

COMPANIES

CLP India

On a steady growth path

At a time when foreign investors are wary of investing in the country, CLP India Power Private Limited still believes in the growth opportunities offered by the Indian power sector. The company, which is one of the largest foreign investors in the power generation sector, has been operating successfully in this space since 2002-03.

CLP India is a wholly owned subsidiary of the CLP Group, which is listed on the Hong Kong Stock Exchange. While the share of the Indian power market in the group's total business is small, it is growing steadily. In the year ended December 2011, CLP India's contribution to the group's revenues was about 3 per cent, whereas the capital investment was about 9 per cent of the total investment.

"When we first entered the Indian market 10 years back, the country was faced with a huge power deficit and ever-increasing demand. This offered us long-term opportunities, where we could make a difference," says Rajiv Mishra, managing director, CLP India. With an installed generation capacity of about 2,700 MW across the conventional and

non-conventional energy sectors, the company plans to further expand its presence in the Indian power market.

Project portfolio

Conventional power

CLP entered the Indian market in 2002-03 by acquiring a majority stake in Gujarat Paguthan Energy Corporation Private Limited (GPEC), in which it currently owns 100 per cent equity stake. GPEC was formed in 1992 as a joint venture between the Torrent Group, Powergen of the UK, the Gujarat government and Siemens AG. The company set up the 655 MW Paguthan gas-fired combined cycle power plant near Itharuch in Gujarat, which comprises three 138 MW gas turbines and a 241 MW steam turbine. The plant requires about 3.14 million standard cubic metres of gas per day, 30 per cent of which is sourced from Cairn India Limited and Reliance Industries Limited. The remaining requirement is met through liquefied natural gas imports. CLP India has adopted efficient operation and maintenance practices at the plant.

CLP India has recently set up a 1,320 MW

supercritical power plant at Khanpur village in Jhajjar district, Haryana. The project's first unit was commissioned in January 2012 and the second in April 2012. It is the first coal-based project to be set up by an independent power producer in the state. The project was awarded to the company in July 2008 by Haryana Power Generation Corporation Limited through the international competitive bidding route. It achieved financial closure in September 2009, after having tied up a debt of Rs 39 billion with a consortium of banks led by IDBI Bank. A part of this loan was refinanced in December 2010 after the project received external commercial borrowings worth \$200 million (about Rs 13 billion) from a consortium of five foreign banks – the Bank of Tokyo-Mitsubishi, UFI Limited; China Development Bank Corporation; the Export-Import Bank of China; the Hongkong and Shanghai Banking Corporation; and Standard Chartered Bank. The Jhajjar plant is one of the first projects to receive financing from foreign lenders after the Dabhol power project in Maharashtra.

CLP India has secured coal linkage for the project from Coal India Limited (CIL) for 5.2 million tonnes (mt) of coal per annum. The plant is equipped with boilers and turbine generators imported from Chinese vendors Harbin and Dong Fang respectively. Special focus has been laid on incorporating eco-friendly fea-

