



Communiqué

Velcan Energy becomes the first European power producer to supply electricity to Tata Power Trading Company

Bangalore – Paris, 10 May 2006

On the 4th of May 2006 in Mumbai (India), Velcan Energy India Pvt Ltd has signed a power purchase agreement with the Tata Power Trading Company Ltd. From the 15th of May the Satya Maharshi plant, owned and operated by Velcan Energy, will supply electricity to Tata Power Trading Company.

The contract was signed by Srivivivasan Subramaniam (managing director of Velcan Energy India) and M. N. K. Gupta (CEO & executive director of the Tata Power Trading Company Ltd).

As Mr Subramaniam noted, “*Velcan Energy is very proud to become the first European power producer to supply electricity to Tata Power Trading Company*”. Tata Power Trading Company is the second client of the Satya Maharshi power plant, the first being Aptransco, the electric utility company of the state of Andhra Pradesh.

Tata Power Trading Company Ltd is a wholly-owned subsidiary of Tata Power Company Ltd. India's largest private-sector power producer. Tata Power is a listed member company of the Tata Group, India's largest private sector group.

Velcan Energy SA is a French company specializing in “green” energy production, mostly involving electricity generation using biomass combustion and hydroelectric technologies. Velcan Energy has two sources of revenue: sale of energy (electricity and steam) and sale of CDM credits.

Velcan Energy operates in Brazil through its subsidiary Velcan Desenvolvimento Energético do Brasil Ltda and in India through its subsidiary Velcan Energy India Pvt Ltd.

Velcan Energy is listed on the Paris Stock Market (Euronext, MLVEL) and is a member of the Paris CDM credit exchange, Pownext Carbon.

Shareholders:

Financière Saint Merri SA (leading shareholder Crédit Agricole)
Private investment funds in France and UK

Sites:

France: Paris (Velcan Energy SA)
India: Bangalore (Velcan Energy India Pvt Ltd)
Brazil: Sao Paulo (Velcan Desenvolvimento Energético do Brasil Ltda)

Workforce: 80

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Velcan Energy is an green energy producer.

Velcan Energy is listed on the Euronext Paris stock market (code MLVEL).

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