

Puyers and the record production of all items would compel the farmers to sell their produce at a throw away price.

I, therefore, urge upon the Central Government to take urgent remedial measures so that the minimum support price is guaranteed for all items of agricultural produce by ensuring necessary adequate purchases by government agencies.

14.40 hrs

STATUTORY RESOLUTION DISAPPROVAL OF NATIONAL THERMAL POWER CORPORATION LIMITED, THE NATIONAL HYDRO-ELECTRIC POWER CORPORATION LIMITED AND THE NORTH-EASTERN ELECTRIC POWER CORPORATION LIMITED (ACQUISITION AND TRANSFER OF POWER TRANSMISSION SYSTEMS) ORDINANCE

AND

NATIONAL THERMAL POWER CORPORATION LIMITED, THE NATIONAL HYDRO-ELECTRIC POWER CORPORATION LIMITED AND THE NORTH-EASTERN ELECTRIC POWER CORPORATION LIMITED (ACQUISITION AND TRANSFER OF POWER TRANSMISSION SYSTEMS) BILL CONTD

[English]

MR. CHAIRMAN : Shri Anil Basu was on his legs . He may continue his speech.

SHRI ANIL BASU (Arambagh) : On the last Friday while speaking on the proposed Bill I tried to impress upon the government that through this proposed legislation the power sector of our country is going to be surrendered to the foreign multinational and to the World Bank. While Shri George Fernandes was speaking on this subject, the hon. Power Minister, Shri Salve interrupted and I would like to quote him. I will quote from the Lok Sabha proceedings dated

the 12 th March , 1993, page 6817. He said:

" kisi officer ka nam Bekar unko demoralise karne ka koi matlab nahi hota. "

He said that none of the bureaucrats is responsible. That is very good. May I remind Shri Salve that there are two sides of the coin. We know there are bureaucrats who are honest, dedicated and loyal. But I think Shri Salve would agree with me that there is also a section of bureaucrats who are not honest; who are not dedicated and who are not loyal. If we make the comparison between the two sides; for instance if we make the comparison between Shri Salve, the present Minister of Power and Shri Kalpnath Rai, his predecessor or if we make a Comparison between Shri Rangayya Naidu and Shri Sontosh Mohan Dev, where will we arrive?

To speak of Bureaucrats, I would like to remind Shri Salve the case of Shri Krishnamurthy. He was awarded Padma Bhushan. I would like to know; why he was arrested; why he was jailed and why some officers of a very high calibre was withdrawn from the leading public sector organisation. So, there are both sides of the coin. I think it is too much for the Minister to advise us about the honesty and integrity of bureaucrats.

I will give you some examples which will show that is the Power Sector of our country there is a planned effort to loot the country in the name of development. Take the case of the 800 KV transmission line for which a deal is going to be finalised with the World Bank. This U.S. dollar is a 300 million World Bank finance project in Krishanpur - Moga sector. But the government has decided in favour of 800 KV Transmission line which would not at all be needed in the coming 20 years.

Then why have you gone in for 800 KV transmission line? The indigenous technology and the indigenous equipment that are available for 400 KV transmission line are good enough. That is sufficient to take care

[Sh. Anil Sharma]

of the load for the coming years and in spite of that, you are going in for the 800 K.V. line. For importing technology and for importing your equipments, you have to go to the World Bank for funds and no national interest would be served. Even the European countries do not have 800 K.V. transmission lines. There would be no load for 800 K.V. transmission line, yet, you are going in for that. What is happening ?

MR. CHAIRMAN : You conclude.

SHRI ANIL BASU: Sir, I have just started.

MR. CHAIRMAN: Last time, you had taken nine minutes . The time allotted to your party is seven minutes. The record is there.

SHRI ANIL BASU: Whenever national interest is in question, all sides of the House should rise to the occasion and Chair should help.

MR. CHAIRMAN: Chair is helping you. But chair should help other Members also.

SHRI ANIL BASU: Sir, I have only formulated my point. Now , I have come to the bill.

MR. CHAIRMAN: That is why whenever a bell is rung, that indicates you have to wound up your speech within two or three minuets.

SHRI ANIL BASU: Sir, it is impossible. Then I will not speak . Kindly allow me. It is a very important issue. You will be surprised to hear that from 22nd February to 3rd March a dozen officers from Power Grid Corporation had visited Washington for negotiations with the World Bank for this 800 KV line. They could not increase a single dollar. And from Washington , they went to Montreal in Canada to see the H. V. D. C. ( High Voltage Direct Current ) line which is not at all required. You see that whenever an officer is sent abroad, the DA spent on

him is 250 dollars per day. It would not be beneficial at all to the interest of our country.

Sir, peculiar things are happening. This Power Grid Corporation has come into existence and its life is not more than one year. But GM ( Engineering ) is traveling abroad and spending more than two months. So, in a year, they spend two months abroad. So, such peculiar things are happening in this country.

Sir, inter-regional HVDC back to back link in Chandrapura sector has been given to GEC Alstom, U. K. What is the price ? The ultimate price is Rs. 1260 crore. Now you are telling that the main reason for this link is due to surplus power in western region. You want to bring power from western region to southern region.

As far as the 14 electrical power survey report is concerned, it says that the western power region has no surplus power and it is minus 690 million unit. Yet you are going in for this project at a cost of Rs. 1260 crore. Out of this, the project cost is only Rs. 400 crore. How did you arrive at this figure of Rs. 1260 crore? GEC alstom are very clever . They have a very high price viz . Rs. 900 crore. After the British Premier's visit, they declared a grant of 63 million dollars to Indian Government for power sector.

It means Rs. 300 crore. A project which costs Rs 400 crore has been quoted at Rs. 900 crore. After granting Rs. 300 crore, they are saying that they are helping India; and you people are very jubilant that they are helping India ; they are, in fact, looting the country.

There is a newspaper report about utilization of the power. It says, 630 millions for the Indian Government for the power sector by the British Government . Now, if I quote the prices, you will be surprised to hear them. The rate of circuit Breakers of indigenous manufacturer is only Rs. 26.16 lakh and the rate of GEC is Rs. 1.15 crore. GECs rate of Isolator is Rs.35 lakh and the rate of the Indian manufacturer is Rs. 4 . 3

lakh. The rate of the Current Transformer is Rs. 19 lakh and the rate of the indigenous manufacturer is Rs. 3.2 lakh. The rate of Capacitive Voltage Transformer is Rs. 21 lakh and the rate of the indigenous manufacturer is Rs. 2.37 lakh. The rate of lightning Arrester is Rs. 6 lakh and the rate of the indigenous manufacturer is Rs. 2.54 lakh. Is it not looting ?

What are you doing? You are putting all the burden on the S.E.B.S. The State Electricity Boards will not get a single unit of power, but they will have to pay for the installation cost because you are charging it from them. The southern region would pay Rs. 10.16 crore per month which includes Karnataka, Tamilnadu, Kerala and Andhra Pradesh. They will not get a single unit of power yet they have to pay; and if they do not pay, you said, you will cut their plan allocation. You have gone upto this extent. You are infringing on the rights of the States. You are not caring for the Constitution. Electricity is in the Concurrent list. You are very happy to do everything in the name of development. I will justify my points.

In Vindhyachal, HVDC link was commissioned in 1989 at a cost of Rs. 117 crore; and it was funded by ABB, Sweden, with Swedish loan, Swedish International Development Assistance Loan. They have to transfer surplus power from western region to northern region.

Now, what has happened? Now Sweden has made a survey of the project how it is functioning. Now they have said that you have wasted this money. It is a Swedish Report. You commissioned HVDC Link for transferring of  $2 \times 250 \text{ MW} = 500 \text{ MW}$  of power. What is your utilisation? It is only 7 percent. May I charge this Government for going against the interest of the country? They are dumping these equipment in our country because there is a recession in the international area; international manufacturers are facing a recession. And the World Bank is helping them. And you are bringing all the equipments which are not suitable for our country.

Similarly, in the constituency of his predecessor, Shri Kalp Nath Rai, they are going in for a system may Jeyore HVDC link whose cost is more than Rs. 800 crore.

In the Jeypore HVDC system the cost is more than Rs. 600 Crores. What is the justification? In your project report in the Eastern region there is a surplus of more than 16 million kilo unit of power. That has to be transferred to the Northern region. It is well known Bihar is starving for power, Orissa is starving for power. If you take the case of Assam, it is starving for power, even in West Bengal sufficient power is not there. And you are calculating it. That is your own survey, by CEA, by your power survey.

If West Bengal has something surplus during the non peak hours, then it is during the evenings or during late night hours, it is around 2 to 3 million units. Now you have done for bringing this HVDC system you increased it to 16 million units for justifying this. In order to have a deal with the foreign multi-nationals. In this way, they are selling the interest of the country to the foreign multi-nationals through this power legislation. I charge the Government that they have taken steps for crippling the power sector in our country. They are violating the Constitution. They are bringing a legislation violating the Constitution. They are destructing the federal structure of the Constitution.

MR. CHAIRMAN: Please wind up now.

SHRI ANIL BASU: There is a statutory authority.....

MR. CHAIRMAN: You should wind up. You have taken 20 minutes today. Be quick. Please wind up.

SHRI ANIL BASU: Only two points I will make and take my seat. I have to obey your order.

What are going to do with the Central Electricity Authority? It is a statutory body and you are crippling the statutory authority and transferring the power to the public sector company. Some day you will say that

[Sh. Anil Sharma]

this public sector is not functioning well, let it be privatised. What is the meaning of giving the authority of a statutory body to a public sector company. Authority of the Government is given to a public sector company. Why? Whatever good is there in power sector that had been achieved by CEA, by NTPC. They are the pride of the nation and you are going to cripple these organisations.

There are two Electricity Acts, i.e. The Electricity Act what are they going to do with these Acts? They are bye-passing all those Acts. Are they taking cognisance of these Acts? Those Acts gave a very considerate view to the federal structure of our country but they have not considered all these things.

MR. CHAIRMAN: Please wind up.

SHRI ANIL BASU: There are Regional Boards where State Electricity Boards are represented. The Regional Boards can be strengthened. Under CEA if there are some defects, if there are some loopholes that can be corrected.

Maharashtra SEB, West Bengal SEB, Andhra Pradesh SEB, Tamil Nadu SEB, etc. are performing well. They have an outstanding performance and yet you want to cripple all these State Electricity Boards. Through This legislation. You are transferring the assets of a public sector company at a book down value, at book value why at good value and not at market value? is it because the World Bank has advised you that if you transfer that at market value you have to pay the stamp duty which will go to the State Governments.

MR. CHAIRMAN: Please wind up.

SHRI ANIL BASU: I am very much pained that such type of legislation is put forward before this August House, this Supreme Seat of democracy. We have taken bath to protect the sovereignty of our country. The persons sitting over there will see

that the sovereignty of this country is being sold on somebody's sweet will.

MR. CHAIRMAN: You are repeating the points now. Please conclude.

15.00 hrs.

Sir, I strongly demand that the Bill be withdrawn and there should be consultations among the engineers, technician, employees of the power sector organisation, parliamentarians, and the State Governments. At present there is no consensus on this issue and a consensus should be arrived. Recently there was a conference of the Ministers of Power and I am told that many Power Ministers objected to this. The West Bengal Minister for Power objected to all these propositions.

MR. CHAIRMAN: There should be a consensus on this issue. Agreed. Shri Gopi Nath Gajapathi.

SHRI ANIL BASU: This Bill should be withdrawn. I think all sections of the House will rise to this occasion because this is not a political question. Our power sector is going to be crippled. Power is something which is needed for the development of the country. I hope that all sections of the House will come together and appeal to the Government to withdraw this Bill. With these words, I thank you, and conclude.

MR. CHAIRMAN. Shri Gopi Nath Gajapathi.

SHRI GOPI NATH GAJAPATHI (Berhampur): Mr. Chairman, (Interruptions)

[Translation]

SHRI NITISH KUMAR (Barh): I am on a point of order. Janta Dal has not been given time so far. The Motion presented by us was in individual capacity. This time would not be treated as the time consumed by the Party. The Janta Dal should also be given a chance to participate in this debate.

**MR. CHAIRMAN:** The party which moves the Motion is taken to have consumed the time.

**SHRI NITISH KUMAR:** If the Member is independent, then ?

**MR. CHAIRMAN:** Then he is allotted time separately.

**SHRI NITISH KUMAR:** No, ruling should be given by the Chair which may become a precedent.

**MR. CHAIRMAN.** Do not argue with the Chair. As per the prevailing practice your name has been given by the Janta Dal. Thereafter, Shri George Fernandes is going to speak. He will be given time.

**SHRI NITISH KUMAR:** That is why I am saying that such a ruling should not be given by the Chair. ....

**MR. CHAIRMAN:** That is why I am saying that Shri George Fernandes would be given time as per the distribution schedule.

[English]

**SHRI GOPI NATH GAJAPATHI** (Berhampur) : Mr. Chairman, Sir, indeed the proposal for the formation of the Power Grid Corporation (henceforth abbreviated as PGC) by pooling the assets of the existing three National Corporations is a timely step for improving the Extra High Voltage, (henceforth abbreviated as EHV), transmission system in the country. I understand that approximately 38,000 M. W. power will be added during the Eighth Plan period. Nearly 62,000 kilometer of EHV lines, involving approximately Rs. 10,000 crore of investment at the Central Sector only, have been proposed in the Eighth Plan.

Proper attention has not been paid during the past, towards this important sector. It is noted that the Government is contemplating to encourage more generating stations at coal pit-heads and remote

hydro-centres. The need for wheeling this generation to the load centres surely calls for rational and co-ordinated planning of EHV lines and sub-Stations. The ultimate cost power has gone out of proportion, as coal is produced at pit-heads at Rs. 350/- per tonne and transportation charges of an additional Rs. 500/- per tonne to the generating centres.

In my state of Orissa alone, 40,000 million tonnes of coal, mostly open-cast are available at two concentrated areas. a number of thermal stations can be built at the pit-heads. P.G.C. can quickly build the inter-state lines, so that power can be wheeled to the neighbouring States. Besides, these national trunk lines will exchange power during peak hours from hydro-stations and from thermal generating station during non-peak hours to the neighbouring regions. This will also improve the quality of supply during peak hours and save oil consumption in thermal stations during non-peak hours. In this connection, I wish to place a few suggestions listed hereunder, for more effective management of the proposed P. G. C. :

1) There should be proper representation in the Corporation by deputation of few experienced field-officers, from the various State Electricity Boards the extent of about 30 %, similar to the earlier practice of pooling field-officers from the various State to the Central Electricity Authority, (henceforth abbreviated as C.E. A. ).

2) There should be rational representations, at least one from each Regional Electricity Board at the policy-making level of the Corporate Body. This will help taking decision on fixing priorities for the various States, on load despatches and operation schedules as well.

3) Priority should be fixed in the planning and execution of the EHV/ EHV -DC lines, so that requirements for the development of the needy regions are taken care of adequately.

4) The P.G.C. should co-ordinate prop-

[Sh. Gopi Nath Gajapathi]

erly with the development of State Grids for their 220 / 132 K.V. -networks, so that the very purpose of improving the quality of supply to remote urban and rural areas of the country is fulfilled.

5) It may not be out of place to mention that the Orissa State Electricity Board in 1990-91, submitted a number of District Improvement Schemes for improving the quality of supply to remote locations like my home-town Parlakhemundi, as well as to Khariar, Bolangir etc. The implementation would substantially reduce the system losses. It will also help the growing towns to get proper voltage during peak hours in particular, while the existing conditions do not help even tubelights to function, owing to very low voltage.

The Government of India has actually sanctioned these projects. However, proper attention has not been given for their implementation. Some Electricity Boards like O.S.E. B. etc. have performed very well in the past. Timely planning and coordination at the national level will go a long way in improving the quality of supply to our deprived masses living in remote areas.

There are four significant points which I would like to highlight to this august House. Firstly, with the main objective of granting power to the people, our hon. Prime Minister as well as our dynamic Union Minister for Power, hon. Shri Salve, along with his able deputy, hon. Shri Rangayya Naidu, have rightly stated that with respect to the government of India the going has been good so far and has evoked keen response with respect to the scheme for private participation in power distribution. The case of privatisation in the power sector has perhaps never been stronger. At the same time, they have declared that their Ministry will not disturb either generation or distribution where they are doing well.

Secondly, the decision of the Government to take up power generating projects of about 300 M.W. aggregate capacity

based on wind energy, hydro and solar energy during the Eighth Five-year Plan as announced very recently by the Union Minister of State for Non-Conventional Energy sources, Hon. Shri Krishna Kumar should indeed be welcomed.

Thirdly, I wish to state that at present, the Talcher Thermal Power Station is functioning at only thirty percent Plant Load Factor. For expansion and modernisation, the estimate has been approved by the CEA, involving an outlay of Rs. 110 crores. Further, I understand that Power Finance Corporation has agreed to extend loan facilities. But its implementation has already been delayed by two years. This scheme needs implementation without further delay.

Fourthly, a scheme has been submitted to the CEA for extension as well, to provide 500 M.W. output of power. Adequate vacant land is also available, along with the coal in the proximity. The Government might actively consider early implementation of this very viable project by assistance from either Power Finance Corporation or Asian Development Bank.

Before concluding, I would also like to sound a note of warning, to the vital power sector. With respect to frequent power cuts, power failures and low voltages in the country. I am inclined to observe : Dinner by candle-light is highly romantic, but only by choice. If this situation is forcibly extended to the industry, the effects would be positively ruinous.

There are many villages, where seventy per cent of our country's population dwell.... throughout India and in my Berhampur parliamentary constituency without power to this day. As electricity cannot be treated as a luxury, but is basically an essential social utility, The Power Ministry would do well to expedite this needy cause on a war footing.

I extend my whole-hearted support for this proposed Bill of much significance and utility value for the ultimate economic ad-

vancement of the country.

**SHRI V. DHANANJAYA KUMAR**  
(Mangalore) : Sir, we have, before us, a new Bill which envisages for transfer and acquisition of the power transmission system, now lying with the three subsidiaries, that is three corporations, set up by the Central Government, by an Act or to be enacted by Parliament. Now, I do not know whether such a Bill is necessary at all, to be introduced for passing this Act. It is as if the father is taking the property from one son and then giving it to the other son. The intention is also made very clear in the Preamble itself. The Preamble says:

" To provide in the public interest for the acquisition and transfer of the power transmission systems of the three companies and the right, title and interest of those companies in the power transmission system situated in different parts of India, with a view to developing the National Power Grid to ensure transmission of power, within and across the different regions of India, on a more scientific, efficient and economic basis and for matters connected therewith or incidental thereto."

Even after making such an enactment, the Government is not in a position to give guarantee that more power will be generated. What they want is to regularise the supply and these are the words used : " The supply will be made on a more scientific, efficient and economic basis".

Nowhere in the Bill these three acts, intended to be undertaken by the new Power Grid Corporation are explained - how scientifically and efficiently and how economically the available power would be distributed or supplied to all the regions of the country.

Now the entire Bill would suggest that in view of the difficulties experienced in the working of the power supply system, they

want to consolidate all the three corporations; make it into one and then supply the power of by creating a National Power Grid.

Many of the points have already been raised here. Shri George Fernandes has raised certain basic issues regarding the power vested in this House to pass such an enactment and then how it is nothing but a wholesale sell-out of the rights and the sovereignty of this Parliament as well as how this Government has pledged the sovereignty of the country before the World Bank.

**15.20 hrs.**

[MR. DEPUTY SPEAKER IN THE  
CHAIR]

Sir, I have a letter dated 7th October 1992 before me. Some portions have been already quoted from this. I would just bring only one sentence from this letter to the notice of this House. This is a letter written by the Secretary, Ministry of Power in which he says, " We confirm that the conditions relating to commercial and investment policies would be met ". that is, the foundation for this Bill was already laid as far back as on 7th October 1992 saying that ' we will fulfil all the terms and conditions that are imposed by the World Bank. This letter was addressed to the Director, India Department, the World Bank, Washington D.C.

What are the conditions? I will not dwell upon all the conditions in detail. One important aspect is, the World Bank has made it a pre-condition for giving assistance or making investment in power generation in India that ' you should revise the tariff. You may recall that recently a Conference of Power Ministers of all the States was held. I do not know whether the present Minister, Shri Salveji was in charge of this Department at that time. I will cite the example of Karnataka. In Karnataka the power supply to the extent of connected load of 10 H. P. was totally exempted from paying any electricity charges. Sir, in that Conference all the State Ministers were prevailed upon to levy a minimum charge even for the agricultur-

[Sh. V. Dhananjaya Kumar]

ists throughout the country in all the states to fall in line with the conditionality imposed by the World Bank and news came out saying that a minimum of 50 paise per unit would be levied for all the agriculturists though they are exempted from payment of electricity charges so far.

From the available documents it is very clear that this is nothing but a game plan, a trap laid by the World Bank for which the Government of India has become a victim wherein while there is a recession the world over, power generating industry would come forward to make investments in power generation sector in this country. Sir, I would ask the hon. Minister one thing. Even after this effort I don't find anything anywhere in the Bill about in intention of the Government in fulfilling the commitments already made. I would cite the example of the Mangalore super thermal power project. We have been hearing high sounding words about augmenting the power generation. Tall promises were made for Years now that a Super Thermal Power generating station would be set up near Mangalore.

That thermal power station was to be established with the Russian aid. With the collapse of erstwhile USSR, I do not know where the project is lying now. As per my information, even the land acquisition proceedings could not be completed for want of money being deposited by the NTPC. Under the Land Acquisition Act, the entire money payable as compensation for the land acquired for the purpose of setting out of this power generating station has to be deposited within three years from the date of initiation of land acquisition proceedings. In many cases, the time has already lapsed now. The authorities are facing the difficulty of starting acquisition proceedings de novo. Once again, they have to issue preliminary notice, to call for objections and to make hearing of the case and finally to notify the land as acquired. And again, within three years, if the money payable as compensation is not deposited, the whole proceedings would be vitiated. The land acquisition au-

thorities have been sending reminder after reminder to the NTPC for depositing the money payable towards compensation but so far no action has been taken in this regard.

After the Power Grid Corporation has been established, no doubt, as it is said, all the beneficiary-States are guaranteed of a minimum supply or equal distribution of power. As of now, the power generated in a particular State from out of the investments made by the government of India would be supplied between the States in that particular I would cite the example of Ramagundam Thermal Power station which lies in Andhra Pradesh from where in the States of Karnataka, Tamil Nadu and also Kerala are entitled to get power supply. The present provision says, if any beneficiary-State is not supplied the due share of power and the State wherein the power is generated draws excess power, then it will be charged more for the excess power used by that particular State over and above the share due to that State. There is no provision for making compensation for the loss of power which they otherwise ought to have received as the beneficiary-state. With the formation of power grid, it is hoped now that the right of supply of power would be conferred with this National Power Grid Corporation and hereafter all the beneficiary-States are ensured of supply of power according to their due shares.

How to improve upon the system, how to make power supply scientifically and efficiently is again not explained here. The existing power grids have become very old and as per the experience, there is a lot of loss of energy during the transmission through the existing lines.

We do not know how the National Power Grid Corporation would solve this problem and whether they intend to put up separate supply lines so that the transmission losses would be minimised or totally done away with and the entire power generated would reach the beneficiaries.

Much is already said about the pros



and cons of this Bill. I am coming to the end. Now how the new Power Grid Corporation of India Limited which is the new name given to the National Power Transmission Corporation Limited which was set up in October, 1989 with an initial authorised capital of Rs. 5,000 crores would augment the money that is required for making investments in power generation and to improve upon the supply system unless some guidelines are shown? Probably, this Bill is only to fall in line with the conditions to which they have already agreed upon and only to overcome to payment for the stamp duty for transfer of assets. Once this Bill is made into an Act, the Government will get the power to acquire the assets of all these three Corporations and just hand over to the new Corporation without requiring to go through the formalities of paying the stamp duty and executing necessary documents.

If that is the only purpose, then I would submit that this will not come to the help of the needy States and this will not be in the interest of the States which are facing serious power shortage.

I would make a request to the hon. Minister to see that Mangalore Superthermal Power Project is completed early and the problem of Karnataka State is solved. We have only 60 per cent of the power required and we are facing shortage of 40 per cent of the power required by the State and, that is why, no new industries are being set up in the State and the agricultural sector is also badly affected.

With this request, I would make an earnest appeal to the hon. Minister to consider the steps that have to be taken to work upon Power Grid Corporation. After formation of the power grid, power generation can be augmented and scientific and economic supply can be made to the States.

[Translation]

SHRI GEORGE FERNANDES (Muzaffarpur) : Mr. Deputy Speaker, Sir, I rise to support the Motion moved by Shri Nitish Kumar and to oppose this Bill. When

this Bill was presented in the House on Friday. I had raised a constitutional question. On this, you had said that it could be discussed and there should be a discussion on it. Mr. Deputy Speaker, Sir, but I feel that this has emerged from a factually incorrect statement which can be clearly seen in the statement of objects and reasons. Two arguments are being given for this? This Bill was brought in a haste and as you know that initially it was passed by an ordinance and for this hastiness he put forward the argument that :

[English]

“ The delay in transfer of the ownership of the assets relating to the said power transmission systems of the aforesaid three companies to the POWERGRID has, however, restricted its resource mobilisation efforts both through internal cash generation as well as by going to the market for commercial borrowings. As the legal formalities involved in transferring the ownership of the aforesaid three companies in relation to their said power transmission systems will be time-consuming and it is necessary in the public interest “.....

[Translation]

and you please keep these two things in mind that:

[English]

It is necessary in the public interest that the said ownership should be vested in the POWERGRID immediately with a view to develop and operate an integrated transmission network by establishing a National Power Grid, it is proposed to acquire the right, title and interest of the aforesaid three companies in relation to their assets pertain-

[Sh. George Fernandes]

ing to their power transmission systems and vest them in the POWERGRID with effect from 1st April, 1992".....

[Translation]

One of the false statements is that though transfer ownership of assets etc. was made effective from 1.4.92. but the ordinance which was issued read that it was going to be transferred. The statement says:

[English]

“Accordingly, the management of the said power transmission systems of the afore-said three companies was taken over by power Grid Corporation of India Ltd. (POWER GRID) with effect from 16th August, 1991, 19th November 1991 and 14th November, 1991, respectively, along with the associated employees.....”

[Translation]

When the entire staff was transferred, it was but natural that the entire work of the companies was also to be transferred. As per the ordinance, the transfer was effective from April, 1992 but now the government is making hue and cry with regard to the problems being faced in that respect. Mr. Deputy Speaker, Sir, the government is trying to mislead the house so far as this Bill is concerned. This process started in 1981. The Government had accepted the concept of National Power Grid and an institution was must for it. But how many years did it take to set up the institution? It took long eight years. Thereafter consultations were made with the authorities of International Monetary Fund and the World Bank, who in turn took a decision to formulate the policies concerning the economic development of our country. The Government bowed to it

and sacrificed the sovereignty of the country for it. It is not good on the part of the hon. Minister to nod his head, though the other Members of the ruling party may do so. He knows the entire situation. I know that he has been one of those who opposed such economic policies. Mr. Deputy Speaker, Sir, that is why he has been given the entire responsibility. It is the tactic of the Congress party to discourage such persons within the party and that is why he has been given the responsibility.

I had raised certain points as to how the Government bowed to the conditions laid by the World Bank. However, I would like to bring to your notice the letter written to the hon. Minister by the Power Secretary to the Government of India on January 12, 1993, which, perhaps, may not have come to your notice. Since some of the matters are settled directly between the Joint Secretary of the concerned Ministry and the World Bank, Secretary just receives a copy of the documents while the hon. Minister remains ignorant of everything. You may kindly go through this letter once again. It was despatched on 12th January.

[English]

“Thank you for your letter dated December 6, 1992 concerning the NTPC's proposed Power Generation Project. I am sorry for the slight delay in responding which was primarily due to my anxiety that we be able to register substantial progress on some of the matters. The cabinet cleared the Ministry's proposal to permit NTPC to form joint ventures on January 5, 1993; the ordinance to effect the de jure transfer of transmission assets to powergrid has been promulgated by the president on January 8, 1993 and deemed to have come into force with retrospective effect from April 1, 1992; and the UPSEB has opened irrevocable letters of Credit in favour of

NTPC for the payment of Rs. 75  
crores per month."

[Translation]

[Translation]

It shows the intention of the Government and the reasons for the promulgation of this Ordinance in such a haste and in the national interest. Please pay attention to these two words - it was not in the national interest but in the interest of the World Bank and the interest of World Bank means the interest of the multinational companies. Because the power secretary wrote in one of his other letters issued on October, 7 that since the World Bank had imposed a condition of correlating the public sector with private sector, but not with the private sector in the country itself. Though there are a large number of small and big enterprises being run by Indian industrialists or being run under joint sector. Had there been any proposal to correlate then I could have understood. But they say that -

[English]

As regards permitting NTPC to participate with the private sector is concerned, the position is that this is now being done. NTPC has entered into MOUs (Memorandum of Understandings) with private parties to set up joint ventures for example, with the ABB.

[Translation]

Brown Boveri, a Swiss company and Aasia a Swedish company were two separate companies. But these were merged and renamed as Aasia Brown Boveri. These companies belonged to two separate countries, yet these were multinational companies. I pointed out that they were not giving an assurance rather simply giving those companies to them. Further they say that

[English]

with M/s GVK Industries with the Spectrum Technologies.

Now the spectrum Technologies are the American multinational companies. The Government talks of national interest. My submission is that the Bill was based on false commitments. This was not done in the national interest, rather it was done in the interest of the multinational companies and not of World Bank. It would be unjustified to blame the world Bank in this regard. The Government is at fault which also tried to entrap the country once again in the clinches of financial slavery in July, 1991 by introducing a new economic policy.

Mr. Deputy Speaker, Sir, we are opposing this Bill because the government tends to withdraw the rights of the state Governments given to them under article 246 of the constitution, through this Bill. I do agree that the Central government has got the power to legislate on the subjects given under the concurrent list. However, before enacting any legislation under the concurrent list it is the responsibility of the Central Government to see that wherever that State Governments are doing certain work.

(Interruptions)

[English]

MR. DEPUTY SPEAKER: Shri George, when you raised the objection, you have covered most of the points. The time at our disposal is very short. The time allotted for this discussion is 2 hours and we have already completed two hours.

[Translation]

SHRI GEORGE FERNANDES: I will not deal with that point. You know that we are so much against this bill that if it is in our capacity we would not allow it to be passed.

My submission is that by withdrawing the rights from the State governments the Government is taking measures which may prove harmful to them in future. If they feel that they are born to rule even if they are in minority, they are wrong. Gone are the days

[Sh. George Fernandes]

when such a situation prevailed. Therefore, they should not take any wrong step. There is a need to decentralise the powers. There is a need to delegate powers to the lower units and strengthen the infra-structure of the country. Every state has its own Electricity Board but the Union Government intends to capture all the powers in the name of NTPC, NHPC and NIPCO through this legislation ignoring the rights and future prospects etc. of these electricity boards. The "Government may enforce this law to attack the rights of state Electricity Boards in future, that is also one of the reasons that we oppose this bill.

Mr. Deputy Speaker, Sir, I would like to refer to another constitutional matter. Just now, one of our hon. Members pointed out that the practice of taking from one and giving it to the other is going on. But the question is not so simple.

The entire money for NTPC, NHPC and North Eastern power corporation has been given from the consolidated fund of India. The hon. Minister also admits this fact. The funds were sanctioned through Budgetary allocations from the Consolidated Fund of India. Regarding the Budgetary allocations and assets created from them, it has been said in the bill that

[English]

"The same acquisition of assets and their transfer will be on the basis of the book value of all the assets and properties, after deduction of liabilities ( other than contingent liabilities ) given in the audited statement of accounts of each of the aforesaid three companies as on 31st March, 1992".

[Translation]

The hon. Minister should understand what he is going to do. Funds had been provided to these three corporations from the Consolidated Fund of India i.e. the money paid by poor taxpayers of this country in the form of taxes. the Government is

not prepared to consider the market value of the assets raised from that capital. Instead these assets are going to be transferred to a new corporation on their book-value. Mr. Deputy Speaker, Sir, after transferring those assets on book -value, The intentions of the government become very clear.

I would like to have clearcut replies on two points than I am going to ask the hon. Minister. The first question is whether the equity shares of Power Grid Corporation are going to be issued to the general public. It has been stated in the report that the equity of power Grid Corporation will be of the order of Rs. 5,000 crore. Are you going to issue public issues for that equity. My second question whether the multinationals are also going to hold equity in the corporation.

I want a clear reply about these questions. If it is not possible for you to answer these questions, on what basis you are going to transfer the entire capital to the power Grid Corporation. How it is justified to wind up the corporations, which have been functioning for a long period.

Mr. Deputy Speaker, Sir, I will conclude by making two more submissions. I know that these will be opposed. I want to say some thing about the employees. I have a doubt and it is not on the Government only. Whenever I. M. F. and World Bank have any discussion on any issue concerning our country, the salaries of the employees and the facilities being provided to them such as housing, medical etc. become the sore of their eyes. They want that our country should run on contract system. And the same thing is taking place. I think the Union government is the biggest contractor of our country. One cannot imagine what a big work it gets done through the contractors. This we call as securities scam, L. I. C. scam and bank scam. the biggest scam in this country is the exploitation of crores of workers who are employed through the contractors. Through out the length and the breadth of the country and in each and every department or companies services of contractors are being

taken. I am bringing forth the issue of salaries. The hon. Minister should give a clear reply in this regard. The number of employees working in all the government corporations till the end of the last years was 22 lakhs, excluding the contract labourers. The average salary of these employees in these corporations is Rs. 4700 /- per month. But these three corporations are going to be wound up which means that the transmission work of these corporations is being transferred to Power Grid Corporation. On an average an employee of National Hydro Electronic power corporation gets a salary of Rs. 6806 /- per month. I have the figures about the salaries of the director, the C.D. and other officials. While an employee of N.H. E.P.C. , N.T. P. C. and N.E. P.C. gets a salary of Rs. 6806 /- Rs 4637 /- , and Rs. 3571 /- Respectively per month , an employee of the corporation only gets a salary of Rs. 2299 /- per month. These are the figures of last year. So, I am doubtful that the Government is doing everything on the directions of the I. M. F. and the world bank and we are well aware of their intentions. Are you going to do this in regard to salaries. You have effected transfer of the employees. Nothing has been clearly stated about the salaries in it. Now you will force them to work on such a low salary. Although the work in NTPC, NHEPC and power Grid Corporation are same, but there is a big difference in their salaries. It appears that some conspiracy is there and I would like to have a clear reply from the hon. Minister.

I would like to submit a very important point and conclude. The hon. Minister is very capable . I would like to know who is in charge of BHEL. . Is it you or the Minister of Industries? You should ask the hon. Minister of Industry to set with you. You should do so because your Government has pronounced death penalty to BHEL. . I can see that the Minister sitting by your side is nodding his head in affirmation. I respect him a lot for this , but BHEL has been given death penalty. ( *Interruptions* )

Now he is denying it. Such a peculiar situation has arisen. Will you accept it when I will produce the figures before you.

I have the order-book positions of the BHEL for the last year, the current year and the next two years. The Minister of Energy, Shri salve is a famous chartered Accountant. The accounts of the company or the government are nothing new to him. The Energy Minister will accept the fact that regarding the order book of a factory like BHEL, if the accounts for the next five years are not prepared in advance, it is not possible to prepare its accounts abruptly . This factory does not manufacture bread but manufactures generators, boilers and turbines etc. (*Interruptions*) The products for railway and buses are separate. This factory was originally set up for power and I would like to tell you that is why I asked you to ask the Minister of Industry to sit with you

[English]

For 1995-96 , the order book of BHEL , Hardwar, Hyderabad and Bhopal, where they produced the steel turbine is zero. For boilers in Trichy, it is zero. For hydro -turbine generator in Hardwar it is zero and in Bhopal it is 320 MWs for the eighth plan and 135 MW for the Ninth plan. For the Eighth plan, 44 per cent capacity utilisation in Bhopal and for the ninth plan, 19 percent capacity utilisation in Bhopal . For gas turbines, there is an order in Hyderabad, 63 per cent of capacity that is 455 MWs ; in Hardwar, it is zero.

Now , this is the order book position in BHEL for the year 1995-96 . For 1994-95 , that is next year, the average order book position in one or two places it is zero; otherwise, the average order book pollution varies between seven per cent and 17 per cent.

[Translation]

If this is not a death penalty, what is it? The amount provided to BHEL from the consolidated Fund of India and the amount they have saved from their profits, amounts to Rs. 1000 Crores. They take credit or advance from the banks and on the basis of debt equity ration it amounts to two to three

[Sh. George Fernandes]

16.00 hrs

thousand crores and in my view, there should have been a production worth RS. 4000 crores this year, but I don't know how much will be produced I can give you the figures.

[English]

The most important thing is that if the manufacturing of these items is entrusted to multinational companies instead of BHEL, the Government will have to invest an amount of Rs. 30 thousand crores more to raise such a company. You are spelling doom for a company in which Rs. 30 thousand crore of the nation have been invested. You may not your head and deny it, but it will make no difference as the figures are not wrong. These are the latest figures, which I have got from the BHEL yesterday evening. So, I say that your intentions are very clear. I do not attach much importance to what Hall Stop Simians Blasta Union Or any other multinational company said, but what is more important to me is what the Government is thinking and what is its policy. Because if we want to sell, there will be a lot of buyers. In our country, everything can be bought. That we have already seen.

MR. DEPUTY SPEAKER: The time allotted for this subject was two hours. Now it has taken one hour and twenty-six minutes more. Therefore, may I request the hon. Minister to reply.

HON. MEMBERS: No, no.

SHRI CHITTA BASU: (Barasat): You cannot allow this Bill to be passed abruptly without giving us the opportunity.

THE MINISTER OF WATER RESOURCES AND MINISTER OF PARLIAMENTARY AFFAIRS (SHRI VIDYACHARAN SHUKLA): Sir, we are behind time. (Interruptions) We cannot devote any further time. We have allotted two hours. But we have taken more than three four hours for this subject.

SHRI CHITTA BASU: So what?

The question is not about what the IMF or the World Bank say, but what are the policies of the Government. I want that you should use your power to stop this Bill and if it is not possible for you. I will request this august House and particularly the ruling party and Shri Antony and Shri Vidya Charan Sukha to stop it. We are aware of the commitments both these persons have towards socialism. Particularly we know Shri Antony. He is sitting in the front bench and I would request the hon. Energy Minister to withdraw this Bill for reconsideration and have it discussed again among cross sections of the people in the country. Please withdraw your steps from mortgaging the country's wealth in the hands of multinational companies and granting death penalty to the B.H.E.L.

SHRI VIDYACHARAN SHUKLA: Now the Minister should be asked to reply. (Interruptions) The Business Advisory Committee had put some time-limit for this discussion. (Interruptions) We should honour the commitment that was made and accepted by the House. WE cannot keep on extending it.

I would request you to call the Minister for reply. (Interruptions)

SHRI ANIL BASU: The Business Advisory Committee has not gone into the details or the merits of the Bill. (Interruptions)

With this request I strongly oppose this Bill. It will be opposed at every stage. I fully support the Resolution brought forward by Shri Nitish Kumar.

MR. DEPUTY SPEAKER: The Business Advisory Committee has allotted the timing.

(Interruptions)

[Translation]

PROF. RASA SINGH RAWAT (Ajmer):  
Sir, this Bill is very controversial. Attempt is being made to compromise the dignity and sovereignty of the country. It is being done at the instance of World Bank and I.M.F. and we are dancing to their tune..... (Interruptions)

[English]

MR. DEPUTY SPEAKER: Many of the hon. Members have expressed their views. (Interruptions)

MR. DEPUTY SPEAKER: There are so many Bills which are pending. We are lagging behind so far as timings are concerned. (Interruptions)

SHRI BHOGENDRA JHA (Madhubani):  
I was a signatory to the Statutory Resolution. Besides, my party has also not expressed its views. How can you close the discussion?

SHRI VIDYACHARAN SHUKLA:  
Hon'ble Mr. Bhogendra Jha's party was a party to the decision taken in the Business Advisory Committee. It is not one-sided decision.

SHRI BHOGENDRA JHA: Then what? (Interruptions)

PROF. PREM DHUMAL (Hamirpur):  
Then, we will discuss all those Business Advisory Committee proceedings here. (Interruptions)

SHRI VIDYACHARAN SHUKLA: They can speak on general budget. They can also raise this point at that time. There are other occasions. Even according to the Rules of Procedure, they can raise a discussion on any other day. It is not the only way. We must respect the decision taken by this House on the advice given by the Business Advisory Committee. I do not say that the points

which they are making are not fine or not good.

PROF. PREM DHUMAL: Okay, we will not speak, Sir. You refer it to the Joint Parliamentary Committee. (Interruptions)  
Let there be a Select Committee for this. (Interruptions)

SHRI VIDYACHARAN SHUKLA: It is a decision taken by the Business Advisory Committee. (Interruptions) I request you to call the hon. Minister for reply.

SHRI BHOGENDRA JHA: For the last ten days, my name has been circulated for opposing this Ordinance. (Interruptions)

MR. DEPUTY SPEAKER: My request is that all Members can not participate in the discussion on one particular Bill. The political parties really express the views about what they feel regarding a particular Bill.

Secondly, there may be one or two persons who have got an expert knowledge. They may also say something for this debate. The time allotted is really two hours. We have taken one hour and 26 minutes.. Now let us come to the conclusion. There are five Members who are yet to speak. Their names are here. Each one of them can take four minutes and speak about the relevant points which have been left out. You can just impress the Government on a particular point. Is it the understanding of the House?

(Interruptions)

AN. HON. MEMBERS: The Labour Minister is to make a statement.

(Interruptions)

MR. DEPUTY SPEAKER: Now I call the Minister, Mr. P.A. Sangma to make a statement. And then, Mr. Mathew can speak.

(Interruptions)