

Conference on

# FINANCING OF SOLAR PROJECTS

February 27, 2012, ITC Maratha, Mumbai

*Organisers:*



*Knowledge partner:*



*Sponsor:*



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# FINANCING OF SOLAR PROJECTS

## Mission

- India currently has a pipeline of over 1,900 MW of solar power projects at various stages of implementation and the number is expected to increase. The biggest driver for the segment has been the Jawaharlal Nehru National Solar Mission (JNNSM), under which NTPC Vidyut Vyapar Nigam Limited has awarded nearly 1,000 MW of projects. Twenty seven projects aggregating 350 MW were awarded under JNNSM Phase I in December 2011. Power purchase agreements (PPAs) for these projects are likely to be signed by end-January 2012.
- In addition, the Gujarat government has signed PPAs for over 960 MW of solar PV projects and is currently in the process of allocating another bunch of projects. The Rajasthan government is also preparing to bid 200 MW of utility-scale projects and 50 MW of rooftop projects. Karnataka is targeting a solar power capacity of 350 MW by 2016 and is likely to allot 80 MW of projects in 2012. The country is looking to set up a solar power capacity of over 40,000 MW under various national and state-level programmes by the end of this decade. Also, the government hopes to generate funds for its ambitious 2,000 MW off-grid programme and the solar city project, under which 60 towns/cities will be covered.
- While significant attention has been given to the aggressively bid Batch II projects, which alone would require Rs 30-35 billion of investments, the financing requirements of the entire programme are high by any standards. Further, prices are falling with technological evolution, which is adding to the issues in preparing the financial structure of projects.
- The mission of the conference is to examine in detail the various international and national developments that will impact solar project and programme financing, and explore the different models that may be needed to meet the ambitious solar power targets in the short and long terms. The conference will have a special focus on the analysis of the second batch of projects under JNNSM Phase I, for which developers will start looking for financing in the near future. The conference will discuss the various financing options available for project developers, provide an understanding of the associated financing, and highlight the factors that would make solar projects more bankable and return-centric.

## Target Audience

- The conference is targeted at officials and managers from:
  - Power developers and operators
  - Regulatory agencies
  - Financial institutions and investors
  - Research agencies
  - Solar energy service providers
  - Equipment manufacturers
  - Consultancy organisations
  - Carbon fund investors and managers
  - Government agencies
  - Etc.

## Distinguishing Features

- Our conferences and workshops are known for their focus on dissemination of information, sharing of expertise and exchange of views. Schedules are adhered to and there is adequate time for discussion and networking. There are no long lamp-lighting ceremonies.

## Organisers

The conference is being organised by **Power Line** (the premier magazine for the Indian power sector) and **Renewable Watch** (a monthly magazine dedicated to renewable energy development in India), published by **India Infrastructure Publishing**, a company dedicated to providing information on the infrastructure sectors through magazines, newsletters, reports and conferences. The company also publishes **Indian Infrastructure** magazine, **Power News** (a weekly newsletter), and a series of reports including **Solar Power in India**, **Power in India**, **Infrastructure Finance in India** and **Wind Power in India**.

## AGENDA/STRUCTURE

### TRENDS, REQUIREMENTS AND PROSPECTS

- ❖ What are the solar financing needs based on various national and state government plans?
- ❖ What is the total financing requirement for projects (JNNSM Batch II and others) in 2012 alone?
- ❖ What is the economics of solar projects in the new environment (capex, opex, tariffs and returns)?
- ❖ What are the recent trends and future outlook with respect to material and equipment costs?
- ❖ What is the likely impact of these trends on Indian solar financing?

*This session will feature a comprehensive presentation by a leading consultant*

### DEVELOPERS' PERSPECTIVE

- ❖ What lessons can be drawn from solar projects developed under the first batch of JNNSM Phase I?
- ❖ What are the key trends in the cost of setting up solar PV projects?
- ❖ What strategies are being adopted by developers to ensure project viability?
- ❖ What will be the preferred PV technology?
- ❖ What will be the specific needs and requirements of new projects?

*This session will feature remarks and interaction with three to four leading developers*

### LENDERS' PERSPECTIVE

- ❖ What is the lenders' perspective on financing solar projects?
- ❖ What lessons can be drawn from projects financed under JNNSM Batch I and the Gujarat Solar Policy?
- ❖ What are the key financial risks and challenges associated with solar projects and how can they be addressed?
- ❖ What terms and structures can developers expect from lenders (rates and tenure)?
- ❖ What new financing instruments are needed for better insurance/risk coverage for the solar segment?
- ❖ What risk mitigation strategies/instruments are needed for non-recourse or limited recourse financing?

*This session will feature an interaction with three to four leading lenders (commercial banks, NBFCs, development agencies, etc.)*

### INVESTORS' PERSPECTIVE

- ❖ What is the investors' perspective on the Indian solar energy market?
- ❖ What are the key risks and expected returns?
- ❖ What are the key requirements and criteria for investments?
- ❖ What is the level of interest in investing in Batch II projects?
- ❖ What is the expected/desired size and nature of investments?

*This session will feature an interaction with three to four leading investors (private equity, venture capitalists and other strategic investors)*

### SUCCESSFUL FINANCING OF BATCH II PROJECTS (WRAP-UP PANEL DISCUSSION)

- ❖ What is the total financing requirement for the second batch of projects under JNNSM Phase I?
- ❖ What factors need to be considered to ensure that these projects achieve financial closure on schedule?
- ❖ What are the lender/investor/developer requirements for financing/developing these projects?

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*The conference will feature points of view of all the key stakeholders – developers, lenders and investors.*

## Delegate Fee

- The delegate fee is Rs 25,000 for one participant, Rs 40,000 for two, Rs 55,000 for three and Rs 70,000 for four.

- There will be an opportunity for organisations to use this platform to make a **five-minute elevator pitch**. The pitch can relate to their project needs or their product offerings or their service capabilities. **The price will be Rs 65,000 and includes registration of two participants.** There will be limited time allocated to avail of this opportunity, which will be offered on a first come, first served basis.

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## Registration Form

I would like to register for the conference. I am enclosing Rs \_\_\_\_\_ vide cheque/demand draft no. \_\_\_\_\_ drawn on \_\_\_\_\_ dated \_\_\_\_\_ in favour of **India Infrastructure Publishing Pvt. Ltd.** payable at New Delhi.

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## Registration Fee

Delegates	One	Two	Three	Four
INR	25,000	40,000	55,000	70,000
USD	550	880	1,210	1,540

**Sponsorship opportunities are available**

- Registration will be confirmed on receipt of the payment. To register online, please log on to <http://indiainfrastructure.com/conf.html>
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### Payment Policy:

- Full payment must be received prior to the conference.
- Conference fee includes lunch, tea/coffee and conference materials.
- Conference fees cannot be substituted for any other product or service being extended by India Infrastructure Publishing Pvt. Ltd.
- Discount offers cannot be combined with any other offer.

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