

**GOVERNMENT OF INDIA  
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES  
LOK SABHA**

UNSTARRED QUESTION NO:3313

ANSWERED ON:15.04.2010

DELAY IN SUPPLY OF POWER EQUIPMENTS BY BHEL

Singh Chaudhary Lal

**Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:**

- (a) whether there has been inordinate delay in supplying power equipments to power companies/projects by BHEL;
- (b) if so, the details thereof and the reasons therefor; and
- (c) the steps taken//being taken by the Government in this regard?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI ARUN YADAV)

(a) & (b): Out of 78,577 MW power capacity addition planned during the 11th Plan period, Bharat Heavy Electricals Limited (BHEL) has been entrusted with the installation of 43,173 MW capacity power projects.

BHEL's scope of supply for major portion of this capacity addition is limited to design, engineering, manufacture, supply, erection & commissioning of Boiler, Turbine Generator (BTG) & Auxiliaries packages only. The remaining portion including all Civil works & several sub-systems of Balance of Plants (BoPs) like Coal Handling Plant, Ash Handling Plant, DM Plant, Switchyard etc. are under project developer scope.

The setting up of power plant is a complex process and is dependent on the performance of several players. The developer has to provide several inputs starting from making available encumbrance free land, civil work including foundations, raw water, construction power etc. using which the equipment supplied by BHEL is to be erected and commissioned. Several other Balance of Plant (BOP) vendors have to supply equipment like coal and ash handling systems, water systems, cooling towers etc.

Further, while executing the projects, on several occasions the specifications undergo change, leading to delays. Activities to be undertaken by BHEL are pre-approved by the customer which takes considerable time due to involvement of consultants appointed by the customers. Even qualification requirements of BHEL vendors are approved by such consultants.

There have been some delays in supplies from BHEL mainly due to non availability of critical castings and forgings of alloy steels, pipes and fittings and CRGO steel sourced from limited number of foreign vendors. Infrastructure inadequacies with respect to roads, ports, rail links coupled with limited indigenous capacity & capability for Balance of Plant (BoP) equipment; limited number and capacity of qualified construction contractors and erection agencies in the country for taking up construction of large power plants in civil, mechanical, electrical works ; shortage of skilled manpower for specialized jobs like high pressure welders, fitters etc. also contribute to the delays.

(c) The Department of Heavy Industry closely monitors the progress in implementation of projects by BHEL to ensure that in spite of delays due to various factors BHEL puts in adequate extra efforts to minimize the slippages in commissioning of the projects.