
Lanco Infra EGM clears fund plan

Tuesday, 30 Jun, 2009

BL reported that the extraordinary general meeting of Lanco Infratech Limited recently approved an enabling resolution that empowers the company to raise up to INR 2,500 crore to part fund expansion projects, particularly in the power sector.

Mr J Suresh Kumar CFO of Lanco Infratech said that this fund raising could take any shape ADRs or GDRs or QIPs or even follow on offering of equity shares.

Mr Kumar said “A management committee has been formed to take a call on the nature of offering and the right time to come up with the offer. We are keenly tracking the current market conditions and will take an appropriate call. However, we have time and there is no need to rush.”

He said “For most of the projects we are currently executing, the project finance has been tied up. It is for projects which we expect to take up in 2010-11 that we are raising these funds. These projects include 1320 MW expansion of Amarantak, 2640 MW project in Orissa and others.”

He said when asked about reasons to back out of the Vizhinjam transshipment project in Kerala, due to undue delay in handing over of the project due to protracted litigations, we decided to stay away from the project.” It has also passed a resolution to hike the authorized capital from INR 250 crore to INR 500 crore.

(Sourced from Business Line)

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