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GE energy finance arm invests \$50m in Hyderabad's Greenko
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GE Energy Financial Services, an arm of the GE group, has invested \$50 million into Greenko, a Hyderabad-based developer of clean energy projects. These funds will be used for developing 500 MW wind energy power projects.

Greenko has lined up funds to the tune of \$65 million towards this new subsidiary, known as Greenko Wind Project Private. This unit, which executes wind projects, expects to raise further equity and debt to increase its business. It had earlier raised \$80 million in June this year.

"This venture expands GE's presence in one of the world's fastest growing power markets with a proven local renewable energy developer. In addition to the capital, GE Energy Financial Services will bring in deep wind and other renewable energy expertise gained by building a \$6 billion portfolio of renewable energy investments worldwide," said Raghuveer Kurada, MD (India) of GE Energy Financial Services. After the reorganisation of Greenko's wind energy division and commissioning of its Ratnagiri project, GE would invest in two tranches of \$25 million for equity shares and \$25 million for convertible preference shares in the subsidiary. If not converted earlier, the convertible preference shares will automatically get converted into equity on a 1:1 basis on the fourth anniversary of its initial investment, the company said.

"Wind power is an increasingly important part of the Indian energy market, and through our partnership with GE, we are well positioned to play an important role in helping meet the country's energy needs with clean power using advanced technology," Greenko CEO and managing director Anil Kumar Chalamalasetty said.

The company estimates that with an average 30 per cent growth, wind energy is the fastest growing clean energy source in the country, and hardly 25 per cent of the country's total wind energy potential (estimated at 45,000 megawatt) has been harnessed so far. Meanwhile, the government has set a target of 15 per cent contribution from the renewable energy sector to the country's total power production by 2020.