
NLC plans CAPEX for power projects

Saturday, 05 Sep, 2009

Neyveli Lignite Corporation has chalked out a CAPEX plan of INR 12,000 crore to set up power projects. The company aims to achieve a generation capacity of 2,500 MW by 2012. The investment is expected to be funded through issue of bonds through private placements.

NLC has formed a 50:50 JV with Uttar Pradesh Rajya Vidyut Utpadan Nigam for setting up a coal based power plant in Uttar Pradesh. The 2,000 MW plant is likely to be set up at an investment of INR 10,000 crore.

The Uttar Pradesh Government has accorded its in principle approval to allocate 2,500 acre and also 80 cusecs of water for the proposed project. NLC is also setting up a 1,000 MW unit along with Northern Coal Fields in Madhya Pradesh.

The company intends to foray into renewable energy, by setting up wind energy farms and solar units. It is planning to set up wind farms at various locations between Tuticorin and Kanyakumari in Tamil Nadu. Initially, these wind farms are likely to be of 50 MW which is likely to be increased to 200 MW in a phased manner, which are likely to cost around INR 6.5 crore per MW.

The company has roped in Chennai based ITCOT Consultancy Services to prepare the techno-economic feasibility report. These wind farms are likely to commence power generation by October 2010.

(Sourced from Project Today)

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