<p>through such learnings. Thus the 8th proviso may be modified as: Provided also that the Appropriate Commission may grant a licence to two or more persons for supply of electricity within the same area of supply as may be notified by the appropriate State Government in consultation with appropriate Commission and the STU, subject to the conditions that the applicant for grant of supply licence within the same area shall, without prejudice to the other conditions or requirements under this Act, comply with the additional requirements (relating to the capital adequacy, Credit worthiness or code of conduct) as may be prescribed by the Central Government, and no such applicant for license for the notified area, who complies with all the requirements for grant of licence, shall be refused grant of licence on the ground that there already exists a licensee in the same area for the same purpose:</p>
	<p>Provided also that at least one of the supply licensee shall be a Government company or Government Controlled Company:—————</p> <p>13th Proviso: Provided also that a distribution licensee, after effective date of transfer under sub-section (4.1) of section 13, shall not engage in trading or supply of electricity:</p>	<p><b>Comment on 9th Proviso:</b> The Commission cannot suo moto issue license in areas where no Government supply company is in existence. Already there are no Government distribution licensees in States such as Delhi, Odisha etc. There shall be mandatory provision under section 131 of the Act for the purpose.</p> <p><b>Comment:</b> What will be the status of existing distribution licensees like Reliance and Tata Power in Mumbai, Torrent in Ahmedabad and Surat, CESC in Kolkata etc, who are not successor entities of SEDs. Section 131 deals with restructuring of SEDs and its successor entities alone. The separation of carriage and content in respect of all distribution licensees which are not successor entities of SEDs are also to be</p>

		<p>Provided also that in a case where a distribution licensee was undertaking the distribution of electricity, prior to the commencement of the Electricity (Amendment) Act, 2014, for a specified area within his area of distribution through a franchisee such franchisee shall not be required to obtain any separate licence from the State Commission concerned and such distribution licensee shall remain responsible for distribution and supply of electricity in that area of distribution till the expiry of the existing agreement with the distribution and supply licensee of that area.”.</p>	<p>mandated along with the statutory mechanism for overseeing the same, otherwise it gives an undue advantage to such private licensees.</p> <p>Provided also that in a case where a distribution licensee was undertaking the distribution of electricity, prior to the commencement of the Electricity (Amendment) Act, 2014, for a specified area within his area of distribution through a franchisee such franchisee shall not be required to obtain any separate licence from the State Commission concerned and such distribution licensee shall remain responsible for distribution of electricity in that area of distribution till the expiry of the existing agreement with the distribution licensee of that area.</p>
20.	For section 42 of the principal Act, the following section shall be substituted, namely:—		
	42(2)	<p>The State Commission shall introduce open access for use of distribution system in such phases and subject to such conditions, (including the cross subsidies, and other operational constraints) as may be specified within one year of the appointed date by it and in specifying the extent of open access in successive phases and in determining the charges for wheeling, it shall have due regard to all relevant factors including such cross subsidies, and other operational constraints.</p>	<p><b>Comment:</b> The supply of power to consumers by the supply licensee by procuring power from generators etc requires open access in the transmission and distribution system. How can such open access different from the open access mentioned in these sections.</p>
	(3)	<p>The open access shall be allowed on payment of a surcharge which shall be in addition to the wheeling and other charges payable to the distribution licensee, as compensatory charges</p>	



		determined by the State Commission to meet the requirement of cross subsidy in the area of supply: Provided that the surcharge and cross subsidies referred to sub-section (2) and sub-section (3) shall be progressively reduced in the manner as may be specified by the State Commission: Provided further that such surcharge shall not be leviable in case open access is provided to a person who has established a captive generating plant for carrying the electricity to the destination of his own use.	
24.	After section 45 of the principle Act, the following section shall be inserted, namely:—		
	45A.	The Appropriate Government may, in consultation with the Appropriate Commission and the concerned authorities, prescribe the manner of collection and realisation of any dues under the relevant laws for the time being in force in the State along with the electricity dues.”.	The Appropriate Government may, in consultation with the Appropriate Commission and the concerned authorities, prescribe the manner of collection and realisation of any <del>dues</del> charges under the relevant laws for the time being in force in the State along with the electricity <del>dues</del> charges.”.
30.	After Part VI of the principal Act, the following Part and sections shall be inserted, namely:—		
	<b>PART VIA</b> <b>SUPPLY OF ELECTRICITY</b>		
	51A. (1)	It shall be the duty of the supply licensee to supply electricity in the concerned area of supply in accordance with the provisions of the Act: Provided that till the transfer of the obligation to supply to the incumbent supply licensee, the existing distribution licensee shall have the obligations to continue to supply electricity in the area of supply in accordance with the provisions of the Act with the same rights, privileges and duties of the supply licensee.	It shall be the duty of the distribution licensee to supply electricity in the <del>its</del> licensed area of supply in accordance with the provisions of the Act: Provided that till the transfer of the obligation to supply to the incumbent supply licensee, the existing distribution licensee shall have the obligations to continue to supply electricity in the area of supply in accordance with the provisions of the Act with the same rights, privileges and duties of the supply licensee.

	(2)	<p>The Appropriate State Government shall, within a period of one year from the commencement of the Electricity (Amendment) Act, 2014 or within such period as the Appropriate State Government may decide in consultation with the Central Government, provide for separation of distribution and supply of electricity and for such purpose issue appropriate transfer scheme and vest the supply functions in the incumbent supply licensee and the existing power purchase agreements and procurement arrangement in the intermediary company respectively as per the provision of section 131.</p>	<p><b>Comment 1:</b> Since the separation of distribution and supply is not expected to be successful, only piloting if decided by State Government be considered. The recommendation by World Bank as well as in consideration of the apprehensions raised by many State Governments, it is suggested that the provision need to be an enabling provision instead of a mandatory provision. It is not prudent or wise to fragment and unsettle existing structures without having a proper appreciation of the impact of such separation. Once the time is ripe as assessed by the appropriate Government based on the experience gained through introduction of subsequent supply licensees in notified areas, the State Governments may be given the option to separate the distribution and supply functions in an appropriate manner. Also the introduction of intermediary company will only create distortion in the bulk supply market, being a replication of the failed single buyer model in Orissa etc. Thus the clause may be modified as: The Appropriate State Government <del>shall, within a period of one year from the commencement of the Electricity (Amendment) Act, 2014 or within such period as the Appropriate State Government</del> may decide in consultation with the Central Government, provide for separation of distribution and supply of electricity and for such purpose issue appropriate transfer scheme and vest the supply functions in the incumbent supply licensee <del>and the existing power purchase agreements and procurement arrangement in the intermediary company</del> respectively as per the provision of section 131.</p> <p><b>Comment 2:</b> The separation of distribution and supply functions of existing</p>
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			<p>distribution licensees like that in Mumbai, Kolkata, Ahmedabad, Surat, SEZs etc which are not successor entities of erstwhile STBs as covered under section 131, shall not be later than the separation as envisaged as per the above provision. Separate enabling provisions are to be incorporated in the Amendment Bill.</p>
	51B. (2)	<p>The supply licensee as selected by the Consumer shall, on an application of the owner or occupier of any premises within fifteen days of the connection being given to the premises by the distribution licensee in terms of section 43 commence supply of electricity as required by the person: Provided that a supply licensee other than the incumbent supply licensee shall have the duty to supply electricity progressively based on the load factor of the consumers as specified by the Central Government.</p>	<p><b>Comment 1:</b> The time limit can only be based on the date of application and not the date of connection. An application for supply can become valid when the applicant is having a connectivity with the distribution system.</p> <p><b>Comment 2:</b> From this proposed scheme of the Amendment Bill, it is evident that the supply licensee will not have any control over the state of the physical distribution network of distribution licensee and thus will not be in a position to make any improvements in the quality of supply, which is entirely dependent on the state of distribution network. The issues related with quality of supply like supply interruptions, low or fluctuating voltage, faulty meter readings, harmonic content, neutral voltage and associated equipment damages, delay in restoration of supply after interruptions, delay in effecting connection etc are all associated with the distribution function and thus the so called option of the consumer to choose any of the supply licensee does not bring in any value in terms of quality of supply. To improve the quality of supply the distribution network has to be strengthened and extended to more areas for which the distribution licensees has to be financially strengthened.</p> <p><b>Comment 3:</b> The mandatory separation of distribution and supply will create burden</p>

		<p>on consumers who has to run between different agencies for availing connection, then to avail supply, in case load is enhanced subsequently by adding electrical equipments again he has to first approach the distribution licensee for modifying the connectivity and then approach the supply licensee for additional supply. For issues related with supply quality he has to approach distribution licensee and for issues related with billing etc he has to approach supply licensee. Thus it is prudent and wise in the Indian context to first allow subsequent supply licensees in notified areas only as suggested earlier and based on learnings the next step of separation of functions of existing distribution licensees can be attempted.</p> <p><b>Comment 4:</b> In the prevailing tariff structure, consumers with higher loads are the cross-subsidising section of consumers. They bear a portion of the burden of providing supply at a lower tariff to needy sections of consumers. Allowing the subsequent supply licensee to selectively provide supply to those consumers having a load factor as progressively decided by the central government leads to statutory cherry picking thereby financially robbing the incumbent supply licensee as well as the State Governments. It also robs the ordinary consumers whose electricity charges will have to be increased consequent to loss of cross-subsidy support owing to cherry picking. This amounts to legalising robbery. Thus, once multiple supply licensees are allowed in an area, then the option of the consumers in that area for choosing his supplier of choice shall be absolute and unqualified. Similarly</p>
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			all the supply licensees in an area shall have statutory obligation to supply to any consumer based on his application irrespective of his load factor, load profile, purpose of usage of electricity etc. Any restriction on this aspect will lead to distortions in the retail supply market and also lead to The clause may be modified as under based on Comment 1 & 4 above.
	(2)	<p>Save as otherwise provided in this Act, any consumer in the area of supply shall, in such manner as may be prescribed by the Central Government: have the option to choose any of the supply licensees for supply of electricity to the premises owned or occupied by him.</p> <p><i>Explanation.</i>—For the purposes of this sub-section, “application” means the application complete in all respects in the appropriate form, as required by the supply licensee, along with documents showing payment of necessary charges and other compliances:</p> <p>Provided that the provider of last resort shall have the obligation to supply electricity to the consumers in the area of supply in case the supply licensee</p>	<p><b>Comment:</b> modify explanation based on comment 1 above.</p> <p><i>Explanation.</i>—For the purposes of this sub-section, “application” means the application complete in all respects in the appropriate form, as required by the supply licensee, along with documents showing payment of necessary charges and other compliances <b>including documents relating to connectivity granted by the distribution licensee:</b></p> <p><b>Comment:</b> What will happen to the Power Purchase agreements executed by such outgoing supply licensees.</p>

		chosen by the consumer ceases to be a supply licensee or otherwise his supply licence is suspended for any reason whatsoever.	
36.	(3)	It shall be the duty of every supply licensee to arrange for the purchase of electricity including by procurement of electricity from the intermediary company with the objective of providing reliable and uninterrupted electricity supply.	It shall be the duty of every distribution licensee to arrange for the purchase of electricity <del>including by procurement of electricity from the intermediary company</del> with the objective of providing reliable and uninterrupted electricity supply.
		Section 61 of the principal Act shall be numbered as sub-section (1) thereof and,—	
	(a)	in sub-section (1) as so numbered—	
		<p>(i) for clause (d), the following clause shall be substituted, namely:—</p> <p>“(d) safeguarding of consumers’ interest and at the same time, recovery of the cost of electricity by the licensees without any revenue deficit in the context of the tariff determined under section 62:</p> <p>Provided that the revenue deficit, if any, prior to the commencement of the Electricity (Amendment) Act, 2014, shall be recovered in such manner as may be prescribed by the Appropriate Government.”;</p> <p>(ii) for clause (h), the following clause shall be substituted, namely:—</p> <p>“(h) the promotion of co-generation and generation of electricity from renewable sources of energy and hydro power.”;</p> <p>(iii) in clause (i), the words “and tariff policy” shall be omitted.</p>	<p><b>Comment:</b> It is not prudent to make Policies of executive binding on quasi judicial and supposedly independent and autonomous statutory creations like Regulatory Commissions. Thus the following provisions may be deleted.<del>(iii)</del> in clause (i); the words “and tariff policy” shall be omitted.</p>



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[illegible]

		<p>(c) transmission of electricity;</p> <p>(d) wheeling of electricity;</p> <p>(e) retail sale of electricity;</p>	<p><b>Comment:</b> The Commission has to ensure that none of the supply licensees are indulging in cherry picking for the purpose of offering tariff lower than the ceiling tariff specified by the Commission. Any offer of lower tariff shall be based on competitive procurement of power as well as rationalisation of internal costs of the supply licensee. Thus the following provisos may be added as below:</p>
		<p>Provided that the tariff determined for retail sale of electricity shall be the ceiling tariff for the respective categories of consumers, the supply licensee shall be entitled to charge any consumer category at an amount lesser than the ceiling tariff, subject to sub-section (3) and also, without in any way affecting the obligation of a supply licensee to pay the intermediary company, the transmission licensee, the distribution licensee and generating company, as the case may be.</p>	<p>Provided that the Appropriate Commission shall ensure that the supply licensees are not indulging in cherry picking in any manner.</p> <p>Provided further that the Appropriate State Commission shall specify the level of cross-subsidy support or burden in the ceiling tariff for retail sale of electricity in respect of each and every category or sub category of consumers and specify the mode of transfer of such cross-subsidy support received by every supply licensee to the Universal Supply Obligation fund created as prescribed by the appropriate State Government and for further transfer of such fund to compensate for the cross-subsidy burden among the supply licensees.</p> <p>Provided further that the transfer of cross-subsidy support and cross-subsidy burden to and from the Universal Supply Obligation fund can be on a net basis as specified by the Appropriate State Commission in consultation with the Appropriate State Government</p>
(2)		<p>The tariff determined by the Appropriate Commission for a licensee shall provide for recovery of all prudent costs of the licensee approved by the Appropriate</p>	<p>The tariff determined by the Appropriate Commission for a licensee shall provide for recovery of all prudent costs of the licensee approved by the Appropriate</p>

47.	<p>Commission in the monthly bills during the tariff period through an appropriate price adjustment formula including wherever applicable the fuel, power purchase and procurement price surcharge formula as may be specified in the Tariff Policy.</p> <p>In section 86 of the principal Act, for sub-section (1), the following sub-section shall be substituted, namely:</p> <p>(1) The State Commission shall discharge the following functions, namely: (a) determine the tariff for generation, supply, transmission and wheeling of electricity, wholesale, bulk or retail, as the case may be, within the State;</p> <p>Provided that where open access has been permitted to a category of consumers under section 42, the State Commission shall determine only the wheeling charges and surcharge thereon, if any, for the said category of consumers:</p> <p>(b) regulate electricity purchase and procurement process of supply licensees including the price at which electricity shall be procured from the generating companies or licensees or from other sources through agreements for purchase of power for supply within the State;</p> <p>(c) facilitate intra-State transmission and wheeling of electricity and promote Smart Grid, net metering, ancillary services and decentralised distributed generation,</p> <p>(d) issue licences to persons seeking to act as transmission licensees, distribution licensees, supply licensees and electricity traders with respect to</p>	<p>Commission in the monthly bills during the tariff period through an appropriate price adjustment formula including wherever applicable the fuel, power purchase and procurement price surcharge formula as may be specified in the Tariff Policy.</p>
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		their operations within the State; (e) promote cogeneration from renewable sources of energy and	
		generation of electricity from renewable sources of energy by providing suitable measures for connectivity with the grid and sale of electricity to any person, and also specify, for purchase of electricity	
		from such sources, a percentage of the total consumption of electricity in the area of a supply licensee;	
		(f) promote cogeneration from sources other than renewable sources and hydro power generation by providing suitable measures for connectivity with the grid and sale of electricity to the, licensee having the obligation to supply to consumers in the area of supply; (g) adjudicate upon the disputes amongst the licensees, generating companies, intermediary company or between any of them, as the case may be, and to refer any dispute for arbitration; (h) levy fee for the purposes of this Act; (i) specify State Grid Code consistent with the Grid Code specified under clause (h) of sub-section (f) of section 79; (j) specify or enforce standards with respect to quality, continuity and reliability of service by licensees; (k) fix the trading margin in the intra-State trading of electricity, irrespective of final destination of the electricity; (l) to require creation of distribution system including metering and related infrastructure by the distribution licensee in a time bound manner;	(g) adjudicate upon the disputes amongst the licensees, generating companies, <del>intermediary company</del> or between any of them, as the case may be, and to refer any dispute for arbitration; <b>Comment:</b> Insert the following provisions also as functions of the State Commissions:  (o) Prevention of cherry picking by supply licensees (for the pilot project) (p) Creation of Universal Supply Obligation fund as prescribed by the appropriate State Government (q) Specify the transfer of funds among supply licensees and the Universal Supply Obligation fund based on the cross-subsidy content specified in the retail supply tariff (r) Authorise the audit of the accounts of distribution and supply licensees through CAG or other independent authority as decided by the Appropriate Commission

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	(n) to specify time bound reduction of cross – subsidies in tariff;(n) discharge such other functions as may be assigned to it under this Act.”	
<b>48.</b>	For section 89 of the principal Act, the following section shall be substituted, namely:	
89.	<p>The Chairperson or other Member shall hold office for a term of three years from the date he enters upon his office:</p> <p>Provided that the Chairperson or other Member in the Central Commission or the State Commission shall be eligible for one more term through re-appointment in the same capacity as the Chairperson or a Member in that Commission in which he had earlier held office as such:</p> <p>Provided further that no Chairperson or Member shall hold office as such after he has attained the age of sixty-five years.”.</p>	<p>The Chairperson or other Member shall hold office for a term of three <del>five</del> years from the date he enters upon his office:</p> <p>Provided that the Chairperson or other Member in the Central Commission or the State Commission shall <del>not</del> be eligible for <del>one more term through re-appointment</del> in the same capacity as the Chairperson or a Member in that Commission in which he had earlier held office as such:</p> <p>Provided further that no Chairperson or Member shall hold office as such after he has attained the age of sixty-five years.”.</p>
<b>52.</b>	After section 109 of the principal Act, the following section shall be inserted, namely:—	
109A.	<p>(1) The Forum of Regulators shall, from time to time, constitute an independent Committee consisting of not less than three persons of eminence to review the performance of any Appropriate Commissions and submit a report with recommendations of such Committee to the Central Government.</p> <p>(2) The Committee appointed under subsection (1) shall be entitled to take the assistance of experts and consultants to be engaged with the approval of the Forum of Regulators.</p> <p>(3) The functions and the terms of reference, including the time period for submission of the report, by the</p>	<p>(1) The Forum of Regulators shall, from time to time, constitute an independent Committee consisting of not less than three persons of eminence to review the performance of any Appropriate Commissions and submit a report with recommendations of such Committee to the <del>Central</del> Appropriate Government.</p>

		Committee shall be such as may be prescribed by the Central Government.”.	
55.	In section 131 of the principal Act—		
	<p>(i) for the marginal heading “Vesting of property of Board in State Government”, the marginal heading “Vesting of property of Board and Distribution Licensee in the State Government” shall be substituted;</p> <p>(ii) after sub-section (4), the following sub-section shall be inserted, namely:—</p>		
	(4A) (a)	The State Government shall within the period specified under section 51A draw up a transfer scheme for transfer of such of the functions, the property, interest in property, rights and liabilities of the distribution licensees relating to supply of electricity to a company who shall be the incumbent supply licensee for the concerned area of supply and so far as the existing power purchase Agreements and procurement arrangements, to which the distribution licensee is the beneficiary in the intermediary company and publish such scheme as statutory transfer scheme under the Act.	The State Government <del>shall within the period</del> may as specified under section 51A draw up a transfer scheme for transfer of such of the functions, the property, interest in property, rights and liabilities of the distribution licensees relating to supply of electricity to a company who shall be the incumbent supply licensee for the concerned area of supply and publish such scheme as statutory transfer scheme under the Act. (for the pilot project).
	(b)	The distribution licensee shall cease to be charged with and shall not perform the functions and duties under this Act to the extent of the transfers made under sub clause (a) on and after the effective date of such transfer.	
	(c)	The functions of the intermediary company shall be such as may be prescribed by the Central Government.”.	<del>The functions of the intermediary company shall be such as may be prescribed by the Central Government.”.</del>
New Clause	133 (2)		The following words shall be inserted after the words “employees” in the “Explanation” under section 133(2) of the principal Act, namely :— “irrespective of employed on a regular or contract basis”



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58.	Section 149 of the principal Act shall be omitted.	<b>Comment:</b> Omitting the section could lead to exonerating companies who indulge in theft or misuse of electricity and thus need to be retained
61.	In section 176 of the principal Act, in sub-section (2)	
	(i) after clause (f), the following clause shall be inserted, namely:—	
	(da) the option of the consumer to choose the supply of licensee under subsection (2) of section 51B;	<del>the option of the consumer to choose the supply of licensee under subsection (2) of section 51B;</del>
	(db) the consumption of the electricity, more than the quantity of electricity in a month, by such consumers under the proviso to sub-section (2) section 55;	
	(d) in clause (g), for the words, brackets and figures "sub-section 171", the words, brackets and figure "sub-section 12)" shall be substituted;	
	(h) in clause (h), for the words, brackets and figures "sub-section 173)", the words, brackets and figure "sub-section 14)" shall be substituted;	
	(iv) after clause (j), the following clause shall be inserted, namely:—	
	(p) after clause (p), the following clause shall be inserted, namely:—	
	(ga) the composition, functions and terms of reference of the Committee under sub-section (3) of section 109A;	
	(vi) after clause (u), the following clause shall be inserted, namely:	
	(aa) the functions of the intermediary under clause (c) of sub-section (4.1) of section 131;	<del>the functions of the intermediary under clause (c) of sub-section 13.1) of section 131;</del>
63.	In section 180 of the principal Act, in sub-section (2).	

	(i) after clause (a), the following clause shall be inserted, namely:—		
	(ao)	the manner of collection and realisation of other dues along with electricity dues under section 45A;	the manner of collection and realisation of other <del>dues</del> <b>charges</b> along with electricity <del>dues</del> <b>charges</b> under section 45A;
	(ii) after clause (ac), the following clause shall be inserted, namely:—		
	(ma)	the powers to be exercised and the functions to be performed and the manner of inspection by the Chief Electrical Inspectors and the inspectors under sub-section (1A) of section 162;	
New Clause	Insertion under Section 180		<b>New clause may be inserted as:</b> the manner of creation and operation of Universal Service Obligation fund by the Appropriate State Commission



### Annexure 1

#### **Box 4.2 Kerala—A Successful State Electricity Board**

Kerala is considered to have one of India's best performing electricity sectors. According to Power Finance Corporation data for 2003–11 on utilities directly serving consumers, the Kerala State Electricity Board (KSEB) consistently ranks among the top utilities in India. In 2011 the KSEB had the highest accumulated profits and ranked third on profit after tax. Aggregate technical and commercial (AT&C) losses were 14 percent, which is the seventh lowest among all distribution utilities. And transmission and distribution losses declined consistently every year after 2001. All connections are metered and theft of electricity is practically nonexistent. In 2010 Kerala received the National Energy Conservation Award for its efforts in this field.

#### **External Factors in Kerala's Success**

An abundant supply of water and rainfall means that Kerala's farmers are not dependent on electric pumps to irrigate their farms. Indeed, agriculture accounts for less than 5 percent of the consumer base and 2 percent of total energy billed. This natural advantage means that the KSEB does not face a high agricultural subsidy burden, unlike many other utilities.

Supply constraints forced the KSEB to look for efficiency improvements elsewhere in the system. Inexpensive hydropower was initially the catalyst for economic growth. But environmental constraints have diminished the state's capacity to further exploit its hydro potential, and Kerala went from being an energy-surplus state in the 1960s to an energy-deficit state by the mid-1990s. More than 70 percent hydro, the state's installed capacity has actually declined with the decommissioning and de-rating of older plants. However, a positive side effect was that Kerala had to focus increasingly on improving the efficiency and performance of its transmission and distribution infrastructure while simultaneously pursuing demand-side management.

#### **State Efforts to Strengthen the Power System**

Kerala has strengthened its power system and reduced AT&C losses, though for political reasons it has not unbundled the KSEB as mandated under the Electricity Act of 2003. Key aspects that have contributed to its sound track-record include the following.

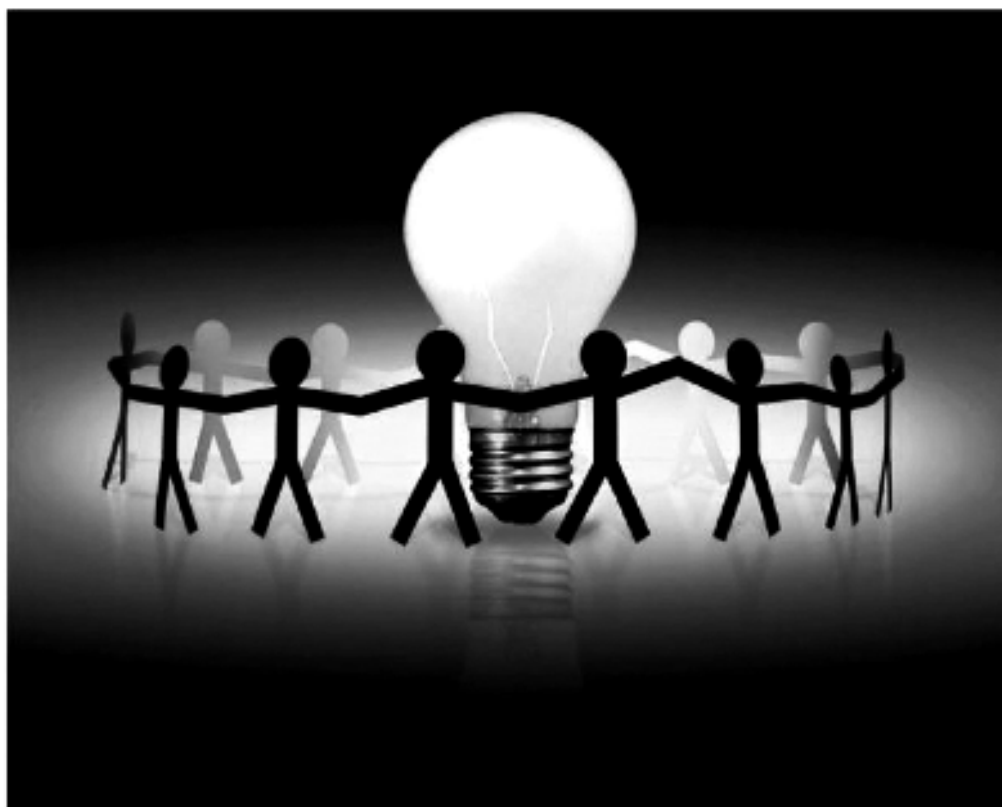
- **Effective State Regulator.** Established in 2002, the Kerala State Electricity Regulatory Commission has grown into an effective regulatory agency. It has diligently issued tariff orders in 10 of the last 13 years (making it fifth among all states). It also increased tariffs in three of the last six years (2005/06, 2007/08, and 2012/13) and was awarded the Independent Power Producers' Association of India Power Award for best state electricity regulatory commission in 2013.
- **Investment in Network Strengthening.** The KSEB has consistently invested in its subtransmission and distribution network not only to expand it but also to incorporate information technology infrastructure. The biggest success story in transmission has been establishing a state-of-the-art state load dispatch center using supervisory control and data acquisition and associated communications infrastructure. The KSEB has adopted load-flow software for transmission-system planning and has taken up substantial works under the Accelerated Power Development and Reform Programme, Restructured Accelerated Power Development and Reform Programme, and Rajiv Gandhi Grameen Vidyutikaran Yojana programs for augmenting its distribution network. Various demand-side management and energy-efficiency initiatives have also been successfully implemented.
- **A Focus on Metering, Billing, and Customer Service.** Kerala has 100 percent metering; older electro-mechanical meters are being replaced with modern tamper-proof electronic models. The KSEB has sound systems and processes for maintaining a healthy revenue billing and collection cycle. Excellence in revenue management is also a function of the sound payment culture in most of Kerala. Thirteen Power Anti-Theft Squads have been set up under the anti-

theft and vigilance wing of the KSEB, headed by a deputed senior police officer. District courts have been notified as special courts to deal with cases of power theft.

In addition, the KSEB is modernizing its systems. It uses internally developed software for customer-friendly electric billing and accounting, and has built an online portal for consumer payments and grievance redressal. These efforts have improved service quality, billing efficiency, transparency, and financial savings. The KSEB's collection efficiency of 97 percent in 2010/11 attests to the initiatives' payoffs.

- **Investment in Employees.** The KSEB is working to improve employee efficiency and satisfaction. There are now four human resources committees to oversee promotions and transfers. And it has improved grievance-redressal and pension plans for employees. The KSEB also offers well-designed technical, information technology, and financial training to all officers and staff.

But since 2011 KSEB's finances have been constrained due to the state's declining hydro generation, forcing the utility to purchase power from external sources and draw down surpluses earned in earlier years. Inadequate planning for power procurement to address demand growth has exacerbated the change in fortunes of the utility, which remains well managed but is now suffering in the face of external shocks.



## **Annexure 2**

### **Separation of Carriage and Content in Distribution— Potential Benefits and International Experience**

#### **Concluding Observations**

What does the above imply for the debate on retail competition in the Indian context? Two primary considerations stand out, depending on whether one takes a static or dynamic perspective. For a static view, the New Zealand case illustrates the pressing need for strong institutional support to make retail competition successful. In that country, the public sector took an active interest to make it seamless for customers to switch in and out of hiring various retail suppliers; it therefore set up mechanisms and allocated resources and expertise, with great success. In the United States, retail competition was not similarly supported by the public sector, and communications between retail suppliers and customers were left to individual initiative on both sides. The retail switching rate in the United States has been far lower as a result. A study of the experience with retail competition in 27 European countries (Lima 2003) also concluded that retail competition itself had less to do with customers' tariff rates than did the bulk-procurement strategies of new-entrant retail suppliers, which could pass on savings to customers and thereby entice some switching. Most of the switching was done by industrial customers who had sophisticated procurement departments and were able to analyze the value propositions of alternative offers better than the typical residential customer. European countries where some modest success with retail competition was observed also had dedicated public resources and institutional capacity to support consumers.

From the dynamic perspective, if Europe is indeed taken as a bellwether for the future of the centralized utility model, the relevance of the carriage and content model in the long run would have to be questioned. If there is a disruptive technological innovation in the coming decade that allows distributed generation and power storage at affordable rates and grants complete independence from the grid for a large number of low-tension consumers, this will be a game changer for centralized utilities, their investors, and their regulators (The Economist 2013a). There is therefore a risk of new investments by the utility becoming stranded, and revenues being hard to recover.

India is different in one critical respect from the other countries discussed here: it has a shortage of power. However, this means there is even more risk of customers "leapfrogging" to a new technological paradigm if one becomes available and deserting the utility or using it as backup only. Utilities that cannot offer quality service to existing customers and that have a large unserved pool of potential customers are very vulnerable to any technological change that lets consumers get reliable power at their own location.

On balance, given the constrained institutional capacity available to provide the required consumer support, the still-developing regulatory capacity at state level, and developments on the distributed generation front, it is probably wiser for India to start with pilot projects for retail competition rather than make a full-scale rollout at present.

## ROUND TABLE CONFERENCE ON ELECTRICITY (AMENDMENT) BILL, 2014

EEFI along with other constituents of NCCOEEE staged a demonstration before the Parliament on 12<sup>th</sup> December, 2014. The NCCOEEE memorandum addressed to Prime Minister and Energy Minister cited the limitations of impugned amendment bill and requested needful consultation. Government paid no heed to this request and tabled the Bill in Lok Sabha on 19<sup>th</sup> December, 2014. EEFI demonstrated all over the country and observed 'Black Day' on 23<sup>rd</sup> December, 2014. The Bill was referred

to Parliamentary Standing Committee on Energy. EEFI organised a Round Table Conference at Kolkata on 4<sup>th</sup> March, 2015. The main purpose of this conference was consultation of experts and professionals towards preparation of EEFI memorandum to Standing Committee on Energy. EEFI invited experts and professionals along with the Chairman and CEOs of different Power utilities in public and private

sector. Some of the Ex-chairman of SEBs, Power Generating Companies, and former members of Regulatory Commissions as well academicians took part in the conference. KSEB represented by its Director (Finance) Mr. S Venugopal. None of the present executives of West Bengal took part. EEFI Office Bearers took part in the conference.

At the outset Com. K O Habib, President EEFI narrated the backdrop of the Electricity industry in India, its achievements and shortcomings. He mentioned since Government policy framed by WTO dictates Electricity went beyond the reach of poor people. The Amendment will put the last nail in coffin. P N Chowdhury welcomed the participants. Mr. Pritosh Roy, former member, West Bengal Regulatory Commission opined the proposed Amendments are contradictory. Separation of carriage and content will lead to plight of the consumers. Responsibilities are not well defined. Rural consumers

will remain out of focus.

Mr. S Venugopal explained the policy KSEB adopted keeping the utility unbundled. He dealt with different aspects of the Amendment Bill, which will lead to spoil the federal structure of the country. They abide by the Laws of the land but not sweet will of Government of India. He also mentioned the contradictions in the proposed Bill.

Mr. Subir Dasgupta, former member CEA and Chairman of WBSEB & MPEB mentioned the purpose of the Bill is not clear. Unbundling of Electricity Boards did not yield any positive result. Further splitting of distribution in the form of carriage and content will crop up with various problems.

Mr. B K Paul, former Managing Director WBPDCCL expressed his doubt whether escalation of cost of Power through capacity addition for renewable Power plant.

Purchasing capacity of the consumers must be taken for consideration.

Mr. Anirban Guha, former Director WBSEDCL criticised on drafting quality. He mentioned restructuring issue is now the main problem. He assumed the Amendment is intended to make Power available to industry at cheaper rate. Discrimination of Government company and private company should not be done in the course of formulation of Act. Regulatory issues in the Bill will lead to contradiction.

Prof. Subimal Sen, raised the question whether the Amendment Bill has been proposed by the industry or outside agency. The initiators of the Bill has forgotten that still 30 crores of Indian people are kept beyond the access of the Electricity.

Com. Kedar Mukherjee, Subhash Lamba, B Pradeep, M G Suresh, S Subramaniam and Swadesh Debroye also contributed.





## ELECTRICITY (AMENDMENT) BILL, 2014 : A PUSH TO PEOPLE FROM FRYING PAN TO FIRE.

### An Appeal to Resist

Dear Friends, Brothers & Sisters,  
On behalf of Electricity employees of India, we put this fervent appeal to all of you to extend your active support to the struggle for protecting the right to electricity for our countrymen by opposing the anti people amendment of the Electricity, Act, 2003 through the Electricity (Amendment) Bill, 2014 introduced in the Parliament on 19<sup>th</sup> December, 2014. Immediately after the introduction of the Bill in the Parliament, our Federation observed Black Day on 23<sup>rd</sup> December all over the country.

Pro-private profiteering policies of the Government is constantly pushing electricity tariff more and more unaffordable level of common people. It is shocking that 30 crores of our country men still have no access to electricity. That means one out of four Indians don't have access to electricity.

**Electricity in Independent India:** The State Electricity Boards (SEBs) were created under the authority of **Electricity (Supply) Act, 1948** with the declared objective of rapid people oriented electrification of the rural and urban India alike. The SEBs were not asked to earn profit but to extend the grid from the cities and towns to villages for industrial, agricultural and all round prosperity to create jobs and food stuff available for our people. In a span of four decades, SEBs electrified 80% of villages and energized 12.5 million tube wells facilitating irrigation and contributing for the success of Green Revolution. India became a country of food sufficiency from a country of crores of starved people. Now under the policies of Neo-liberalism the achievements of SEBs are blackened with motivated and fabricated allegations under the dictates of World Bank and IMF.

**Pro People Electricity Act replaced with anti people one:** With conjugal endeavour of major political allies NDA led by BJP and UPA led by congress new Electricity Act was legislated in the name of Electricity Act 2003. In order to place the Electricity Bill 2003 Aims and Objects mentioned is referred to. "with the policy encouraging private sector participation in generation, transmission and distribution and the objective of distancing the regulatory responsibilities from the Government to Regulatory Commission ....." All these they proposed

with the ultimate motive of privatization of the electricity industry. Private capitals were given broader avenue to enter into power sector on the plea of non-availability of fund required for investment. So many indigenous and foreign companies came. But their main financial resources were from public sector financial institutions. All most all of them flew away keeping the problem further grave.

**Electricity (Amendment) Bill, 2014 will extend empire of loot:** Upon the above background and grave industrial situation, Government of India has proposed further Amendment of Electricity Act, 2003 through Electricity (Amendment) Bill, 2014. Main features of the Bill initiated in the Parliament is (a) Further splitting of Electricity Distribution Activities into distribution (carriage) and supply (content) business. Government is preaching choice of company by the consumers through open access. It is clearly evident that supply licensees will facilitate (cherry picking) supply to bulk / high end consumers. Left out low end consumers will have to pay higher tariff due to elimination of scope of cross subsidy (b) Due to multi point interface with distribution licensee & supply licensees, consumers are to face problem to get quality service, (c) Low end consumers in general and rural domestic, industrial, commercial consumers will be thrown out of the focused attention of service providers.

**Competition (!) for whom?** Competition and efficiency are frequently used terms. But we noted Govt. of India allocated UMPP to private hands through international competitive bidding. Base was weighted average tariff for 25 years. The bidders selected through competition are being allowed tariff revision within one/two years, in gross travesty of international policies on trade and commerce. Electricity tariff has been increased many fold. But loss of Discoms could not be arrested. National average of AT&C loss remained around 25%. Within a decade from promulgation of Electricity Act, 2003, accumulated loss of all the Discoms is going to touch a colossal sum of Rs.4 lakh crores. From all these angle we may conclude that implementation of Electricity Act 2003 has aggravated the power situation. Let us have a closer look.

**Power situation at present:** Generating capacity of India stands to the tune of 2,60,000 MW. Peak demand is around 1,35,000 MW. But everyday some states are to face huge peak shortage. Nationwide its ranges between 15,000 & 20,000MW whereas energy shortage to the extent of 8-12%.

Large part of India, is having shortage but our Govt.'s much adored Independent Power Producers (IPP) preferred to keep their 50000 MW capacity stalled due to non remunerative tariff structure. Resources they harnessed belong to India but people of India is being exploited to protect investors' right to profit reserved in gross disregard to Right to Electricity of 90% Indians, not having unlimited money to meet the profit greed of investors. Still 30 crores people are left beyond the access to electricity. They use to have promises from one after another Government in Delhi target dates of Electricity for all.

**Loss continues:** State owned DISCOMS are accruing huge loss. Status is, more they supply more will be their loss. So they prefer to power cut and not to buy electricity. Private generators prefer to keep their plants idle. Result is darkness for the people of India, unemployment for its youth and job-seekers, fall of domestic production including agriculture and starvation death of farmers. Private Discoms are not paying dues of state and National sector power producers, while they hike their tariffs to have more and more profit.

**Forced condition to create more loss :** Steps are being taken to handover revenue potential industrial, commercial and urban areas from state owned Discoms to private licensees and franchises. These PSEs are compelled to become further financially weak rural electric supply co. Someday we are to face total black out of power for agriculture and rural industries. Fate of rural people may not to be talked of.

**Competition for exploiting the workers:** Our Prime Minister is harnessing to facilitate cheaper labour for the investors. So the labour laws are modified to please them. Electricity workers also will be victim of this cheaper labour hunting. None should think themselves safe. Days to come permanent workers will be declared surplus. More than 60% of Electricity Workers are now engaged through contractors. Most of them are compelled to undertake the risk prone jobs without proper training. They are to render their service for the people at a lowest possible rate of wage without adequate safety and social security measures. The competition, as nomenclature, is nothing

but reckless exploitation of workers in death trap. The proposed Amendment will lead to loss of jobs of workers under the gallows of new entrant profit mongers in the Electricity Industry in the name of distribution / supply licensees in a specified area.

**National resources are exposed for loot of business houses:** Coal being the major resource of power generation in India has been subjected to speculators trade. Scam of Rs.10.6 lakh crores unveiled. That may be tip of ice berg. Even role of Prime minister in that scam has become questionable. UMPP bidders also sold coal in the market, while their allocation was for specific purpose of power generation.

Other resources of power generation like Hydro potential & Gas Basins are also being transferred to private hands in gross contravention of National interest through clandestine route. KG-D6 Gas Basin scam is now known to all. Further facts will also be revealed by the days to come.

**The first Reformed State Odisha rolled back:** Odisha Electricity Regulatory Commission through their order dated 4<sup>th</sup> March, 2015 has revoked the distribution License of R(Reliance)-infra managed (NESCO, WESCO & SOUTHCO) Discoms and responsibility of functioning has been assigned to state owned GRIDCO. When Govt. of India is searching avenue for further privatisation of Electricity industry, it's a befitting reply to them.

**We are to fight together:** Victim of this new Amendment will be the poor low end Electricity consumers. Electricity is in concurrent list of the constitution. This Amendment, in practice, will eliminate the role of State Government to do anything for relief of poor and middle level consumers. Electricity employees and engineers have jointly raised the voice of protest against this draconian Electricity Bill initiated in the Parliament. But Electricity employees, alone will not be able to fight this uneven struggle with a Government in the centre with illogical majority in the Parliament with support of less than one third of the Indian voters.

Hence, we put forward this appeal to all of you as a responsible citizen to extend your hands of support against the measures adopted to curb right to Electricity for the people of India. Our organizers in your locality will approach you through various campaign and protest to refrain the Government from adoption of this anti people Act. We are confident our concerted effort will be able to resist the Government and compel them to extend Electricity for all at an affordable cost.

## बिजली के अधिकार को सुनिश्चित रखने, बिजली कानून-2003 व बिजली संशोधन बिल-2014 के जन विरोधी संशोधनों के खिलाफ जनता से अपील

मित्र मित्रों, बहनों एवं भाईयों,

हमारे इन संघर्ष के अनुभव में हम देख पा रहे हैं कि बिजली के दलों में अत्याचन घटने वाली वृद्धि हो गई थी। ये वृद्धि गरीब जनता की पहुंच से बाहर होती जा रही है। अब ये भी जगती है कि हमारे देश की 30 करोड़ से अधिक जनता को समता बिजली प्रयोग करने की नहीं है। इसका अर्थ है कि बात में से एक भारतीय बिजली का उपयोग नहीं कर पा रहा है।

**आजाद भारत में बिजलीकरण**

हम जानते हैं कि हमारे देश में आजादी से लेकर आज तक गहरी बिजली के लिए बिजली एक भाग्यशूरी, सम्पत्ति, अलौकिक शक्ति का मान्यता रहा है। इसे बिजली से बिजली विभाग एल-1948 के अंतर्गत राज्यों में बिजली बोर्डों की स्थापना की गई। इसका उद्देश्य मुख्यतः ग्रामीण व शहरी लोगों, कर्मियों और राज्यों में उद्योग, कृषि एवं अन्य क्षेत्रों में बिजली के लिए बिजली सप्लाई को सुनिश्चित करना या उनके लोगों को प्रेरणा मिले और उन्हें बहुत पदार्थ उपलब्ध हो।

यह दलों के दौरान राज बिजली बोर्डों द्वारा 60 प्रतिशत राशि में बिजली पहुंचाई गई व 12.5 लाख ट्यूबवेलों को बिजली से जोड़ दिया। इसी दौरान को सफल करने के लिए बिजली को व्यवस्था हो रहा। इस प्रकार भारत अन्य विकास में आगे बढ़ रहा है। जहां पहले कीड़ों को सुख मिले थे। एक गुणवत्तापूर्ण है कि कुल को प्राप्त हो ही रही भारत काट कर रहे। इस प्रकार राज्य बिजली बोर्डों की सरकारों को सफल को विचार इस प्रकार बताया गया कि ये संभवता एल-1948 के अनुसार व निश्चितता हो चुकी है। राज्य बिजली बोर्डों का राज्य का एल-1948, असाध्य और अलौकिक शक्ति का अर्थों से बताया गया। जबकि द्वितीय विश्वयुद्ध के दौरान व देश छोड़ने से पहले

समाजवादी विचार इस तरह काटिए गए अलौकिक देश के अनुशासनी विचार हेतु सभी राज्यों को काम के को अनुशासनी प्रयोग की प्रक्रिया कर दिए गए। यह भी रही है कि अगर भारत व उद्योग, कृषि, विद्युत व टैक्नोलॉजी, अन्यथा एवं ग्रामीण विकास के क्षेत्रों में उनके विकास का रही सुनिश्चित व बिजली काट, तो बात दलों के दौरान राज बिजली बोर्डों ने कुल 26 लाख करोड़ रुपए का खर्च बताया है।

**अंतराष्ट्रीय बजट का जवाबिदारी बिजली कानून में बदलाव**

भारत के नेतृत्व में एनर्जी व कंसेप्स के नेतृत्व वाली एनर्जी सलाह ने बिजली-सुनिश्चित बिजली कानून-2003 लागू किया। इसी तरह एक उद्योग के बात पर बात गया कि यह बहुत बिजली उद्योगों के विकास एवं उनके बीच में प्रतिस्पर्धा को बढ़ावा देने, अन्यथाओं के दलों को सुनिश्चित करने, सभी क्षेत्रों में बिजली देने, बिजली दलों में प्रतिस्पर्धा बढ़ाने, संपत्तियों के बारे में पारदर्शिता सुनिश्चित करने आदि के लिए सहायक होगा। यह राज बिजली उद्योग के निजीकरण के आजादी उद्योग को प्रेरणा रही हुए प्रभावित किया गया। कंसेप्स एनर्जी के अभाव के बढ़ने वाले उद्योग में बिजली प्रदाता मिले चुकी को बहुत दिमाग गया, जिससे लिए अलौकिक देशी एवं विदेशी कंपनियां आने लगीं। लेकिन उनके मुख्य विदेशी एनर्जी सलाहों के बिजली संस्थाओं को, उनकी से अधिकता बीच में ही बात गई, जिससे संस्था और नहीं हो गई।

**प्रतिस्पर्धा विचारों के लिए 7**

प्रतिस्पर्धा का विचार बात-बात बिजली काट है। लेकिन हमने देखा कि भारत सरकार ने बहुत गैर-बिजली प्रेरणा (पूरापूरवी) अंतराष्ट्रीय उद्योगों की सलाह के बिजली बोर्डों को बीच दिया। 25 वर्षों की औद्योगिक



विजली उत्पादन के मुख्य स्रोत कोयले की सप्लायर्स के कोले में ले लिया गया है। जिससे 10.06 लाख करोड़ रुपए का नुकसान प्रसार में आया है। यह शक्ति पूर्ण विजली का सक्रिय पाव हो सकती है और यहां तक कि पूर्ण प्रसारणों की भूमिका भी इसमें प्रविष्टाएं हैं। अलावा ऐसा चौक प्रोजेक्ट (धूमकेतु) में कोयले में सुधार कोयला आयात में किया है। जबकि उन्हें कोयला आयातन निरोधक विजली उत्पादन के लिए किया गया था। इससे वे पैसा आयातित कैबलिंगका जाल उत्पादन के सामने की भी धुआंधु शक्ति को राष्ट्रीय शक्ति के विपरीत शक्ति वाली की शक्ति का राह है। इस संबंध में केले-सी: पैसा बेसिन का उत्पादन सभी के सामने है। अपने पहले समय में अन्य राज्य उत्पाद हो सकते हैं।

**विजली (संशोधन) बिल-2014 मुद्रा के माध्यम से प्रसारण करण**

उपस्थितित भूमिका में और संघीय औद्योगिक प्रकट के दौर में केले प्रसारण द्वारा विजली बजट-2003 में बदलाव लाकर विजली (संशोधन) बिल-2014 प्रस्तावित है। सदन में प्रस्तावित बिल में मुख्य बिन्दु इस प्रकार से हैं :-

(क) विद्युत विभाग की परिधिधि का विस्तार-विभाग (कैपिटल) एवं प्रसारण (ऑपरेशन) प्रसारण उपभोक्ताओं की मुले बाजार में अपनी मर्जी से कोयली को पसंद करने का प्रचार कर रही है। इससे स्पष्ट है कि सरकार के लक्ष्योन्मुखता अनुशासन में उल्लंघन करने वाले उपभोक्ताओं के लिए अधिक सुविधाजनक बनाई जा रही और कुलमात्र में खीमे छोटे उपभोक्ता। क्योंकि उन्हें अन्य संचाली के खाले के व्यवहार में अधिक दरी का भुगतान करना पड़ेगा।

(ख) विभाग और सरकार लक्ष्योन्मुखताओं के आलोचना व्यवहार में उनकी की उपभुक्त पैसा पावे की सम्पदा पैदा होगी।

(ग) आम जनता, औद्योगिक, व्यावसायिक क्षेत्र में छोटे उपभोक्ता सेवा उपभोक्ताओं की सुखसुविधा से बहार हो जायेंगे।

**आयातप्रकट है संयुक्त संघर्ष की**

खीमे छोटे उपभोक्ता तथा संशोधन के मुख्य विपदा होगी। व्यवहार में यह संशोधन खीमे एवं बाध्यता के उपभोक्ताओं को राहत देने वाली राज्य सरकार की भूमिका को खत्म कर देगी। सदन में प्रस्तावित इस विद्युत बिल के विरोध में विद्युतकर्मी व इलेक्ट्रिशियन द्वारा आवाज उठाई गई है। जंतु जिला विजली कार्यालयों की आवाज केन्द्र सरकार की तबल के सामने बिदे एक दिशा में भी बल कोटी कर आर्थिक बहुमत मिल है समर्थन गढ़ जाती है।

इतिहास, हम आज अपने से जल्दी करते हैं कि विजलीदा पब्लिक होने के पहले अपना समर्थन देत की जनता के विजली के अधिकार में बढ़ती करने के बजटों के विरोध में है। हमारे कार्यकर्ता इस संकल्प में संकल्प द्वारा उपभोक्ता लक्ष्योन्मुखता बाधुन बनने के प्रयासों के विरोध व इतिहासों के दौरान हमारे जलमेल पैदा करेंगे। इसे पकड़ते हैं कि संशोधन प्रसारणों से हम सरकार का प्रतिक्रिया करने हुए उरी राहों के लिए उनकी रक्षाओं के राहों में विजली प्रसार करने के लिए राजबुज्ज का पायें।

साह चन्दावद ।

(प्रसारण एवं चौकरी)

महामन्त्रि

इलेक्ट्रिसिटी इन्फ्रास्ट्रक्चर विजोदयन जेफ इतिहास

## INDIAN INDUSTRIALISTS HAVE NO BUSINESS COMPLAINING ABOUT MODI GOVT

Sriram Ramakrishnan

May 8, 2015 : Two years ago, when the UPA government-induced economic malaise was threatening to ruin and reverse the hard-won gains of the past decade's boom and spoil India's image as an investment destination, it was commonly assumed by all and sundry that India Inc somehow had the financial wherewithal and the strategic gumption to take big bets.

Pundits who criticised the government did so thinking that all that was needed to change the mood was a change of guard in New Delhi. The media which lampooned the ineffectiveness of the UPA administration paid scant attention to the ability and the health of the industry to make big investments or grow their profits. Investors who drove up stock prices sky-high did so in the foolish belief that the black economic clouds will be dispelled by a sudden rush of investment and a surge in demand once a new government comes in.

One year later, the party is over, the music has stopped and the hangover has begun. Indian industrialists are falling over each other to blame the government for not doing enough to reform the economy, speed up investments and improve demand. Deepak Parekh, chairman of HDFC said in February that the government's attempt to ease the rules for doing business has not changed anything on the ground. Others, especially from heavy industry and infrastructure sector, are saying the same thing. AM Naik, chairman of L&T, echoed Mr Parekh's sentiments in an ET interview in March.

All this is a little amusing and hilarious. Mr Parekh and Mr Naik are fine gentlemen and capable industrialists. They have created immense wealth for their shareholders and they do have a point in saying that well meaning words and actions have not translated into anything concrete on the ground.

But the general anti-government clamour and complaint, reflected also in a very fine ET article two days ago by Rohini Singh, has to be taken with a very large bucket of salt. Not that the industrialists are lying, but that there is a tremendous effort to pass on the buck for their failings on to the government.

KV Kamath, chairman of ICICI Bank and one of the doyens of Indian banking industry hit the nail on the heads in a devastating ET interview on Friday. "There is no policy paralysis," Kamath said in the interview. "I can say this explicitly. I have had clients in the first six months come and tell me there is nothing pending in Delhi. These were large clients who always had something pending. This time there is no external shock. (It is) their own domestic woes in terms of bottom line, or debt. That I clearly see in their balance sheets. That, I see as the clear reason. All other reasons are imaginary reasons."

Note the second half of the sentence. The fault lies with industry for the way they have managed their finances and their strategy. For the past eight years, Indian businessmen, especially from manufacturing, metal and heavy industry sectors have gorged on debt and spent their money buying up companies in all parts of the world from Latin America, to Africa to Europe, UK and the United States. That debt has only been climbing and has stubbornly refused to climb down.

A Standard Chartered report published in ET on says that all companies of the BSE 500 index have debt of Rs 24.3 lakh crore. Yes!, you heard it right. The debt is more than three times the annual direct tax collections of government of India. It has grown 20% from 2008-09 while profits in that period grew only 9%. One-fifth of the companies don't have enough cash to pay interest. They are in many ways like indebted households who cant rustle up money for monthly EMI's.

The debt burden is not a fault of the government. Companies have brought this upon themselves through recklessness and greed.

ET analyst Kiran Kabta Somvanshi reported last year that many companies who paid big bucks for large overseas purchases ended up destroying shareholder value. Many infra, metal and heavy industry firms have applied for loan restructuring; One airline has gone bankrupt forcing its owner to sell his crown jewel.

Some public sector bank officials have been accused of fraud in granting loans to ineligible firms. Promoters of



two companies have lost full control of their firms due to debt forcing a sale to domestic white knight and a multinational.

Is the Modi government somehow responsible for all this? Is the government to blame if India Inc does not have money for expansion? Shouldn't we be happy that banks and investors are taking a cautious and sometimes negative approach to spending plans of companies? At Least that is the way things should work.

Some industrialists blame the government for not doing enough to spur demand. They point to the worsening demand scenario in rural India. Many finance, auto and consumer companies depend a lot on rural sales and there is no doubt that they are hurting. Now, rural demand is driven by a number of factors. Unseasonal rains in March have destroyed a lot of crops. Below normal monsoon this year threatens agri output and demand could slide further in June-September if rains are bad.

But demand is also bad because of a number of decisions taken by the Modi government. MSP increases have been limited, subsidies to farmers and workers are being paid through bank accounts and not through middlemen. This has upset a powerful rural clique which has always depended upon siphoning money from these schemes. Consequently, demand is also likely to slow down because spending by the powerful clique was responsible for much of the demand in the past few years. Shouldn't the Modi government be credited by trying to bring about this transformation? One of the industrialists quoted in the ET article by Rohini Singh acknowledged that corruption has come down but still blamed the government for not doing enough. One wonders which world these industrialists are living. Corruption is India's biggest bane.

Like inflation, it hurts everybody but especially the poor, the downtrodden and the small industrialists. There

is enough anecdotal evidence to show that the Modi government is taking a tough stance on corruption. Businessmen are not spotted in corridors of power pleading their case with ministers and bureaucrats and a stiff no-nonsense approach is being taken to deal with the nexus between corrupt politicians, bureaucrats and ministers. But many industrialists have thrived in such a scenario before and can't make out how to operate in the changed circumstances. They have used bank loans as equity thanks to pliable bank chairman, inflated cost of their projects and secured natural resources for free thanks to corrupt politicians. That regime has ended. Auctioning of natural resources whether it is coal, spectrum or minerals is the new norm and these industrialists can't stomach the transformation. They can't accept the fact that it is difficult for them to make oodles of money any more without spending anything. Bitching and complaining are their only weapons now.

India needs investment and new projects but only in select areas. We don't need new power plants, steel plants or refineries at least in the near future. There is enough surplus capacity. Many companies are operating at capacity utilisation of 70-75%. Their first job is to use up the existing capacity which will give them operating leverage and then build new capacities when demand recovers. This is sound strategy. There is no reason to feel bad about this. Many companies also have surplus land which they are using to expand at the same location.

This will lower costs and improve returns. Reliance Industries, India's biggest private sector company by revenue, is in the midst of a \$40 bln capex plan. It will spend \$15.5 bln on petrochem and refining projects at existing locations. Other companies are doing something similar though on a small scale. Don't let anybody fool you into thinking that nothing is happening on the ground. It is time to call the bluff of complaining and prejudiced industrialists.

### POWERMEN TO EXTEND SUPPORT TO EARTH QUAKE VICTIMS OF NEPAL & INDIA

Electricity Employees' Federation of India put fervent appeal before all the EEFI constituent Organisations and their members alongwith wider section of Electricity Employees to extend their generous hands of supports to earth quake victims of Nepal & India. Contributions may kindly be sent in favour of **Electricity Employees' Federation of India** through cheques or Demand Draft payable at Delhi.

## LABOUR CODE ON INDUSTRIAL RELATIONS BILL, 2015

### -KEY AREAS OF CONCERN

#### **I. Restrictions on freedom of association and collective bargaining rights**

##### ***Outside office bearers (those not engaged in the establishment or industry)***

As per section 27, all the office bearers of a registered trade union shall be persons actually engaged or employed in the establishment or industry with which the trade union is concerned.-this means that outsiders cannot be associated with trade unions-this is contrary to the principles of freedom of association. Under the Trade Unions Act, one third of the office bearers or 5 which is lower could be outsiders.

In the case of the unorganized sector, as per section 27(1), a maximum of two office bearers may be persons not actually engaged or employed in the establishment or industry with which the trade union is concerned.

##### ***Disqualification of office bearers of trade unions***

As per section 25 (I)(ii), a person shall be disqualified to be an office bearer of a trade union if he or she is already an office bearer of 10 trade unions. Does this not interfere with the freedom of workers to choose their own office bearers? As per section 25 (i v), a person will be disqualified to be an office bearer of a trade union if the Industrial Tribunal has directed that he or she is disqualified for being an office bearer of a trade union. The criteria on which the Tribunal may take such a decision has not been spelt out leaving room for arbitrariness.

##### ***No procedure for recognition of trade unions***

Various provisions of the bill refer to either the recognized or certified negotiating agent. The bill however does not provide for any procedure for recognition of the negotiating agent. In contrast to various provisions referring to the recognised or certified negotiating agent, there is one referring to the negotiating college.

##### ***Restrictions on the right to strike***

- As per section 71, workers in all industries have to give the employer notice of 14 days to 6 weeks prior to a strike and the workers cannot go on strike during the pendency of conciliation proceedings before a conciliation officer and seven days after the conclusion
- of such proceedings. As per section 71 (4), notice of strike should be given to such person or persons or made in the manner prescribed. Section 69 provides that the conciliation proceedings shall be deemed to have commenced on the date on which a notice of strike is received by the Conciliation Officer. This means that it will be virtually impossible for workers to go on a legal strike as is the case with workers in public utility services at present. As per ILO principles on freedom of association, such restrictions on the right to strike can be imposed only in the case of essential services in the strict sense of the term when accompanied by adequate compensatory guarantees. Here the restriction is across the board in the case of all workers in all industries which is contrary to ILO principles.
- Section 71(7) also introduces restrictions on go-slow, gherao and demonstrations during the pendency of conciliation and adjudication proceedings.
- Section 94 (1) restricts the right of unions to take any action against a member who refuses to heed to a strike call given by a union. It provides that no person refusing to take part or continue to take part in any strike which is illegal shall by reason of such refusal be subject to expulsion from any trade union or to any fine or penalty or to deprivation of any right or benefit or placed at any disadvantage compared to the other members of the union.
- As per section 103 (14), participation in an illegal strike shall be punishable with fine of a minimum of Rs. 20,000/- which may extend upto Rs. 50,000/- or with imprisonment of one month or both. Section 103 (16) imposes a similar penalty for incitation of an illegal strike. As per section 103(17), aiding an illegal strike is punishable with a minimum fine of Rs. 25,000/- which may extend upto Rs.50,000/- or with imprisonment of one month or both. These penalties are disproportionately high and harsh and would severely restrict the right to strike of the workers.
- The definition of 'strike' under section 2(za) includes casual leave on a given day by fifty percent or more workers in the industry. This could have adverse implications as even a mere coincidental absence by several of the workers could be treated as a strike.

*No obligation on the government to promote collective bargaining*

- There are no provisions in the Bill aimed at promoting collective bargaining. Instead, there is an emphasis on arbitration, a mode of dispute resolution that could be disadvantageous to workers for more reasons than one.

*Compulsory payment of subscription to government established welfare fund*

Section 24(3) provides that when a worker is not a member of any trade union, he or she shall be liable to pay subscription to the welfare fund established by the state government for securing the welfare of workers at a rate equal to the membership fee of the sole negotiating agent or the highest subscription of any union in the negotiating college or to the fund established by the employer with the approval of the state government for the welfare of the workers in the establishment.

Is this not contrary to the principle that he or she will be liable to pay a fee to the union that has negotiated the collective bargaining agreement?

Secondly, can such compulsory payment be demanded by the government?

***Power of the Tribunal to give appropriate relief in the case of discharge or dismissal of a worker***

Section 58 of the Bill is similar to section 11-A of the ID Act. The proviso to section 58 is however a matter of concern. It provides that the Tribunal shall rely only on the materials on record and shall not take any fresh evidence in relation to the matter. This is narrower than the scope of the power under section 11-A. What if a worker is set ex parte in the enquiry?

## **II. Restrictions on access to justice**

### ***No legal representation***

- Section 95(4) provides that in any proceeding before an Industrial Tribunal or National Tribunal, a party would be entitled to legal representation only with the consent of other parties to the proceedings and with the leave of the Tribunal.
- As per section 95(3), no party to a dispute shall be entitled to be represented by a legal practitioner in any conciliation proceedings or in proceedings before a Court.

### ***Finality of awards***

As per section 62(2), the award of the Tribunal shall be

final and shall not be called in question by any court in any manner whatsoever.

## **III. Power of the government to exempt**

- As per section 97, if the government is satisfied that adequate provisions exist for the investigation and settlement of industrial disputes in respect of workers employed in any establishment or class of establishments, it may exempt the establishment or class of establishments from all or any of the provisions of the Code. This is highly arbitrary.
- The Government may choose to exempt any undertaking where between 50 to 299 workers are employed from the requirement to give 60 days notice prior to closure in exceptional circumstances (section 83(2)).
- As per the proviso to section 84, in the case of closure on account of unavoidable circumstances, a maximum of 3 months pay will suffice as compensation.
- Section 86 (7) leaves it open to the government to exempt any undertaking from the procedure for closure of undertakings employing 300 or more workers in exceptional circumstances.

### **Contracting out of the requirement to pay lay off compensation**

As per the proviso to section 76, no compensation shall be payable in respect of any period of lay off after the expiry of the first 45 days, if there is an agreement to that effect between the worker and the employer. So, it will be possible for the employer to wriggle out from paying such compensation by entering into such an agreement with any worker.

## **IV. Unreasonable restrictions on the freedom of speech which also includes the right to information**

- As per section 70, the award of the Tribunal shall not contain any information obtained in the course of investigation or inquiry which is not available otherwise than through evidence given before the Tribunal, if the firm or company in question has made a request in writing to the Tribunal that such information shall be treated as confidential.
- Disclosure of any information required to be kept confidential as per section 70 is punishable with imprisonment of upto one month or with fine which may extend to Rs. 20,000/- or both, (section 103 (20))

## REPORT AT A GLANCE ON THE HISTORIC 15<sup>TH</sup> STATE CONFERENCE OF TRIPURA BIDYUT KARMI UNION

Santi Debnath



The 15<sup>th</sup> state conference took place between 13<sup>th</sup>-15<sup>th</sup> March, 2015 at Agartala. The 15<sup>th</sup> State Conference of Tripura Bidyut Karmi Union held at the juncture of game plan of government of India to privatize the various sectors as well as electricity by the Central Government, concluded with the clarion call for intensifying struggle against privatization/franchising/handover of electricity utilities to private capitalists.

As the part of Conference, open session program also conducted at Agartala in which the **Hon'ble Chief Minister of State Com. Manik Sarkar** was present as the Chief Guest of the Conference and addressed to the concourse. In his speech, Com. Manik Sarkar detailed about the international, national scenario and dreadful

attack of communalism in the county and strongly criticized the energy policy of the government. He called at the electricity workers of Tripura to stand with the workers of the country united to fight the anti-people policy of the Central government and lead the movement in the interest of common people. Other hand, Com. **Swadesh Deb Roye**, the honorable Working President of EEFI also was present in the open session program and delivered his valuable speech among the crowd.

Com. Subhash Debbarma, President of TBKU hoisted the flag of Union in presence of Com. Swadesh Deb Roye, Working President of EEFI, vulnerable Leader of Mass organization Com. Ashesh Debroy, Com. Satyabrata Bhattacharjee, other trade Union leaders of the State,



delegates and fraternal delegates. After paying floral tributes at martyrs' column and condolence to all the martyrs who sacrificed their lives for emancipation of working class world-wide and as well to protect freedom and sovereignty of their motherland. The conference paid homage in the memory of demised electricity workers and who lost their lives due to accident, natural calamity etc.

The Conference was **inaugurated by Com. Swadesh Deb Roye**, the Working President of EEFI after welcome address by Com. Shambhu charan Debbarma, Secretary, Preparatory Committee. In his speech, Com. Swadesh Deb Roye detailed about the international and national scenario causes the incitation amongst the delegates. He said describing the electricity policy which is followed by the Govt. of India is not at all in the interest of people, rather it is for the interest of the capitalists and political to a great extent. He called to intensify the struggle against anti-people policy adopted by the Government of India as well communalism which is a major threat to secularism.

Placing the Secretary's Report Com. Santi Debnath analyzed the international, national and state scenario simultaneously. He analyze the performance, duties, responsibilities and the principle adopted by the last period and appeal to swollen the image of the organization emulated in comparison with others and explained about committee wise situation. A separate written document placed before the conference in regards to the electricity scenario of the country was appreciated by all concerned.

The delegates numbering to 25 participated in the discussion on General Secretary's report respectively. They detailed about their experiences in these question, their movements and struggle. Their weakness, successes and failures, their oath to overcome the weakness and to achieve success in the battle against the anti-people/anti-working class policies of the government.

**Com. Manik De, Power Minister** of the State was the Chief Orator of 15<sup>th</sup> State Conference and addressed congratulating the conference. In his speech he mentioned the present situation of our country where the anti-people policies are in-forced to expedite the neo-liberal economic policy. Resulting, un-employment/privatization/contractualisation/price of essential commodities, fertilizers seeds, gas etc. are increasing in such a way. He stated that Central Government desires to fix electricity tariff at global rate and that's why tariff is increased in a

regular manner. Besides these Central government recently amended various laws such as Labour law, land Acquisition Law etc. He called the working class people to intensify the united struggle against the neo liberal policies of government.

**Com. Khagen Das, EX.MP, CPI(M)** Tripura was the Chairman of preparatory Committee delivered the valuable speech among the delegates. In his speech, Com. Khagen Das detailed about the international, national and state level scenario. He stated India is going forward through a critical situation. Anti-people policies are introduced in a regular manure resulting which the working class people are facing troubles. He also called the workers to intensify their struggle with the support of the people for changing the policies followed by the Union Government.

Com. Santi Debnath in reply to the discussions on General Secretary's report conveyed thanks to the speakers for going through the report. He said we are not only confined to our professional demand, our economic struggle have to be turned into political struggle for the emancipation of the working class.

The General Secretary's report along with 44 points demands and 20 point plan of action regarding movement, Treasurers report, 5 nos. resolutions were placed and passed unanimously by the conference.

The 15<sup>th</sup> State conference elected unanimously the new committee consisting of 10 Office Bearers, 23 Secretariat members (including office bearers) and 91 nos of Central committee members (including Secretaries members) out of which 2 nos remained vacant for inclusion in future. The Conference re-elected unanimously Com. Subhas Debbarma as the President and Com. Santi Debnath as the General Secretary.



## ठेका कर्मचारियों की मांगों को लेकर ऑल हरियाणा पॉवर कॉर्पोरेशनज वर्कर यूनियन ने सरकार व निगम प्रबंधकों के खिलाफ प्रदेशव्यापी आन्दोलन छेड़ने का ऐलान किया: सुभाष लाम्बा

ऑल हरियाणा पॉवर कॉर्पोरेशनज वर्कर यूनियन सम्बंधित सर्व कर्मचारी संघ हरियाणा एवं इलैक्ट्रिसिटी इम्प्लाइज फेडरेशन ऑफ इंडिया ने 11 अप्रैल, 2015 को रोहतक में राज्यस्तरीय कार्यकर्ता सम्मेलन का आयोजन किया। जिसमें प्रदेश कमेटी के नेताओं से लेकर सब-यूनिट स्तर तक के कार्यकर्ताओं ने भाग लिया। सम्मेलन में सरकार व निगम प्रबंधकों पर कर्मचारियों की जायज मांगों की अनदेखी करने, डीसी रेट अनुबंध कर्मियों का आर्थिक शोषण करने व निगमों में भ्रष्टाचार, उपभोक्ताओं की परेशानियाँ, आर्थिक संकट व घाटा बढ़ाने वाली नीतियाँ लागू करने का आरोप लगाते हुए प्रदेशव्यापी आन्दोलन शुरू करने का निर्णय लिया। जिसकी घोषणा करते हुए यूनियन के प्रदेशाध्यक्ष देवेन्द्र सिंह हुड्डा ने कहा कि आन्दोलन के पहले चरण में 23 अप्रैल को सब यूनिट स्तर पर 10 से 2 बजे तक सक्तिक धरने दिए जाएंगे। आन्दोलन के अगले चरण में 5 मई को हिसार व 4 जून को पंचकुला मुख्यालय पर प्रदर्शन किया जाएगा। इसके बावजूद सरकार व निगम प्रबंधकों ने मांगों का समाधान नहीं किया तो 8 जुलाई को मुख्यमंत्री के करनाल स्थित कैम्प कार्यालय पर राज्यस्तरीय प्रदर्शन किया जाएगा और आन्दोलन के अगले कदम की घोषणा की जाएगी।

कार्यकर्ता सम्मेलन को सम्बोधित करते हुए प्रदेश महासचिव सुभाष लाम्बा ने कहा कि बिजली निगमों में लगभग 10 हजार डीसी रेट अनुबंध आधार पर विभिन्न पदों पर ठेका कर्मचारी कार्य कर रहे हैं। भाजपा सरकार अब 7-8 वर्षों से कार्य कर रहे इन कर्मचारियों को नौकरी से बाहर करके अपने चहेते कर्मचारियों को ठेके पर लगाने का प्रयास कर रही है। नए सेवा नियमों में शैक्षणिक योग्यता बढ़ाई जा रही है और उसे पुराने कर्मचारियों पर लागू करने के फरमान जारी करने का प्रयास कर रही है। जिसके चलते बड़ी तादाद में ठेका कर्मचारियों की छंटनी होना लाजिमी है। उन्होंने कहा कि उत्तरी निगम में 2008 से डी.सी. रेट पर लगे कर्मचारियों के गैर जरूरी शपथ पत्र देने का दबाव बनाया जा रहा है। सैकड़ों ठेका कर्मचारी चालू लाइनों पर काम करते हुए अकाल पत्थु का शिकार हो चुके हैं। उनके आश्रितों

को न तो पर्याप्त मुआवजा दिया जा रहा है और न ही एक्सग्रेथिा स्कोप के तहत नौकरी दी जा रही है। जोखिमपूर्ण कार्य करने के बावजूद 5 हजार रुपए प्रतिमाह जोखिम भत्ता दिए जाने की मांग की अनदेखी की जा रही है। फील्ड व मिनिस्ट्रियल स्टाफ में कार्यरत कर्मचारियों के वेतनमानों के भेदभाव को दूर नहीं किया जा रहा है। उन्होंने आरोप लगाया कि निगमों के ज्यादातर कार्यों को आऊटसोर्स कर दिया है, जिससे कर्ज व घाटा बढ़ रहा है। सरकार न तो इसकी समीक्षा को तैयार है और न ही निगमों की किसी एजेंसी से ऑडिट कराने को तैयार है। निगम प्रबंधक निगमों में प्रयोग पर प्रयोग किए जा रहे हैं, लेकिन प्रयोगों की विफलता से कोई सबक लेने की बजाय नए प्रयोग किए जा रहे हैं और निगमों को प्रयोगशाला बना दिया गया है। जनता को वहनीय दरों पर 24 घंटे बिजली देने के ठोस प्रयास नहीं किए जा रहे हैं। बिजली संशोधन बिल 2014 जनता की परेशानियों को और बढ़ाएगा क्योंकि वितरण एवं आपूर्ति के लाईसेंस कई कंपनियों को दिए जाएंगे और उनका टकराव उपभोक्ताओं के हित में नहीं होगा।

प्रांतीय प्रधान देवेन्द्र हुड्डा ने बताया कि 23 जनवरी, 2015 को सर्व कर्मचारी संघ हरियाणा की मुख्यमंत्री के साथ हुई बैठक के दौरान मुख्यमंत्री के संज्ञान में तमाम मामले ला दिए गए थे और उनसे शीघ्र बिजली कर्मचारियों की मांगों व तथाकथित सुधारों पर बातचीत को लेकर शीघ्र समय देने की मांग की गई थी। लेकिन इस पर भी कोई अमल नहीं हुआ, जिसके चलते यूनियन के पास प्रदेशव्यापी आन्दोलन छेड़ने के अलावा और कोई विकल्प शेष नहीं बचा था। इससे पहले भी यूनियन ने 10 मार्च, 2015 को डिक्विजन स्तर पर व 26 मार्च को जिला उपायुक्त कार्यालयों पर प्रदर्शन करके ज्ञापन अतिरिक्त मुख्य सचिव, हरियाणा सरकार, विद्युत विभाग व मुख्यमंत्री को भिजवाए गए थे लेकिन सरकार व निगम प्रबंधकों ने इनका भी कोई नोटिस नहीं लिया।

**क्या हैं प्रमुख मांगें :**

- बिजली निगमों से आऊटसोर्सिंग-ठेका प्रथा को पूरी तरह समाप्त किया जाए।
- नगर निगमों व सूचबोर्ड्रीएन की तर्ज पर

सभी बिजली निगमों में ठेकेदारों के मार्फत लगे अनुबंध कर्मचारियों को सीधा डीसी रेट पर रखा जाए। ● दो वर्ष की सेवा पूरी कर चुके सभी पार्ट टाइम, अनुबंध व डीसी रेट पर लगे कर्मचारियों की सेवाएं बिना शर्त पक्की की जाएं। ● नियमितकरण तक अनुबंध व डीसी रेट कर्मचारियों को 'समान काम-समान वेतन' के सिद्धांत अनुसार नियमित कर्मचारियों के समान वेतनमान व अन्य सभी

के खिलाफ कड़ी कार्यवाही करते हुए इस पद में कटौती की गई राशि को ब्याज सहित लौटाया जाए। ● अत्यंत जोखिमपूर्ण हालात में कार्य करने के कारण सभी कर्मचारियों को 5 हजार रुपए प्रतिमाह जोखिम भत्ता दिया जाए। ● नियमितकरण के बाद खाली बचे पदों को स्थायी भर्तों से भरा जाए। 85वां संविधान संशोधन लागू करते हुए आरक्षित श्रेणियों के बैकलॉग को विशेष



प्रकार के सामाजिक सुरक्षा लाभ दिए जाएं। जैसे बिजली बोर्ड के समय में दिए जाते थे। ● बिजली निगमों में होने वाली नई स्थाई भर्तियों में डीसी रेट व अनुबंध कर्मचारियों को उनके अनुभव को ध्यान में रखते हुए वरियता दी जाए। इसकी व्यवस्था कर्मचारी चयन आयोग द्वारा जारी विज्ञापन में ही की जाए। ● अनुग्रहपूर्वक रोजगार स्कीम में छूट प्रदान करते हुए मूलक नियमित, अनुबंध, पार्ट टाइम व डीसी रेट कर्मचारियों के आश्रितों को स्थायी नौकरी दी जाए। ● श्रम कानूनों को पालना न करने वालों के खिलाफ कड़ी कार्यवाही की जाए। ईपीएफ व ईएसआई में हुए छोटाले के आरोपियों

भर्तों अभियान चलाकर भरा जाए। पदोन्नति में आरक्षण के प्रावधान को जारी रखा जाए। ● बिजली कर्मचारियों को कैशलेस मेडिकल सुविधा प्रदान की जाए और महंगाई के अनुसार सभी प्रकार के मिलने वाले भत्तों में बढ़ोतरी की जाए। ● बिजली निगमों की केन्द्रीय जांच एजेंसी (कैग) से जांच करवाई जाए और उपभोक्ताओं को वहनीय दरों पर 24 घंटे बिजली उपलब्ध कराने के लोस प्रबंध किए जाएं। ● सभी कर्मचारियों, अधिकारियों तथा पेंशनरों को फ्री यूनिट बढ़ाकर क्रमशः 80 व 100 की बजाय 500 व 1000 की जाए।



## बिजली निगमों में काम कर रहे ठेका कर्मचारियों की मांगों को लेकर हरियाणा के बिजली कर्मचारियों ने निगम मुख्यालय पर राज्यस्तरीय आक्रोश प्रदर्शन किया: सुभाष लाम्बा

इलेक्ट्रीसिटी इम्पलाईज फेडरेशन ऑफ इंडिया एवं सर्व कर्मचारी संघ हरियाणा से सम्बंधित ऑल हरियाणा पावर कॉरपोरेशनज वर्कर यूनियन के प्रदेशव्यापी आन्दोलन के तहत 5 मई, 2015 को ठेका कर्मचारियों की मांगों के प्रति सरकार व निगम प्रबंधकों के घोर उपेक्षापूर्ण रवैये के खिलाफ दक्षिण हरियाणा बिजली वितरण निगम के हिसार स्थित मुख्यालय पर राज्यस्तरीय आक्रोश प्रदर्शन किया। भीषण गर्मी के बावजूद इस प्रदर्शन में राज्य की सभी यूनियनों से हजारों की तादाद में बिजली कर्मचारियों ने भाग लेते हुए भाजपा सरकार व निगम प्रबंधकों के खिलाफ जमकर प्रदर्शन

किया। प्रदर्शन के बाद मुख्यमंत्री के नाम ज्ञापन निगम के प्रबंध निदेशक अरुण कुमार वर्मा को दिया। प्रदेशाध्यक्ष देवेन्द्र सिंह हुड्डा ने सरकार व निगम प्रबंधकों पर बिजली कर्मचारियों की मांगों को अनदेखी करने और बिजली निगमों में भ्रष्टाचार व शोषण की जननी और उपभोक्ताओं



की परेशानियों को बढ़ाने वाली आऊटसोर्सिंग-ठेका प्रथा की नीतियों को लागू करने का आरोप लगाया। उन्होंने सरकार को अल्टीमेटम दिया कि अगर सरकार व निगम प्रबंधकों ने अपना रवैया नहीं सुधारा तो 4 जून, 2015 को पंचकुला निगम मुख्यालय पर प्रदर्शन किया जाएगा और अगली कड़ी में 8 जुलाई, 2015 को प्रदेश के मुख्यमंत्री मनोहरलाल खट्पर के कारनाल स्थित कैम्प कार्यालय पर राज्यस्तरीय प्रदर्शन किया जाएगा। निगम मुख्यालय पर हुए प्रदर्शन में ठेका कर्मचारियों की उपस्थिति प्रभावशाली रही और अपनी मांगों के प्रति निगम प्रबंधकों के रवैये के खिलाफ आक्रोश देखते ही बन रहा था। कर्मचारी अपने हाथों में झंडे व अपनी मांगों के समर्थन में लिखी तस्वियों को हाथों में लेकर

नारेबाजी करते हुए सर्वे से निगम मुख्यालय पर पहुंचने शुरू हो गए थे और यह सिलसिला प्रदर्शन समाप्ति तक जारी रहा। यूनियन के महासचिव सुभाष लाम्बा द्वारा संचालित इस प्रदर्शन में सर्व कर्मचारी संघ हरियाणा के प्रधान धर्मवीर फौगाट, सीआईटीयू हरियाणा के उपप्रधान व नगर पार्षद का. सुरेश कुमार, जनवादो महिला समिति हरियाणा की प्रधान शकुंतला जाखड़, रिटायर्ड कर्मचारी संघ हरियाणा के प्रधान आर सी जग्गा व संघ के जिला प्रधान सुरेन्द्र सिंह मान ने सम्बोधित करते हुए अपने-अपने संगठनों की ओर से आन्दोलन व मांगों का पुरजोर समर्थन करते हुए

सरकार व निगम प्रबंधकों से टकराव का रास्ता त्यागकर बातचीत से समस्याओं का समाधान करने की मांग की। उल्लेखनीय है कि एएचपीसी वर्कर यूनियन ने इस प्रदर्शन से पहले 26 मार्च, 2015 को जिला उपायुक्त कार्यालयों पर प्रदर्शन करके मुख्यमंत्री के नाम ज्ञापन

उपायुक्तों को दिए थे और आन्दोलन की अगली कड़ी में 23 अप्रैल, 2015 को सब-डिविजन स्तर पर धरनों का आयोजन किया था। इन धरनों में 8 हजार से अधिक बिजली कर्मचारियों ने भाग लिया। जिससे पता चलता है कि बिजली कर्मचारियों विशेषकर ठेका कर्मचारियों में सरकार व निगम प्रबंधकों के खिलाफ आक्रोश बढ़ता जा रहा है। इसकी तैयारियों को लेकर यूनियन ने 5 हजार वॉल पोस्टर व केन्द्र सरकार के बिजली संशोधन बिल-2014 के खिलाफ 50 हजार हैंडबिल वितरित किए थे। इसके अलावा केन्द्रीय नेतृत्व ने सर्वल स्तर पर कार्यकर्ता सम्मेलन आयोजित कर प्रदेश में चल रहे आन्दोलन को सफल बनाने का आह्वान कार्यकर्ताओं को किया था। यूनियन के महासचिव सुभाष लाम्बा

ने कर्मचारियों को सम्बोधित करते हुए कहा कि सरकार व निगम प्रबंधक जिन नीतियों को निगमों में लागू कर रहे हैं, उनसे बिजली निगमों का घाटा, वित्तिय संस्थाओं का कर्ज व उपभोक्ताओं की परेशानियां बढ़ गई हैं। सरकार न तो इन नीतियों से पीछे हटने को तैयार है और न ही कर्मचारियों जिसमें प्रमुखतः डीसो रेट अनुबंध आधार पर लगे कर्मचारियों की मांगों एवं समस्याओं का समाधान करने को तैयार है।

उन्होंने इस आक्रोश प्रदर्शन में दो वर्ष की सेवा पूरी कर चुके सभी पार्ट टाइम व अनुबंध कर्मचारियों की सेवाएं नियमित करने, नगर निगमों की तरह बिजली निगमों से ठेका प्रथा खतम करके ठेके पर लगे कर्मचारियों को निगमों में समायोजित करने, समान काम-समान वेतन के सिद्धांत को लागू करते हुए ठेका कर्मचारियों को पक्के

कर्मचारियों के समान वेतनमान देने, बिजली निगमों की सीएजी (केग) से जांच करवाने, उपभोक्ताओं को वहनीय दरों पर 24 घंटे बिजली देने तथा पुलिस कर्मचारियों की तरह बिजली कर्मचारियों को 5 हजार रुपए प्रतिमाह जोखिम भत्ता देने आदि मांगों को प्रमुखता से उठाते हुए



शीघ्र समाधान करने की मांग की। सर्व कर्मचारी संघ हरियाणा के प्रधान धर्मबीर सिंह फीगाट ने प्रदर्शन में बोलते हुए बिजली कर्मचारियों की मांगों एवं आन्दोलन का पुरजोर समर्थन करते हुए सरकार पर आरोप लगाया कि चुनावी घोषणा पत्र में किए वायदों को पूरा करने की बजाय सरकार पुरानी सरकार की आऊटमोसिंग व ठेका प्रथा की नीतियों को आगे बढ़ा रही है और ठेका कर्मचारियों को नौकरी से बाहर कर रही है। जिसका एकजुटता के साथ विरोध करने का आह्वान उन्होंने किया। कर्मचारियों को सम्बोधित करते हुए यूनियन के उपमहासचिव रमेशचंद्र, उपप्रधान सतबीर शर्मा व सुरेश राठी आदि नेताओं ने कहा कि 23 जनवरी, 2015 को माननीय मुख्यमंत्री के साथ सर्व कर्मचारी संघ हरियाणा की हुई बैठक में मुख्यमंत्रों का ध्यान बिजली निगमों में लागू की जा रही नीतियों व ठेका कर्मचारियों

की समस्याओं की ओर आकर्षित किया था और उन्होंने शीघ्र बिजली यूनियन के साथ बैठक करने का आश्वासन दिया था। मगर इस पर कोई अमल नहीं किया गया। उन्होंने आरोप लगाया कि मीटर रीडिंग, बिल वितरण, कैश कलैक्शन सभी प्रकार के नए करवाए जाने वाले कार्यों व लाइनों की मेंटीनेंस सहित ऑडिट जैसे महत्वपूर्ण कार्यों को निजी हाथों में सौंप दिया गया है। जिसके कारण निगम आर्थिक संकट में फंसी जा रही है और इसका बोझ ईमानदारी से बिल भरने वाले उपभोक्ताओं पर बिजली की दरें बढ़ाकर डाला जा रहा है। यूनियन के उपप्रधान आजाद सिंह पुनिया, वित्त सचिव नरेश कुमार, उपप्रधान भूप सिंह, सुभाष कौशिक, सचिव अजय वशिष्ठ व सुरेन्द्र यादव आदि नेताओं ने कहा कि चालू लाइनों पर कार्य करते हुए सैकड़ों ठेका कर्मचारी अकाल मृत्यु का शिकार हो चुके हैं।

लेकिन न तो उन्हें पर्याप्त मुआवजा दिया जा रहा है और न ही उनके आश्रितों को नौकरी दी जा रही है। अत्यंत जोखिमपूर्ण हालात में चालू लाइनों पर कार्य करने के बावजूद बिजली कर्मचारियों को जोखिम भत्ता तक नहीं दिया जा रहा। निगम मुख्यालयों व फील्ड में कार्यरत

मिनिस्ट्रीयल स्टाफ के कर्मचारियों के वेतनमान के भेदभाव को लगातार लटकाया जा रहा है। उन्होंने बिजली कर्मचारियों को कैशलेस मेडिकल सुविधा देने और फ्री यूनिट सुविधा बढ़ाकर 500 यूनिट करने आदि मांगों को प्रमुखता से उठाया। उन्होंने कहा कि जब तक इन मांगों का समाधान नहीं होगा यूनियन का आन्दोलन जारी रहेगा। प्रदर्शन को जनवादी महिला समिति की प्रधान शकुंतला जाखड़, सीआईटीयू के उपप्रधान सुरेश कुमार, रिटायर्ड कर्मचारी संघ हरियाणा के प्रधान आर सी जग्गा, सर्व कर्मचारी संघ के जिला प्रधान सुरेन्द्र मान के अलावा बिजली यूनियन के राज्य कमिटी के नेता ईश्वर शर्मा, अविनाश चन्द्र, जितेन्द्र बंसल, राजपाल सांगवान, रामबीर शर्मा, नकुल सिंह, करतार सिंह, जयदेव गुलिया, सुभाष गुर्जर आदि नेताओं ने सम्बोधित किया।