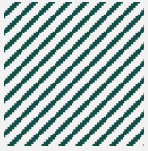


Quarterly Market Observatory



Solar PV Market In India Outlook Update – Q3 2020

August 2020

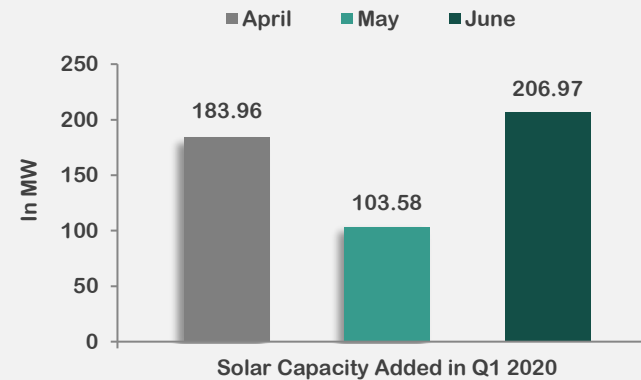


The Eighty – 20 of Industry: What Matters?

Leading Edge

MNRE provides five-month extension for renewable energy projects hit by COVID-19 & ISTS waiver extension for solar projects until June 2023 – brings much needed respite for solar industry

The ministry of new and renewable energy (MNRE) has granted extension in the scheduled commissioning date for renewable energy projects by five months from 25 March to 24 August 2020 to overcome the disruption caused by the nationwide lockdown due to coronavirus outbreak. Government has been ever supportive in motivating the solar segment to grow in the country by providing favourable regulatory and policy atmosphere and steps like these will surely help the solar developers who have been hit due to the lockdown to commission projects without the stress of being penalized and also will provide time to the labourers to return back to project sites. Also government’s step to wave off inter-state transmission charges and losses for transmission of the electricity generated by power plants using solar and wind sources of energy, including solar-wind hybrid power plants with or without storage commissioned till 30th June, 2023 has been met with relief by the industry, after covid-19 had heavily hit renewable projects development.



45%

India’s solar capacity addition declined by 45% in Q2 2020 in comparison to Q1 2020

Source: eninrac consulting, CEA & Channel checks

Above 50%

Of the total solar installed capacity in India comes from the southern region, Karnataka leading the pack with over 7 GW of installed capacity.



TOP 5

States having the highest solar installed capacity in the country

Source: eninrac consulting, CEA & Channel checks



Solar and wind generation grew by 13 per cent in the first half of 2020 compared to the same period last year, in comparison to 14 per cent growth globally, and that meant wind and solar generated 9.7 per cent of India’s electricity compared to 9.8 per cent globally

Numbers to Focus Upon – Q2 2020



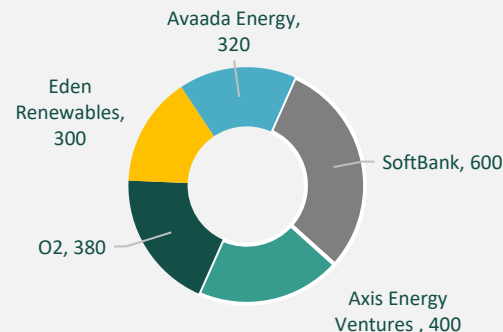
KKR Infra Fund to buy solar assets worth USD 200 Million from SP Group

KKR has agreed to buy 5 solar assets of 317 MW from the cash strapped Shapoorji Pallonji Group for USD 200 million. The divestment will help the SP group in its deleveraging exercise.



NHPC conducts successful auction for 2 GW solar projects

SoftBank, O2, Axis Energy Ventures, EDEN Renewables and Avaada Energy have emerged as successful bidders for 2 gigawatts (GW) solar energy projects, entailing an investment of INR 11,000 crore.



Industry Activity & Corporate Strategy



Actis completes Acme's 400 MW assets buyout

Actis has completed the acquisition of two solar projects in India totaling 400 MW from Acme Solar Holdings Ltd. The projects are located in Andhra Pradesh and Madhya Pradesh. The deal was signed at an enterprise value of INR 2300 crore, which is one of the largest deals in Indian renewable sector since the Covid virus outbreak.

Deployment Trends - Projects

01 O2 Power, Azure, Tata, and Amp Energy win NTPC's 1.2 GW ISTS solar tender

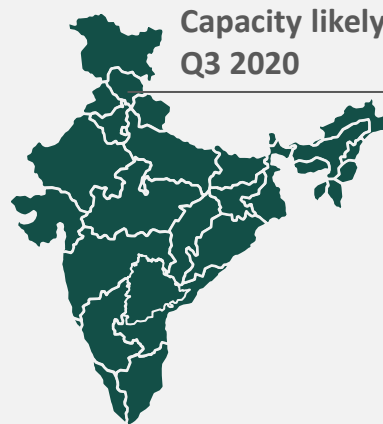
The developers -- O2, Azure, TATA & Amp Energy -- secured project capacities of 400 megawatt (MW), 300 MW, and 370 MW and 100 MW

02 ReNew Power plans 2,000 MW solar manufacturing unit in Rajasthan

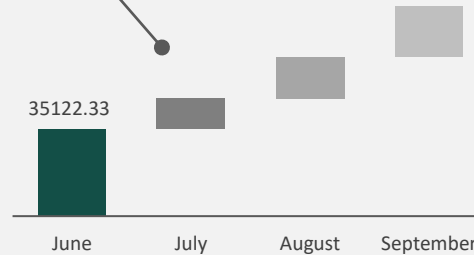
ReNew Power has proposed to set up 2000 megawatt solar cell and module manufacturing plant in Rajasthan with an investment of INR 1,600 crore.

03 Azure Power receives LoA for 2,000 MW solar power project

Azure Power announced it has received the letter of award (LOA) for a 2,000 Megawatt (MW) interstate transmission (ISTS) solar power project with Solar Energy Corporation of India (SECI)

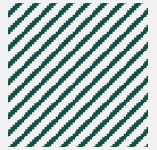


Capacity in MW



Source: eninrac consulting, CEA & Channel checks

This Quarter – Q3 CY 2020



In Q3 CY 2020 the overall capacity additions will see a rise in comparison to the capacity additions in Q2 2020 because the lockdown has ended in the country. The supply chain will see improvement and even the labour is returning back for work which will see gradual increase in capacity additions as the Quarter progresses.



Key Investments – Q3 2020

- German KfW Development Bank has agreed to give a soft loan of INR 600 crore to West Bengal power utility for the first phase of a 125MW solar park project in Purba Medinipur district
- State-run power giant NTPC has floated a tender to acquire 1 GW operational solar projects, which entails an investment of around INR 5,000 crore.
- Vikram Solar Ltd. is planning to invest INR 54.32 billion (USD 726 million) to make solar energy equipment in India, which is encouraging domestic manufacturing to reduce imports



Key Trends – Solar PV Market in India Q3 2020

- The ministry of new and renewable energy (MNRE) has granted extension in the scheduled commissioning date for renewable energy projects by five months from 25 March to 24 August 2020 to overcome the COVID-19 disruption.
- The government's decision to continue the imposition of safeguard duties for a third consecutive year on imports from China has been met with confusion from the industry. The solar industry has been recommending to the government to levy a basic customs duty (BCD) on imports of solar cells and modules as it will give support and direction to the domestic manufacturers in the coming years and help them come at par with the competition.



Key Signpost – Renewable energy industry welcomes governments decision of ISTS waiver extension

The government's decision to extend the waiver on clean energy-based inter-state transmission (ISTS) projects which are commissioned before June 30, 2023 has been met with relief by the industry, after covid-19 heavily set projects back. This extension will provide much-needed relief to the renewable Industry players whose project timelines have been affected by COVID-19 and its induced lockdown. This order applies to solar, wind, and hybrid projects, and includes storage projects as well. Obligated entities can also avail of the waiver to fulfill their renewable energy obligations (RPO).



Contents & Coverage – Q3 2020

01 This Quarter

The section shall reflect upon the major trigger points for solar PV sector in India including investments, project developments, policy & regulatory interface, M&A etc.

04 Numbers to Learn

All solar capacity additions with a split on region wise, state wise & ownership wise break up shall be included. Moreover, upcoming projects shall be tracked as well

07 Deployment Trends

The pace of deployment of projects at central, state and private company levels covering issues like investments & project management shall form part of this section

02 Key Features

Key features shall cover the major strengths and development map that the solar industry has shown over the quarter

05 The Eighty - 20 of Industry – What Matters?

In this section the major factors which are acting as the growth catalysts / barriers in the Indian solar PV segment are highlighted inclusive of policies, regulations etc.

08 Technology & Price Trends

Capture of all the latest technology implementation, tie-ups with entire price benchmarks w.r.t state of art shall be the focus of this segment

Solar PV Market in India Outlook – Update Q3 - 2020

03 Leading Edge

The current affairs leading business impacts on solar PV sector with insightful data analytics & our exclusive “Knowledge Grid” feeds covered in the section. Our analyst's viewpoints with sharp edged objectives shall be central to the section

06 Key Signposts

The business factors which shall govern the course of coming quarters of business and the industry response to the changes shall be the focus area of this segment

09 Industry Activities & Corporate Strategies

All the industry order track & merger's and acquisition activities shall be tracked. Fresh investments in transmission sector as per player's shall also be tracked in this section



Must Buy For

- Central Power Generation Companies
- State Power Generation Companies
- Power Distribution Companies
- Independent Power Producers
- State Electricity Boards
- Project Developers
- EPC Contractors
- Original Equipment Manufacturers
- Renewable Power Developers
- Renewable Developing Agencies
- Government Agencies
- Research firms/ Institutes
- Project Consultants
- Industry Associations / Technical Consulting Group



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Please call at +91 120 – 4147 000 for any other queries

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Companies Mentioned

- ACME
- Renew
- Amplus Solar
- Azzure Power
- Tata Power
- UPC Renewables
- Avaada Energy
- EESL
- NTPC
- SECI
- SB Energy
- AMP Energy
- Hero Future
- Greenko
- Adani
- Sprng Energy



The life of a man consists not in seeing visions and in dreaming dreams, but in active charity and in willing service

- Henry Wadsworth Longfellow

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