

EXTRACT OF MINUTES OF THE 195TH BOARD MEETING OF NORTH
EASTERN ELECTRIC POWER CORPORATION LTD. HELD ON 1ST APRIL
2013, AT SHILLONG

AGENDA NO: 195.11

**MOBILIZATION OF ₹600.00 CRORE FOR THE TRIPURA GAS BASED
POWER PROJECT (101 MW) AND THE AGARTALA GAS TURBINE
PROJECT - EXTENSION (46 MW) IN THE FORM OF COMMERCIAL
BORROWINGS**

Director (Finance) presented the agenda and explained its background. It was informed that the approved Revised Cost Estimate (RCE-I) dated 23rd February, 2011 for Tripura Gas Based Power Project at Monarchak, Tripura was ₹623.44 crore with a Debt-Equity Ratio of 70:30 and the completion cost at November, 2009 price levels was estimated at ₹706.24 crores. Subsequently, on 1st March, 2013, a proposal for revision of the cost estimate to ₹960.79 crores (RCE-II) on the basis of Dec. 2012 price levels was submitted to the Ministry of Power. The Agartala GTP - Extension was approved at a cost of ₹296.87 crore vide Investment Approval dated 2nd July, 2012 with a Debt-Equity Ratio of 70:30.

The Equity portion for both these projects is to be met from NEEPCO's internal resources while the Loan component is to be arranged through commercial borrowings. Although in the investment approval for AGTP - Extension Project it was mentioned as 'domestic borrowings', it was felt prudent to mobilize the loan component of both the projects through commercial borrowings by way of ECB, bonds or term loans.

The processing for approval of the RCE-II for TGBPP is in progress, the Corporation would still be required to make arrangements to meet the estimated expenditure since all the works are progressing satisfactorily and efforts are being made to commission the gas turbine by August 2013. An assessment of around ₹ 600 crores was made for the balance amount needed to meet the construction expenditure on these thermal projects as detailed in the agenda note. It was crucial to ensure that the Loan component was readily available for disbursements as and when required to ensure that the projects remain on track and commissioning takes place as scheduled.

The Board after deliberation approved the following resolutions:

RESOLUTIONS:

Resolved that mobilisation of ₹600.00 crores in the form of Commercial Borrowings for the Tripura Gas Based Power Project and the Agartala Gas Turbine Project - Extension is hereby approved.

Resolved further that the Director (Finance) be and is hereby authorised to complete all formalities including the allotment of Bonds, if any, and execute all documents in relation to the said Commercial Borrowings.

Resolved further that the approval of the Board be and is hereby accorded for affixation of the Common Seal of the Company on all necessary documents and in the presence of the Director (Finance).



चिरंजीव शर्मा
Chiranjeeb Sharma
कंपनी सचिव व विधिक सलाहकार
Company Secretary-cum-Legal Adviser
नीपको लि., शिलांग
NEEPCO Ltd., Shillong