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## Avantha Power to raise up to INR 1000 crore via IPO

*Sunday, 15 Nov, 2009*

Avantha Power, part of Mr Gautam Thapar promoted Avantha Group, said that it is looking at raising up to INR 1000 crore through an initial public offer in 12 to 18 months.

The report quoted Mr B Hariharan Finance director of Avantha Group as saying that “We still do not have any fixed time for the listing of the company, but I think it will be in 12 to 18 months.”

On the size of funding, he said that the company is looking at around INR 750 crore to INR 1000 crore.

Avantha Power is setting up two plants of 600 MW each in Chhattisgarh and Madhya Pradesh at a cost of INR 5600 crore, the financing for which has been already tied up 30 per cent equity and the rest through debt.

Mr Hariharan further said that Avantha Power will need more funding for expansion. He said that “We are not going to stop at 1200 MW. Our target is to make it into 5,000 MW company in 5 to 6 years.”

He added that the power business is expected to show the biggest revenue growth for the Avantha Group, which includes companies such as paper major Ballarpur Industries and Crompton Greaves.

Mr Hariharan said that “The two plants are going to be ready by 2012. We expect them to generate business worth INR 4000 crore to INR 5000 crore each year. So in terms of revenue, the biggest growth is going to come from the power business.”

(Sourced from Business Line)

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