

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:2529
ANSWERED ON:09.12.2005
SPECIAL PURPOSE FUND
Dhotre Shri Sanjay Shamrao

Will the Minister of POWER be pleased to state:

- (a) whether the Gas Authority of India Ltd. (GAIL) and National Thermal Power Corporation (NTPC) have formulated/proposes to formulate a scheme for investing the funds to the tune of Rs.500 crore to set up a Joint Special Purpose Fund;
- (b) if so, the details thereof; and
- (c) the purpose for which it has been set up?

Answer

THE MINISTER OF INFORMATION & BROADCASTING AND MINISTER OF PARLIAMENTARY AFFAIRS(SHRI PRIYA RANJAN DASMUNSI)

(a) & (b) : Union Cabinet constituted an Empowered Group of Ministers (EGOM) to consider and decide all issues related to Dabhol Power Project. The restructuring framework approved by EGOM inter-alia included setting up of a Project `Special Purpose Vehicle` (SPV). Accordingly, a new Company, Ratnagiri Gas and Power Private Ltd. (RGPPL) was incorporated on 8th July, 2005 under the Companies Act, 1956 with NTPC and GAIL as promoters. RGPPL is currently having equity contribution of Rs.500 crores each from NTPC, Gas Authority of India Ltd. (GAIL) and Indian Financial Institutions (IFIs) and non-cash equity of Rs.265 crores of MSEB Holding Company.

(c) : The purpose of RGPPL inter-alia includes acquiring, completing and operating the assets of Dabhol Power Company (DPC).