



Cabinet approves Investment Proposal for construction of 1720 MW Kamala Hydro Electric Project in Kamle, Kra Daadi & Kurung Kumey Districts of Arunachal Pradesh with an outlay of Rs.26,069.50 crore

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The Cabinet Committee on Economic Affairs, chaired by the Prime Minister Shri Narendra Modi has approved investment of Rs.26,069.50 crore for construction of Kamala Hydro Electric Project (HEP) in Kamle, Kra Daadi & Kurung Kumey Districts of Arunachal Pradesh. The estimated completion period for the project is 96 months.

The project with an installed capacity of 1720 MW (8 x 210 MW & 1 x 40 MW) is expected to generate 6870 MU of energy. The power generated from the Project will strengthen power supply position in the state of Arunachal Pradesh, support in peak demand management, contribute to national grid balancing and will provide flood moderation benefit in the Brahmaputra valley. In addition to Kamala HEP, other hydropower projects—Subansiri Lower (2000 MW), Dibang Multipurpose (2880 MW) is under construction, and Etalin (3097 MW) is planned for development by NHPC Limited in Arunachal Pradesh.

The Kamala HEP will be implemented through a Joint Venture Company between NHPC Limited and the Govt. of Arunachal Pradesh. Government of India shall extend Rs.4743.98 crore as budgetary support towards flood moderation component and Rs.1340 crore as budgetary support for enabling infrastructure viz. construction of roads, bridges and associated transmission system besides Central Financial Assistance of Rs.750 crore towards the equity share of the State.

The State will receive 12% free power and an additional 1% earmarked for the Local Area Development Fund (LADF), along with significant infrastructure development and socio-economic benefits for the region.

There will be significant improvement in the infrastructure in Kamle, Kra Daadi & Kurung Kumey Districts of Arunachal Pradesh, including the development of around 196 kms of roads and bridges, for the project which shall be mostly available for local use. The district will also benefit from the construction of essential infrastructure such as hospitals, schools, marketplaces etc. to be financed from dedicated project funds of Rs.8 crore. Local populace shall also be benefitted from compensations, employment and CSR activities.

Beside Kamala HEP, three major hydropower projects—Subansiri Lower (2000 MW), Dibang Multipurpose (2880 MW), and Etalin (3097 MW)—are being developed by NHPC Limited in Arunachal Pradesh and Assam. Subansiri Lower HEP (2000 MW) is at an advanced stage with 750 MW already commissioned and remaining capacity is expected to be commissioned by December 2026, while all projects will provide 12% free power to the host states and support local development through a Local Area Development Fund equivalent to 1% of project revenue.

MJPS

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