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Gokul Refoils, GMDC to set up thermal plant near Surat

Our Bureau

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Gokul Refoils and Solvent Ltd on Tuesday announced that the company, along with state-promoted Gujarat Mineral Development Corporation Ltd (GMDC), would set up an 80 MW, lignite-based thermal power station near Tadkeshwar in Surat district, with power production capacity expandable to 135 MW.

In the equity stake ratio of 74:26, the project is being developed on 61 hectares, which is already acquired, with an estimated investment of Rs 460 crore. The project cost will be funded by a combination of debt and equity in the proportion of 70:30. The plant capacity is divided in parts of 55 MW that would be supplied to GMDC (20 MW) and Gokul Group (35 MW) and the balance 25 MW capacity will be available for sale to Gujarat Urja Vikas Ltd and other parties, a company statement said here.

GMDC has committed 100 per cent raw material supply to the project. Gokul Refoils and GMDC would both benefit in terms of cost savings as the captive user would derive power from the project at Rs 3.40 a unit against the grid rate of Rs 5.50 a unit.

As a step forward, both Gokul Group and GMDC have, in principle, agreed to enhance the size of power project to 135 MW from 80 MW. Gokul Refoils and Solvent Ltd, listed on both BSE and NSE, is a leading FMCG company with international presence, dealing in edible and industrial oils.