GOVERNMENT OF INDIA POWER LOK SABHA

UNSTARRED QUESTION NO:4847 ANSWERED ON:18.12.2009 CONSTRUCTION WORK ON NTPC POWER PROJECTS

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Will the Minister of POWER be pleased to state:

- (a) whether an order for supplying power equipment to be used for National Thermal Power Corporation Limited (NTPC) was placed with a foreign company named Technopromexport (TPE);
- (b) if so, the details thereof;
- (c) whether any fraudulent practices have been reported in the contract;
- (d) if so, the details thereof, investigations made therein and the outcome thereof; and
- (e) the likely effects on all the projects of NTPC viz to be tendered, under construction/being commissioned, ongoing, etc.?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER(SHRI BHARATSINH SOLANKI)

- (a) to (d): An order for supply of Steam Generator Package (Boiler Package) for Stage-I (3x660 MW) of Barh Super Thermal Power Project of NTPC Ltd. was awarded on M/s. TPE on 14-03-2005 through International Competitive Bidding (ICB) at a cost of equivalent Indian Rs.2066 Crores.
- CBI has registered a criminal case in connection with award of the contract to M/s. TPE. CBI vide letter No. RC/DAI/2006/A/0006/8279 dated 30-06-2009 to NTPC Ltd. has informed that a case had been registered under Section 120-B IPC read with Sections 7, 8, 13(2) r/w 13(1)(d) of PC Act, 1988 regarding the illegal gratification in the case of award of contract to TPE of Russia by NTPC. CBI's investigation has revealed that approximately Rs.103.00 crores were transferred by TPE, Russia to M/s. Ravina & Associates Pvt. Ltd. as a commission for agent services. CBI suggested NTPC for a suitable action as per the tender conditions and the contract. The investigation of the case is in progress.
- (e): It has been reported by NTPC Ltd. that other projects, of NTPC will not be affected by the above situation.