

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

STARRED QUESTION NO:414
ANSWERED ON:04.05.2012
PURCHASE OF EQUIPMENT FOR UMPPS
Owaisi Shri Asaduddin

Will the Minister of POWER be pleased to state:

- (a) whether as per present practice, the Ultra Mega Power Projects (UMPPs) enjoy the benefits of assured coal mines linkage;
- (b) if so, the details thereof;
- (c) whether the Government proposes to make it mandatory for UMPPs promoters to buy certain percent of equipment from the domestic manufacturers;
- (d) if so, the present policy in this regard;
- (e) whether domestic manufacturers are facing stiff competition in regard to power equipment especially from China; and
- (f) if so, the details thereof?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF POWER (SHRI SUSHILKUMAR SHINDE)

(a) to (f): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (f) OF STARRED QUESTION NO. 414 TO BE ANSWERED IN THE LOK SABHA ON 04.05.2012 REGARDING PURCHASE OF EQUIPMENT FOR UMPPs.

(a) & (b): In Ultra Mega Power Project (UMPP) initiative, the pithead UMPPs are allocated captive coal blocks and the coastal UMPPs envisage supply of imported coal, to be tied up by the developer. In respect of awarded pithead projects (Sasan and Talaiya), coal blocks have been allocated by Ministry of Coal.

(c) & (d): No, Madam.

(e) & (f): As per the prevailing Government policy, the developer of a power project is free to choose the equipment either from foreign country (including China) or from domestic sources, leading to competition for domestic manufacturers.

As per information received from Central Electricity Authority (CEA), based on the details of orders for a shelf of thermal power projects of 104,000 MW for benefits in 12th Plan and beyond, it is seen that about 56000 MW has been ordered on domestic Manufacturers, about 48000 MW on foreign Manufacturers.