# GOVERNMENT OF INDIA MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES DEPARTMENT OF HEAVY INDUSTRY

#### RAJYA SABHA STARRED QUESTION NO.46 TO BE ANSWERED ON 03.12.2015

#### MoU signed by BHEL

\*46. SHRI TAPAN KUMAR SEN:

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

- (a) the details of MoU signed by Bharat Heavy Electricals Limited (BHEL) in the last three years; and
- (b) whether Government is taking initiatives to increase order to BHEL, if so, the details thereof?

#### **ANSWER**

### MINISTER OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI ANANT G. GEETE)

(a) & (b): A statement is laid on the Table of the House.

Statement referred to in reply to Rajya Sabha Starred Question No. 46 for answer on 03-12-2015 regarding "MoU signed by BHEL" raised by Shri Tapan Kumar Sen.

- (a): The details of various Memorandum of Understanding (MoU) signed by Bharat Heavy Electricals Limited (BHEL) during the last three years viz. 2012-13, 2013-14 and 2014-15 is given at Annexure.
- (b): Department of Heavy Industry (DHI), Ministry of Heavy Industries & Public Enterprises undertakes review meetings with BHEL on regular basis and through suitable interventions provides required support in taking up issues of the Company with other Government Agencies/ Departments/ Ministries/ customers etc. on case to case basis. In this regard, various inter-ministerial interventions by DHI have been taken up to enhance the competitiveness of BHEL and also aimed to improve its order book position, besides facilitating the domestic industry in general which operate in a globally stiff competitive environment. These interventions inter-alia include:
  - Pursuance for level-playing field to offset the disadvantages faced by the domestic power equipment industry including BHEL vis-à-vis foreign manufacturers / suppliers;
  - Successfully taking up of mandatory condition of domestic sourcing of main power plant equipment (viz. Boiler and Turbine Generator) as part of tender conditions for forth-coming Ultra Mega Power Projects (UMPPs);
  - Taking up for enablement of participation of BHEL in some specific cases of super-critical thermal power project tenders (floated by Central Utilities) without the requirement of Deed of Joint Undertaking (DJU) from technology providers/collaborators keeping in view the experience of BHEL in manufacture, supply and execution of utility power projects;
  - Taking up with Ministry of Defence for consideration of BHEL in partnership with Mishra Dhatu Nigam Limited (Midhani) and Hindustan Shipyards Limited (HSL) as a prospective bidder for the proposed P-75 (I) project of the Indian Navy for building of submarines;
  - Supply of locomotives and other traction equipment by BHEL to the Indian Railways;
  - Show-casing of BHEL capabilities under "Make in India" initiative;
  - Taking up specific request(s) for intervention in respect of funding support for overseas power projects including through Govt. of India Lines of Credit/grants.

Major Memorandum of Understanding (MoU) signed by BHEL during 2012-13, 2013-14 and 2014-15

## A. MoU between BHEL and Department of Heavy Industry, Ministry of Heavy Industries and Public Enterprises

| Year    | Date/Month | Purpose     | Brief details / Remarks                            |
|---------|------------|-------------|--|
|         | of signing |             |  |
| 2012-13 | 30.03.2012 | Performance | A negotiated agreement based on the Department     |
| 2013-14 | 25.03.2013 | parameters  | of Public Enterprises (DPE) Guidelines and in line |
| 2014-15 | 05/2014    | and targets | with the directions of the MoU Task Force          |
|         |            | of BHEL     | constituted by DPE inter-alia containing the       |
|         |            |             | performance parameters & targets for the Company   |
|         |            |             | for the respective financial year.                 |

## B. MoU between BHEL and BHEL-Electrical Machines Limited (BHEL-EML), Kasaragod (subsidiary of BHEL)

| Year    | Date/Month | Purpose     | Brief details / Remarks                               |
|---------|------------|-------------|---|
|         | of signing |             |   |
| 2012-13 | Not        | Performance | BHEL-EML was incorporated on 19 <sup>th</sup> January |
| 2013-14 | Applicable | parameters  | 2011 and categorised as a Schedule 'C' CPSE in        |
| 2014-15 | 25.06.2014 | and targets | December 2012. The first MoU of BHEL-EML              |
|         |            | for         | with BHEL based on the Department of Public           |
|         |            | subsidiary  | Enterprises (DPE) Guidelines and in line with the     |
|         |            |             | directions of the MoU Task Force constituted by       |
|         |            |             | DPE inter-alia containing the performance             |
|         |            |             | parameters & targets (for BHEL-EML,                   |
|         |            |             | Kasaragod) was taken up for the financial year        |
|         |            |             | 2014-15.  |

### C. Other MoUs

| Sl.<br>No. | Date/Month of signing | Other Agency /<br>Organisation | Brief details / Remarks                |
|------------|-----------------------|--------------------------------|--|
|            | 2012-13               |                                |  |
| <i>a</i> ) | Business rela         | ted co-operation               |  |
|            |                       |                                |  |
| 1.         | 10/2012               | Megha Engineering &            | For participation in Boiler, Turbine & |
|            |                       | Infrastructure Ltd.            | Generator (BTG) package for 1x525 MW   |
|            |                       | (ME&IL)                        | Tuticorin power project                |
| 2.         | 18.10.2012            | ATVP, Ministry of              | Development and supply of strategic    |
|            |                       | Defence                        | equipments                             |
| 3.         | 03.09.2012            | A Government Agency            | For setting up of 2x50 MW Hydro Power  |
|            |                       | of Tajikistan                  | Project in Tajikistan                  |

| Sl.<br>No. | Date/Month of signing | Other Agency /<br>Organisation   | Brief details / Remarks   |
|------------|-----------------------|--|---|
| 4.         | 11.07.2012            | Mabon Energy Limited,<br>Nigeria   | For Electro-mechanical package for a 2x20 MW Hydro Power Project in Nigeria   |
| <b>b</b> ) | Technology r          | elated co-operation  |   |
| 5.         | 01.11.2012            | DVS – German Welding<br>Society  | To carry out collaborative research work in materials joining, allied areas, training of welding personnel  |
| 6.         | 08.11.2012            | Japan Welding Research<br>Institute (JWRI), Japan  | To carry out fundamental research related to welding engineering & joining technology   |
|            | 2013-14               |  |   |
| <i>a</i> ) | Business rela         | ted co-operation   |   |
| 1.         | 09/2013               | Megha Engineering & Infrastructure Ltd. (ME&IL)  | For execution of Boiler, Turbine & Generator (BTG) package for 1x525 MW Tuticorin power project   |
| 2.         | 27.11.2013            | GE Global Sourcing India Pvt. Ltd.   | For association as an equity partner and supply of equipment and sub-assemblies to new mainline diesel locomotive factory at Marhowra, Saran District, Bihar for supply of diesel electric locomotives to Railways  |
| 3.         | 12.12.2013            | PipavavDefence Offshore Engineering Corporation Limited (PDOECL)   | Co-operation to leverage respective strengths and competencies for the mutual benefit - provide solutions to customers in various businesses having synergy of operations   |
| 4.         | 29.01.2014            | Solar Energy Corporation of India (SECI), Sambhar Salts Limited (SSL), Power Grid Corporation of India Limited (POWERGRID), Sutlej Jal Vidyut Nigam Limited (SJVNL) and Rajasthan Electronics and Instruments Limited (REIL) | For formation of a Joint Venture Company (JVC) for setting up of a Ultra Mega Solar Power Project (UMSPP) with a cumulative capacity of 4,000 MW in phases at Sambhar in Rajasthan on build, own and operate basis. |
| 5.         | 23.04.2013            | H.E. Power Limited,<br>Malawi  | Setting up of 2 - 4 MW Solar Photovoltaic<br>Power Plant in Malawi  |
| 6.         | 28.10.2013            | Skipper Nigeria Limited,<br>Nigeria  | For Boiler, Turbine & Generator (BTG) package for 3 power plants of 500 MW each in Nigeria  |

| Sl.<br>No. | Date/Month of signing | Other Agency /<br>Organisation  | Brief details / Remarks  |
|------------|-----------------------|---|--|
| 7 \        | <i>T</i> 1 1          | 7 . 7   |  |
| <b>b</b> ) | Technology r          | elated co-operation   |  |
| 7.         | 10.04.2013            | CSIR, New Delhi   | Leverage competencies of CSIR Labs for R&D - as per the need of BHEL   |
|            | 2014-15               |   |  |
| <i>a</i> ) | Business rela         | ted co-operation  |  |
| 1.         | 10/2014               | Telangana State Power<br>Generation Corporation<br>(TSGENCO)                        | Setting up of 6,000 MW of Thermal Power Plants in the State of Telangana   |
| 2.         | 17.11.2014            | GE Global Sourcing<br>India Pvt. Ltd.   | Revalidation of earlier MoU for association as an equity partner and supply of equipment and sub-assemblies to new mainline diesel locomotive factory at Marhowra, Saran District, Bihar for supply of diesel electric locomotives to Railways |
| 3.         | 26.12.2014            | Mishra Dhatu Nigam<br>Limited (Midhani) and<br>Hindustan Shipyards<br>Limited (HSL) | To form a consortium to jointly stake claim with the Ministry of Defence for being considered as a prospective bidder for the proposed P-75 (I) project of the Indian Navy for building of submarines  |
| 4.         | 12.01.2015            | Gujarat Energy Research & Management Institute (GERMI)                              | For promoting training of contractors for rooftop installations  |
| 5.         | 24.02.2015            | NEC India Private<br>Limited  | Jointly undertake market study related to: 1. Smart Energy; 2. Smart Water Solutions (including Water Treatment solutions); 3. Security & Surveillance Solutions   |
| 6.         | 04.04.2014            | Skipper Electricals India<br>Limited, India   | For prequalification in a Transmission Line<br>Project in Kenya  |
| 7.         | 17.04.2014            | McNally Bharat<br>Engineering Company<br>Limited, India                             | Setting up of 300 MW Thermal Power Plant in South Africa   |
| 8.         | 25.04.2014            | A Government Agency of Yemen  | Setting up of 50 MW and 1-2 MW Solar<br>Photovoltaic Power Plants at different<br>locations in Yemen   |
| 9.         | 04.06.2014            | A Government Agency of Burkina Faso   | For Electro-mechanical package for a 21 MW hydro-power project in Burkina Faso   |
| 10.        | 01.08.2014            | Tabas Coke Company,<br>Iran   | Setting up of a Waste Heat Recovery Steam<br>Power Plant (of minimum 40 MW) in Iran  |
| 11.        | 17.10.2014            | PT MerlasaktiAbadi&<br>PT Feedback Infra  | Setting up 30-45 MW Solar Power Project in Indonesia   |
| 12.        | 22.12.2014            | A Government Agency of Rwanda   | Setting up of a Hydro Power Plant in Rwanda  |

| Sl.        | Date/Month    | Other Agency /         | Brief details / Remarks                        |
|------------|---------------|------------------------|--|
| No.        | of signing    | Organisation           |  |
| 13.        | 17.03.2015    | A Government Agency    | Setting up of Hydro Power Plants in            |
|            |               | of Kyrgyzstan          | Kyrgyzstan                                     |
| 14.        | 26.03.2015    | PT Multi               | Setting up of 2 x 150 / 2 x 100 MW Coal        |
|            |               | FabriodoGemilang,      | Fired Power Plant in Indonesia                 |
|            |               | Indonesia              |  |
|            |               |                        |  |
| <b>b</b> ) | Technology re | elated co-operation    |  |
|            |               |                        |  |
| 15.        | 04.03.2015    | Central Institute for  | Consultancy in R&D projects in the areas of    |
|            |               | Plastics Engineering & | plastics, thermoplastics, nano-composites,     |
|            |               | Technology,            | fibres, ceramics and other relevant areas - as |
|            |               | Bhubaneswar            | per the need of BHEL                           |
| 16.        | 03/2015       | Indian Institute of    | Consultancy in R&D projects in the areas of    |
|            |               | Technology – at        | advanced materials for super-critical          |
|            |               | Chennai, Kanpur and    | applications, nano-materials, surface          |
|            |               | Delhi                  | coatings, robotics, acoustics, noise control,  |
|            |               |                        | turbo machinery, Computational Fluid           |
|            |               |                        | Dynamics (CFD), electrical machines,           |
|            |               |                        | cryogenics and similar other areas of          |
|            |               |                        | relevance to BHEL                              |

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