

**SUMMARY OF PROPOSED INVESTMENT  
NORTH DELHI POWER LIMITED  
September 21, 2010**

**Description of the Project:**

North Delhi Power Limited (“NDPL”) proposes to install grid-interactive rooftop solar power plants of approximately 5.7MW in aggregate across various locations in Delhi (collectively “Project” independently “Power Plant” or “Plant”). The Project will comprise of about 21 Power Plants of different sizes (ranging from 1 MW to 100 KWs) across different localities in Delhi. Most of these plants are proposed on existing substations / warehouses etc. owned and operated by NDPL. NDPL has already built and is operating 3 pilot rooftop projects of 74kw in Delhi. The Project will be implemented with approval of the Delhi Electricity Regulatory Commission.

North Delhi Power Limited (“NDPL”) is a joint venture of Tata Power Company Limited and Govt. of Delhi (51:49) operating as a distribution licensee in North and Northwest Delhi under a 25-year license to supply and distribute electricity within its area of supply. NDPL is an ISO 9001, ISO 14001 and OHSAS 18001 company distributing power to a populace of 4.5 million spread over 510 sq km. NDPL has successfully reduced AT&C losses from the opening level of 53% in 2002 to 14.7% in 2010.

**Project Sponsors and Major shareholders of the Project Company**

The shareholders of NDPL are The Tata Power Company Limited (51%), an existing client of IFC, and Delhi Power Company Limited (49%), a fully owned company of the Government of National Capital Territory of Delhi. Tata Power is India's largest private power company, promoted by Tata Sons Limited, with operating generation capacity of over 2,971 MW together with electricity distribution and transmission assets including distribution assets in Delhi, and a transmission company (Powerlinks - 51%, also an IFC client).

**Total Project Cost and Amount and Nature of IFC's investment**

The total cost of the Project is expected to be about US\$22 million. IFC is considering an investment in the form of an A loan of up to US\$15 million or its INR equivalent in NDPL.

**Location of the Project and description of the Site:**

The proposed roof top solar plants will be spread across the License Area of NDPL, viz. North and Northwest Delhi.

**Expected Development Impact:**

1. Stimulate debt investment for scaling up the nascent and evolving rooftop solar program in India: IFC's financing will help NDPL roll out the first MW scale deployment of rooftop solar in India.
2. Demonstration Project: The Project being in capital of India and will serve as a strong demonstration for development of solar rooftop across the country. The Project will pave way for country wide commercial deployment of rooftop solar projects.

**IFC's expected additionality**

IFC's investment is expected to lead to the following additional outcomes:

- a. IFC's financing will act as catalyst for further scale up of rooftop solar program.
- b. IFC will help NDPL in expanding its knowledge on rooftop solar through IFC's Advisory Services program.

**Environmental and Social:**

The Project is a category C project because minimal adverse social and environmental impacts may result, which can be avoided or mitigated by adhering to generally recognized performance standards, guidelines

or design criteria. The Project objective is to increase renewable energy component in NDPL's electrical energy source portfolio.

NDPL has in place an integrated quality, environment, occupational health and safety management system (IMS) certified to ISO 9001, ISO 14001 and OHSAS 18001 Standards. Further, the Company has human resource processes that have been certified to SA 8000 standards. The Project will be implemented in accordance with the provisions of the IMS and the SA 8000 certified procedures. NDPL's human resource policies and procedures are consistent with IFC Performance Standard provisions. The company has in place appropriate procedures to ensure contractor compliance with applicable statutory requirements. To effectively implement the IMS and HR procedures and to ensure continual improvement, NDPL has in place: an appropriate organization which it strengthens as required; procedures for aspect, impact and risk assessment; procedures for compliance with applicable legal and other requirements; internal and third party audit process; procedures for training of employees and contract workers; accident and incident monitoring, reporting, investigation and corrective action; emergency preparedness and response; monitoring, measurement, ranking and reporting of system maturity and performance; and management review process.

NDPL will implement the Project in accordance with applicable local laws, regulations and international standards including IFC Performance Standards on Social and Environmental Sustainability.

**For enquiries and comments about the Project contact:**

Puneet Munjal, General Manager, Corporate Strategy and Planning  
North Delhi Power Limited  
NDPL House, Hudson Lines,  
Kingsway Camp, Delhi  
India - 110009

**Local access of project documentation**

North Delhi Power Limited  
NDPL House, Hudson Lines,  
Kingsway Camp, Delhi  
India - 110009  
Telephone: +91 – 11 - 27416854  
Website: <http://www.ndpl.com>