

Central Sector

❖ The **Ministry of New and Renewable Energy (MNRE)** has **notified** an **extension** in the **scheduled commissioning date (SCoD)** of **renewable energy projects** considering **disruption** due to the **second wave** of **COVID-19**. As per the order, renewable energy projects being undertaken through implementing agencies designated by the MNRE having their SCoD on or after April 1, 2021 would be eligible to claim time-extension for completion of their project activities provided that such time-extensions are not used as a ground for claiming termination of power purchase agreement (PPA) or for claiming any increase in the project cost. The actual quantum of time-extension will be decided in due course depending on the COVID-19 related developments that take place in the coming weeks.

❖ The **Union Cabinet** has **approved production-linked incentives (PLI)** for **battery storage systems**. Presently, India reportedly imports battery storage equipment worth Rs 200 billion. The approval of PLI will reduce the import dependence and also give boost to the electric vehicles segment. The cabinet has approved Rs 181 billion for PLI. Further, an investment of Rs 450 billion is expected from the national programme on advanced chemical cell battery storage.

❖ The **MNRE** has **amended the guidelines** for **implementation of central public sector undertaking (CPSU) scheme phase-II** for **setting up 12,000 MW grid-connected solar projects with viability gap funding (VGF)**. As per the amended guidelines, power produced by CPSUs could be used on payment of mutually agreed usage charges of not more than Rs 2.45 per unit. Earlier, the mutually agreed usage charges were capped at Rs 2.80 per unit. Further the maximum permissible VGF has been fixed at Rs 5.5 million per MW as against Rs 7 million per MW earlier. Further, solar power projects would have to be commissioned within a period of 30 months from the date of letter of award. Earlier, projects up to 500 MW capacity had a commissioning timeline of within 24 months from the date of letter of award while for projects over 500 MW, it was 24 months while for the balance capacity it was to be commissioned within next six months.

❖ **Coal India Limited (CIL)** will **continue to supply coal to thermal power plants (TPPs)** under **import substitution** during **2021-22**. In 2020-21, consumers opted for about 90 mt of indigenous coal under the import substitution drive. CIL would issue a notice asking power utilities to submit the requirement for 2021-22. The supply of coal to power plants would be made strictly as per availability and they will have to honour their fuel supply agreement (FSA) commitment before lifting coal under import substitution. Such TPPs will also be required to submit an undertaking mentioning that they will not import/curtail the import of coal during the year.

❖ **NHPC Limited** will be **acquiring the entire 2 per cent equity stake of PTC India Limited in Chenab Valley Power Projects Private Limited (CVPPL)**. The Ministry of Power has recently conveyed approval of competent authority for taking over the equity stake. CVPPL is a joint venture company between NHPC (49 per cent), Jammu and Kashmir State Power Development Corporation (JKSPDC) (49 per cent) and PTC (2 per cent). It is building four hydroelectric projects (HEPs) in Kashmir with aggregate installed capacity of 3,094 MW on a build, own, operate and maintain basis. The projects are Pakal Dul HEP (1,000 MW), Kiru HEP (624 MW), Kwar HEP (540 MW) and Kirthai-II HEP (930 MW).

State Sector

❖ The **Maharashtra State Electricity Distribution Company Limited (MSEDCL)** has **invited bids to procure 500 MW of wind-solar hybrid power** on a **long-term basis** from **grid-connected interstate and intrastate projects**. The minimum project size of a single hybrid power project for the intrastate projects should be 25 MW, with at least 10 MW project at one site. It should be 50 MW for interstate projects at one site to be interconnected to a single delivery point. MSEDCL will enter into a power purchase agreement (PPA) with the selected bidders to purchase wind-solar hybrid power for 25 years from the commercial operation date of the projects.

❖ The **Odisha Renewable Energy Development Agency (OREDA)** has **invited bids to select solar power generators** to set up **500 MW of solar projects** under **Component A** of the **Pradhan Mantri Kisan Urja Suraksha evam Utthan Mahabhiyan (PM KUSUM)** programme on a **build, own, and operate basis**. A ceiling tariff of Rs 3.08/kWh has been set under the tender. The project will allow GRIDCO Limited to meet its

Note: Rs 1 crore = Rs 0.01 billion; Rs 1 lakh = Rs 0.1 million; Rs 1,000 million = Rs 1 billion

solar renewable purchase obligation. The last date to submit the bids online is June 22, 2021, and bids will be opened on June 24, 2021.

❖ **Uttar Pradesh New and Renewable Energy Development Agency (UPNEDA)** has invited bids for setting up **106 MW of grid-connected solar projects of 0.5 MW, 1 MW, and 2 MW** capacity under **Component A of PM KUSUM programme**. The projects can be developed on barren lands, agricultural plots, pasturelands, and marshlands of farmers falling within the radius of 5 km from the selected 33/11 kV substations. The project should be commissioned within 12 months from the date of the issuance of the letter of award. The last date to submit the bids online is June 15, 2021, and bids will be opened on June 16, 2021.

Private Sector

❖ **Vikram Solar** has commissioned an **85 MW solar PV power project for NTPC Limited at Bilhaur, Kanpur, Uttar Pradesh**. With this, the total capacity of the project has reached 225 MW (about 140 MW was commissioned earlier) thereby making it the largest solar project in a single location in the state. The project is expected to produce 200 MUs of energy and mitigate 4.57 tonnes of carbon dioxide emission.

Financials

❖ **The Tata Power Company Limited** has recorded a consolidated total income of **Rs 329 billion** for the year ended **March 2021**, an increase of **10.8 per cent** over **Rs 297 billion** recorded last year. The company's net profit increased by 9.4 per cent to Rs 14.4 billion from Rs 13.16 billion during the same period.

❖ **Siemens Limited** has recorded a consolidated total income of **Rs 35.4 billion** for the quarter ended **March 2021**, marking an increase of **30.05 per cent** from **Rs 27.22 billion** for quarter ended **March 2020**. The company's PAT stood at Rs 3.34 billion for quarter ended in March 2021, an increase of 90.85 per cent as compared to Rs 1.75 billion for quarter ended in March 2020.

Debt and Equity

❖ **JSW Hydro Energy Limited** has raised **USD 707 million (about Rs 52 billion)** from an **international green bond issue**. The Fixed Rate Senior Secured Green 144A/Reg S Bonds for a 10-year tenor were priced at 4.125 per cent. The proceeds from the issuance will be used towards repayment of existing green project-related Rupee-denominated debt. The company engaged with several investors on a global deal roadshow across Hong Kong, Singapore, London, New York and Los Angeles. Backed by a strong investor feedback, the transaction was launched with an initial price guidance of 4.5 per cent area and tightened by 37.5 bps to 4.125 per cent as final pricing. The final order book was in excess of USD 2.6 billion with oversubscription of 3.7 times. The transaction witnessed 64 per cent participation from Asia, 14 per cent from the US and 22 per cent from EMEA with 82 per cent investment from long haul funds, 17 per cent from financial institutions (including sovereign wealth funds), and 1 per cent from private banks..

❖ **Jindal Steel and Power Limited (JSPL)** has made a **prepayment of Rs 24.62 billion** to its **term lenders** to become **debt free**. The prepayment of debt is in line with the company's long stated financial strategy of debt reduction and building a robust balance sheet with optimum capital mix. JSPL has recently announced divestment of its thermal power business to reduce its debt further as well as to cut down on its carbon footprint by almost half. JSPL has worked with a focus of debt reduction of over Rs 200 billion from a peak of around Rs 465 billion in third quarter of 2016-17 to Rs 256 billion as reported in third quarter of 2020-21.

❖ **Adani Green Energy Limited (AGEL)** is reportedly in talks to buy **Japan's SoftBank Group's majority 80 per cent stake in solar power producer SB Energy**. Bharti Enterprises Limited holds the remaining 20 per cent stake in SB Energy. The talks follow the scrapping of SoftBank's plan to sell the stake to Canada Pension Plan Investment Board (CPPIB) for an estimated USD 525 million. SB Energy has a portfolio of 7.7 GW in India. The deal, if finalised, would help AGEL to reach its targetted generation capacity of 25 GW by 2025