

Indiabulls Power promoter Rajiv Rattan denies speculations about looking to exit power business

NEW DELHI: Indiabulls Power promoter Rajiv Rattan said 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. Rattan has made a fresh investment of Rs 360 crore in the company through a preferential allotment of shares, a message to the market that he isn't looking to sell out.

"I am here for the long haul," Rattan told ET on Friday. 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. 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 Rs 1.55 a unit to meet increased fuel costs.

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

"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," Rattan said. "My hands are full for next five to eight years but I am open to acquire good generation assets," said Rattan.

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

"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," he said.

"We are a company with clean records unlike many who suffered due to illegal coal block allocations."

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