ALL INDIA FEDERATION OF POWER DIPLOMA ENGINEERS

(An Apex Body Embodying All State Power Diploma Engineers Associations Throughout India)

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Sh. Bhagwant Mann, Hon'ble Chief Minister, Government of Punjab, Chandigarh.

Subject:-

- 1. To invite attention towards unscrupulous decision of Government of India towards privatization of efficiently managed low tariff power department of Chandigarh by selling it to one of the costliest private power distribution company of the country.
- 2. Request to take the concrete stand by Government of Punjab against this decision and unilateral advancement in this matter by Administration of Chandigarh.

Respected Sir,

First of all, Federation is congratulating your good self for sweeping win in legislative election of Punjab by Aam Aadmi Party in your able leadership and wishes all success in fulfillment of all promises made to public and employees of Punjab.

The capital of any State is the crown of that State and Chandigarh is the Crown for two states i.e Punjab and Haryana along with holding the UT status.

Federation would like to bring your kind and emergent attention towards the subject lines wherein the black clouds of sky high inflated electricity prices are hovering on the Public of Chandigarh due to the unilateral and illicit decision of the Government of India to sell the 100 percent stake of Chandigarh Electricity department to Private Electricity Distribution Company.

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Sneak preview of the Chandigarh Electricity Department for understanding the issue:-

- 1. The case of privatization of UT Chandigarh is a clear cut example of cherry picking, as its technical, financial and commercial parameters are exemplary wherein the distribution loss @ 9.2% and Revenue surplus i.e profits for the past years is Rs. 151.62 Crores (19-20) Rs. 225,43 Crores (20-21) & projected for 21-22 (+/-) Rs.261 Crores.
- 2. In last five years the total profit is 1000 Crores rupees in spite of no increase in tariff of electricity during this duration.
- 3. To the utmost surprise the 100 percent stake of such a profitable department is planned to be handed over to the profit mongering private entity @ 871 Crores only which can be recovered by the successful bidders i.e the said entity in next three years and after that all lifetime that entity will enjoy profits only. This act is a perfection execution of old wisdom saying "Sone ke ande dene wali Murgi ko hi kat dene se na to sone ke ande milte hain aur na hi sone ke ande dene wali Murgi bachti hai."
- 4. Further we condemn the unscrupulous bidding process. Use of prime land in the states of Punjab and Haryana has been allowed @ Re. 1 per month.
- 5. As UT Chandigarh is the common capital of Punjab and Haryana, it has been given favorable energy allocation from Bhakhra Beas Management Board (ensuring low cost hydro power) as well as allocations from central sector generating stations ensuring comfortable energy security which facilitates the cheapest and 24x7 electricity availability to public of Chandigarh. All these magnanimous advantages have been dubiously planned to transfer to the cronies of the persons in power who will enjoy these benefits and increase the price of the Electricity multifold in the name of various heads and atleast it would be doubled by studying their present operations in Kolkata.
- 6. Assets of electricity department have been valued at Rs. 1 per item on flimsy excuse that value of assets is not available in Assets registers.
- 7. This act will hang the sword of loss of Job security over the heads of 1000 employees of Chandigarh Electricity Department out of which 650 employees are Government Employees and 400 employees are on contractual services.
- 8. We have noted that once the assets of UT electricity department have been handed over to the chosen bidder, the financial and cost aspects would be beyond the scrutiny of CAG Audit.

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We as AIFOPDE, vehemently oppose the privatization of commercially lucrative revenue potential area of distribution utilities decried as the process of cherry picking, however it is nothing but it is the policy of privatization of profits and nationalizing the losses.

The Govt. of India and particularly the Hon'ble Minister of Power, Govt. of India Sh. R.K. Singh had categorically declared that there would be no cherry picking. But MHA is doing the same in UTs like Chandigarh.

Anti People Decision:

- > The most important stakeholders in UT electricity working are the consumers of Chandigarh who are to be given power supply.
- > There is no safeguard provided to protect the consumer from profiteering and inflated tariffs by private parties.
- > The RFP document should have provided safeguard to consumers against price-gouging and excessive profits by private parties.
- > Private sector companies are outside the purview of CAG Audit, it becomes more important to provide safeguard to consumers against inflated tariffs.
- > So the privatization model exposes the consumer to the market risks that would cause steep and uncontrolled tariff hikes.
- > Most businesses and ease of livelihood rely upon affordable electricity tariffs for their existence.
- > The guarantee of low tariffs is available to consumers of UT Chandigarh, but with private sector power utility benefit of low tariff cannot be ensured.

Anti Employee Decision:

- ➤ Section 133 of Electricity Act 2003 has been provided specifically to protect the service conditions of employees while implementing a transfer scheme.
- > Section 133 is of utmost importance in the matter of implementing a transfer scheme. The provision of section 133 has not been taken into account.
- > The transfer scheme as proposed for UT Chandigarh, the employees will be shifted from service under UT Govt. Department to service under the private company.
- ➤ It is a fact beyond dispute that service under private companies can never be equated to service under state/ central Govt. The security of service and terms of pay, pension, etc. can never be equated for Private service as compared to Govt. service.
- ➤ A transfer scheme which places existing govt. employees under service of private party is a clear case of coercion to accept inferior service conditions.
- ➤ With inferior conditions under private parties, section 131 gets violated, and the entire transfer scheme becomes invalid as it would infringe section 131.

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Protests and Opposition under the Ambit of National Coordination Committee of Electricity Employees & Engineers:— a broad based platform of all the National Federations of Electricity Employees & Engineers.

- > All forms of democratic movement and activities to oppose unlawful process of privatization have been resorted to by the consumers and employees of Chandigarh power department.
- > UT Powermen Union Chandigarh is knocking the doors of the judiciary and employer resulting into nothing till date.
- ➤ Electricity employees and engineers all over the country demonstrated in solidarity on 1st February, 2022, while their counterparts in Chandigarh resorted to Strike.
- ➤ Government of India has lost its logic sense and is leaning to its cronies. Hence, UT Chandigarh power sector employees decided to undergo 3 days' strike starting from 22nd Feb, 2022 which was called off on 23rd Feb,2022 after mutual agreement between UT Powermen Union and Chandigarh Administration. But Chandigarh Administration had not kept his words and written promises and started victimization of Employees.
- Electricity Employees & Engineers of the country aggrieved to note that 100% employees of Chandigarh took part in the Strike, none was there to attend outages in the city.
- ➤ Chandigarh administration promulgated undemocratic black law ESMA to declare the lawful strike as illegal and imposed retrenchment, suspension, departmental show cause and false charges framed by the Police in the court of law upon the employees of Chandigarh who rendered best services to ensure cheapest supply of the electricity

So, on the part of electricity employees and engineers of India, we urges upon you to take the firm and concrete stand against the entire unlawful process of privatization of Chandigarh power department.

We as Federation Sincerely hopes that your good self will give personal attention to this matter and provide suitable appointment to the National Delegation so that further dwelling upon the points and logics furnished above on the activities related to privatization of Chandigarh power utility can be done in the best interest of public and employees of Chandigarh.

Thank you.

Secretary General All India Federation of Power Diploma Engineers

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