

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:5074
ANSWERED ON:27.08.2010
JHAJJAR THERMAL POWER PROJECT
Sardinha Shri Francisco

Will the Minister of POWER be pleased to state:

- (a) whether any foreign firm has won a competitive bid for the 1320 MW Jhajjar Thermal Power Project in Haryana by quoting an aggressive price;
- (b) if so, the details thereof;
- (c) whether many other low cost foreign companies are active in the power equipment sector and are striking alliances with Indian Power Utilities and manufacturers to keep a growing domestic market;
- (d) if so, the details thereof; and
- (e) the steps taken by the Government to encourage domestic companies to fight the aforesaid competition?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER(SHRI BHARATSINH SOLANKI)

(a) & (b) : M/s CLP Power India Pvt. Ltd., a 100% subsidiary of M/s CLP Holdings Ltd, Hong Kong, emerged as successful bidder for development of 1320 MW Jhajjar Thermal Power Project in Haryana. The Haryana Power Generation Company Ltd. has informed that no aggressive price has been quoted and prices are in line with those quoted by domestic Companies. The Letter of Intent (LoI) was placed on 23rd July, 2008.

(c) & (d) : As per information available with the Central Electricity Authority(CEA) power utilities have been sourcing power equipment from domestic as well as foreign manufacturers based on their techno-economic evaluation.

Indigenous manufacturing capacity of power equipment is being increased through augmentation of manufacturing capacity of Bharat Heavy Electricals Limited (BHEL) and promoting Joint Ventures for manufacturing of supercritical equipment in the country. BHEL is increasing its capacity to 20,000 MW per annum which would include manufacturing capacity of about 13,500 MW for large size thermal units. Besides, new joint ventures have been /are being formed for setting up manufacturing facilities for supercritical units in the country. Planned manufacturing capacity envisaged by these ventures is of the order of 11,000 MW per annum for supercritical boilers and 12,000 MW per annum for supercritical turbine-generators for large size thermal units.

(e) : Government has taken following steps to encourage domestic companies engaged in manufacture of equipment :

1. Planning Commission had set up a Committee headed by Member(Industry),Planning Commission to suggest options and modalities to take care of the disadvantages suffered by the domestic industry related to power sector. The Committee has since submitted its report.
2. In order to provide initial orders to indigenous manufacturers of supercritical units in the country, Government has approved bulk tendering for eleven (nine of NTPC and two of DVC) 660 MW units, with the mandatory condition of setting up manufacturing facility in India for manufacturing of Boiler and Turbine generators in accordance with Phased Manufacturing Programme.
3. CEA has issued an advisory to the Central and State sector power utilities to consider incorporation of the condition of setting up phased indigenous manufacturing facilities in the bids to be invited till 2012 for boilers and turbine generators of super-critical projects.