

---

## **TPC & IOC to form JV for Orissa power project**

*Thursday, 31 Jul, 2008*

It is reported that TATA Power Company & Indian Oil Corporation have decided to float a new company for jointly developing a 1,000 MW coal based power project at Paradip in Orissa. The shareholding pattern of the JV would be 74.26 for TPC and IOC, respectively.

As per report, the proposed project is essentially being set up as a captive project to meet the power requirements of IOC's 15 million tonnes per annum integrated refinery cum petrochemicals complex at Paradip. The plant may also supply power to the proposed steel plant of the TATA group in Orissa as also other industries in and around the Paradip complex.

Under the JV agreement, Indian Oil is committed to source at least 51% power and the surplus generation can be traded by the JV company. The authorized share capital of JVC will be INR.1,200 crore and the capital will be increased to meet the requirement of further investment as and when called for.

Based on a feasibility study carried out by TPC & IOC the tariff for power supply to the Paradip complex has been estimated on annual levelised basis for 25 years operation at INR 2.46 per unit. The levelised power tariff on similar basis for captive generation within Paradip complex has also been assessed jointly with Foster Wheeler which indicates a significantly higher value of over INR 5 per unit.

**For more news visit at [www.steelguru.com](http://www.steelguru.com)**