

SHRI NITISH KUMAR : I am always ready to cooperate

MR. SPEAKER : Thank you.

18.05 hrs.

[English]

STATUTORY RESOLUTION RE DISAPPROVAL OF THE 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. SPEAKER : Now you can continue your speech.

[Translation]

SHRI NITISH KUMAR : I am always prepared to cooperate with you. We should thank the hon. Member from Delhi for his spirit that he, even being in B.J.P., is talking about Rozaifatar; this is something very great.

Mr. Speaker, Sir, the hon. Minister while replying mentioned the case of stamp duty but he did not reply to it. Now, we want a clarification on it. Mr. hon. Home Minister why are you folding your hands, Atleast a dozen Home Ministers are there now-a-days, you are also one of them. You did not give any clarification in the case of stamp

duty. We wanted to know. At the time of moving the resolution, I had spoken about the loss of the stamp duty. Who would pay for the loss to the states on this account. Secondly, I raised a point about assets also. It does not concern us whether you take the assets of N.T.P.C. in either way but the question is this that N.T.P.C. is a public undertaking and its performance is very good. If you take its assets, it increases its cost. By overlooking this fact, you are going to create a new corporation. I have raised an objection against creating a new Corporation. This is my personal objection that the idea on the concept of the national grid cannot be materialised. Even today, I agree with the idea of having a National Grid. Zonal grid is there then why there should not be a National Grid. There is no difference of opinion in it but you are going to have a Power Grid. May I ask you, will it have any difference in the situation if we go for a Power Grid. They are not going to construct any new transmission line, they will take over the present ones. Do not call the transmission line under N.T.P.C. as H.B. rather you should call it E.H.B., E stands for extra. you are not going to add even a single kilometer transmission line in E.H.B. You are transferring the present lines to another Corporation. My colleagues have rightly expressed a doubt about the increase in overhead cost because at two points this overhead cost will increase. I do not understand the logic behind creating a new Corporation. In my opinion, there is no need to create a separate Corporation. The point is this that putting conditions has no limits. You have already prepared to accept any sort of conditions. Although, one thing is there that previously people were in the habit of concealing the facts but atleast you have this much courage to accept the facts. You are clearly saying that you are bound to accept the conditions. Shri Manmohan Singh says like this and today you have spoken the same thing. However, a person like me in shocked to hear it particularly from you. You have already stated you have to take the loan, you are bound to accept the conditions but I want to ask what conditions are being laid? I have already mentioned a point about stamp

duty. The officials of the World Bank have already mentioned about it in the letter of 8th December, 1992 addressed to Shri Vasudevan. It says :

[English]

1. " The completion of the legal procedures for the transfer of transmission assets from NTPC and NHPC.."
2. " The transfer of the existing Regional Low Dispatch Centres to Power Grid to be completed before December 1993."

[Translation]

I do not want to speak about the further conditions. I want to know one thing. Your officials have given its reply. Shri Vasudevan who is your Secretary writes to the World Bank Officials on 12th January, 1993:

[English]

" The ordinance provides for it to be deemed to have come into force retrospectively with effect from 1st April 1992."

This is regarding the transfer of assets.

" The existing Regional Load Dispatch Centres now owned by the Ministry of Power and operated by CEA (Central Electricity Authority) will be transferred to the Power Grid by the end of Phase-I by which time the construction of RLDCs be completed."

[Translation]

You have not mentioned the date in this letter. In the letter you have tried to postpone it upto December, 1993. You have tried to give a vague reply. You have written that. We will do it after the Phase-I is completed. In the name of completion of the Phase I, you have tried to get some time.

Another condition is very dangerous. According to it Regional Load Dispatch Centre will go to the Power grid. This a very dangerous thing. The hon. Minister kindly let us know whether you have been instructed not to give any information. Please, enquire all these things from them in a proper manner; they are not telling you the whole truth.

The hon. Minister has taken many a decision but is not prepared to disclose. What is the function of the 'Regional Load Dispatch Centre'? How is the load to be distributed? Suppose you have to meet the demands of West Bengal and Bihar Electricity Boards. And NTPC is in a position to directly meet the demands, but the decisions are to be made by RLDC with which the power rests. The State Electricity Boards, bulk consumers, have to approach many a authority. While earlier there was just a Central Electricity Authority. All the requests used to be made to it and its decisions used to be carried out. This power rested with the Government of India. Transference of this right to the Power Grid Corporation from the Government of India will curtail the powers of the Central Electricity Authority. Transference of this power to the Power Grid Corporation will increase arbitrariness on its part or it will create another authority for the same. I is quite understandable if it is being done really to improve transmission and power generation scenario, but is it not so? There is no need for asking the Power Grid Corporation to set up the Regional Load Dispatch Centre. Neither the Electric power nor the World Bank are interested in it. Other authorities i.e. political power and administrative power are more keen on it and in fact administrative power is showing greater interest. State Electricity Boards will have to knock the doors of many authority. Whenever any Chairman or the Government used to be in distress, the concerned Chief Minister or the Power minister used to intervene. Now where is the need for a third functionary as the liaison will have to be maintained with three authorities. That means scope for extra work has been

[Sh. Nitish Kumar]

increased but now will it improve efficiency?

The hon. Minister replied to the point raised by Shri Anil Basu regarding seeking of loans from abroad which will have no bearing on the development of the country nor on the smooth transmission of electricity. However, attention is being paid to other thing. Instead of 400 K.V. transmission system installation of 800 K.V. transmission system, is being discussed. But this will increase the transmission cost by 3 times. 400 K.V. transmission system is more suitable. If 800 K.V. systems are installed then cost will increase. There is the need of improvement in the power sector in the country. There is the need to give assistance to the States where Plant Load Factor is low for its improvement. For improving the PLF, outdated technology needs to be replaced with heavy investments. Instead of making investments in new power plants capital is being invested in installing 800 K.V. systems in place of 400 K.C. transmission systems. Reduction of transmission losses will not serve the purpose much. Investments in 800 K.V. systems will not reduce the transmission losses much in comparison to 400 K.V. systems. Our transmission losses are less than the international norm of 2 per cent in case of ESU transmission systems in use in the country. There is not enough scope for improvement in this system. World Bank and IMF are guiding India and are also dictating terms for sanctioning loans. We will seek loans for only the desired purposes. Therefore, why are the loans not forthcoming? How will the efficiency and capacity of the power sector be improved where PLF is abysmally low? Funds should come for upgrading the technology. We will accept funds for this and for setting up new plants but the situation is never-the-less contrary. Everyday new issues are being raised for us to accept the funds like the setting up of the Regional Load Despatch Centre. You must be aware of the fact that on a visit abroad the Chairman of the Power Grid Corporation negotiated a loan of the value of 1 million. It will be quite wrong of the money is utilised to set

up Regional Load Despatch Centre. You are only eroding your own authority. This danger is very much evident now. Our doubts have been removed by the reply given by the Government, I submitted earlier that too much arrogance on your part will worsen the scenario. That day is not far off when the show will be run by the multinational companies and not by you. The Government is indulging in book value transfer no the plea that the President of India is the custodian of all the things. Please, Mr. Minister, do not teach us the fundamentals in the Parliament. All the hon. Members are well aware of the fact that the President of India is the custodian of all the things. There is no need to tell us all this.

Is not the Government going in for total privatisation through disinvestment at this book value? You are simply nodding your head and disinvestment is going in the entire public sector. Last year disinvestment to the tune of Rs. 3500 crore was done and in the current year also disinvestment to the tune of Rs. 3500 crores will be done and the policy will be carried forward in future too.

Similarly, this will be extended to BHEL also where 10-15 lakh persons will be retrenched. I do not want to dwell further on it as it has already been debated upon. However, a serious situation is round the corner. As per the pre conditions the setting up of the Power Grid is not an innocent proposal. The Government has assured a rate of return of 16 percent to the multinational companies with which it is going in for joint venture in the power sector, while the NTPC just gets 12 percent. Why do not the Government come forth with all this when transmission is going to be transferred to the power grid with an assurance of 16 percent return. What will the Government do in this scenario? Will it give priority to the power sector power generating units and ask the NTPC, a thermal power sector company, to reduce its power generation and give your optimum generate to the private sector. Otherwise the assurance of 16 percent rate of return will be difficult to fulfil. This assurance has been given just as the basis that the public sector units like

NTPC will be asked to reduce generation.

THE MINISTER OF STATE OF THE MINISTRY OF SURFACE TRANSPORT (SHRI JAGDISH TYTLER) : How do you know tall this?

SHRI NITISH KUMAR : Please try to understand the gravity of the situation. If you are guided by the party whip then atleast take note of the facts.

SHRI JAGDISH TYTLER : This is just your figment of imagination.

[English]

MR. SPEAKER: I think, he is making a good speech. Let him speak,

[Translation]

SHRI NITISH KUMAR : This is not like driving a bus.

SHRI JAGDISH TYTLER: I also faced a similar situation when the buses were introduced.

SHRI NITISH KUMAR : I will yield, but just tell me whether an assurance of 16 percent return in case of joint venture has been given or not? Do not intervene in a matter about which you do not know much.

[English]

MR. SPEAKER : Do not get derailed.

MR. NITISH KUMAR : I cannot be derailed. I am not a bogie of Indian Railways that I will get derailed.

[Translation]

I cannot be derailed. NTPC will have to reduce generation and its loss will pile up. In that situation NTPC will be blamed for lower efficiency. The efficiency has declined and ultimately the power sector will be prenalised. The whole world and the Parliament will be told that the public sector become inefficient. The whole of

capital the public sector undertakings, whose custodians is the President of India, Will be disinvested and these will be taken over either by the fictitious companies of the Multinational companies or ABB. We were sceptical about all this but our fears have not been allayed. I fear that under pressure from certain quarters unnecessarily most advanced technology is being brought into the country. I do not have full facts available with me, but as per most of the SO contracts pressure will be put to build such plants. It is not clear what will be the reaction to it of the Government? I am confining myself to the purview of the Power Grid Corporation and not widening the scope of the discussion. The Government must ponder all this as 30 per cent of the total installed capacity is in the Central Sector. The Government will do it in to but will have to move amendments daily. Therefore, we made a submission to you that instead of moving amendment daily the Government should ponder over all the ramifications. In response to a question the Government admitted that there is severe resources crunch. It is correct that for the power sector "Power Finance Corporation" has been set up. This corporation will finance the power sector or some other sector.

It is not hidden from anybody. The Power Finance Corporation was more interested in giving finance to the share brokers rather than giving it to the power Sector. The Government says that there is paucity of funds, but whether the Government is able to utilize funds wherever they are available?

Mr Speaker, Sir, I do not want to refer to any officer in particular and many people feel that none particular thing is in national interest, yet they do what the Government likes. So, all the hard working officers might be having an impression that they would be considered efficient only when they succeeded in getting one or the other agreement reached for foreign loan.

SHRI PAWAN KUMAR BANSAL: (Chandigarh) Usually you are quite precise in expressing your views. But today you are taking a bit more time..

SHRI NITISH KUMAR: I have not spoken even a single extra word, I am not repeating any point—you may confirm it by going through the record of the proceedings. Mr Speaker, Sir, since you have come, I have cut down my speech by 75 per cent but how can I curtail the 25 per cent bare facts?

MR SPEAKER: In my opinion, it is already 100 per cent

SHRI NITISH KUMAR: As per my promise I am not expanding even a single point. I am the follower of Shri George, belong to his party, and Shri Basudeb is sitting beside me...

MR. SPEAKER: Shri George speaks rarely and does not speak daily....

SHRI NITHISH KUMAR: Whichever question we raised, has not been replied satisfactorily. For what purpose the aid is being taken from outside? The Government should be vigilant about the money being brought here by people from outside. Money should be taken only for the needful purpose. Money should not be taken from outside for the sake of taking money. Rather, it should be taken for the sector where it is needed. There must not be any compromise with the interests of the country. But we have not been convinced in any way by the reply the hon. Minister has given. It creates an impression that everything has been done at the instance of the World Bank. The Government tends to invest the foreign aid in the least important sectors and if this is done, the Government's authority will erode. It will result in the curtailment of the rights of the State Electricity Authorities. NTPC is an efficient Public Sector Unit, but it will suffer loss and thus the Bill will be of no use to fulfil the concept of national grid. The Government will have to make a number of amendments to it. Therefore, through the Hon. Speaker, I would urge upon the hon. Minister to withdraw this Bill and let the ordinance lapse. Rather, the opinion of State Electricity Boards, Central Electricity Authority and the State Governments should be sought to formulate a new comprehensive

Bill. If the Government is not willing to do all this, I would not withdraw my Statutory Resolution, I can withdraw it only on one condition. As I have already submitted that if the Government is neither ready to withdraw the Bill nor to let the ordinance lapse, then through you my only submission is that we can withdraw our resolution only if the Bill is referred to JPC. With these words I conclude.

[English]

MR SPEAKER: I shall now put the statutory Resolution moved by Shri Nitish Kumar to the vote of the House.

The Resolution was put and negatived.

MR. SPEAKER: Now there are three amendments, nos. 14, 15 and 16 to the Consideration Motion moved by Sarvashri Rasa Singh Rawat. Anil Basu and Rajendra Agnihotri.

[Translation]

PROF. RASA SINGH RAWAT (Ajmer): Mr. Speaker, Sir, kindly allow me to express my views on this subject. Sir, please listen to what I submit.

MR. SPEAKER: What is your submission?

PROF. RASA SINGH RAWAT: My submission is that when a Member moves an amendment, he should have the right to express his views on it.

[English]

MR. SPEAKER: May I quote the rule that you do not have the right to speak?

I shall now put Amendment No. 14 to the Consideration Motion moved by Shri Rasa Singh Rawat to the vote of the House.

Amendment No. 14 was put & negatived.

MR. SPEAKER: I shall now put Amend-

ment No. 15 to the Consideration Motion moved by Sri Anil Basu to the vote of the House.

Amendment No. 15 was put and negative.

MR. SPEAKER: I shall now put Amendment No. 16 to the Consideration Motion moved by Shri Rajendra Agnihotri to the vote of the House.

Amendment No-16 was put and negative.

MR. SPEAKER: The question is:

"That the Bill to provide in the public and interest for the acquisition and transfer of the power transmission systems of the three companies and the right, title and interest of the 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 there with or incidental thereto, be taken into consideration."

The motion was adopted

MR. SPEAKER: There are no amendments suggested to Clauses 2 and 3 of the Bill.

The question is:

"That Clauses 2 and 3 stand part of the Bill".

The motion was adopted

Clauses 2 and 5 were added to the Bill.

Clause 4 General effect of vesting

Amendments made:

Page 3, line 30

for "date of a certificate of the President to this Act",

substitute '8th day of January, 1993. (4)

Page 3, line 34,

for "is pending" substitute "was pending". (5)

(Shri N.K.P. Salve)

MR. SPEAKER: the question is:

"That clause 4, as amended, stand part of the Bill."

The motion was adopted

Clause 4, as amended, was added to the Bill.

MR. SPEAKER: There are no amendments to clauses 5 and 6. I shall, therefore, put them to the vote of the House.

The question is:

"That clauses 5 and 6 stand part of the Bill.

The motion was adopted.

Clauses 5 and 6 were added to the Bill.

Clause 7 Removal of doubts

Amendment made:

Page 4, line 38,

for "property appertains" substitute "property appertained" (6)

(Shri N.K.P. Salve)

MR. SPEAKER: The question is:

"That clause 7, as amended, stand part of the Bill."

The motion was adopted

Clause 7, as amended, was added to the

MR. SPEAKER: There are no amendments to clauses 8 to 16.

The question is:

“That clauses 8 to 16 stand part of the Bill.”

The motion was adopted.

Clauses 8 to 16 were added to the Bill.

New Clause 17 Repeal and Savings

Amendment made:

Page 8,

after line 11, add -

Repeal and saving “17. (1) The National Thermal Power Corporation Limited, the National Hydroelectric Power Corporation Limited and the North Eastern saving. Electric Power Corporation Limited (Acquisition and Transfer of Power Transmission Systems) ordinance, 1993 is hereby repealed.

Ordinance
No.10 of 1993.

(2) Notwithstanding such repeal, anything done or any action taken under the said Ordinance, shall be deemed to have been done or taken under the corresponding provisions of this Act.”(7)

(Shri N.K.P. Salve)

MR. SPEAKER: The question is:

“That new Clause 17 be added to the Bill.”

The motion was adopted

New Clause 17 was added to the Bill.

MR. SPEAKER: The question is:

“That the Scheduled stand part of the Bill”

The motion was adopted.

The Schedule was added to the Bill.

Amendments made:

page 1, line 8 , -

for “1992” Substitute “1993” (2)

Page 2, -

for lines 3 to 5, substitute-

“(3) The provisions of sections 8 to 11 and sections 13 to 16 shall be deemed to have come into force on the 8th day of January, 1993 and the remaining provisions of this Act shall be deemed to have come into force on the 1st day of April, 1992 and any reference to the commencement of this Act in any provision of this Act shall be construed as a reference to the commencement of that provision.” (3)

(Shri N.K.P. Salve)

MR. SPEAKER: The question is:

“That clause 1, as amended, stand part of the Bill.”

The motion was adopted

Clause 1, as amended, was added to the Bill.

The Enacting formula

Amendment made:

Page 1, line 1, -

*for “Forty-third’ substitute -
“forty -fourth” (1)*

Shri N.K. P. Salve

MR. SPEAKER: The question is:

"That the Enacting Formula, as amended and the Long Title stand part of the Bill".

[English]

18.37 hrs.

The motion was adopted.

The Enacting formula, as amended and the Long Title was added to the Bill.

MR. SPEAKER: The Minister may move the Bill for passing.

SHRI SOMNATH CHATTERJEE (Bolpur): We cannot be a party to sell out. This is surrender to the World Bank and the IFM. In protest we walk out. (*Interruptions*)

18.36 hrs

Shri Somnath Chatterjee and some other hon. Members then left the House.

(*Interruptions*)

[*Translation*]

DR. LAXMINARAYAN PANDEYA' (Mandsaur) Mr. Speaker, Sir, it is a clear violation of rules.

PROF. RASA SING RAWAT (Ajmer) : MR. Speaker, Sir, It is a betrayal with Parliament. Therefore, we walk out of the House.

(Then Dr. Laxminaryan Pandaya and some other hon. Members left the House)

[*English*]

SHRI N.K.P. SALVE: I beg to move:

"That the Bill, as amended, be passed."

MR. SPEAKER: The question is

"That the Bill, as amended, be passed.

The motion was adopted.

ARREST AND RELEASED OF MEMBERS CONTD.

MR. SPEAKER: I have to inform the House that I have received the following wireless message dated 16th March, 1993 from the Station House Office, Taughlak Road, New Delhi:

"Shri Guman Mal Lodha, Member of Parliament has been released at 14.00 hours today i.e. 16th March, 1993".

I have to inform the House that I have received the following teleprinter messages dated 15th March, 1993 from the District Magistrate, Jamshedpur and the Superintendent, Jail, Jamshedpur respectively, today:-

- (i) "On 15th March, 1993, at around, 1.30 p.m. Shri Shailendra Maht, Member of Parliament, has been detained."
- (ii) "Shri Shailendra Mahto, Member of Parliament has been remanded to this jail today in connection with case number 288/93 under section 107/116/ 113/151, Code of Criminal Procedure by the order of the sub-divisional; M agistrate, Jamshedpur."

18.38 hrs

The Lok Sabha then adjourned till Eleven of the Clock on Wednesday, March 17, 1993/Phalguna 26, 1914 (Saka).