

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:3616
ANSWERED ON:17.04.2000
REBIDS FOR EQUIPMENT CONTRACTS
M.V.CHANDRASHEKHARA MURTHY;NARESH KUMAR PUGLIA

Will the Minister of POWER be pleased to state:

- (a) : whether the attention of the Government has been drawn to the news-item captioned `NTPC decided to ignore Ministry on rebid' appearing in the Business Standard dated March 6, 2000;
- (b) : if so, the facts of the matter reported therein;
- (c) : whether the National Thermal Power Corporation have been violating the advice of the Union Ministry for rebids for equipment contracts for some gas based power projects; and
- (d) : if so, the facts and details in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER

(SHRIMATI JAYAWANTI MEHTA)

(a) : Yes, Sir.

(b) to (d) : National Thermal Power Corporation Ltd. (NTPC) had drawn up an expansion plan for four gas based projects, viz. Kawas CCPP-II, Jhanor-Gandhar CCPP-II, Anta CCPP-II and Auraiya CCPP-I of a capacity of 650 MW each aggregating to 2600 MW targeted for commissioning within the 9th Plan period. The bidding process for these projects were initiated by NTPC during 1998 and till date the bids could not be finalised due to various technical reasons and non-responsive bid. As the projects are of vital national importance, government is anxious that no further time in implementing these projects is lost due to various operational reasons.

NTPC was accordingly advised by the Ministry in the public interest to finalise the bids by negotiating with the bidders on the basis of a legal opinion taken from the Additional Solicitor General. However, NTPC, taking into account certain major deviations on various specifications and requirements, treated both the bids as non-responsive and decided to rebid. Government has left the matter to the NTPC Board being a Navratna Company for a decision. A review of bidding conditions has been undertaken by NTPC and rebidding is being done by providing adequate time to the bidders for better competition and response.