

**GOVERNMENT OF INDIA  
POWER  
LOK SABHA**

UNSTARRED QUESTION NO:4108  
ANSWERED ON:26.08.2011  
POLICY ON ULTRA MEGA POWER PROJECTS  
Pakkirappa Shri S.

**Will the Minister of POWER be pleased to state:**

- (a) whether the Government proposes to modify its policy on Ultra Mega Power Projects (UMPPs) to make domestic sourcing of equipment mandatory;
- (b) if so, the details thereof;
- (c) whether the domestic power supply equipment companies like Bharat Heavy Electricals Limited (BHEL) and Larsen & Toubro are not fully equipped to handle huge demand for super critical power generation equipment at this stage;
- (d) if so, the details thereof; and
- (e) the time by which final decision in regard to modifying the policy on UMPPs is likely to be taken?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI K.C. VENUGOPAL)

(a) & (b): The Ministry of Power had put up a proposal to Empowered Group of Ministers (EGoM) on Ultra Mega Power Project (UMPP) for stipulating a condition for sourcing main plant equipment with a condition of phased domestic manufacturing (PMP) for future UMPPs. EGoM has set up a committee under the Chairmanship of Member (Industry), Planning Commission for looking into the details and work out the modalities in this regard. The committee had three meetings so far.

(c) & (d): In view of large capacity addition planned and initiatives taken for enhancing indigenous manufacturing capacity for supercritical units in the country, BHEL have taken up capacity augmentation programme and envisage to increase their manufacturing capacity to 20,000 MW (13500 MW for large thermal power units). In addition, one Joint Venture has been set up by L&T for manufacturing of supercritical boilers and another Joint Venture for manufacturing of supercritical turbine generators in the country.

(e): The final decision in regard to modifying the policies on UMPPs in this matter is contingent upon further deliberation and discussion by the Committee with all the stake holders.