

Tata Cleantech Capital releases report on Market Trend and State Comparatives of Indian Renewable Open Access Landscape

Mumbai, September 06, 2021: Tata Cleantech Capital Ltd (TCCL), a joint venture between Tata Capital Limited and International Finance Corporation, Washington D.C. (World Bank Group) has released a report on **Market Trend and State Comparatives of Indian Renewable Open Access Landscape**. The report identifies key states which are expected to lead the growth in the Indian Renewable Open Access space over the next 1-2 years. The report also aims to provide a market landscape of the developers and debt financing in this segment.

Go-Green initiatives led by corporates, coupled with increasing cost competitiveness, have accelerated the shift of Open Access projects towards renewable energy. The report focusses on business model evolution, connectivity arrangements and policies, regulations and Open Access charges across different states.

Regulatory certainty remains a key determinant to growth owing to the dynamic nature of the banking rules, cross subsidy and additional surcharges. The complexity gets further accentuated due to lack of uniformity in the policies witnessed in various states. Identification of key states is based on regulatory certainty, DISCOMs intent and financial health, certainty of exemptions, market size and other aspects. Given the complexity of the industry, it is highly likely that the bulk of the new capacity addition of renewable Open Access projects would be centered in Gujarat, Maharashtra, Uttar Pradesh, Rajasthan, Karnataka and Chhattisgarh in the near term.

The report also highlights the emerging trend of dominance by renewable focused developers in the Open Access segment. The shift in trend is predominantly on account of long-term policies from key states such as Karnataka, Gujarat and Uttar Pradesh. Despite the shift, the risk perception for Open Access projects continues to be significantly higher. As a result, the debt financing in the segment is largely provided by private NBFCs due to in-depth understanding and agility to account for dynamic market situations.

Speaking on the report, **Manish Chourasia, Managing Director, Tata Cleantech Capital Ltd.** said, *“The development of Open Access market in India is still in its nascent stage and has immense potential to grow. Regulatory support and the proposed Electricity Rules, 2021 and Electricity Amendment Act can provide the much needed boost to the Open Access market in India. The sector could also benefit by adoption of wind-solar hybrid projects which has an added advantage as they can operate throughout the day, resulting in better utilization of grid infrastructure and reduced dependency on banking facilities.”*

About TCCL-

Tata Cleantech Capital Limited ('TCCL') is a joint venture between Tata Capital Limited ('TCL') and International Finance Corporation ('IFC'), Washington DC, US. They are registered with the Reserve Bank of India ('RBI') as a systemically important non-banking financial company. TCCL

offers end to end business solutions in the clean technology and infrastructure space. The Company is rated AAA by CRISIL (an S&P Global company). It is the first private sector company globally to partner Green Climate Fund ('GCF') to develop the solar rooftop market through USD 100 million credit line. Tata Cleantech Capital Limited is the Only Indian Company to enter the coveted network of Green Bank. For more details please log on to <https://www.tatacapital.com/tccl/About-Us/tccl-about-us.html>