

Press Release

The following statement was issued to the press by the Platform of Central Trade Unions and Independent Sectoral Federations/Associations on 28th December 2024.

The Platform of Central Trade Unions (CTUs) and Federations condemn promulgation of ESMA against electricity employees in UP and Chandigarh UT

Urge the Central, UP & Rajasthan State government and Chandigarh UT Administration, to halt privatisation of DISCOMs and GENCO in UP, Chandigarh and also the latest move in Rajasthan

The Chandigarh UT Power Department is an exemplary public power utility with annual profit of 365 Crore in 2019-20, 225 Crore in 2021, 261 Crore in 2021-22 and so on. It has well maintained Aggregate Technical and Commercial (AT&C) loss below 10% where the national average is more than 15%. The Chandigarh State Power utility has been given favorable long term energy allocation from Bhakra Beas Management Board (Ensuring low-cost hydro power) as well as allocations from Central Sector Generation Stations ensuring low priced electricity. The tariff of Chandigarh utility is around Rs 3-4 per unit which is one of the lowest in the country.

This high valued utility was put in bidding in an unscrupulous way at a base price of meager Rs 174.63 Crore. Use of huge prime land assets have been allowed at Re 1 per month. All other assets have been valued @ Re 1 per item on flimsy excuse that value of assets is not available in assets register. The National Coordination Committee of Electricity Employees and Engineers (NCCOEEE) were demanding for independent valuation of the assets through CAG audit as well as the scrutiny of all the financial data adopted in Request for Proposal (RFP) and tender documents.

But the UT Chandigarh Administration in a clandestine move, hurriedly issued the Letter of Intention (LOI) to a private company - Eminent Electricity Distribution Limited (EEDL). Despite several requests, no advice was sought from Central Electricity Authority (CEA) or Central Electricity Regulatory Commission (CERC) which is a general procedural requirement guided by the Electricity Act 2003. No transfer policy has been finalized regarding the employees as required by the Electricity Act 2003. No safeguard has been provided to protect the consumers from highly profiteering inflated tariffs generally imposed by the private players. The EEDL is a wholly owned subsidiary of Calcutta Electricity Supply Corporation (CESC) – the company which charges in the range of the highest electricity tariffs of our country. Chandigarh employees are treated as per the Central Government Employees and this privatization will suddenly convert them into private sector workers.

Similar attacks of Privatization have been unleashed on Purvanchal Vidyut Vitaran Nigam Ltd. (PVVNL) and Dakshinanchal Vidyut Vitaran Nigam Ltd. (DVVNL) of Uttar Pradesh. The estimated revenue of PVVNL for the year 2024-25 is Rs 15,596 crore and DVVNL is Rs 23,938 crore. Heavy investment has been made by the governments in these DISCOMs in the last few years under the Revamped Distribution Sector Scheme (RDSS) to bring down the Aggregate Technical & Commercial (AT&C) Losses of these utilities. These two utilities are yet to collect Rs 66,000 crore as pending bills which will be added to private kitty if these are handed over. Strikingly, it is coming to news that, the proposed reserve bid price is around paltry Rs 1,500 crore! Additionally, the Obra and Anpara Thermal Power projects are in process of being handed over to National Thermal Power Corporation (NTPC) under the Joint Venture (JV) mechanism. The new Transmission projects are handed over to Private players through the Tariff Based Competitive Bid (TBCB) Mechanism. It will put the service of 77 thousand engineers and employees and 50,000 contract workers at stake. It goes against the written agreements dated 05.04.2018 and 06.10.2020, between the UP-state government and the electricity employees, that no privatisation will be attempted without consulting the employees.

Rajasthan Government has also started bidding process to privatize the Generation and Battery Storage Projects.

The CTUs take a serious view of the efforts of the UP-State government and the Central government to desperately push-through the privatisation of the Electricity utilities in general, the discoms in particular.

All these moves goes against the written agreements dated 05.04.2018 and 06.10.2020, between the UP-state government and the electricity employees, that no privatisation will be attempted without consulting the employees. Now when the employees learned that the privatisation move has been started unilaterally, and started preparing for agitation, the UP government has promulgated the heated ESMA (Essential Services Maintenance Act) to gag any democratic opposition.

The earlier efforts to handover electricity distribution to private players in Odisha, J&K, Maharashtra, MP, Bihar, etc. have failed miserably. And the distribution had to be taken over by respective state bodies with the intervention of regulatory bodies.

The private franchises are being given all assets of the state discoms on a platter for a song. Vast land parcels are given for a rent of ₹1 per year. In UP, for example, State bodies buy electricity at ₹5.55 per unit, sell it to the private franchise at ₹4.36, which then charge the consumer ₹7.98 per unit. How is this to be explained? ESMA is meant to drown out all such facts, so that they do not tumble.

NCCOEEE has given a call to its constituents observe "One Hour Seize Work" on 31st December 2024 from 12 PM to 1 PM to oppose this arrogant attitude of the UT and State governments. 27 lakhs electricity employees all across the country will come to the street on that day in support of their Chandigarh and UP colleagues.

The CTUs welcome the steps taken by NCCOEEE, AIFEE, EEFI and many other organizations to back the Vidyut Karmachari Sanyukt Sangharsha Samiti Uttar Pradesh, and similar social movement platforms in Chandigarh, against the recent privatization moves by the Govt to make the consumers aware of the ill-founded plans of the UP and the Central government. The Central Trade Unions (CTUs) condemn promulgation of ESMA against electricity employees in UP and Chandigarh UT; Urge the Central and UP & Rajasthan state government, ruled by the BJP, to halt privatisation of UP Eastern and Southern discoms and Chandigarh UT discom and Public Power utilities in general.

The Joint Platform of CTUs and Federations calls upon the trade union movement in the country to actively stand in solidarity with the electricity workers struggle against privatization in UP and Chandigarh.



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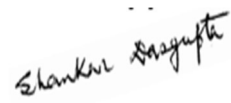
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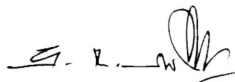
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