

CCEA approves RCF's ₹1,033-cr equity infusion in Talcher fertiliser plant

OUR BUREAU

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The Cabinet Committee on Economic Affairs has approved an equity investment of ₹1033.54 crore by Rashtriya Chemicals and Fertilizers Ltd (RCF) in a coal gasification-based fertilizer project being set up by Talcher Fertilizer Ltd (TFL) in Odisha.

An official statement said the capital infusion is 29.67 per cent of the total project cost. The capital expenditure of the project has been pegged at ₹11,611.48 crore, with a provision for 15 per cent escalation in cost.

TFL is a joint venture company of GAIL (India) Ltd, RCF, Coal India Ltd (CIL) and Fertilizer Corporation of India Ltd (FCIL) incorporated in November 2015. GAIL, RCF and CIL each have a shareholding of 29.67 per cent and FCIL has 10.99 per cent in the venture. TFL has been given the task of setting up the project at Talcher.

GAIL and CIL are both Maharatna Public Sector Enterprises and their board is competent to approve their equity investment in the joint venture company TFL. But a CCEA approval was warranted since RCF is a



Law and Justice Minister Ravi Shankar Prasad at a press conference in New Delhi on Wednesday AP

Miniratna company and its equity investment in the project is beyond the delegated financial powers of its board. The CCEA also has approved the construction of a 205.5-km railway line from Budni to Indore (Mangaliyagaon) at an estimated cost of ₹3,261.82 crore.

An official statement said, "The main purpose of this project is the development of backward area and reduction in travel time from Indore to Jabalpur as well as from Indore to Mumbai and towards the southern side, as this will reduce distance by 68 km compared to the present route via Bhopal."

In another decision, the CCEA approved the revised cost estimate of the Dam Re-

habilitation and Improvement Project (DRIP).

The revised cost of the project is ₹3,466 crore with financial assistance from the World Bank. The project envisages improving the safety and operational performance of 198 dams, along with institutional strengthening with system-wide management approach.

"Out of ₹3,466 crore, ₹2,628 crore will be funded by the World Bank and ₹747 crore will be funded by DRIP States / Implementing Agencies (IAs) and the remaining ₹91 crore will be funded by Central Water Commission (CWC).

The CCEA also gave its ex-post facto approval for two-year time extension from July 1, 2018 to June 30, 2020," the offi-

cial statement said. The scheme envisages comprehensive rehabilitation of 198 existing dams located in seven States – Kerala, Madhya Pradesh, Odisha, Tamil Nadu, Karnataka, Jharkhand and Uttarakhand.

The CCEA gave its ex-post facto approval to the ASHA Benefit Package with effect from October (to be paid in November). The package entails an expenditure (Central funding) of ₹1,224.97 crore for 2018-19 and 2019-20.

Timeline extended

The Cabinet also approved the extension of timeline for implementing the special package under the Deendayal Antyodaya Yojana – National Rural Livelihoods Mission (DAY-NRLM) for Jammu & Kashmir by one year during 2018-19.

There is no additional financial implication as the approval is to extend the timeline to cover two thirds of the vulnerable households in the State within the originally approved financial outlay of ₹755.32 crore. An amount of ₹143.604 crore will be required for the period of one year, that is, 2018-19, an official statement said.