

ANN. II 0022

No.5/7/2004-ThII
Government of India
Ministry of Power

Shram Shakti Bhawan, New Delhi

Dated: 15th February, 2007

To
Shri T. Sankaralingam
CMD
NTPC Ltd.
Scope Complex, Lodi Road
New Delhi

Subject: 'Nabinagar Thermal Power Project (4x250MW) - Joint Venture of Railways & NTPC Ltd. - approval of CCEA reg.

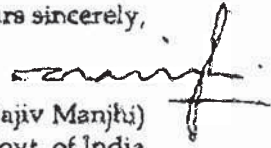
Sir,

I am directed to convey the approval of CCEA on the proposals contained in paragraph 15 of the Note moved by Ministry of Power. The proposals contained in paragraph 15 of the CCEA Note are reproduced below:

- Establishing a Joint Venture Company named Bhartiya Rail Bijlee Company Ltd. with head-quarter in the National Capital Region with seed capital of Rs.10 crores and authorized capital of Rs. 1605.75 crore with 74% NTPC Ltd. equity and 26% Railways equity, which will be set up and managed by NTPC whose nominee will be CEO / MD of the JVC. If and when the JV company needs any decision at the level of Government of India, Ministry of Power will also consult Ministry of Railways.
- Since the project capacity is 1000MW and power will be supplied in more than one State, the financial concessions/benefits available to Mega Projects by way of custom and excise duties exemptions, may be extended.
- Investment of Rs.5,352.50 crore including IDC & WCM (at IV Qtr 2006 price level) on mega project basis.
- One time relaxation of DPE's O.M. No. 18(24)/2003-GM-GL.64 dated 05/08/2005, and investment of Rs.1,188.26 crores by NTPC Limited and Rs.417.50 crores by Railways towards equity.

2. The approval of CCEA is subject to the modification that 10% of the power generated be earmarked for other users.

Yours sincerely,


(Rajiv Manjhi)

Under Secretary to the Govt. of India
Tel: 23719710