



PowerPulse: India Corporate Dashboard

Quarterly Assessment of Listed Power Sector Companies in India



Institute for Energy Economics and Financial Analysis

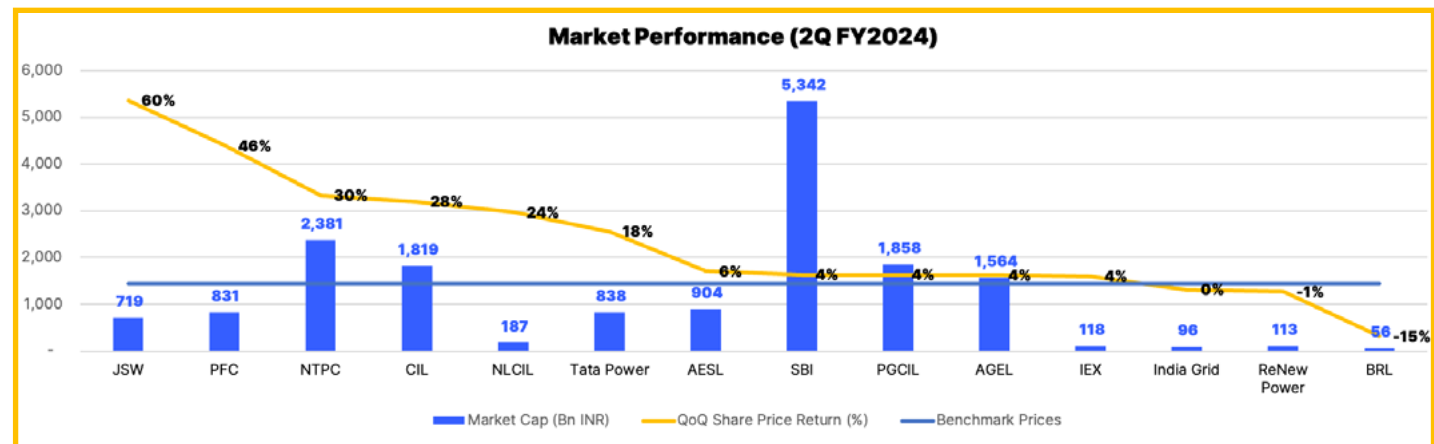
2Q FY2024

- AGEL recorded a substantial **78% year-on-year (YoY) increase** in energy sales in first half (1H) of fiscal year (FY) 2024, generating a **40.2% YoY revenue increase** due to capacity additions and enhanced capacity utilisation in wind and hybrid installations.
- JSWEL emphasised wind energy with **2,081 megawatts (MW) among the 2,321MW under construction**, all supported by long-term Power Purchase Agreements (PPAs).
- NLCIL formed new wholly-owned subsidiaries, "NLC India Renewables Limited (NIRL)" and "NLC India Green Energy Limited (NIGEL)", to venture into green and renewable energy. It has also won a bid for an **810MW Grid-Connected Solar** power project and signed a Letter of Award (LoA) for developing a 200MW Solar project.
- NTPC achieved record coal production in 1H FY2024, investing heavily in coal mine development. It is betting big on pumped storage, identified large-scale pump storage capacity development totaling around **14,000MW**.
- ReNew Power signed memorandums of understanding (MoUs) aggregating **~US\$8 billion** with two Indian financial institutions. This shows a strong visibility to future debt raises. It significantly increased its portfolio and secured **3.5 gigawatts (GW) year-to-date**, signing PPAs for 400MW and receiving LoAs for an additional ~2.9GW.
- Tata Power secured **US\$425 million** financing for a 4.3GW cell and module manufacturing plant. It is partnering with the Government of Maharashtra for the development of 2,800MW pumped storage and collaborating with Zoomcar to offer EV charging infrastructure solutions.
- AESL received LoAs for four smart metering projects in Maharashtra, Andhra Pradesh and Bihar totalling **14.76 million smart meters** with a contract value of **Rs174 billion** and increased the share of renewable power supplied to Mumbai circle to 38%.
- Following Virescent Renewable Energy Trust's (VRET) acquisition, IndiGrid witnessed a **five-fold increase** in its renewable portfolio, rising from **138 megawatt-peak (MWp) to 676MWp**. As a result, IndiGrid's Assets Under Management (AUM) grew by approximately 18%, reaching a substantial **Rs269 billion** after integrating VRET.
- IREDA launched IPO in November. It was oversubscribed by around 40 times. Details will be covered in the next newsletter.

1. Key Financial Highlights for 2Q FY2024

Table 1: Financial Highlights

S.No.	Company	Operating Revenues (Rs Billion)	YoY Revenue Growth (%)	QoQ Revenue Growth (%)	Net Income (Rs Billion)
1	Adani Green Energy Ltd (AGEL)	22.2	40.2%	2.7%	3.7
2	JSW Energy Ltd (JSWEL)	32.6	36.5%	11.3%	8.6
3	NLC India Ltd (NLCIL)	29.8	-14.7%	-10.2%	10.9
4	NTPC Ltd	449.8	1.8%	4.4%	47.3
5	ReNew Power	26.0	32.7%	21.3%	3.7
6	Tata Power Company Ltd	157.4	12.2%	3.4%	10.2
7	Adani Energy Solutions Limited (AESL)	35.0	15.3%	-4.6%	3.2
8	Power Grid Corporation of India Ltd (PGCIL)	112.7	1.0%	2.0%	37.8
9	India Grid Trust	6.9	19.6%	10.4%	3.9
10	Coal India Ltd (CIL)	327.8	9.8%	-8.9%	68.1
11	PFC Group	223.9	15.8%	6.7%	66.3
12	Indian Renewable Energy Development Agency Limited (IREDA)	11.8	48.7%	2.9%	2.8
13	State Bank of India (SBI)	1073.9	27.1%	5.8%	163.8
14	Borosil Renewables Ltd (BRL)	4.0	137.3%	13.3%	0.3
15	Indian Energy Exchange (IEX)	1.1	14.0%	4.3%	0.9



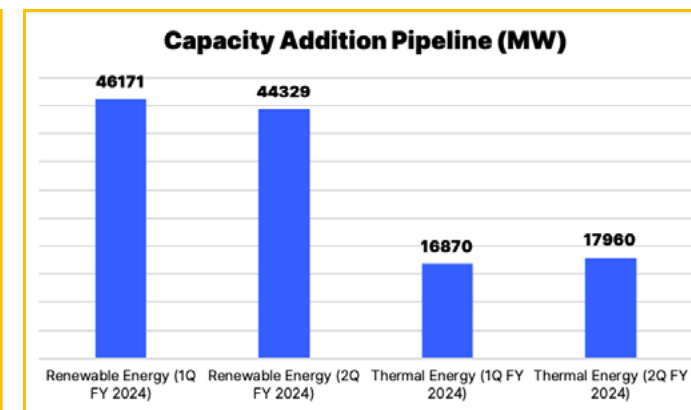
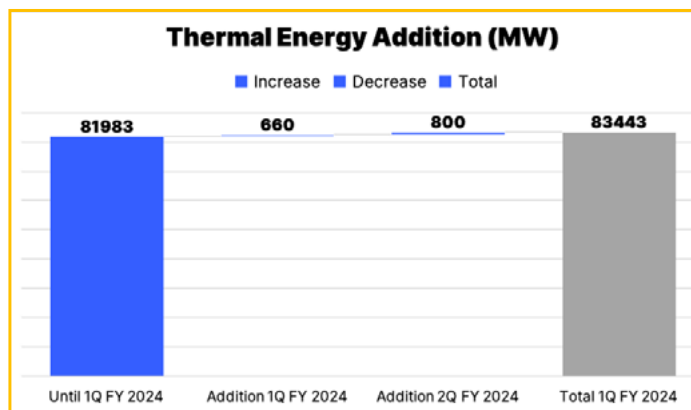
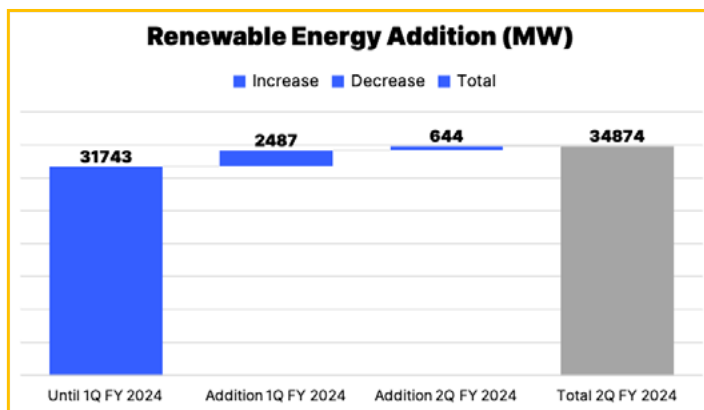
Market capitalisation as of 30 September 2023
Benchmark taken as SENSEX

2. Key Operational Highlights for 2Q FY2024

Table 2: Operational Highlights: Power Sector Companies

S No.	Company	Renewable energy capacity added during quarter (MW)	Total installed renewable energy capacity (MW)	Pipeline renewable energy capacity (MW)	Thermal capacity added (MW)	Pipeline thermal capacity (MW)	Total installed capacity (MW)	Power generation (BU)	Transmission lines added (ckms)	Total transmission line (ckms)	Pipeline transmission capacity (ckms)	Transmission reliability (%)	Discom customers (in million)	Coal production (MMT)
1	Adani Green Energy Ltd (AGEL)	88	8404	12030			8404	5.7						
2	JSW Energy Ltd (JSWEL)	104	3613	2321	0	700	6771	8.6						
3	NLC India Ltd (NLCIL)	10	1431	3110	0	5700	6071	3.4						3.9
4	NTPC Ltd	0	7,039	17258	800	9300	73824	130						9.9
5	ReNew Power ⁽¹⁾	-100	8300	5500	-	-	8300	5.9	138	138	137			
6	Tata Power Company Ltd ⁽²⁾	87	5521	3760	0	0	14381	3.3	0	4383	905.5	92.4	12.36	
7	Adani Energy Solutions Limited (AESL)								1766	17057	2807	99.68	3.15	
8	Power Grid Corporation of India Ltd (PGCIL)								1555	176180	NA	99.9		
9	India Grid Trust	455	555				555	0.2	0	8468		99.76		
10	Coal India Ltd (CIL)		11	350		2260								157.4
Total		644	34,874	44,329	800	17,960	118,306	157.1	3,459	206,226	3,849.5	391.7	15.5	171.2

(1) Reduction in renewable energy capacity is due to sale of 100MW asset
 (2) Renewable energy capacity includes hydro capacity



This quarter, the rate of thermal power additions surpassed that of renewable energy in the companies we are tracking. Moreover, the tracked thermal pipeline has notably increased from 16,870MW to 17,960MW, indicating a renewed emphasis on bolstering thermal power capacities

- PFC faced increased fund costs in 1H FY2024 due to market conditions. It increased to **7.41% in 1H FY2024** from **7.30% in 1H FY2023**. But PFC anticipates maintaining a 25% investment ratio, as per the National Electricity Plan.
- SBI has a renewable energy financed portfolio of **Rs493 billion**, supporting a capacity of 29,681MW in the renewable energy sector.

Table 3: Operational Highlights: Financial Sector Companies

S No.	Company	Loan book growth (%YoY)	Total Loan Book (Rs Bn)	RE Lending during the Quarter (Rs Bn)	Total RE Lending (Rs Bn)	Total Thermal Lending (Rs Bn)	Net NPA Ratio (%) ⁽²⁾	Yield of Advances (%) ⁽³⁾	CRAR (%) ⁽⁴⁾
1	PFC Group ⁽¹⁾	20.0%	4,500	NA	NA	NA	1.0%	9.9%	24.9%
2	Indian Renewable Energy Development Agency Limited (IREDA)	41.0%	475	NA	NA	NA	1.7%	NA	20.9%
3	SBI	12.4%	34,113	87.0	493.0	NA	0.6%	8.9%	14.3%

*(1) Loan Book Growth and Yield of Advances are for 1H FY 2024.
 (2) Net NPA% denotes the proportion of advances which turned into non-performing assets after adjusting for the provisions already made for NPA by the financial institution. A low Net NPA ratio indicates that the bank has made adequate provisions against non-performing loans.
 (3) Yield of Advances: Yield on Advances is calculated as Interest Income / Avg. Advances. The ratio gives the average lending rate of a financial institutions.
 (4) CRAR: Capital to Risk (weighted) Assets Ratio (CRAR) is an estimation of a bank's available capital expressed as a percentage of a bank's risk-weighted credit exposures.*

3. Key Developments Impacting Power Sector Companies

Indian Grid Code	On 5 September 2023, the government directed generators with long-term PPAs could also sell their surplus power, which is not requisitioned by the state electricity distribution companies (DISCOMs), in the day-ahead market without buyers' consent. Generators would now be allowed to meet their commitment in case of unit shutdown or forced outage by purchasing power through the exchanges.
Market Coupling	Discussion paper on market coupling was released by the Central Electricity Regulatory Commission (CERC), which can impact IEX's operations if implemented. CERC is currently neutral.
General Network Access (GNA) Regulations	General Network Access (GNA) has been implemented from 1 October 2023, which will improve Day-Ahead Market (DAM) volumes on exchanges.
Peer to Peer (P2P) Electricity Trading	P2P electricity trading is emerging in different parts of the world due to the increasing number of prosumers. Guidelines for the same have been issued in Uttar Pradesh, and a draft guideline has been issued by Delhi Electricity Regulatory Commission (DERC).
Power Exchange Prices	Average price of power on exchanges grew to Rs5.88 per kilowatt-hour (kWh) from Rs5.40 per kWh in 2Q FY2024, an increase of nearly 9% over 2Q FY2023 and 14% from 1Q FY2024. India's peak power demand rose ~20% to an record high of 240GW in September 2023. Higher merchant prices and rising peak demand reflect power shortages in the economy.
Carbon Credits	As per IEX by 2030, India will sell almost 200 million carbon credits, with demand from Indian corporations alone expected to be about 120-130 million. India's compliance market will be operated by all CERC regulated exchanges.
Renewable Energy Auction	India has concluded approximately 20GW of renewable energy auctions in the current fiscal year (YTD FY2024), with around 59GW announced.
Solar Module Prices	Despite the rise in input costs, module prices have significantly declined due to increased dumping by China, Vietnam, and Malaysia.
Interest Rates	Globally bond investors are pricing in imminent U.S. Federal Reserve interest rate cuts by the first half of next year, as signs of a slowing economic growth and easing inflation in the United States of America (U.S.) became more evident. As interest rates peak, investor interest in emerging market debt and equity also increases, as evident from the recent rally in Indian benchmark indices. Several domestic power sector companies will be refinancing their existing loans in the next couple of quarters, and will also be raising additional debt to finance pipeline assets. A falling interest rate regime will augur well for their project equity returns given interest cost is the biggest cost item for any power project.



S No.	Company	ESG Highlights
1	Adani Green Energy Ltd (AGEL)	In 1H FY2024, AGEL's emission intensity per unit of generation fell 99.8% to 0.0015 tonnes of CO ₂ (tCO ₂)/megawatt-hour (MWh), significantly lower than the Indian grid average of 0.71 tCO ₂ /MWh. AGEL engaged with suppliers, resulting in 91% of manufacturing suppliers disclosing their greenhouse gas emissions through the CDP supply chain program, aligning with its goal to reduce Scope 3 emissions.
2	JSW Energy Ltd (JSWEL)	JSWEL is developing a digital platform for tracking the sustainability of supply chain partners. It increased the share of renewable energy, with a total capacity of 3,613 MW added till 2Q FY2024. But it is still adding thermal capacity – 700MW of thermal generation capacity addition is in progress.
3	NLC India Ltd (NLCIL)	While NLCIL is expanding its renewable energy portfolio, it has concurrently redirected its attention to thermal power, planning for a pipeline addition of 5,700MW capacity. NLCIL has also developed two ecoparks in Tamil Nadu with an investment of Rs61 million.
4	ReNew Power	The carbon intensity of ReNew's electricity generation is 92% less than the Indian power sector's average. It was verified as 'carbon neutral' for operations across 150 sites and facilities for FY2023.
5	Tata Power Company Ltd	Renewable energy constitutes 38% of Tata Power's total portfolio as on 30 September 2023. A thermal plant phase-out plan is also progressing
6	Adani Energy Solutions Limited (AESL)	AESL has achieved 38% renewable energy in its power mix in September 2023.
7	State Bank of India (SBI)	SBI is financing various renewable energy projects and has a portfolio of Rs493 billion. Further, it has financed Rs51 billion for sustainable transportation projects and Rs6 billion for energy efficiency processes and waste and pollution control projects.
8	Borosil Renewables Ltd (BRL)	The company has a 22% lower carbon footprint in comparison to the default score for glass manufacturing in Lifecycle Assessment. It uses low-cost renewable energy. Further, it owns a 1.5MW wind farm and has invested in a 10MW Wind-Solar Hybrid power plant, which started generation in May 2023. Renewables now contribute 30% of its power requirements.
9	Coal India Ltd (CIL)	CIL is executing a First Mile Connectivity project, costing Rs247 billion over six to seven years, to reduce dust, NOx and carbon emissions by 75% to 80%. CIL aims to increase production to one billion tonnes by 2027 while expecting an annual attrition rate of 5% due to natural retirements. The additional manpower requirements will be met by contracting mine development operators.

*IndiGrid is an infrastructure investment trust (InvIT) and is currently not under the ambit of BRSR reporting; IREDA is unlisted
 ReNew power is listed on Nasdaq exchange and is not under the ambit of SEBI regulations.
 Some of the companies we are tracking do not provide quarterly ESG updates.*

About IEEFA

The Institute for Energy Economics and Financial Analysis (IEEFA) examines issues related to energy markets, trends and policies. The Institute's mission is to accelerate the transition to a diverse, sustainable and profitable energy economy. www.ieefa.org

Analysis by

Gaurav Upadhyay, Energy Finance Analyst, IEEFA South Asia | gupadhyay@ieefa.org

Tanya Rana, Energy Intern, IEEFA South Asia | trana@ieefa.org

Shantanu Srivastava, Sustainable Finance and Climate Risk Lead, IEEFA South Asia | ssrivastava@ieefa.org