

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:5867
ANSWERED ON:02.05.2013
INDIGENOUS EQUIPMENT FOR POWER PLANTS
Gowda Shri D.B. Chandre

Will the Minister of POWER be pleased to state:

- (a) whether indigenous equipment are being used in the setting up of power plants in the country;
- (b) if so, the details thereof;
- (c) whether there are any orders stipulating the extent of utilization of indigenous equipment in the setting up of power plants in the country;
- (d) if so, the details thereof; and
- (e) if not, the measures being taken/proposed to be taken by the Government to promote use of indigenous equipment in the setting up of power plants in the country?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF POWER (SHRI JYOTIRADITYA M. SCINDIA)

(a) : Yes, Madam.

(b) : Out of thermal generating capacity of 97125.3 MW and hydro capacity of 13419 MW which are under construction for likely benefit during the 12th Plan and beyond, thermal projects aggregating to 56185.3 MW and hydro projects aggregating to 11634 MW are being set up with equipments supplied by indigenous equipment suppliers.

(c) to (e) : In order to facilitate large power generation capacity addition programme currently under implementation, indigenous manufacturing of supercritical power equipment is being encouraged. BHEL have entered into technology collaboration agreements with M/s. Alstom (France) and Siemens (Germany) for manufacturing of supercritical boiler and turbine generators respectively. Several Joint Ventures like L&T with Mitsubishi, Bharat Forge with Alstom, JSW with Toshiba, BGR with Hitachi, Gammon with Ansaldo have been set up in the country for manufacturing of supercritical boilers & turbine generators with technology tie-ups from International manufacturers of supercritical equipments. Doosan has come to establish its manufacturing facilities on their own strength. With a view to encouraging domestic manufacturing of supercritical units, bulk orders for 11 supercritical units of 660 MW each for NTPC and DVC and 9 supercritical units of 800 MW each for NTPC have been approved by the Government. These bulk orders have mandatory stipulation as per pre-agreed Phased Domestic Manufacturing Programme (PMP). The roadmap for PMP has also been defined indicating milestones for setting up manufacturing facilities for boilers and turbine generators. Further with a view to supporting indigenous manufacturers of thermal power plants based on supercritical technology, Central Electricity Authority had advised Central/State sector power generating companies/utilities to incorporate the condition of setting up of PMP in the bids to be invited till October 2012 for super-critical boilers and turbine-generators.

Moreover, in order to compensate the disadvantages suffered by the domestic power equipment manufacturing industry on account of higher interest rates, local taxes and infrastructural inadequacies, create a level playing field to the domestic power equipment manufacturing industry vis-à-vis foreign vendors and promote self sufficiency in this vital sector, Government has levied Custom Duty @5%, Countervailing Duty (CVD) @12% (as applicable and equal to excise duty on domestic industry from time to time) & Special Additional Duty (SAD) @ 4% on the imported equipments of all categories of Power generation projects, viz., Mega Power Projects (including UMPPs) and non-Mega Power Projects.