

Indiabulls Power's Mr Rattan denies speculations about to exit power business

Mr Rajiv Rattan, Indiabulls Power promoter, said that he may look at acquisitions once the company's ongoing projects are on stream, even as he brushed aside speculations about him looking to exit power business.

Mr Rattan has made a fresh investment of INR 360 crore in the company through a preferential allotment of shares, a message to the market that he isn't looking to sell out.

He said that "I am here for the long haul."

Indiabulls Power is building 5,400 MW of coal-based power projects at Amravati and Nashik in Maharashtra. Of that, it has already commissioned 810 MW.

Mr Rattan is confident of putting Indiabulls Power on the growth path after the Maharashtra Electricity Regulatory Commission allowed the company to increase tariff for power from the Amravati project by INR 1.55 a unit to meet increased fuel costs.

He said that "The company's capacity will reach 2,700 MW by the end of 2015. Power is my only business and I am here to stay with my full commitment to the sector."

There had been rumours of him negotiating a deal with large producers such as Adani Power, Reliance Power and JSW.

Mr Rattan said that "I have been busy with reorganising my business and could not communicate about my plans. Now, I am much better placed to manage power business. My hands are full for next five to eight years but I am open to acquire good generation assets."

He acquired 31 crore equity shares in the company for INR 360 crore, which is INR 11.61 each against Friday's closing stock price of INR 9.06 on the Bombay Stock Exchange.

He said that "I am paying a premium for the equity shares of Indiabulls Power because I felt it is the right value of the company that has assured coal linkages and power supply agreements in places. We are a company with clean records unlike many who suffered due to illegal coalblock allocations."

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