

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:1874
ANSWERED ON:04.12.2014
IMPORT POLICY FOR POWER EQUIPMENTS
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Will the Minister of POWER be pleased to state:

- (a) whether use of Chinese power generation equipments has increased in comparison to the indigenously manufactured equipments during the last few years;
- (b) if so, the details thereof along with the reasons therefor;
- (c) whether Central Electricity Authority had conducted any evaluation in regard to the performance of Chinese power generation equipments in comparison to the indigenously manufactured equipments;
- (d) if so, the findings thereof;
- (e) whether the Government proposes to make any changes in policy for power equipments; and
- (f) if so, the details thereof along with the steps taken/being taken by the Government to keep the cost of equipments required for the ultra mega power projects under control and to decrease the dependence on imported power equipments in the country?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) FOR POWER, COAL AND NEW & RENEWABLE ENERGY (SHRI PYUSH GOYAL)

(a) & (b) : The percentage imports of power generation equipment (main plant equipment) from China has stabilised during the last few years. Out of total thermal generation capacity of 48,540 MW commissioned in 11th Plan, main plant equipment for 18,187 MW was imported from Chinese manufacturers. During 12th Plan, Main plant equipment for 18,770 MW out of total thermal capacity added of 46,563 MW was supplied by Chinese manufacturers. Out of total thermal capacity of about 87837 MW under construction, main plant equipment for about 30275 MW are being supplied by Chinese manufacturers. This is showing a downward trend in percentage terms.

(c) & (d) : Central Electricity Authority (CEA) took up a study to analyse the performance of Chinese equipments vis-a-vis Indian equipments. The salient conclusions emerging out of the study are as follows:

Both Chinese and BHEL units have adequate flow margins over maximum continuous ratings except Chinese 330 MW units.

The Operating Load Factor of Chinese stations based on indigenous coal were lower than BHEL units. The Operating Heat Rate (OHR) of Chinese indigenous coal based units was higher than BHEL units.

The BHEL units showed remarkably better performance with respect to Secondary Fuel oil consumption as compared to Chinese units based on indigenous coal

However, the operating Load Factor, operating Heat Rate and Secondary Fuel oil consumption of Chinese units based on Imported coal were better than BHEL units based on domestic coal

(e) & (f) : With a view to encourage domestic suppliers and provide orders to them, bulk orders for 11 nos. 660 MW supercritical units for NTPC and DVC and 9 nos. 800 MW supercritical units for NTPC were approved by the Govt. and have been undertaken by NTPC. These bulk orders are with mandatory requirement of indigenization of manufacturing of supercritical units by the successful bidders as per a pre-agreed Phased Manufacturing Programme (PMP).

An advisory has been issued by Central Electricity Authority to all Central/State sector power generating companies that, with a view to encourage indigenous manufacturing of thermal power plants based on supercritical technology, they may incorporate the condition of setting up of phased indigenous manufacturing facilities, in the bids to be invited for boilers and turbine-generators of supercritical projects. The Advisory is valid upto October, 2015.

To promote use of indigenous power equipment in the bidding of Ultra Mega Power Projects (UMPPs), Govt. of India has made a mandatory condition for bidders to procure the boilers, turbines, and generators from manufacturing facilities situated in India and owned and operated in India by an Indian company, a foreign company or a joint venture between an Indian and foreign company.

