

Bhilwara Energy to raise \$50 m through equity

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New Delhi, Jul 12: Bhilwara Energy Ltd (BEL) will raise \$50 million by diluting 10.8% equity in favour of International Finance Corporation (IFC) and India Clean Energy Fund. The money will be used to finance the company's upcoming power projects. The private hydro power major currently has an 86 mw installed generation capacity and another 192 mw project is likely to be operational this month itself. The company plans to expand its generation capacity to 2,500 mw by 2017.

"We plan to invest Rs 15,000 crore over the next seven years to add 2,200 mw capacity. The fund will go into financing the company's upcoming power projects," BEL's director finance OP Ajmera told *FE*. "The company plans to develop 2,200 mw capacity in two phases. It has already started implementation work on 1,100 mw capacity being taken up for development by the company in the first phase," he said. "Infrastructure development work is on at the company's projects such as 120 mw Likhu-IV and 50 mw Balphi in Nepal, 85 mw UPDC-III in Punjab," he added. BEL is Bhilwara group's umbrella company for developing power projects. "BEL has agreed to disinvest holdings to two foreign investors IFC, Washington, and India Clean Energy Fund for \$25 million each. After this stake dilu-

tion, the total foreign interest stands at 17%," the company said in a statement.

Earlier, New York Life Investment Management India Fund (FVCI) II LLC, WIH Holdings and Jacob Ballas Capital picked up 6.2% equity in the Indian power generating company. "The rationale behind the stake dilution is to fund our power projects

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under different stages of implementation. Current fund raising will help the company to attract other strategic investors and partners for its growth plans in the future. Funds will mainly be utilised for power projects in India and Nepal in the next few years," Ravi Jhunjhunwala, chairman, LNJ Bhilwara Group, was quoted as saying in the company's release.