

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:215

ANSWERED ON:22.02.2001

FRESH AGREEMENT WITH ENRON REGARDING DABHOL POWER PROJECTS

AJAY CHAKRABORTY;BASUDEB ACHARIA;PAWAN KUMAR BANSAL;RAMJI LAL SUMAN;SADASHIVRAO DADOBA
MANDLIK;ZORA SINGH MANN

Will the Minister of POWER be pleased to state:

- (a) whether the Maharashtra State Electricity Board (MSEB) has defaulted the payment of bills to Enron from October, 2000;
- (b) if so, the details thereof;
- (c) whether the Enron has approached the Union Government asking to clear the dues as per the counter guarantee signed by the Government;
- (d) if so, the details and Government's decision thereon;
- (e) whether the Government have entered into a fresh agreement with Enron regarding Dabhol Power Project; and
- (f) if so, the details along with the power purchase agreement and the counter guarantee?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER(SHRIMATI JAYAWANTI MEHTA)

(a) & (b) : M/s. Dabhol Power Company (DPC) promoted by Enron, had on 25.1.2001 invoked the Guarantee given by the Government of Maharashtra (GOM) for recovery of an outstanding sum of around Rs.89 Crores towards the bill raised by DPC on Maharashtra State Electricity Board (MSEB) pertaining to November, 2000. It has subsequently been informed by MSEB that they have since paid the entire outstanding dues to DPC towards the bill for November, 2000. GOM have also informed that an outstanding sum of Rs.152 crores is now to be paid by MSEB to DPC on account of the bill for December, 2000 for which DPC have made a demand from GOM under the GOM Guarantee.

(c) & (d) : DPC had invoked the guarantee given by Government of India (GOI) by placing a demand under the provisions of the said GOI guarantee for recovery of the outstanding dues from MSEB pertaining to the bill for November, 2000 due to failure by GOM as the primary guarantor to make the said payments to them under the GOM guarantee. As stated above, MSEB have since paid the entire outstanding dues to DPC towards the bill for November, 2000.

(e) : No, Sir.

(f) : Does not arise.