

ALL INDIA POWER ENGINEERS FEDERATION



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POWER PRIVATISATION - CLARION CALL FOR 26 JUNE ONE DAY NATIONWIDE STRIKE

It seems that for privatization of the entire power sector, the central government and state governments have launched an all round attack together. To combat it we have only one way - power employees and engineers will also have to unite and show their strength. The National Coordination Committee of Electricity Employees and Engineers has decided to hold a nationwide strike on 26 June.

PRIVATISATION SPREE

Today such circumstances have not suddenly come. We will try to understand the sequence. The NDA - ruled Central Government had tried to privatize the entire energy sector through the Electricity (Amendment) Bill in its first two terms from 2014 to 2024 which could not succeed. The draft Electricity (Amendment) Bill was circulated by the Ministry of Power, Government of India five times. Electricity (Amendment) Bill 2014, Electricity (Amendment) Bill 2018, Electricity (Amendment) Bill 2020, Electricity 2021 and Electricity (Amendment) 2022. The result of strong opposition from employees and engineers was that these five efforts of the central government could not succeed.

UT CHANDIGARH PRIVATISATION

Apart from this, on 13 May 2020, Union Finance Minister Smt. Nirmala Sitharaman had made an unilateral announcement of the privatization of the Electricity Department of all union territories. It is a matter of extreme misfortune that profit making Dadra Nagar Haveli Daman and Diu and Chandigarh Electricity Department have been privatized as per the dictation of the Finance Minister. This made it very clear that the intention of the central government is to privatize the entire energy sector. It has nothing to do with profits and losses.

Chandigarh is the most unique example of privatizing profits. Chandigarh is a union territory. Chandigarh is the capital of Haryana and is also the capital of Punjab. The Electricity tariff in Chandigarh is cheaper than Haryana and Punjab. In fact, the power tariff of Chandigarh is the lowest in northern

India. In Chandigarh, the tariff was not revised for the last 5 years, despite this, the Electricity Department of Chandigarh was running in profit. In general, it is said that the consumer is not happy with the service of electricity in the government sector. In Chandigarh, consumers themselves and Resident Welfare Associations took to the streets in large scale with power employees to protest against privatization. But neither consumers were heard nor employees and assets of Chandigarh Electricity Department worth thousands of crores were handed over to the private company of Goenka Group of Kolkata for just Rs 871 crore. Puducherry Power Department is the next target for privatization.

UP POWER PRIVATISATION

- As soon as the path of privatization of Chandigarh Electricity Department was cleared, privatization started in Uttar Pradesh. Privatization of Purvanchal Vidyut Vitran Nigam and Dakshinchal Vidyut Vitran Nigam of Uttar Pradesh was announced on 25 November 2024. There are 42 districts of UP in the area of work of these two corporations. As soon as privatization was announced, the power employees and engineers opened the front. 90 days of protests by power employees have passed. During this period, Bijali Panchayat was organized in Varanasi, Agra, Gorakhpur and Prayagraj and a Bijali Maha Panchayat was held in Lucknow. Thousands of electricity employees and farmers attended all of these. It was understood that privatization would be carried out in December 2024 itself. Due to strong opposition, the date of bidding for appointing transaction consultants for privatization has been extended twice. But despite the opposition the management and Government seems to adamant on privatization.

Preparations are also underway to suppress/victimize the power employees and engineers opposing privatization in Uttar Pradesh. The orders issued by the Power Corporation management from time to time are used in this respect. It is written in orders that videography of employees going to attend the protest meeting should be done, photographs should be taken and action should be taken on them. Orders were issued to immediately expel outsourced employees from their jobs if they went to the protest meeting. Large -scale outsourced employees were also processed to get out of their jobs. After opposition from the Sangharsh Samiti of employees and engineers, that action has been taken back but the atmosphere of fear is being created continuously.

RAJASTHAN - PRIVATISATION

- Almost at the same time along with Uttar Pradesh, Rajasthan was also attacked the privatization of electricity by the government. Bidding of privatization in large -scale of power distribution sub -stations and divisions has started in Rajasthan. Electricity generation corporation has also been targeted in Rajasthan. Power generation corporation's largest 2420 MW, Chhabra Thermal Power Station is to be handed over in Joint Venture to NTPC and the second largest 2000 MW Jhalawar Thermal Power Station to be handed over in joint venture with Call India Limited .The power employees and engineers of Rajasthan are constantly going on the streets and performing big demonstrations. Protest meetings are taking place every day but there is no

effect on the government. It seems that the government is adamant on privatization here too.

MAHARASHTRA

- In Maharashtra, a decision was taken to give parallel licenses to private companies in Navi Mumbai and many big cities two years ago. The process of parallel license stopped after a strong opposition from Maharashtra's power employees and engineers. But the work of installing prepaid meters on a large scale across Maharashtra has been entrusted to Adani Power and private companies. Needless to say that prepaid meters are being installed only to facilitate the private sector. Once the prepaid meter is installed, the private company will neither have any problem of metering nor the problem of billing. Revenue will come automatically through prepaid meters. Consumers will have to recharge like mobile SIMs. More revenue will come after the time of the day tariff is implemented. Under the RDSS scheme, lakhs of crores of rupees have been spent to improve the network of power distribution companies across the country. All the private houses will get this for free.

TRANSMISSION PRIVATISATION

- The process of privatization in the field of transmission is going on very fast inside. There are orders for tariff based competitive bidding to build an electricity sub-station of cost more than Rs 50 crore or so. All the new sub -stations of transmission are going to the private sector. In the name of asset monetization in transmission, privatization has taken a fresh entry. By now In the field of transmission, private houses have deep penetration.

GENERATION PRIVATISATION

- After the enactment of the Electricity Act 2003 in the generation, the license mandatory ended. The result is in front of us. Today, the generation capacity of private companies in the field of generation across the country is higher than the combined generation capacity of the state sector of the entire country, more than NTPC also. Today there is no province of the country that does not depend on private generators in terms of electricity. With all this, the governments have forced the power distribution companies of the state to make very expensive power purchase agreements. Not only this, agreements have been made to purchase power more than required. The consequence of this is that the power distribution companies of almost all the provinces are paying thousands of crores of electricity per year to private generators without purchasing even one unit of electricity. The situation is horrible and Discoms are blamed for losses.

It is very clear from the above developments that privatization of the entire energy sector is on the cards and accordingly states are being attacked one by one. As bravely, the power employees of Chandigarh have struggled to stop privatization for 5 years, it is highly commendable. But in Chandigarh too, ESMA, FIR and all the acts were done to crush the power employees which are completely undemocratic.

PRIVATIZATION - LATEST DEVELOPMENTS

- To understand the initiative of privatization of the central and state governments, discussions on the recent incidents are necessary, which is very important.

On February 19, the Hon'ble Prime Minister Shri Narendra Modi said in a conference in Delhi that private houses have made extraordinary achievements in the field of renewable energy. Now the central government will provide all kinds of assistance to the states to privatize in the field of power distribution. He further said that earlier people were afraid to say the thing that we have announced in the budget that private companies will also come in the field of nuclear power.

On 20 February, a meeting of the northern states was held by the Union Power Minister. The important thing is that Madhya Pradesh was also involved in this meeting with the northern states of Jammu and Kashmir, Himachal Pradesh, Ladakh, Uttarakhand, Punjab, Haryana, Delhi, Rajasthan and Uttar Pradesh. Minutes of this meeting states that states have sought help from the central government for privatization of distribution corporations. The central government is ready to help the states in this regard. The purpose of this meeting seems to be that in a way the central government is telling the states that the power distribution should be privatized and the state governments are saying that the Center should help in privatization and the Center is saying that it is ready to help. Thus the background of privatization of electricity distribution has already been prepared.

On January 30, an online meeting was held from Prayagraj Mahakumbh. The meeting of Energy Ministers of six provinces Maharashtra, Uttar Pradesh, Rajasthan, Madhya Pradesh, Andhra Pradesh and Tamil Nadu. It is not clear on what basis these provinces were selected. But in this meeting, the Group of Ministers were formed for the reform i.e. privatization, which will be chaired by Union Power Minister for State Sri Shripad Yasho Naik ji and its Convener will be Uttar Pradesh Energy Minister Sri Arvind Kumar Sharma. This meeting is also an exercise of privatization in all these six states.

On 21 February, Union Secretary Power Sri Pankaj Agrawal held a press conference and made it clear that the Central Government is going to privatize the Distribution Corporations. Secretary Power Sri Pankaj Agrawal said that such power distribution corporations will be privatized which are not increasing the tariffs and where very expensive Power purchase Agreements are going on. It is to be noted that the power tariffs are not being increased due to political reasons and the very costly power purchase agreements have also been done by governments itself. Why power employees should suffer on these accounts.

All these developments clearly show that the central and state governments are intent on privatizing. If the Government says loss making Discoms are to be privatized then why profit making Chandigarh Power Department has been privatized. The transmission corporations are running in profit, they are also being privatized. This is an intense stream of privatization and we have to prepare to make a strong retaliation.

PRIVATISATION - VIOLATION OF ACT IN PROCESS

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While privatizing electricity, it is a severe violation of the Act. Section 131 of the Electricity Act 2003 states that when the government power company is privatized, it is necessary to evaluate their revenue potential and fair value of their assets. Both exercises were not done in case of privatization of Chandigarh. What is the revenue potential and what is fair asset value of the assets of Chandigarh was never evaluated. Assets of the Electricity Department worth thousands of crores of rupees in Chandigarh were sold at throw away prices. All the land of billion trillion rupees of Chandigarh Electricity Department was given at only one rupee monthly lease.

Section 133 of the Electricity Act 2003 states that after the implementation of the transfer scheme, the service conditions of the employees will not be inferior in any way. In the transfer scheme issued in Chandigarh, it is written that after the implementation of this scheme, the employees of Chandigarh will cease to be employees of the Government Electricity Department. This is the biggest example of affecting service conditions. What happened in Orissa and Delhi is in front of everyone. After privatization, about 50% of employees in Delhi were forced to retire after a year. 45% of the employees were forced to retire a day before privatization in Chandigarh.

UP - TWO DISCOMS WITH 42 DISTRICTS FOR PRIVATISATION

Similar is the preparation to do all this in UP. No one cares to know what is the asset value of Purvanchal Vidyut Vitran Nigam and Dakshinchal Vidyut Vitran Nigam, and what is the revenue potential. It is learnt that the documents are being prepared without knowing all this and very low reserve price is being kept. The reserve price in Chandigarh was only 174 crore rupees, which was a one - year profit in Chandigarh. It is learnt that the reserve price of assets worth lakhs of crores of rupees in Uttar Pradesh is being kept around Rs 1500 crore. This is the loot of public property, it should be stopped under any circumstances.

Purvanchal Vidyut Vitran Nigam and Dakshinchal Vidyut Vitran Nigam in Uttar Pradesh have about 26000 regular employees and about 50000 outsourced employees. Thus about 76000 employees are facing the danger of losing jobs. If we agree with the statement of the chairman of the Power Corporation, then there will be three options in front of the employees. The first option is to join a private sector job. The other option is to go back to other power distribution corporations and the third option is to take retirement. If you join the private sector job as an alternative first, then the employee who came to work in the government sector will become an employee of the private sector. This is directly affecting the service conditions. As the second option, if they go back to other power distribution corporations then they will be surplus, then the sword of the snatch is hanging and as the third option retirement means the end of the job. Is the Section 133 of Electricity Act 2003 not being violated under all these three situations?

It's 'NOW OR NEVER.'

Clarion calls for struggle with a spirit of "DO OR DIE".

- It is very clear from the above circumstances that the central and state governments are bent on privatizing. Where there is a loss, privatization in the name of losses. Where there is profit, privatization there too. The governments of the center and state are now looking at electricity as a business, not as a service. If you get infrastructure made of billions of trillions of rupees at throw away prices, then which is a bigger market than electricity in this country now? The common consumers and farmers can not imagine how big they will be hurt by this.

To prevent this looting of public property, in the larger interest of consumers and farmers, and most in our interest, power employees and engineers have to be ready for struggle.

The National Coordination Committee of Electricity Employees and Engineers has decided at the Nagpur conference on 23 February that on June 26, all the power employees, junior engineers and engineers of the country will resort to one day TOTAL STRIKE against ongoing privatization process and policies. Extensive mobilization programs have been set for the preparation of the strike. In the coming 3 months, March, April and May, we will have to work very hard day and night to make power employees, engineers, farmers and consumers united.

Unity has no alternative. Keep in mind that if there is no alternative to electricity, there is no alternative to power employees too. Unity is a guarantee of victory.

The Power Sector is in Peril !
Defend it with all your might !!

Long Live the unity of power employees and Engineers.

Long Live AIPEF

Inquilab Zindabad

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