

E.D./P-1/Contg (1/2)  
In/Dt:- 10/12/09  
Out/Dt:- 14/12/09

**MAHAGENCO**

Maharashtra State Power Generation Co. Ltd.

Maharashtra State Power Generation Co. Ltd.

Prakashad Floor,

Prof. Ananagar Marg,

Bandra (East), Mumbai - 400 051.

Tel. Nos. 022-26472131/4211

Ref. No.: MSPGCL/BM-62/Item-14/

Date:- 10.12.09

Resolution passed in the Board Meeting of M.S.P.G.C.L. held on 25<sup>th</sup> Nov, 2009.

Item no 14: Administrative approval for 1X660 MW replacement unit at Bhusawal following the combined route of BTG+BoP on EPC basis through ICB route instead of earlier approved 1X500MW replacement unit at Bhusawal. (Res 2009/583),

The Board considered the note submitted by P&P Section in respect of Administrative approval for 1x660 MW Replacement Unit at Bhusawal through ICB route, instead of earlier approved 1x500 MW Replacement Unit at Bhusawal and Noted the following,

- 1.0 Board of Directors in the meeting held on 06.08.2009, vide resolution No. 2009/532 accorded approval to plan 1x500 MW Unit at Bhusawal instead of 2x250 MW.
- 2.0 During Standardization Committee Meeting, for standardization of specifications for 660 MW units at CEA, New Delhi, CEA opined that in view of shortage of coal in India, henceforth, we should go for only fuel efficient units and for super critical technology. During the tendering for Khaperkheda, Bhusawal & Chandrapur Expn. Projects, it was noted that for 500 MW units, there was no sufficient competition to M/s BHEL. In view of above consideration, we propose to plan for 1x660 MW unit at Bhusawal instead of 1x500 MW as decided earlier.
- 3.0 Following are main points for favouring the 660 MW units.
  - 1) Price benchmark is available.
  - 2) Better efficiency (3% over subcritical), lower emissions, better heat rate and improved load response rate.
  - 3) Transportation of 660 MW Generator Stator of 360 T is feasible.
  - 4) Technical know-how, pooling of spares and sharing of experiences in O&M activities shall be available as we have recently ordered for 3x660 MW BTG for Koradi on M/s L&T, Vadodara.



#### 4.0 Project Implementation Schedule

Project shall be executed following either the combined route of BTG+BoP including all associated civil works on EPC basis through ICB route or separate BTG alongwith associated civil works & separate BoP package on EPC basis. Detail schedule shall be as under.

| Sr. No. | Particular                        | Scheduled Date |
|---------|-----------------------------------|----------------|
| 1       | Appointment of Consultants        | 15.01.2010     |
| 2       | NIT                               | 30.06.2010     |
| 3       | Placement of order                | 31.12.2010     |
| 4       | Commissioning of Unit (51 Months) | 31.03.2015     |

#### 5.0 Estimated Cost :

Board, vide BR No 2008/445 dtd. 12.02.2009, approved estimated cost of Rs. 8580 Crores i.e. Rs. 6.5 crores/MW for implementation of 2x660 MW Dondaicha Supercritical Project. Based on this, the estimated cost for 1x660 MW Replacement Project at Bhusawal works out to be Rs. 4290 Crores i.e. 6.5 Crores/MW.

#### 6.0 Funding of the Project

80 % of the estimated cost i.e. Rs 3432 Crores shall be the loan from financial institutes like PFC / REC / Consortium of Banks etc. while 20% of the estimated cost i.e. Rs. 858 crores shall have to be arranged through GoM/ Mahagenco. Phasing of expenditure shall be as under.

Amount in Rs Crs.

| Year        | 2010-11 | 2011-12 | 2012-13 | 2013-14 | 2014-15 | Total |
|-------------|---------|---------|---------|---------|---------|-------|
| Expenditure | 858     | 858     | 858     | 858     | 858     | 4290  |

7.0 The Board further directed to submit a detailed note regarding modality of execution of the project highlighting the pros and cons of each of the alternatives i.e. combined BTG+BoP or separate BTG and BoP.

8.0 In view of above, Board Approved the following.

- a) Increase in capacity of the project from 1x500 MW to 1x660 MW at Bhusawal TPS through ICB route at an estimated cost of Rs. 4290 Crores i.e. 6.5 Crores/MW instead of earlier approved 1x500 MW unit.
- b) Termination of Consultancy Engineering Services contract with M/s. Desein for 1x250 MW replacement units for Paras & Bhusawal projects.
- c) Cancellation of proposed BTG order on M/s BHEL for 250 MW replacement units at Bhusawal & Paras.
- d) Appointment of consultants through public tender.
- e) Authorisation to M.D. (MahaGenCo) for -
  - 1) Taking up of the matter with GoM for approval of the project and equity infusion of 20% of the Project cost i.e. Rs. 858 crores.
  - 2) Taking up the matter with PFC / REC / Consortium of Govt. Banks for loan of Rs. 3432 crores.
  - 3) Taking up the matter with MSEDCL for signing of PPA with MSEDCL.
  - 4) Taking up the matter with MSETCL for arranging power evacuation.
  - 5) To take up the matter with Govt. Authorities for Environmental clearances

THE BOARD FURTHER RESOLVED THAT, the Managing Director be and is hereby authorized to do all such acts and deeds and things necessary to give effect to the aforesaid resolution.

*[Signature]*  
Company Secretary  
MSPGCL

EO (Gen P. I)

Csm (GPP)  
for former n.a. m.  
A2  
14/12

Gm/m  
12  
15/12