



ANDHRA PRADESH POWER GENERATION CORPORATION LIMITED

ABSTRACT

Implementation of Polavaram Hydro Electric Project (12X80MW) near Anguluru Village, Devipatnam Mandal, Polavaram Dist., Andhra Pradesh – Revised Administrative approval – Accorded.

G.O.O. No. 39/CE(HPC&HP)/2026

Date:28.04.2026

Read the following:

Ref: 1. G.O.O. No.284/CE(HPC&HP)/2018, Dt. 30.07.2018
2. Minutes of 205th Board Meeting

ORDER:

The Andhra Pradesh Power Generation Corporation Limited has accorded revised administrative approval for implementation of Polavaram Hydro Electric Project (12X80MW) near Anguluru Village, Devipatnam Mandal, Polavaram Dist., Andhra Pradesh, at revised cost of Rs. 8762.46 Crores inclusive of provisions (Abstract of cost estimate as per annexure) against the earlier estimated project cost of Rs. 5338.95 Cr issued vide G.O.O. No.284 dt. 30.07.2018.

This Order is issued in concurrence with the minutes of 205th Board meeting of APGENCO held on 28.05.2025 and approval of the competent authority.

(By Order and in the name of Andhra Pradesh Power Generation Corporation Limited)


Chief Engineer
(HPC & Hydel Projects)

Copy communicated to:

- The Chief Engineer/Civil/Hydel, GS, C&I/APGENCO/VS/Vijayawada
- The Chief Engineer/Commercial/APGENCO/VS/Vijayawada
- The Chief General Manager (R & A)/APGENCO/ Vidyut Soudha/ Vijayawada.
- The Chief General Manager (A & T)/APGENCO/VS/Vijayawada.
- The Superintending Engineer /Civil/Construction/PHEP/Rajahmundry

Copy to:

- The P.S. to Managing Director/ APGENCO/ Vidyut Soudha/ Vijayawada.
- The Dy.EE/Technical to Director (Hydel)/ APGENCO/ Vidyut Soudha/ Vijayawada.
- The SAO to Director (Finance & Commercial)/ APGENCO/ Vidyut Soudha/ Vijayawada.
- The Dy.EE/Technical to Director (Thermal)/APGENCO/ Vidyut Soudha/ Vijayawada
- The P.S to Director (HR & IR)/APGENCO/Vidyut Soudha/Vijayawada
- ☒ The AE/Technical Chief General Manager (Adm., IS & ERP)/ APGENCO/ Vidyut Soudha/ Vja-04.
- The Assistant Company Secretary/APGENCO/ Vidyut Soudha/ Vijayawada.
- The Central Record Section/APGENCO/ Vidyut Soudha/ Vijayawada.

POLAVARAM HYDRO ELECTRIC PROJECT (12 x 80 MW)
GENERAL ABSTRACT OF COST ESTIMATES AS ANNEXURE TO G.O.O.No. 39

Head	Sub Head	Description	Civil works in Rs. Lakhs	Electrical works in Rs. Lakhs	Total in Rs. Lakhs
I		Direct charges			
		Works:			
	A	Preliminary	675.00		675.00
	B	Land	3391.67		3391.67
		Power plant Civil works	108760.61		
		a) PHEP civil works in EPC contractors scope (exclusive of GST & Labour cess)			
		i) Approach channel & Intake pool	621.42		621.42
		ii) Trash rack, Intake structure	7655.00		7655.00
		iii) Pressure Tunnel	16585.63		16585.63
		iv) Power House pit	5.01		5.01
		v) Power House Civil works	51602.93		51602.93
		vi) Tail race pool	697.28		697.28
		vii) Tail race channel	5003.00		5003.00
		viii) Switch yard / GIS Structure	626.17		626.17
		ix) Cofferdam removal	407.45		407.45
		x) Non plant buildings	2396.66		2396.66
		xi) Township works	8043.32		8043.32
		xii) Gates and Hoists	15116.74		15116.74
		Total of works	108760.61		
		b) PHEP Excavation works (I&CAD scope)	36167.00		36167.00
		Plantation	46.80		46.80
		Miscellaneous works	2005.37		2005.37
		Maintenance during construction	1534.15		1534.15
		Special T&P	62.38		62.38
		Communications	1993.55		1993.55
		Power plant and Electrical system		213268.00	213268.00
		Losses on stock	383.54		383.54
		Total of I works	155020.06	213268.00	
II		Establishment at 3% of I Works less B Land	4712.00	4800.00	9512.00
III		Tools and plants			0.00
		Ordinary tools and plants	100.00	250	350.00
		Contingencies	0.00	0	0.00
IV		Suspense	0.00		0.00
V		Receipts and recoveries			0.00
	i	Resale value of transfer of temporary buildings(-)	-185.46		-185.46
	ii	Resale value of special tools and plants (-)	-16.53		-16.53
		Total Direct Charges	159630.07	218318.00	
		Indirect charges			

	A	Audit and accounts charges	600.00	573.56	1173.56
	B	Abatement of land revenue	104.94		104.94
	C	GST and loabour cess on item j and item S @ 18% GST + 1% Labour cess	20860.15	40904.47	61764.62
		Total direct & indirect charges	181195.16	259796.03	
VI		Provisions			
	i	Provision towards CSR(0.48%)	1801.94		1801.94
	ii	Price escalation during construction	11000.00		11000.00
		TOTaI	193997.10	259796.03	
VII		Interest During Construction (IDC)			80102.00
		Total Project Cost as per G.O.O.284,Dt:30.07.2018			533895.13
		Additional anticipated Price escalation for the Civil works (including GST)	35000.00		35000.00
		Price escalation towards the E&M works (including GST)		22267.00	22267.00
		Increased Interest during Construction for the extended period (including GST)			50000.00
VIII		Total Project Cost with New EPC Agency			641162.13
		Cost burden of the Terminated contract and implementation of the Arbitration Award and delay in execution of the project till January -2028			235084.00
		Total Expected completion cost till January-2028			876246.13

Abstract for Cost burden of the Terminated contract

Sl.No	Description	Cost implication in Rs. Crores	Remarks
1	Amount paid to M/s NECL for implementing the arbitration award	890.86	Rs. 732.09 crores adjusted with the amount to be refunded by NECL as per award and Rs. 158.76 crores paid to NECL
2	Interest during construction accrued on the advances paid to M/s NECL till 08-12-2024	841.37	Actual interest accrued till 08-12-2024
3	Interest amount awarded till termination of the contract to APGENCO	-93.57	Interest awarded by the tribunal to APGENCO from NECL
4	Net IDC till 08-12-2024	747.8	
5	Total loss till 08-12-2024 (Pronounce of Arbitration award)	1638.66	
6	Approximate IDC from 08-12-2024 to completion of the project i.e., up to 30-01-2028	712.18	
7	Approximate Total loss till 30-01-2028	2350.84	


 21/12/26
Chief Engineer
HPC & Hydel Projects
APGENCO, Vidyut Soudha,
VIJAYAWADA-520 004.