

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

UNSTARRED QUESTION NO:2009

ANSWERED ON:11.08.2011

DELAY IN SUPPLY OF EQUIPMENTS BY BHEL

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

- (a) whether the power plants set up with chinese gear have shown better performance than those using equipments supplied by State-run Bharat Heavy Electricals Limited (BHEL);
- (b) if so, the details thereof;
- (c) whether the BHEL was given contract to maintain and supply equipments for the UP State-public sector power plants;
- (d) if so, the details of the MoU signed in this regard;
- (e) whether there have been delays on the part of BHEL in fulfilling the supply and maintenance commitments;
- (f) if so, the reasons therefor; and
- (g) the steps being taken to meet the commitments expeditiously?

Answer

MINISTER OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI PRAFUL PATEL)

(a) & (b): No Madam. Power plants set up with Chinese equipment have not shown better performance than those using equipments supplied by Bharat Heavy Electricals Limited (BHEL).

In fact, Chinese supplied equipment have inferior heat rates (efficiencies) and the auxiliaries consume more power than that of BHEL. Secondary fuel oil consumption is also more. The time taken from synchronization to Commercial operation is much more than BHEL equipment. Average Plant Load Factor (PLF) for the last three years of Chinese make units is as low as 68% as compared to BHEL's 79%. Operational Availability of Chinese make units has also been low as compared to BHEL make units. These facts have been substantiated in the report of visit of CEA/ NTPC team to China in March 2009, independent reports by JM Financials and CLSA Asia-Pacific Markets as well as records available with CEA.

(c): BHEL has not been given contract to maintain power plants of Uttar Pradesh State–Public Sector. However, BHEL has received orders for Renovation & Modernisation (R&M) of thermal power plants of Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd. (UPRVUNL) including supply of equipments for:

- (i) Obra TPS - R&M and Uprating of 5x200 MW Unit # 9 to 13,
 - (ii) Harduaganj TPS- R&M and Uprating of 1x110 MW Unit # 7, and
 - (iii) Obra TPS- R&M of 2x100 MW Unit # 7 & 8.
- (d) to (g): Details are given at Annexure.