

**HD** Lanco Infratech To Sell Australian Unit Griffin **Coal**

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Debt-ridden Lanco Infratech is selling its Australian unit Griffin **Coal Mining Company** to reduce debt as stated by Livemint. The **company** had purchased the Australian unit for \$665 Mn in 2011. Along with the **sale** of Griffin **Coal Mining** Co, Lanco Infratech is also in talks to divest a hydroelectric power plant in India.

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Lanco Infratech is also signing a corporate debt restructuring agreement for R7500 Cr to restructure debt that reached to R33900 Cr in September and will also give it access to new credit of R3500 Cr. Its lenders include State Bank of India and ICICI Bank Ltd. Lanco acquired the mine, which is estimated to have reserves of 1.2 **billion** tonnes, to secure fuel for its upcoming projects. Griffin **Coal Mining**, located in Western Australia, produces 4 **million** tonnes of **coal** every year. Lanco had plans to invest over Australian \$1 **billion** more to scale up the output to 18 **million** tonnes by 2018.

Gurgaon headquartered Lanco Infratech Limited has been driving growth in the domains of Engineering, Procurement and Construction (EPC), Power, **Solar**, Natural Resources and Infrastructure. The **company** runs a 70-megawatt hydropower plant in Himachal Pradesh. The infrastructure **company** posted a loss of R31.6 Cr in Q4, against a profit of R72.7 Cr for the corresponding previous period. For the financial year ended March 31, 2013, the **company** posted a loss of R1,073.3 Cr (R112 Cr loss previous year). Income for the financial year was down 1 per cent at R15, 259 Cr.

Referring to divestment in **wind** and **solar** units, Lanco recently sold its 10 MW **wind** farm in Tirunelveli, Tamil Nadu to a spinning mill. In January 2012, the **company** was seeking to raise as much as \$750 Mn by selling a **stake** in its power business to PE investors.

Last year, Kolkata-based CESC was acquiring Lanco Infratech's Budhil Hydro Power, a 70 MW hydro power project in Himachal Pradesh for about R750 Cr. In 2012, debt-laden Lanco Infratech was set to raise \$2 Bn from **Chinese** banks and financial institutions.

In this space, Jindal Steel was planning to buy a **coal** based power plant at Nellore, Andhra Pradesh from Kineta Power; HCC was planning to raise up to R1,000 Cr by selling **stake** in real estate and non-core infrastructure assets for paring some of its debt and reducing the strain on its balance sheet. Other companies such as DLF, GMR Infrastructure and GVK Power and Infrastructure, among others, are also looking at divesting **stake** in projects and subsidiaries, besides selling assets, to raise funds to pay off debt.

**CO** gffnm : The Griffin Coal Mining Company Pty Ltd | icbkbo : ICICI Bank Ltd | Incotc : Lanco Infratech Limited

**IN** i1610107 : Electric Power Generation - Hydro | i111 : Coal Mining | i1 : Energy | i16 : Electricity/Gas Utilities | i16101 : Electric Power Generation | ibasicm : Basic Materials/Resources | ieutil : Electric Utilities | imet : Mining/Quarrying | iutil : Utilities | i814 : Banking | i81402 : Commercial Banking | ibnk : Banking/Credit | icre : Real Estate/Construction | ifinal : Financial Services

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**RE** india : India | austr : Australia | apacz : Asia Pacific | asiaz : Asia | ausnz : Australia/Oceania | bric : BRIC Countries | devgoz : Emerging Market Countries | dvpcoz : Developing Economies | indsubz : Indian Subcontinent | sasiaz : Southern Asia

**IPD** Coal

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