

## KSK Power Ventur PLC

17 January 2007

For Immediate Release

17th January 2007

Business update  
KSK Power Ventur plc  
("KSK" or the "Company")

KSK Power Ventur plc (AIM: KSK.L), the power project development company with interests in multiple power plants across India, floated on the AIM market of the London Stock Exchange in November 2006, raising £30.9 million.

Since flotation, the Company is pleased to report significant progress in its target business areas and sustained demand for new plant opportunities, further complementing its project pipeline. Further details are set out below.

### Projects under construction

- The Sai Regency captive plant has now been successfully commissioned, having paralleled and synchronised with the local electricity Grid for open cycle supplies of 36 MW. The Company anticipates combined cycle output of the remaining 22 MW capacity by March 2007.
- In the case of the 43 MW Sitapuram plant, the Company is pleased to announce progress at site works and project commissioning is expected to be completed as scheduled by March 2007.
- The 15 MW Avantika hydroelectric plant - KSK's first foray into hydroelectric power generation - has now achieved financial closure. The Company is anticipating increasing the capacity by an additional 3 MW to 18 MW.
- The 135 MW Marudhar Power group captive power plant in the state of Rajasthan has reached financial closure and also entered into power purchase agreements with a large pool of industrial consumers with significant power requirements. The Company has been allotted the additional fuel block of Lunsara in the State of Rajasthan for further lignite supplies to the project.
- At Warora Maharashtra, Wardha Power has moved forward in its construction of the 270 MW (2 X 135 MW) power project. The Company has concluded a power purchase agreement for the entire capacity of 270 MW with a single customer.

With this, Wardha Power will rank as India's largest outsourced captive power plant. Encouraged by this response, the Company has decided to double the capacity to 540 MW in response to anticipated demand from multiple industrial customers.

## Projects under development

- Wardha Power at Morga, Chattishgarh is developing a 1,000 MW power plant in the proximity of the block from which a coal supply commitment to KSK by Gujarat Mineral Development Corporation (GMDC) has been secured.
- Further, the Company is in advanced discussions for an additional 1000 MW project based on coal supplies from GMDC. In all, therefore, this equates to 2,500 MW of capacity, across multiple locations, for Wardha Power.
- Lafarge has now committed to expand its 43 MW power plant to 86 MW at the same location in Arasmeta, in the state of Chattisgarh.
- As announced with its interim results on 20th December 2006, the Company is seeing significant opportunities in hydroelectric power generation. In line with its growing reputation and the credibility of KSK as a significant private power project developer, the Company has now been invited to participate as a co-developer in India's largest public private partnership hydroelectric power project to date - a 1,200 MW hydroelectric power station in Sikkim.

Commenting on the progress so far, S. Kishore, Executive Director said:

"We are pleased with the progress we have made in recent months with our projects and the additions to our pipeline. KSK has developed or is currently developing, power stations capable of generating 4,000 MW of electrical power. We have also secured access to further fuel resource which gives us every confidence for the future."

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