PRESS RELEASE

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Press Statement issued by Shri Randeep Singh Surjewala, I/c, Communication Department, AICC;

Shocking revelations of profiteering by four private electricity companies in Gujarat at the cost of State exchequer and 6.5 crore Gujaratis reek of a 'huge scam in power purchase'. This exposes the absolute falsehood and claims of 'power surplus State'.

BJP Government's moto appears to be:-Let four private electricity companies 'profiteer'! Let people and exchequer 'suffer'!!

<u>Claim</u> – Gujarat is an electricity surplus State.

<u>Reality</u> — Despite 8,641 MW production capacity with Gujarat government-owned power plants, they operate at an abysmally low level of 33% to 38% of their capacities over last three years.

<u>Who benefits</u> — Only four private power companies — Adani, ESSAR, Tata and China Light Power from whom expensive power is purchased at the cost of people of Gujarat.

Fact Check of Profiteering, Loss to Exchequer & Spiraling Electricity Prices

- 1. Between the years 2002-2016 (Shri Narendra Modi was CM during 2002-14), Gujarat government purchased electricity worth a mind boggling Rs.62,549 crore from four private power companies. This is the highest private power purchase in India for a Gujarat-sized State.
- 2. Culture of 'Crony Capitalism' perpetuated, propagated and promoted by BJP government can be gauged from the fact that in last three years alone (2013-14 to 2015-16), BJP government purchased electricity worth Rs.26,195 crore from the four private power companies. Please see the Chart below:-

Year	Power Purchased (in crores)				
	Adani	ESSAR	Tata	China Light Power	
2013-14	3471	1574	2551	612	
2014-15	3583	1717	2946	669	
2015-16	3842	1551	2994	685	
Total	10,896 crore	4,842 crore	8,491 crore	1,966 crore	

3. As people's money was being squandered, Gujarat Power Plants were running at a deplorable low capacity of 33% to 38%. Please see the Chart below:-

Year	Production Capacity in Mega Watts		Percentage of Load Factor
2013-2014	6712	18518	33%
2014-2015	7765	22899	35%
2015-2016	8641	21844	38%

Gujarat government is only producing 3,283 MW power from government power plants against the installed capacity of 8,641 MW. As against this, percentage of load factor i.e. power production from government-owned plants was double even 22 years ago when Congress demitted power in Gujarat. In 1991-92, it was 57%. In 1992-93, it was 61.6%. In 1993-94, it was 60.4%.

Incidentally, government-owned installed power capacity was 4,345 MW when Congress demitted power in 1995 in Gujarat. Based on above actual production, it can be seen that 22 years after coming to power, government-owned plants are producing even less electricity than the installed power production capacity of the year 1995. This proves the systematic undermining of power infrastructure by BJP in the State.

4. Shockingly, BJP government of Gujarat has been purchasing power from private companies at unimaginably high rates of Rs.24.67 per unit as the government-owned NTPC was supplying electricity to it at rates of Rs.2.88-Rs.3.17 per unit. Please see Charts below:-

Purchased from China Light and Power India Pvt. Ltd.

Year	Power Purchased in Million Units		Rate paid Per Unit
2012-13	1368	Rs.1116/-	Rs.8.15
2013-14	248	Rs.612/-	Rs.24.67
2014-15	283	Rs.669/-	Rs.23.63
2015-16	874	Rs.685/-	Rs.7.83

Purchased from NTPC

Year	Power Purchased in Million Units		Rate paid Per Unit
2012-13	15322	Rs.4033/-	Rs.2.63
2013-14	13920	Rs.4416/-	Rs.3.17
2014-15	16364	Rs.5135/-	Rs.3.13
2015-16	17484	Rs.5036/-	Rs.2.88

On the contrary, National Tariff Policy, 2006 decided by the then Congress government warrants that electricity can only be purchased through competitive bid offer. Stark difference in prices between private power company and NTPC itself tells the story.

As electricity prices spiral making it unaffordable for the ordinary Gujaratis, the saga of management, bungling and corruption is out in the open.

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