

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:5952
ANSWERED ON:11.05.2012
EPC CONTRACT BY DVC
Ajay Kumar SHRI

Will the Minister of POWER be pleased to state:

(a) whether the Damodar Valley Corporation (DVC) awarded certain Engineering Procurement and Construction (EPC) contracts on single tender basis for power projects in the country; and

(b) if so, the details thereof including the specifications for the EPC contract?

Answer

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

(a) : Yes, Madam. During 11th Plan Damodar Valley Corporation (DVC) awarded Main Plant Package contract for the following two projects on single tender basis to BHEL:

(i) Mejia Thermal Power Station (MTPS) Unit#7&8 - 1000 MW (2x500 MW), Distt.-Bankura, West Bengal.

(ii) Bokaro Thermal Power Station - `A` (BTPS-A) - 500 MW (1x 500 MW), Distt.- Bokaro, Jharkhand.

(b) : Project-wise details are given below :

(i) Mejia TPS Unit#7&8 - 1000MW (2x 500 MW)

A High Level Monitoring Committee constituted in the Ministry of Power for supply of power to Delhi to meet the demand of Commonwealth Games, 2010, in its first meeting dated 12.09.2006 identified MTPS Phase-II (2x500 MW units) for the same and also decided that the order may be placed on M/s BHEL through negotiated rate.

Accordingly, the price negotiation process was carried out with M/s BHEL in association with Central Electricity Authority (CEA). DVC placed order at a firm price of ` 3638 Crores concurred by CEA on M/s BHEL for package consisting of Boiler, T.G. and auxiliaries with all balance of plants (except CHP, water supply and other non-EPC packages) along with associated civil, structural and electrical systems.

(ii) Bokaro-A TPS - 500 MW (1x 500 MW)

DVC initially went for tendering for the Main Plant package through ICB route, where a single offer was received. In view of high price quoted by the bidder, DVC Board accorded cancellation of the tender and approved negotiation with BHEL in presence of CEA. Price negotiation with BHEL was carried out with the active participation of CEA and after prolonged negotiation in the presence of CEA, BHEL submitted their offer of ` 1840 Crores. Thereafter with approval of DVC Board, order was placed on BHEL on 16.06.2008.

Scope of the work included supply of equipment, Civil work & Structural and Architectural works services for erection, testing, trial run, commissioning, comprehensive insurance and services for Inland transportation.