

POWER PUSH

# IDFC will take 28% stake in JV floated by PTC India

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NEW DELHI

**I**DFC, a leading infrastructure financing company, will take a 28% stake in **Athena Energy Ventures Pvt. Ltd**, a consortium promoted by **PTC India Ltd**, India's leading power trading company, and Athena Group.

Formed with an authorized capital of Rs750 crore, the consortium will set up power generation projects with a combined capacity of 5,000MW, with the option of doubling it at a later stage.

Tantra Narayan Thakur, chairman and managing director, PTC India confirmed the development.

Initially, PTC India and Athena Group had a 20% and 80% stake, respectively, in Athena Energy. The Athena Group will now dilute its stake to allow IDFC to acquire 28% stake. An agreement to this effect will be signed on Saturday.

"The proposed projects would require a huge amount of finances," said a Mumbai-based power sector analyst, who did not wish to be identified. "This is where having IDFC on board will help."

India has set a target of 78,577MW of power generation capacity addition by 2012. India has a power generation capacity of 1,35,006MW now but that is nowhere close to support the existing demand, let alone anticipated demand.

Athena Energy plans to set up 10,000MW of capacity over time as a holding company for power projects through special purpose vehicles.

To start with, the consortium

The consortium plans to set up 10,000MW of capacity over time through special purpose vehicles

will set up a 1,200MW power project based on imported coal in Visakhapatnam, Andhra Pradesh, and a 1,700MW hydro electric power project in Arunachal Pradesh.

The Vizag project will set up through the consortium's subsidiary East Coast Energy Pvt. Ltd, which will sign an agreement with Knowledge Infrastructure for a 25-year imported coal supply contract for four-five million tonnes of coal per annum.

"Knowledge Infrastructure plans to source coal from Indonesia and South Africa," said a person close to the development, who did not wish to be identified.

The coal import is also expected to double to 40mtpa by 2012 due to an increase in demand of coal requirement for power projects.

The overall coal requirement in the country is expected to go up to 544mtpa by 2012. Of this, only 482mtpa is expected to be available domestically. The size of the market for imported coal for power generation in India is around 20mtpa.

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