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NCC signs contract regarding power-plant construction in India

NCC's Norwegian subsidiary NCC International AS today signed an agreement with Jammu & Kashmir Power Development Corporation regarding the construction of a hydroelectric power plant in Sawalkot, northern India. The total investment amounts to approximately SEK 7 billion, of which NCC will account for half. The project will be undertaken by NCC in cooperation with Hochtief AG of Germany.

The contract is subject to the condition that a financing solution is agreed upon and that a complete environmental impact assessment is conducted. The intention is that the project be financed through export credits from Norway and Germany, and through loans from international and Indian banks. The hydroelectric power plant will be owned and operated by Jammu & Kashmir Power Development Corporation.

The project, which was designed by NCC on behalf of the Indian State of Jammu & Kashmir, consists of a dam and a power plant situated in the Sawalkot mountains by the River Chenab, about 120 kilometers northwest of the city of Jammu. The power plant will have a capacity of 600 MW. The estimated construction period is 6.5 years and approximately 4,000 people will be employed in the project.

Construction of the plant has been approved by Indian authorities. A feasibility study regarding the environmental impact, which was conducted by the Norwegian consulting firm Norplan, indicates that the environmental impact of the project will be highly limited. A complete environmental impact assessment will now be conducted. Two other power plants in the area are already under construction along the same river, which is regulated by a bilateral agreement between India and Pakistan.

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NCC is one of the leading construction and property development companies in the Nordic and Baltic Sea region. NCC has annual sales of approximately SEK 40 billion, with 25,000 employees. The NCC Group is divided into six business areas: Contracting, Housing, Property Development, Industry, Telecom and Service.

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