



Growing Demand

As per data of Central Electricity Authority, India's power demand is expected to grow to 1,566 TWh by FY2022.

To keep pace with the growing power demand, we have enhanced our installed power generation capacity from 260 MW to 4,559 MW since inception.

Renewable Energy

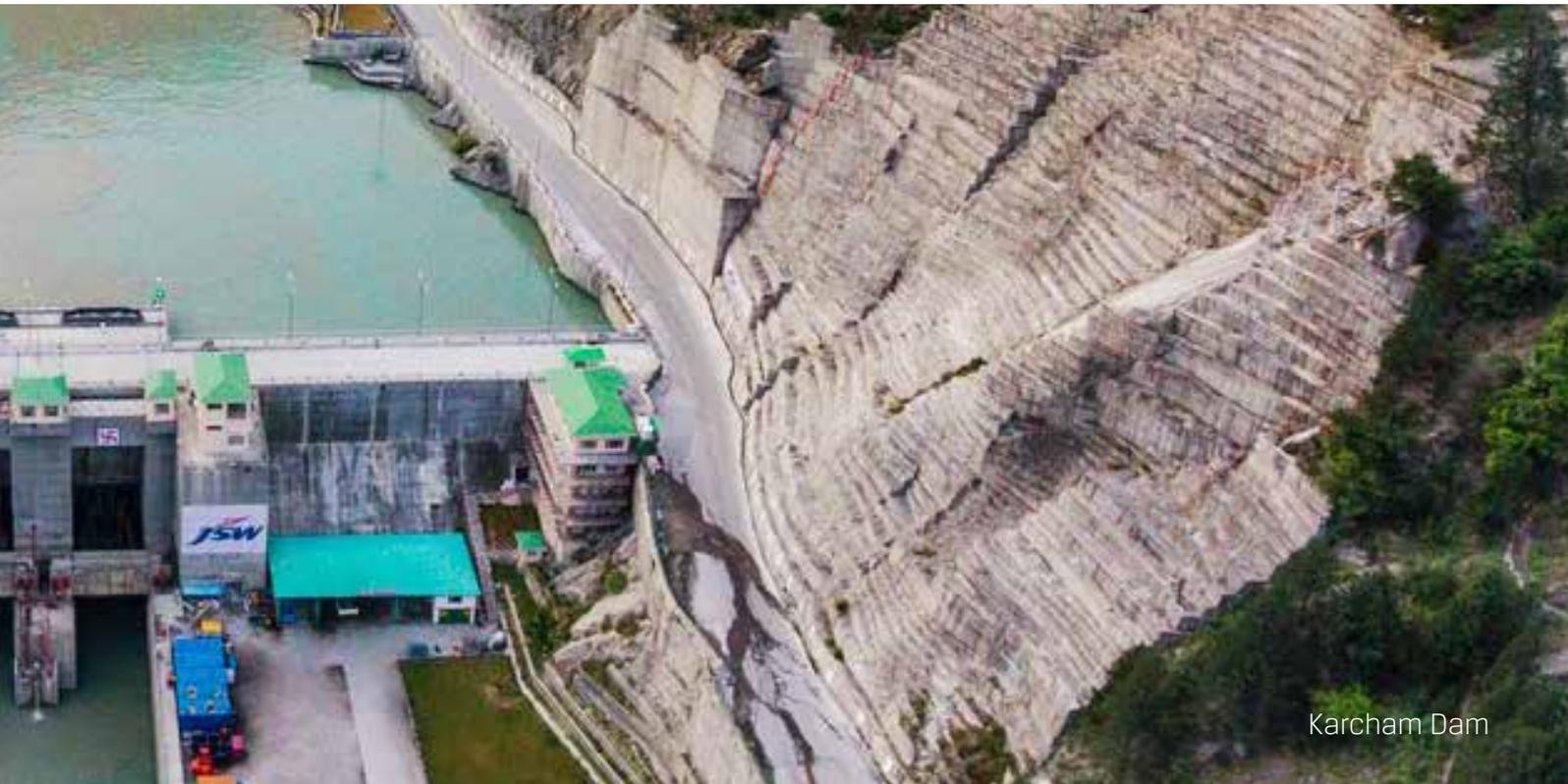
India has made substantial progress in the renewable energy sector on the back of conducive policy environment, government support, a steady inflow of capital, introduction of latest technologies and several fiscal policy incentives.

Supported by a strong thermal and hydro back-bone, we intend to capitalise on the opportunities of renewable power generation and play a leading role in a carbon free future.

Covid-19 Pandemic

The spread of Covid-19 across the world has impacted businesses globally. The pandemic has posed risks to human life, resulted in low power demand due to national lockdown and disrupted supply chain.

We have adequate stock of coal and oil for plant start-up, critical spares and water. This has helped in ensuring the smooth functioning of the plant during the lockdown. Moreover, alternate supply chain sources are being explored to mitigate the impact of prolonged disruption.



Karcham Dam

Raw material availability & cost

Availability and cost of the required grade of raw material (coal) might be impacted due to various macro factors. The imported coal prices are moving downwards since February 2020 due to lower demand owing to Covid-19 pandemic.

We are diversifying our sources (countries/vendors) and employing prudent hedging strategies to mitigate foreign exchange and coal price risks. We are moving towards blending domestic coal by participating in coal e-auctions for Independent Power Producers (IPPs).

Regulatory changes

Revised norms for SO_x/NO_x/SPM emissions leading to higher CAPEX for Environmental compliance.

Technical evaluations of vendors have been conducted for necessary modifications in different types of equipment. Due to Covid, there has been a poor response of vendors for Flue Gas Desulfurisation equipment to be purchased, and there are substantial supply chain disruptions. In light of the above, a reasonable time extension is being sought from the concerned authorities.

Off-take Risk

At present, less than 20% of power is untied and being sold on a day-ahead/short term basis. The tariff rates are impacted by demand-supply dynamics, economic growth, and sudden shifts in weather.

We focus on enhancing power sales through long-term PPAs, including captive route and ensuring an optimum mix of short/medium term PPAs for the open capacity.