

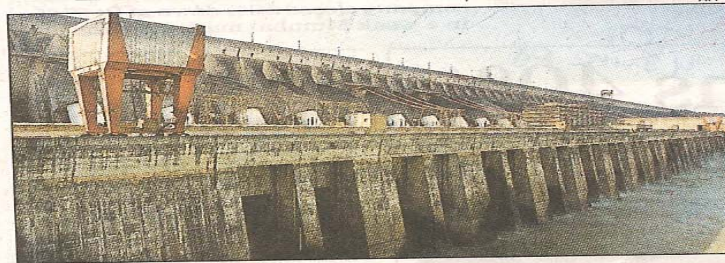
HP hydel project under I-T scanner

Sanjay Dutta | TNN

New Delhi: The Income-Tax department's investigation wing has told the Himachal Pradesh government that it may have awarded two hydel projects worth Rs 6,500 crore in Kinnaur district to a ghost company which took funding from an Adani group firm.

In a report to principal secretary (power), the Shimla office of the I-T department has questioned the antecedent of Brakel Kinnaur Power (P) Ltd and doubted the ability of the company's alleged parent, Brakel Corporation NV, to handle the Jangi Thopan and Thopan Jowari projects.

The report is an indicator



FACING ROUGH WEATHER

of a problem being faced by the Centre's efforts at quickly tapping the huge hydel potential in the country. Several

state governments are hampering the Centre's efforts at working out a policy for hydel projects by giving work to pri-

vate promoters in return for upfront payment of premium and/or promises of free power beyond the stipulated quantities. In this particular case, the I-T department has pointed out several anomalies in the corporate lineage of Brakel Kinnaur Power, its relationship with the parent Brakel Corporation and their funding pattern.

Brakel is registered in Curacao, Netherlands-Antilles, with a nominal capital of only one share of \$1. Besides, it "did not have any previous experience in the execution of the power projects." Brakel was awarded project, payment to state government was made by Brakel Kinnaur Power.