

# IL&FS invites EOI for stake in ONGC Tripura power unit

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The IL&FS group said on Monday that it had invited expressions of interest (EOIs) for the purchase of its stake in ONGC Tripura power plant joint venture. The group holds 26 per cent interest in the gas-based power plant. According to people in the know, ONGC could also bid for this stake.

In order to monetise the investment made by the IL&FS group in ONGC Tripura Power Company (OTPC), EOIs are invited for the acquisition of its 26 per cent stake, subject to necessary approvals, ILFS said.

The last date to submit bids is June 8. IL&FS has engaged Arpwood Capital and JM Financial to assist in the transaction. The project cost entailed debt of ₹3,035 crore and equity investment of ₹10,118 crore.

OTPC operates a fully operational natural gas-based 726.6 Mw power plant located in Palatana (Tripura), supplying power to the north east India. Around 86 per cent of the

power generated from this plant is tied under long-term power purchase agreements. ONGC, which holds 50 per cent stake in the gas-based power plant, supplies gas to it at fixed price and at fixed escalation under a long-term fuel supply agreement.

India Infrastructure Fund-II (managed by Global Infrastructure Partners) and Tripura government are the other stakeholders in this power project. India Infrastructure Fund-II holds 23.5 per cent stake and the remaining 0.5 per cent is with the Tripura government.

IL&FS said the plant was one of the largest gas-based power plants operating at a high plant load factor. Of 25 Gw installed gas-based capacity in India, 7.1 Gw is non-operational because of unavailability of gas while the remaining 17.9 GW is operating at low PLFs (less than 35 per cent) due to limited domestic gas supply. The Tripura power plant operated at 75 per cent PLF in FY19. The plant also exports power to Bangladesh via Tripura.