

Tata Power expects renewable energy to contribute 30-40% to portfolio by 2025

Carves out separate arm for renewables; says growth will be acquisition-driven

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Tata Power Limited has carved out a separate subsidiary for renewable energy and expects

non-fossil fuels to contribute about 30-40 per cent of its total portfolio, up from 20 per cent earlier.

The company plans to pursue its acquisition-driven growth as it seeks to achieve an installed capacity of 20,000 MW, up from 9,213 MW, which includes 1,704 MW of clean energy.

It has consolidated its renewable portfolio under a wholly-

owned subsidiary, Tata Power Renewable Energy Limited (TPREL). The transfer of the renewable energy business to TPREL will enable it tap different and competitive sources of capital to fund its growth plans.

Capex plans

Anil Sardana, MD and CEO of Tata Power, in an e-mail told *BusinessLine*, "For the next three years, the company has sketched out a capex at the rate of ₹2,500 crore per annum. The capex plans will be commensurate to growth plans, as has been shown at the recent capacity additions in Mundra and Maithon."

He added, "The company continues to evaluate all possible opportunities - both through organic and inorganic development. Our recent acquisition

has been a 30 MW wind farm in Sangli, Maharashtra. We are constantly on the lookout for new and exciting opportunities."

Power sector reforms

"The power sector has undergone a lot of reforms under this government. The business confidence has improved.

"Innovative schemes like dollar denominated tariff, fund raising through Green Bonds, revision of Standard Bidding document, UDAY scheme for distribution are some of the enabling policies that have ushered the investment confidence of the sector. The Amendments to the Electricity Act will hopefully bring in much needed impetus to the distribution sector and help developers," he said.

