

## PTC will buy coal mine in Indonesia

To spend Rs 300 cr for 50% stake in a joint venture

Promit Mukherjee, Mumbai

Power trading company PTC India Ltd plans to spend Rs 300 crore over the next one year for acquiring coal assets in Indonesia.

Tantra Narayan Thakur, chairman and managing director, PTC India, said, "We have been working on the foray for the last two years and of late, have also identified a few prospective mines."

He said one of the mines is under a detailed study by the company.

PTC India will also float a subsidiary in joint venture with Singapore-based Asian Infratech by the end of this month.

The subsidiary, which will be a special purpose vehicle with each company holding a 50% stake, will then bid for coal mines in Indonesia.

PTC will invest Rs 300 crore as its share of the investment.

## Black gold quest

PTC will float a subsidiary in which Asian Infratech will take a 50% stake

The special purpose vehicle will be set up by the month-end

Firm is looking at an asset size of 300 mt

Thakur said 80% of the total off-take from the coal asset every year will be used to service power projects with which the company has signed power purchase agreements.

The remaining 20% will be sold to other buyers coming up with power plants in the country. Though this distribution can change according to the requirements of the market, the basic structure will be more or less the same, said Thakur.

Turn to Page 26

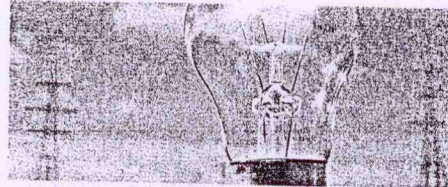
# Power exchange to debut in 15 days

CERC green signal is awaited for the inauguration of the India Energy Exchange

Promit Mukherjee, Mumbai

India Energy Exchange (IEX), the country's first exchange for trading of power, will be up and running in the next 15 days. The project was earlier expected to be operational before the end of last fiscal but was later delayed. Mock drills have been carried out to eliminate anomalies in the system.

IEX is being promoted by Financial Technologies (India) Ltd and PTC India Ltd, with Reliance Energy, Tata Power Company, Lanco Infratech, Adani Enterprises, REC,



and Infrastructure Development Finance Company (IDFC) being the other shareholders in it. According to PTC India director Shashi Shekhar, the infrastructure is now in place. "We are ready to start the day we get a green signal from CERC," he said.

Initially, IEX will operate a day-ahead market with features like

closed auction with double-side bidding and clearing at uniform price. "This will bring transparency and clarity to the power trading business, which will be driven solely by price and volumes," Shekhar said.

Currently, the power trading market in India is pegged at 20 billion units a year with a growth rate of 33%. PTC India, the country's sole

## High energy

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public sector trading company, has near monopoly in this field. Last year, it traded close to 9.9 billion units. The day-ahead market is 15% of the total traded market of 20 billion units, Shekhar said. With greater acceptance and demand, products such as week-ahead, month-ahead, seasonal and one-year contracts will also be introduced.

Shekhar said that there was no potential for speculation commodity exchanges because IEX will deal only in deliveries the next day. "It will be a physical market at this exchange said.

There will be two types of members under IEX - proprietary and professional. Proprietary members will be those that are grid-connected such as state utilities. They will be direct members.

Professionals will be those that are traders themselves - private companies. They will be different structures of memberships for both kinds of members, Shekhar said.

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