

## Central Sector

❖ The **Union Cabinet** has approved a **Reforms-based and Results-linked, Revamped Distribution Sector Scheme**, having an **outlay of Rs 3,037.58 billion** with an **estimated gross budgetary support (GBS) from central government of Rs 976.31 billion**. The scheme seeks to improve the operational efficiencies and financial sustainability of all discoms by providing conditional financial assistance to discoms for strengthening of supply infrastructure. The scheme would be available till 2025-26. REC Limited and Power Finance Corporation (PFC) Limited have been nominated as nodal agencies for facilitating implementation of the Scheme. It is proposed that the currently ongoing approved projects under the schemes of Integrated Power Development Scheme, Deen Dayal Upadhyaya Gram Jyoti Yojana along with Prime Minister's Development Package-2015 for the Union Territories of Jammu & Kashmir (J&K) and Ladakh would be subsumed in this scheme, and the savings of their GBS (around Rs 170 billion) would be part of the total outlay of the revamped distribution sector scheme under the existing terms and conditions till March 31, 2022.

❖ The **Ministry of Power (MoP)** has issued an **official notification on Electricity (Right of Consumers) Amendment, Rules 2021**. As per the notification the arrangements for net-metering, gross-metering, net billing or net feed-in will be in accordance with the regulations made by the state commission. As per the amendments, net metering will be allowed to the prosumer for loads up to 500 kW or up to the sanctioned load, whichever is lower, and gross metering for loads over 500 kW. In case of prosumers availing net-metering or net feed-in, the commission may introduce time of the day tariffs by which the prosumers are incentivised to install energy storage for utilisation of solar energy stored.

❖ The **Ministry of New and Renewable Energy (MNRE)** has issued a **memorandum to allow the time extension of two-and-a-half months for renewable energy projects** with commissioning dates between **April 1, 2021 and June 15, 2021**. MNRE has notified the changes that will prevent developers from being charged penalty for delaying commissioning of projects beyond the agreed timelines. In addition to that, the MoP has also granted an extension of three months to all interstate transmission projects under construction, with the scheduled commercial operation date falling after April 1, 2021, hit by the Covid-19 pandemic.

❖ The **central government** has **extended the second phase of Faster Adoption and Manufacturing of Electric Vehicles (FAME) scheme for electric vehicles (EVs) till March 31, 2024**. The second phase of the scheme focuses on supporting electrification of public and shared transportation. The scheme was originally proposed to be implemented over three years starting from April 1, 2019. However, the demand for EVs was severely affected during the pandemic and the extension was provided to the scheme so that the amount allocated under the scheme could be deployed to accelerate demand for EVs.

❖ **NTPC Limited plans to install 60 GW capacity of renewable energy** as part of its **plan to reduce net energy intensity by 10 per cent by 2032**. NTPC is India's first company in the energy domain to declare its energy compact goals as part of UN High-level Dialogue on Energy (HLDE). NTPC has also issued expression of interest for setting up 1,000 MW capacity of grid-scale battery storage systems in its power plants. In a separate development, NTPC is considering to launch an initial public offering (IPO) for its renewable energy arm NTPC Renewable Energy Limited to raise funds for reaching its renewable energy targets.

❖ **Russia's Rosatom** has **started the construction of unit 5 of Nuclear Power Corporation of India Limited's (NPCIL) Kudankulam nuclear power plant (KNPP) in Tamil Nadu**. The first concrete pouring into the foundation plate of the reactor building of unit 5 was done on June 29, 2021, with which, the official commencement of the main stage of the nuclear power plant stage-3 construction was commemorated. NPCIL and Rosatom are building six power reactors of 1,000 MW each at KNPP. Units 1 and 2 have already been commissioned and unit 3 and 4 are scheduled to be completed by 2026-27.

## State Sector

❖ The **Rewa Ultra Mega Solar Limited's (RUMSL) tender for 450 MW capacity of solar power projects** located at the **Shajapur Solar Park in Madhya Pradesh** has been **oversubscribed by 5.8 GW**. RUMSL is a joint venture between the Solar Energy Corporation of India Limited (SECI) and Madhya Pradesh Urja Vikas Nigam Limited (MPUVNL). The tender comprises three solar projects of 220 MW, 125 MW, and 105 MW capacity at the Shajapur Solar Park. 15 bidders have been shortlisted for the tender which includes ACME

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

Solar Holdings, Azure Power, NHDC, NTPC Renewables, ReNew Solar Power, SJVN, Torrent Power, and Tata Power Saurya, among others. The tender was issued in January 2020.

❖ The **Rajasthan Electricity Regulator Commission (RERC)** has **extended the implementation date of new net metering norms for solar rooftop projects from July 1, 2021 to September 15, 2021**. As per the order issued by RERC, the new norms will be effective from September 15, 2021, earlier new norms were to kick off from July 1, 2021. RERC received representations from the stakeholders for extending the date at least by another three months due to second wave of Covid-19 pandemic.

## Private Sector

❖ The **Competition Commission of India (CCI)** has **approved acquisition** of entire **shareholding in SB Energy India** by **Adani Green Energy Limited**. In May 2021, Adani Green Energy had inked share purchase agreements with SoftBank Group and Bharti Group for acquisition of 100 per cent stake in SB Energy India for USD3.5 billion. The transaction would be the largest acquisition in the renewable energy sector in the country.

❖ **LNJ Bhilwara Group** has entered into a **joint venture** with **Replus Engitech Private Limited** to **establish a 1GWh plant in Pune**. The group has marked its entry into the lithium-ion battery business and the 1 GWh plant is for Lithium-ion battery modules and packs, battery management systems, energy management systems, and containerised battery energy solutions. These products are expected to cater to diverse facilities like large energy storage systems for renewable integration, micro grid, utility support, railways, telecom, data centers, as well a battery packs for 2-wheelers, 3-wheelers, and 4-wheelers and electric buses.

❖ **Tata Motors** will **introduce 10 new battery EVs by 2025** as a part of its plans to **shift towards sustainable mobility**. The company will also invest in charging infrastructure across the country. Additionally, Tata Motors is exploring partnerships in cell and battery manufacturing across India and Europe to secure battery supplies. Jaguar Land Rover, a subsidiary of Tata, is targeting 100 percent zero tailpipe emissions for the portfolio it sells by 2036. Currently, Tata has more than 350 buses deployed under FAME I and II schemes. Also, it is planning to create an EV ecosystem through Tata Group synergies.

## Projects and Ventures

❖ A **consortium of Power Mech Projects and AMR India** has **received a contract worth Rs 92.94 billion** for a **mine development and operation (MDO) project from Central Coalfields Limited (CCL)**, a subsidiary of Coal India Limited (CIL). Power Mech is the consortium leader with 74 per cent equity stake and AMR India will hold 26 per cent stake. The MDO contract encompasses mine infrastructure development; removal of overburden and extraction of coking coal; processing, crushing and transportation of coal up to the washery; resettlement and rehabilitation activities. The contract has been awarded for the Kotre Basantpur Pachmo open cast coal mine in Ramgarh and Bokaro districts, Jharkhand.

## Financials

❖ **JSW Energy Limited** has **recorded a consolidated total income of Rs 71.60 billion** for the **year ended March 2021**, a **decrease of 16.35 per cent** from **Rs 85.60 billion** recorded **last year**. Its net profit decreased by 23.8 per cent to Rs 8.23 billion from Rs 10.81 billion during the same period.

## Debt and Equity

❖ **Reliance Power** is **planning to sell equipment** at its **stranded Samalkot gas-based project in Andhra Pradesh** to a **similar project in Bangladesh for debt reduction**. Reliance Power has sold the Module 1 equipment to the 750 MW gas-based project which is being jointly developed by Reliance Power and JERA, Japan at Meghnaghat in Bangladesh. The module will be sold to Samsung C&T Corporation of South Korea (the EPC contractor for the gas-based project in Bangladesh) for Rs 15.4 billion. Samalkot project has a total debt of Rs 25 billion and it will realise about Rs 15 billion from this sale. The sale of the other two modules is expected to generate enough funds for the remaining Rs 10 billion debt. The company has received the requisite permission and the export will be completed by the end of July 2021.