
SRM Energy to set up thermal power plant in Tamil Nadu

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BS reported that Mumbai based SRM Energy a Spice Energy group company is planning to set up 1,800 MW to 2,000 MW coal based thermal power plant in Cuddalore district in Tamil Nadu. The company is expected to invest around INR 9,200 crore in the project.

Mr P Srinivasan COO of SRM Energy said that the company would fund the project through 80% debt and 20% equity. The project is scheduled to be completed in about five years. The initial unit would commence operations by 2012.

He said that the company is also mulling construction of jetty at the Cuddalore port or close to the project site to handle ships that would be transporting coal. It inked a coal sale purchase agreement with an Indonesian Company. The talks on the agreement are in the advanced stage.

Tamil Nadu Electricity Board is likely to purchase 250 MW with a possible increase to 500 MW. The company is negotiating with TATA Power Trading Corporation and Power Trading Corporation of India. The company is planning a 2,000 MW pithead coal based power plant in East India at an investment of USD 2 billion.

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