

Bill No. 157 of 2019

THE PROVISION OF UNINTERRUPTED POWER SUPPLY TO INDUSTRIES IN
BACKWARD AREAS BILL, 2019

By

SHRIMATI RAMA DEVI, M.P.

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BILL

to provide for uninterrupted power supply to the industrial units operating in the industrially backward areas of the country by the Central Government to ensure the overall industrial development of such areas and for matters connected therewith.

BE it enacted by Parliament in the Seventieth Year of the Republic of India as follows:—

1. (1) This Act may be called the Provision of Uninterrupted Power Supply to Industries in Backward Areas Act, 2019.

Short title,
extent and
commence-
ment.

5 (2) It extends to the whole of India.

(3) It shall come into force at once.

2. (1) In this Act, unless the context otherwise requires:

Definitions.

(a) "appropriate Government" means in the case of a backward State, the Government of that State and in all other cases, the Central Government;

10 (b) "backward area" means an area notified by the appropriate Government under section 3, which does not have the requisite industries proportionate to the size and population of the area;

(c) "industry" means an industry as defined in the Industrial Disputes Act, 1947; 14 of 1947.
and

(d) "prescribed" means prescribed by rules made under this Act.

(2) Words and expressions used but not defined in this Act and defined in the Electricity Act, 2003 shall have the meaning assigned to them in that Act. 5 36 of 2003.

Appropriate Government to notify Backward Areas.

3. The appropriate Government shall, within six months of the commencement of this Act, notify the backward areas within its jurisdiction in such manner as may be provided.

Appropriate Government to maintain uninterrupted power supply of Industries.

4. (1) The appropriate Government shall provide uninterrupted power supply to the industrial units operating within the territorial jurisdiction of a notified backward area in such manner as may be prescribed. 10

(2) For the purposes of sub-section (1), the Central Government may, if it deems necessary so to do invite and promote private sector in establishing power generating units exclusively for the industrial sector in the notified backward areas.

Appropriate Government to establish new generating stations exclusively for the Industries.

5. The appropriate Government shall establish such number of new electricity generating stations as it may deem necessary, from time to time, exclusively for providing uninterrupted power to the industrial units operating within its territorial jurisdiction. 15

Central Government to carry out investigation and collect data about the power availability to Industries in the country.

6. The Central Government shall, from time to time, carry out investigations and collect and record the data concerning the generation, distribution and utilisation of power throughout the country meant for the industrial sector and submit an annual report, in such form and in such manner as may be prescribed and cause the report to be laid before both the Houses of Parliament, as soon as may be, after it is received by him. 20

Central Government to provide funds.

7. The Central Government shall, after due appropriation made by Parliament by law in this behalf, provide, from time to time, adequate funds for carrying out the purposes of this Act.

Savings.

8. The provisions of this Act shall be in addition to and not in derogation of any other law for the time being in force. 25

Power to make rules.

9. (1) The Central Government may, by notification in the Official Gazette, make rules for carrying out the purposes of this Act.

(2) Every rule made under this Act shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or both the Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under the rule. 30 35

STATEMENT OF OBJECTS AND REASONS

Industries are the backbone of every economy and the development of a country depends upon the development of its industries. A strong economy requires good industrial base. A developing country like ours needs a very solid industrial base in the modern globalisation period to face the stiff competition in the world market. Apart from the national level, industries are very vital at the State level also in a federal polity like ours to have a balance at the State and National level. But at present in our country some States are industrially backward. Take for instance the States of Bihar and Jharkhand and which having 40 per cent of the country's wealth but industrially it is the most backward area of the Union. Such backward States need rapid industrialisation but for a good industrial base one requires infrastructure like electricity, raw material, latest technology, trained technicians, cheap labour etc. apart from all round dedication for growth. But in our country unfortunately the basic requirement like power is not available in abundance which is hampering industrial growth. For instance the overall power generation is short due to poor performance of all the regions of the country during the period. The situation is more alarming in industrially backward areas like Bihar, Jharkhand and North-Eastern States. Apart from poor performance and less utilisation of installed capacity by State Electricity Boards whatever energy is generated, major share of it is consumed by domestic and agriculture sectors. The Industrial Sector is always left to fend itself. So in the absence of uninterrupted electricity supply a number of industrial units have to close down in the recent past. For example hundreds of Electric Arc furnaces which require uninterrupted electricity supply have been closed down in various parts of the country. It has left thousands of workers jobless and affected the production targets. Similar was the fate of other industries also.

According to Reserve Bank of India report as at the end of March 1991 there were 223809 sick/weak industries, both SSI and non-SSI with outstanding Bank credit of Rs. 10767.82 crores and majority of them were in backward States. Shortage of power was one of the reasons for the sickness/weakness of these industries. As such we have to give top-most priority to electricity generation for the survival and development of our industries particularly in the industrially backward State like Bihar etc. Hence it is proposed that it should be made obligatory for the Central Government to maintain uninterrupted power supply to the Industrial units of the country in general and of backward areas in particular. For this purpose the Government may involve the private sector and also establish power stations exclusively for the industrial sector in such States. The Central Government should also make adequate funds available for this purpose.

Hence this Bill.

NEW DELHI;
June 26, 2019.

RAMA DEVI

FINANCIAL MEMORANDUM

Clause 4 of the Bill provides that the appropriate Government shall provide uninterrupted power supply to the industrial units operating in notified backward areas. Clause 5 provides that the appropriate Government shall establish new electricity generating stations within its territorial jurisdiction. Clause 7 provides that the Central Government shall provide adequate funds for carrying out the purposes of this Bill. The Bill, therefore, if enacted, will involve expenditure from the Consolidated Fund of India. It is estimated that a sum of rupees two thousand crore would be involved as recurring expenditure per annum from the Consolidated Fund of India.

A non-recurring expenditure of rupees one thousand crore is also likely to be involved.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 9 of the Bill empowers the Central Government to make rules for carrying out the purposes of this Bill. As the rules will relate to matters of detail only, the delegation of legislative power is of a normal character.

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to provide for uninterrupted power supply to the industrial units operating in the industrially backward areas of the country by the Central Government to ensure the overall industrial development of such areas and for matters connected therewith.

(Shrimati Rama Devi, M.P.)