

STERLITE TO INVEST ₹3,000 CR MORE IN PUNJAB PROJECT

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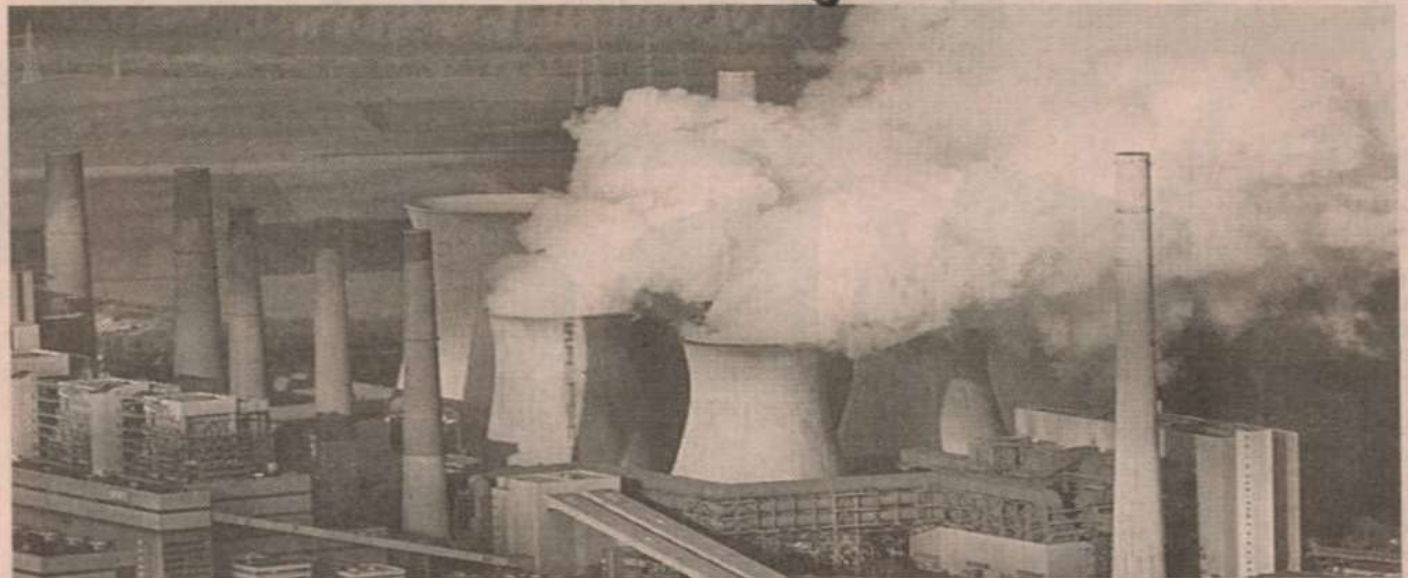
Vedanta Group firm Sterlite Energy has revised the outlay for its proposed power project in Punjab upwards by over ₹3,000 crore, taking the total investment commitment to around ₹13,000 crore.

The diversified metal group will now invest over ₹13,000 crore on the Talwandi Sabo project in the state, making the new 2,640-Mw project the single largest investment by Vedanta in the domestic power sector.

"The Punjab government had recently given the nod to Sterlite Energy to add one more unit of 660 Mw to the upcoming thermal project at Talwandi Sabo, in Mansa district. Earlier this month, an MoU to this effect was also signed," a person in-the-know of the development told PTI.

Diversified metal conglomerate Vedanta Group, as part of its multi-billion dollar plans in the power space, had bagged the rights to develop a 1,980 (3x660) Mw commercial project in the state in 2008 at an estimated investment of ₹10,000 crore.

With the Punjab government recently according clearance for the additional unit, Sterlite Energy will enhance the total generation capacity of the project to 2,640 Mw through an additional expenditure of over



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₹3,000 crore, the official said.

Sterlite Energy Ltd (SEL), which has plans to hit the capital market soon to part-fund its expansion plans, is targeting the last quarter of 2012-13 for operationalisation of the first 660-Mw unit of the plant.

"Overall, the group targets to commission the mega power project by 2014-15. Vedanta, as well as the Punjab government, is betting big on the project. Moreover, the state government is aggressively pursuing plans to bridge the power shortfall in the state," the official added. At present, the project employs about 3,000

workers.

As the Indian government tightens environmental norms, many companies, especially from the metal sector, like JSW Group, Jindal Power and Sterlite, are migrating to super-critical technologies, which are more efficient and less polluting.

"The Talwandi Sabo project has got coal linkages from Coal India's subsidiaries — Mahanadi Coal Limited and the South Eastern Coal Limited coal fields.

"Once the plant becomes fully operational, the per day coal requirement would be about 30,000 tonnes. It is slated to be

one of the most environment-friendly project in the state as well as the country," the official said.

Led by UK-based billionaire Anil Agarwal, Vedanta Group has set a target to produce 10,000 Mw of power — captive as well as merchant — in the next one decade. The group has outlined a staggering investment of over ₹50,000 crore for power sector.

As part of its plans in the power space, it recently commissioned the first 600-Mw unit under a separate 2,400-Mw power project in Jharsuguda, Orissa.