

OFFICE OF THE LEADER OF OPPOSITION

Gujarat Vidhansabha, Gandhinagar.

Press Note

5th January, 2011

When it comes to power sector, it is only hollow talks and no action.

In Power sector alone, Modi government claimed to have attracted investments through 31 MOUs worth Rs. 2,11,895 crore that would generate employment for over 58,000 people! This was announced by the State government in 2009 vibrant gujarat summit. However none of these 31 MOUs have translated anything for the state and people of Gujarat. Rather, these companies have used Vibrant Gujarat as a platform to inflate their share values and attract financial institutions for more funding. Also, there have been cases of land grabbing through such project announcements.

Leader of the Opposition Shaktisinh Gohil has said that Modi has used this capital intensive industry that is power sector to blow up his investment figures.

Mr. Gohil said that despite the so called 'interests' expressed by the large number of companies during Vibrant Gujarat summits, it is important to note government of Gujarat end up tying up with Adani and Essar only !

Either the companies coming forward to sign MOUs are coming for the sake of just announcements only and to take undue advantage of the state resources or Adani and Essar are too influential that they block entry of others !

It is pertinent to note that the Gujarat High Court had observed t how the GUVNL, energy department have colluded with Adani group to weed out other bidders from the competition in power sector in the state.

Despite signing PPA with the state, Adani group had backed out from supplying power at cheap rates under PPA. However, after the Congress party raised the issue in the assembly in last budget session, Gujarat government was forced to fight the case and GERC has ruled against the Adani group.

Mr. Gohil also said that in a bid to give business through under table dealings, Modi government has already tied up for more than necessary power. Today we stand at a juncture where we will have to pay crores of rupees to the companies like Essar and Adani even if we do not buy power from them tomorrow.

Modi government is still planning and inviting companies to sign more power purchase agreement in the name of green energy promotion.

Here are some of examples of MOUs signed and nothing being done in the power sector.

I challenge the Gujarat government to give an explanation for this. If the CM represents the Common Man, he should come forward and join me for a public debate to discuss the status of these MOUs which simply exist on paper and are used to boost up the megalomaniac's image and public perception.

We must not forget that Gujarat has already been allotted one ultra mega power project by the central government.

Gujarat is set to get more than 4000 MW power from UMPP that is being commissioned by Tata power in Mundra Kutch. The state has more than necessary power and still it is talking about more projects, which is an eye wash for the people of the state as it allows more corruption and under table dealings. Let's not forget that energy department and sector are the epicenter of corruption in this government.

Details of MOUs in the Energy Department

MOU Companies	Amount of Investments	Present Position
Abhinav Steels	Rs 1,250 crore	Not a single line on MOU's with Gujarat, not even word Gujarat mentioned on this website
Universal Success Enterprise	Rs 50,000	Mother of all the fraudulent announcements. It has not invested even 1% (500 crore) of its promised amount in VGGIS 2009. Neither employed even 150 people.
Adani Power	Rs 12,550 crore	No plans emerging on Dhandhuka and Dahegam while government gave away land for free for Mundra project. Now, Adani don't want supply electricity to Gujarat consumers
Antai Balaji	Rs 75 crore	No website
Avantha Power	Rs 6,000 crore	What is the status of 660X2 units proposed units at Amreli?
Balaji Group	900 crore	Has it acquired land and environment clearance? Where are the promoters from?
Canasia Power Corporation	6,500 crore	It didn't try for long term PPA with GUVNL. Was it just an announcement or the Canada based company was confident of not getting deal with Govt promoted venture because of competition from Modi's favorite power players?
GMR Energy	10,000 crore	The company is learnt to have wind up its plans for Gujarat. It also didn't expressed any interests in selling power to GUVNL under long term PPAs.
GSEC & GSPC	19600 crore & 7,000 crore	Saurabh Dalal himself told Engineers Association of GEB in Surat last month that Gujarat has access power and there are no buyers. What is the need for GSEC and GSPC to burn such money? Action should be initiated against GUVNL, GSEC and GSPC top brass for waste of public money or conspiring with Modi government for fake claims and misleading people of Gujarat.
Indian Power Corporation	6600 crore	The company claimed to be setting up power project in AHMEDABAD CITY!!!! Where?
Jagadhguru Technology Services	500 crore	Has this company acquired land and environment clearances? It does not even have its own website!
JSW Energy	7000 crore	The company made this announcement and raised sizable funds from the market through IPO in 2009. But we are yet to witness any concrete initiatives.
L&T Power Development	15,000 crore	In exchange of this announcement GSPC gave orders worth crores to L&T for its KG Basin project, which is already incurring losses due to corruption. L&T Power Development has not invested even 1,500 crore for power generation in Gujarat
MOU Companies	Amount of	Present Position

	Investments	
OPG Power Gujarat	12,000 crore	In how many years OPG Power is going to invest this much money in power projects? It has a negligible presence in Kutch. Does OPG Power has strength to raise Rs 12000 crore?
Patel Energy Limited	Rs 2,200 crore	It is learnt to be interested in working in Tamil Nadu and no concrete plans in Gujarat yet
Rachana Group	Rs 9,200 crore	No work initiated yet, it remains just an announcement
Reliance Cementation	Rs 1,500 crore	No work initiated yet
Responsive Ind	Rs 10,000 crore	No work initiated yet, company focusing on its core business activities in vinyl, PVC
SHAPOORJI PALLONJI & CO	Rs 10000 crore	It has no plans to invest more than Rs 5,000 crore. It is commissioning 800 mw project to supply power to GUVNL
Shyam Century Infra	Rs 5,400	It is developing project in Chhattisgarh and so far no progress in Gujarat.
Sterling Power SEZ	Rs 800 crore	Yet another multi-crore announcement from Sterling Group but yet to move any of its power projects
Torrent Power	Rs 10,500 crore	It is planning project in Dahej SEZ and Surat (SUGEN). Torrent has no immediate plans to commission any other facilities in Gujarat. It is yet another fake announcement to please the state government for land grabbing and inflate share value
Tuff Energy	Rs 3,930 crore	No work initiated yet
Videocon	Rs 3,000 crore	Videocon is contemplating a power project in Gujarat for almost five years now. But it has just acquired land and has not done any ground activities yet. The company has used VGGIS platform just to inflate its share price by making same announcement again and again.

 To,
 The Editor,

Hon'ble Leader of Opposition has requested to kindly publish this press note in your esteemed newspaper.

(J. J. Rasia)
 Personal Assistant