

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:2276
ANSWERED ON:06.12.2012
EXPANSION PLANS OF NTPC
Sugumar Shri K.

Will the Minister of POWER be pleased to state:

- (a) whether the National Thermal Power Corporation Limited (NTPC) has made any initiative to expand its operations overseas;
- (b) if so, the details thereof and the reasons therefor;
- (c) the details of the joint venture operationalised in foreign countries; and
- (d) the action plan chalked out by the NTPC in this regard?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF POWER (SHRI JYOTIRADITYA M. SCINDIA)

(a) to (d) : Yes, Madam. NTPC has taken initiatives to set up power plants in the following countries through Joint Venture (JV) route:

1. Sri Lanka

Joint Venture Agreement has been signed on 6th September, 2011 with Ceylon Electricity Board (CEB), Sri Lanka for development of a 500 MW power project in Sri Lanka for supply of electricity to CEB.

Pursuant to signing of Joint Venture Agreement with CEB in Sri Lanka, a JV Company by the name of Trincomalee Power Company Limited (TPCL) has been incorporated in Colombo on 26th September, 2011 with equal equity (50:50) participation from NTPC and CEB for the development of 2x250 MW coal based power project in Trincomalee, Sri Lanka.

2. Bangladesh

Joint Venture Agreement has been signed on 29th January, 2012 with Bangladesh Power Development Board (BPDB), Bangladesh for development of a 1320 MW power project in Bangladesh. BPDB shall be 100% off-taker of power.

Pursuant to signing of Joint Venture Agreement with BPDB in Bangladesh, a JV Company by the name of Bangladesh-India Friendship Power Company (Pvt) Limited has been incorporated on 31st October, 2012, as per the laws of Bangladesh, for developing coal based power project(s) in Bangladesh with equal equity (50:50) participation from NTPC and BPDB.

The reason for expanding NTPC's operations overseas are as follows:

- (i) Investment in the SAARC region provides an opportunity for NTPC to set its global footprint.
- (ii) Leveraging this investment in Sri Lanka & Bangladesh, NTPC will not only earn dividend on its investment, it will also have opportunity for secondary source of revenue through Owner's Engineer and O&M Contracts undertaken for the JV project and it will be an opportunity for NTPC to earn foreign exchange.

In addition to above, Consultancy Wing of NTPC has taken assignments in the following countries:

Bangladesh

NTPC has received contract from Electricity Generation Company of Bangladesh Ltd (EGCB) for carrying out Operation and Maintenance Services for 2x120 MW Siddhirganj Peaking Power Plant-A (SPPP-A) for a period of six years in Bangladesh. NTPC is providing consultancy services to Bangladesh Power Development Board (BPDB) for feasibility studies for proposed coal based power projects of 2x660 MW capacity at Khulna and at Chittagong each. The assignment is currently in progress.

Bhutan

NTPC is providing consultancy services for preparation of Detailed Project Report (DPR) for 540 MW Amochhu Reservoir HE Project in Bhutan under Government of India initiative to develop 10,000 MW of Hydro Power in Bhutan.

Sri Lanka

NTPC is providing consultancy services to Trincomalee Power Company Limited (A JV Company between NTPC and Ceylon Electricity Board) for site selection, site specific studies and preparation of Feasibility Report for the 2x250 MW coal based power plant at Trincomalee.