



Power Operation and Maintenance Industry

Industry Research- Sai Urja Indo Ventures
Limited

Table of Contents

Global Economy	2
Regional Growth	3
Global and Regional Inflation	4
Global Trade	6
Indian Economy	7
Inflation and Monetary Policy Implications	9
Upside and Downside to Economic Growth	10
Sectoral Performance and Outlook	11
Power Sector in India	13
An Overview	13
India's Power Supply Position	13
Per Capita Consumption	14
Power Capacity	15
Segmentation	18
Generation, Transmission & Distribution - An Analysis	21
Government Initiatives	24
Key Recent Developments	26
Major Player in Power Sector	26
Outlook	27
Operation and Maintenance Industry	28
Overview	28
Market Trends	28
Challenges and Opportunities	33
Business Potential for the Entity	41
Competitive Landscape	44
Outlook	45
Engineering Procurement Construction & Commissioning in Power Sector	46
An Overview	46
Top Players – EPC	46
Demand and Supply	47
Peer Comparison	51
Outlook	52



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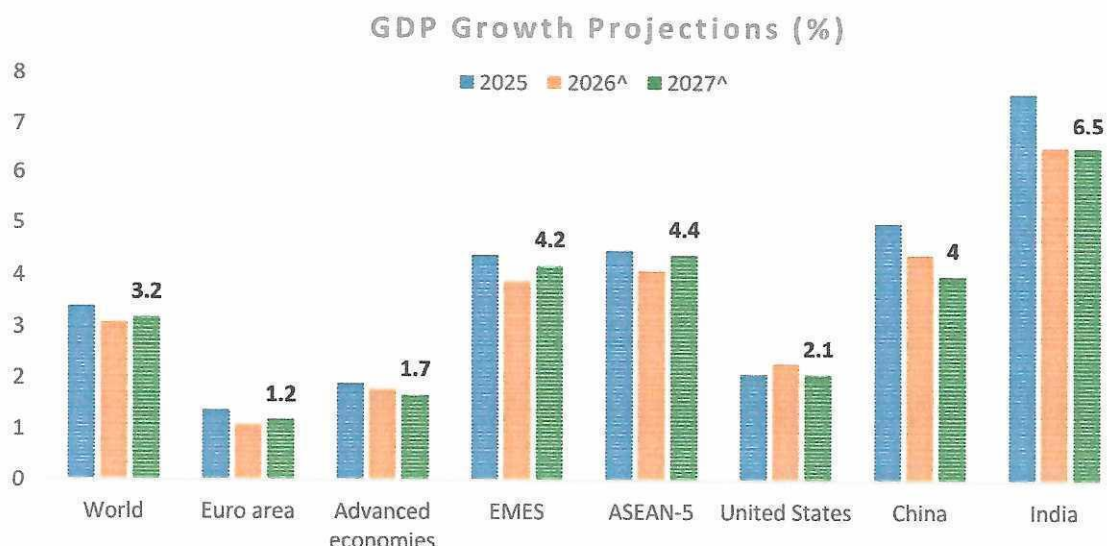
Global Economy

The global economy continues to face significant challenges following a series of adverse shocks in recent years. In the past year, a series of persistent challenges such as heightened geopolitical tensions, policy uncertainty, and trade frictions threw the global economy into chaos. While the economy seemed to stabilise at the start of 2026, new events including a conflict between Iran and Israel have destabilised the global economy again.

In 2026, trade tensions had begun to ease but the cumulative effect of repeated disruptions have made global trade and economies vulnerable again. The United States protectionist tariff regime was struck down by the Supreme Court at the start of the year and deemed as unconstitutional. In response, Trump imposed a blanket 10% tariff on all imports from the United States trading partners. This development has delayed the finalisation of the India-US trade deal. Additionally, with the start of the West Asia conflict, global supply chains of oil have been in disarray with crude oil prices and LPG prices spiking.

The IMF's April 2026 WEO update shows global growth forecasts have been downgraded from its January 2026 updates, signalling a worrying disruption driven primarily by the outbreak of war in the Middle East. Reflecting the Middle East conflict that started at the end of February which is disrupting vital supply routes and driving oil prices up, the IMF has lowered its 2026 projections to 3.1% (from previous estimate of 3.3%) but has kept its 2027 estimate at 3.2%. As of April 2026, the global growth estimate for 2025 has been set at 3.4% due to stronger-than-expected performance despite the shift in US trade policies.

The growth forecasts show resilience despite inflation concerns, underpinned by strong consumer demand and expansionary fiscal measures in key economies to counter tariffs. Still, growth remains below pre-pandemic norms amid lingering downside risks such as potential tariff escalations, shaky trade pacts, and intensifying geopolitics.



^ Projections, ASEAN-5: Indonesia, Malaysia, Philippines, Singapore, Thailand.

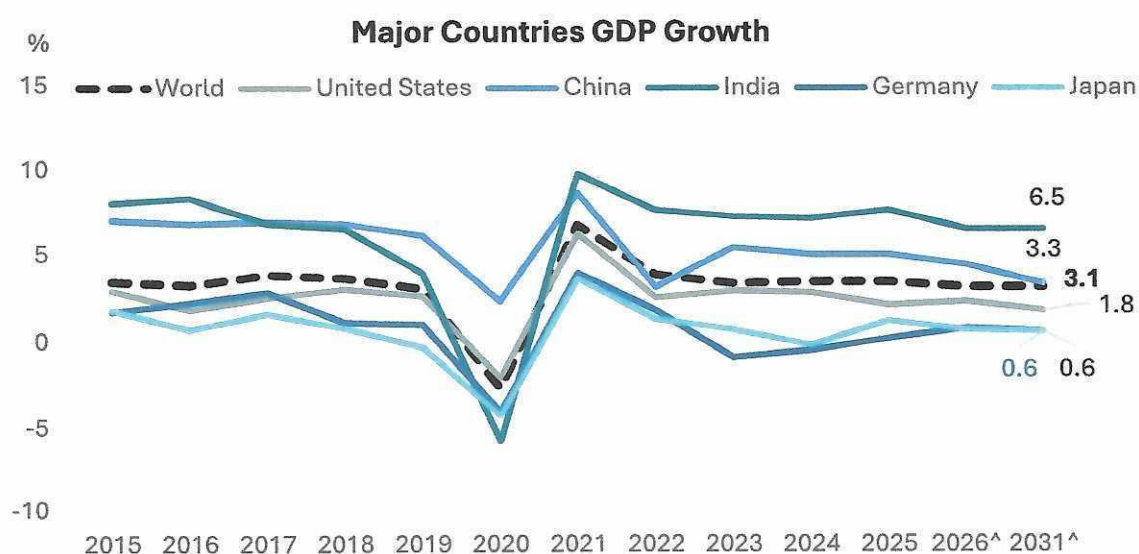
Note: Data for Calendar year. For India data and forecasts are presented on a fiscal year basis based on GDP at market prices

Source: IMF World Economic Outlook Update, April 2026

Regional Growth

Across the regions, growth forecasts are slightly changed from the January outlook as the geopolitical issues and trade dynamics present in the global economy are once again thrown into disarray, according to IMF's April 2026 forecast. In advanced economies, growth forecasts for 2026 are unchanged from January forecast, as these countries have formed new trade deals with the United States and adjusted to the ongoing trade tensions. Growth projections for US have been revised downwards to 2.3% from 2.4% for 2026 and is projected to slow down further to 2.1% in 2027, as the US involvement in the war slows the growth down slightly.

Emerging Market and Developing Economies (EMDEs) growth forecast has been brought down to 3.9% in 2026 from its earlier forecast of 4.2% and then pick up to 4.2% in 2027. Within EMDEs, China's growth is expected to fall from 5.0% in 2025 to 4.4% in 2026 (down from January's estimate of 4.5%) as the full impact of the tariffs materialise. Despite higher-than average tariffs on Chinese exports, growth still reached 5.0% in 2025, buffered by front-loaded international trade ahead of the tariffs, strong domestic consumption and easing trade tensions with the US.



^ Projections

Note: Data for Calendar year. For India data and forecasts are presented on a fiscal year basis based on GDP at market prices

Source: IMF World Economic Outlook Update, April 2026

Looking at the top 5 economies based on their GDP size, India is expected to become the third largest economy in 2031. Both India and China are forecasted to grow at a faster rate than the world GDP growth due to the strong industrialisation supported by the large and skilled workforce allowing these countries to enhance their output. The other 3 countries, US, Germany and Japan are forecasted to grow at a slower but stable pace.



For India, the growth projections for FY2026 have been revised upwards to 6.5% (7.6% in FY2025) from the earlier projections of 6.4% in its January report. This resilience reflects India's robust domestic demand, supportive monetary and expansionary fiscal policies including the new GST regime, repo rate cuts and liquidity injections which have offset the impact of the tariffs. Growth is expected to stay at 6.5% for FY2027. However, India is in a vulnerable position due to its reliance on imports of critical commodities such as crude oil and LPG. If the war continues and the Strait of Hormuz is closed for a long period of time, India will be affected as its operations slow down. Its import costs have already risen as prices of crude oil and LPG spike.

Per capita Comparison

Global per capita income reflects huge disparities across regions and economies. The world average GDP per capita is estimated at USD 14,715 in 2025 while AEs enjoy much higher living standards, with an average per capita income of about USD 62,337. In contrast, emerging market and developing economies have a markedly lower average, around USD 7,052 per person. Among individual countries, the United States ranks with highest per capita GDP. Among the emerging market economies, China and India's GDP per capita grew at a faster rate compared to US in the last 15 years. India's per capita GDP grew at a CAGR of 4.7% as against US's CAGR of 4.2% between 2010 and 2025. But its GDP per capita remains far below that of its peers.

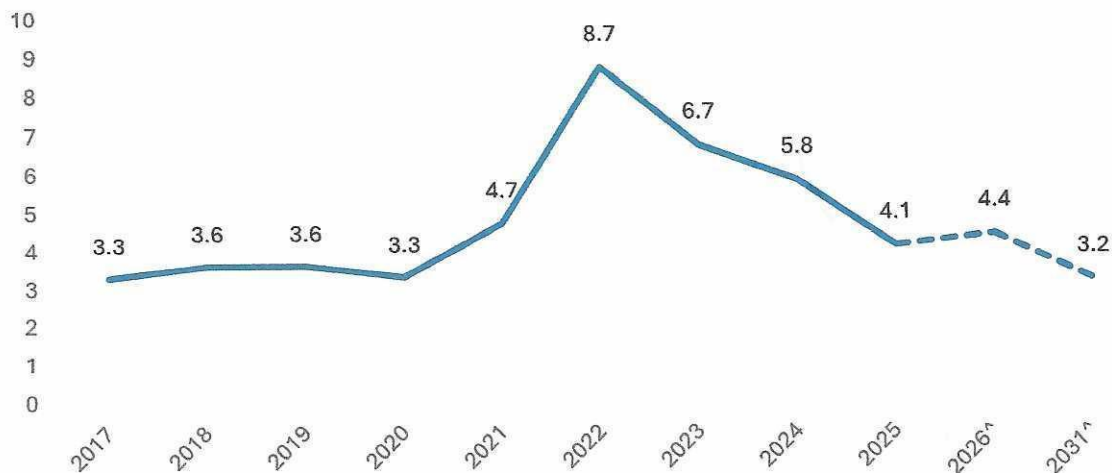
GDP per capita, current prices (in USD)						
	2010	2015	2020	2025	2026 ^	2031 ^
World	9,820	10,433	11,213	14,715	15,679	18,848
Advanced Economies	42,032	43,032	47,631	62,337	66,175	78,891
Emerging Market and Developing Economies	4,025	4,835	5,208	7,052	7,563	9,564
United States	48,586	57,007	64,518	89,991	94,430	1,12,242
United Kingdom	39,821	45,266	40,844	57,608	61,056	75,761
Germany	43,220	42,109	47,954	60,439	65,303	76,426
Japan	45,547	35,711	41,234	35,973	35,703	43,038
China	4,578	8,173	10,700	13,968	14,874	19,883
India	1,348	1,567	1,862	2,675	2,813	4,421
Notes: Data is for calendar year. For India data and forecasts are presented on a fiscal year basis						
^Estimated by IMF for 2026 and 2031						
Source: https://www.imf.org/						

Global and Regional Inflation

Global inflation expectations in the IMF's April WEO remain largely unchanged from January and is projected to average 4.4% in 2026 and then fall to 3.7% in 2027. Inflation is expected to trend upward in 2026, as the Middle East conflict drives commodity prices higher especially for oil items. Inflation expectations tend to be sensitive to changes in energy and food items. Most regions and countries are expected to see an uptick in inflation rate in 2026 due to the conflict.



World Inflation Rate, Average Consumer Prices (%)



Note: Projections from 2025 onwards

Source: IMF World Economic Outlook Update, April 2026

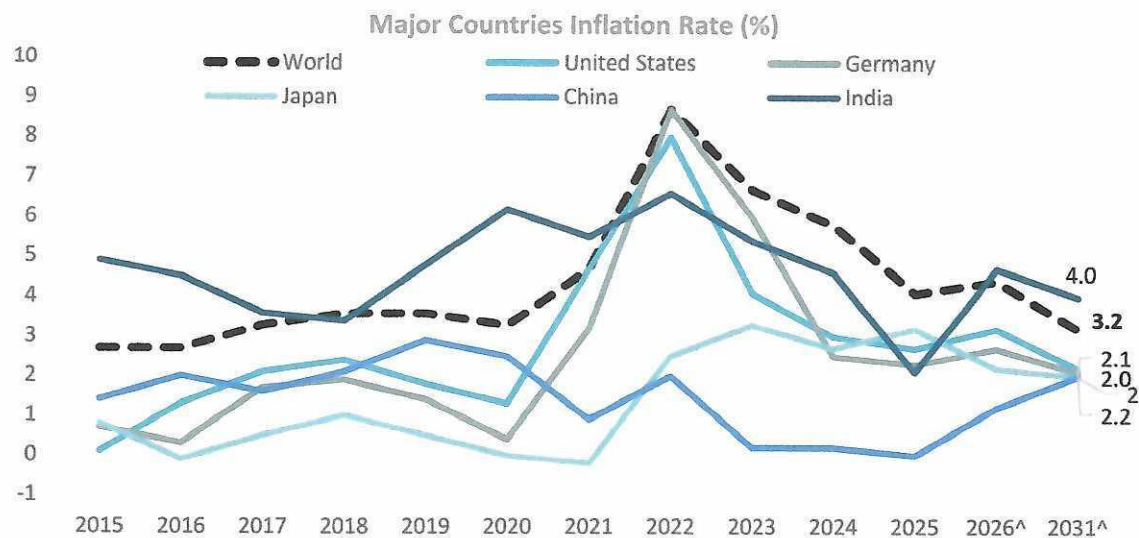
In the US, inflation remains above target due to the Trump administration's protectionist policies, fuelling higher core inflation and unemployment. Core inflation for personal consumption maintained a high year-over-year rate of 3.1% in January 2026. According to IMF estimates, it will fall to 2.1% in 2027, close to its 2% target. Evidence has indicated that the burden of the tariffs has largely fallen on US importers and consumers.

In the UK, Inflationary pressures from regulated price changes are expected to be temporary. A loosening labour market and slowing wage growth should bring it back to target by the end of 2027. As for India, inflation eased sharply in 2025, supported by record food production that subdued prices alongside September's GST rate rationalization. It is projected to rebound modestly but stay within the RBI's 2-6% target range. If the conflict persists and oil prices remain elevated, inflation may partially overshoot IMF projections for 2026 and beyond. Overall, inflation is expected to trend upward, as oil prices pose an upside risk.

Inflation Rate - Annual Change in Average Consumer Prices (%)						
	2010	2015	2020	2025	2026 ^	2031 ^
World	3.6	2.7	3.3	4.1	4.4	3.2
Advanced Economies	1.6	0.3	0.7	2.5	2.8	2.1
Emerging Market and Developing Economies	5.7	4.8	5.3	5.2	5.5	3.9
Euro Area	1.6	0.2	0.3	2.1	2.6	2.0
United States	1.6	0.1	1.3	2.7	3.2	2.2
United Kingdom	3.3	0.0	0.9	3.4	3.2	2.0
Germany	1.2	0.7	0.4	2.3	2.7	2.1
Japan	-0.7	0.8	0.0	3.2	2.2	2.0
China	3.3	1.4	2.5	0.0	1.2	2.0
India	1.2	0.7	0.4	2.3	2.7	2.1

Notes: Data is for calendar year. For India data and forecasts are presented on a fiscal year basis.
^ Estimated by IMF for 2026 and 2031.
Source: <https://www.imf.org/>





Note: Data for Calendar year. For India data and forecasts are presented on a fiscal year basis based on GDP at market prices, ^Projections

Source: IMF World Economic Outlook Update, April 2026

Global Trade

According to World Trade Organization (WTO) Global Trade Outlook and Statistics report - March 2026, world trade volumes are set to slow in 2026 after a stronger-than-expected growth in 2025. In 2025, world trade in goods and services grew by approximately 4.7%, outpacing global GDP growth of 2.9%. The total value of goods and services trade reached USD34.65 trillion in 2026, up 7% from the prior year. This outperformance was driven largely by surging demand for AI-related goods linked to a global investment boom, and frontloading of imports in North America ahead of anticipated tariff hikes. For 2026, the baseline scenario projects merchandise trade volume growth declining sharply from 4.6% in 2025 to 1.9%, before recovering to 2.6% in 2027. Services trade growth is forecast to ease from 5.3% to 4.8% in 2026, rising to 5.1% in 2027.

On the downside, the ongoing Middle East conflict threatens critical transport corridors. Traffic through the Strait of Hormuz collapsed from 138 commercial vessels per day to near zero, while disruptions have cancelled over 40,000 flights and raised transport and insurance costs. Persistently elevated energy prices could shave 0.5 percentage points off merchandise trade growth and 0.7 points off services trade growth in 2026. The conflict also threatens global food security, as higher energy costs reduce fertilizer supply and raise agricultural input costs.

On the upside, AI-related investment contributed to nearly half of goods trade growth in 2025 and up to 70% of productive investment in some regions. Continued momentum in AI spending could support trade above baseline forecasts.

Overall, risks remain tilted to the downside, centred on energy prices and geopolitical tensions. The share of world trade conducted under most-favoured-nation (MFN) terms has fallen to 72%, following unprecedented trade policy shifts in 2025. However, a swift resolution of the Middle East conflict combined with sustained AI-driven investment could push trade growth above baseline forecasts into 2027 according to WTO.



Indian Economy

India remains one of the world's fastest-growing major economies in 2025 and expected remain at top even in 2030, as per IMF projections. India being the world's fastest-growing economy in the world is expected to remain a major contributor to global growth.

Reflecting a front-loaded first half and supportive monetary and fiscal policies, the International Monetary Fund (IMF) in its April report has revised India's growth estimate for FY2025 to 7.6%, up from its earlier estimate of 7.3%. In FY2026 and FY2027, the growth is expected to slow down to 6.5%, on the back of global headwinds, the Iran conflict and the effect of the US tariffs.

The Indian economy remains on a steady footing despite growing global volatility. After moderating to 7.1% in FY2025 from 7.2% in FY2024, the GDP growth is expected to overshoot the IMF's estimate and reach 7.7% in FY2026 (as per provisional estimates by MoSPI), driven by a strong performance in all sectors, especially services.

For FY2027, the RBI projections on GDP growth stand at 6.6%, lower than its previous projections, and much lower than FY2026 growth rate. Ongoing downside risks such as weather-related challenges and supply disruptions from the West Asia conflict weigh the economic prospects.

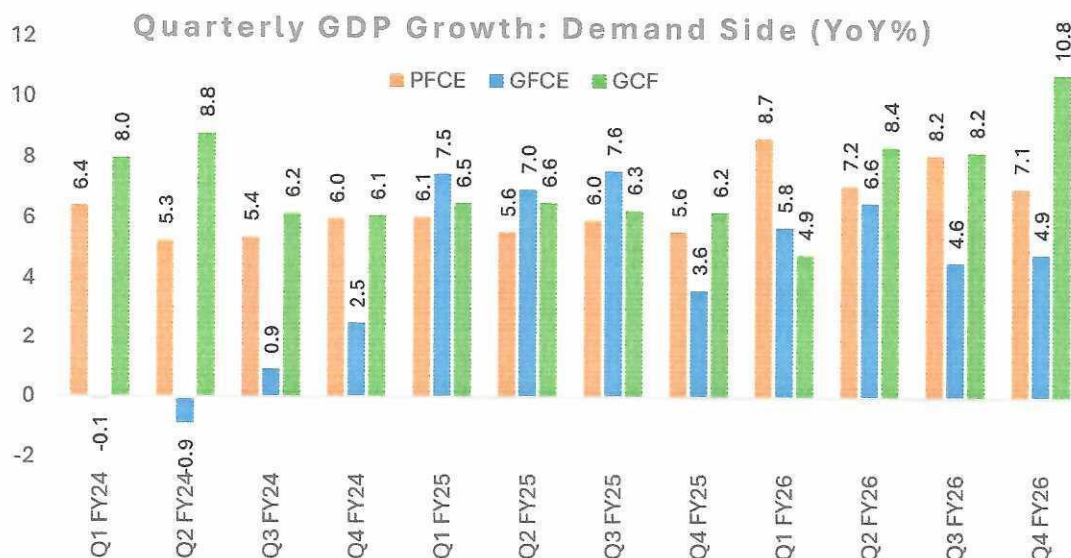
GVA and its Components: YoY Changes at 2022-23 prices				
Sectors	FY2024	FY2025 (FRE)	FY2026 (PE)	Share in GVA (FY2026)
Agriculture, Livestock, Forestry & Fishing	2.64%	4.18%	3.00%	17.76%
Industry	10.86%	8.27%	8.50%	29.53%
Mining and quarrying	2.37%	11.69%	5.15%	2.06%
Manufacturing	12.71%	9.29%	10.67%	16.10%
Electricity, gas, water supply and other utility services	10.66%	2.87%	1.74%	2.32%
Construction	9.92%	7.30%	7.36%	9.06%
Services	7.02%	7.87%	9.28%	52.71%
Trade, Hotels, Transport, Communication & Services related to Broadcasting, Storage	10.11%	6.61%	11.02%	14.43%
Financial, Real Estate, IT, Professional Services & Ownership of Dwelling	5.46%	10.03%	10.39%	26.14%
Public administration, defence and other services	6.82%	5.05%	5.03%	12.14%
Total GVA	7.23%	7.28%	7.88%	100.00%
<i>Note: New Series data is only available for past three financial years, Data is provisional</i>				
<i>Source: MoSPI, CMIE Economic Outlook, B2K Analytics</i>				

Looking ahead, the recurring geopolitical hurdles along with increased incidence of extreme climate events threaten to undermine the growth momentum. Global growth outlook remains fragile, and deterioration is broad-based across the world's economies, hence India is not an exception despite its sound domestic fundamentals. Downside risks emanating from rising protectionism and trade tensions, policy uncertainty, global demand moderation, and geopolitical uncertainties may deteriorate growth prospects. Trade tensions may ease if India succeeds in reaching lasting agreements that address ongoing disputes.





Source: MoSPI, CMIE Economic Outlook, B2K Analytics



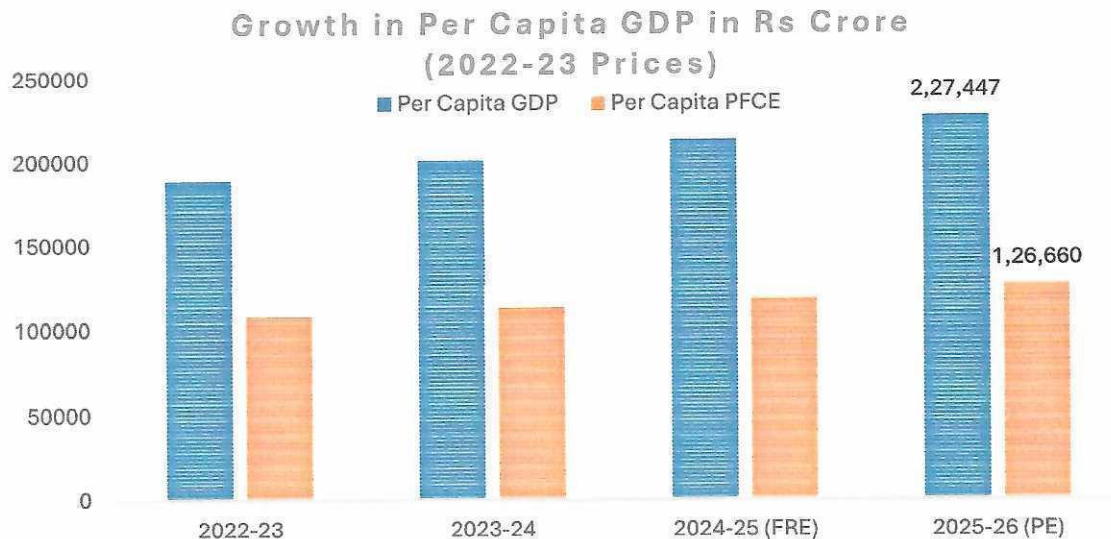
Source: MoSPI, CMIE Economic Outlook, B2K Analytics

India's per capita GDP (at current prices) increased from Rs 1,88,862 Cr in FY2023, to Rs 2,43,180 Cr in FY2026, showing CAGR of 8.8%, while in real terms (adjusting inflation) it grew by 6.3% (CAGR) to Rs 2,27,065 Cr by FY2026.

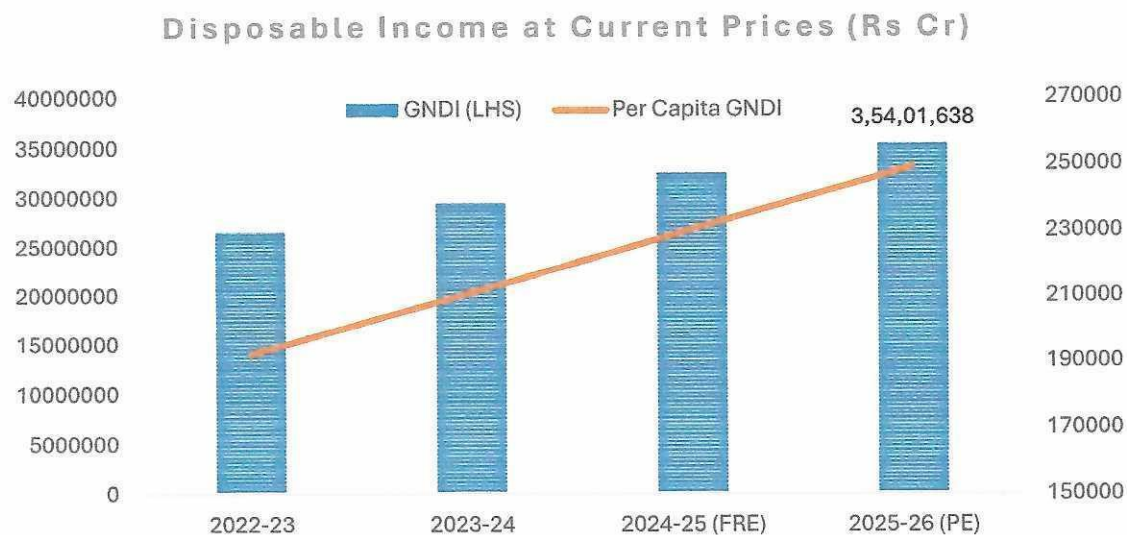
As per IMF, India's per capita GDP is estimated to witness a steady growth momentum reaching approximately USD 4,421 by 2031¹, largely due to young and expanding workforce, rising urbanisation, and increasing domestic consumption supported by a growing middle class.



¹ <https://www.imf.org/external/datamapper/NGDPDPC@WEO/OEMDC/ADVEC/WEOWORLD>



Source: MoSPI, CMIE Economic Outlook, B2K Analytics



GNDI: Gross National Disposable Income, LHS: left hand side

Source: MoSPI, CMIE, B2K Analytics

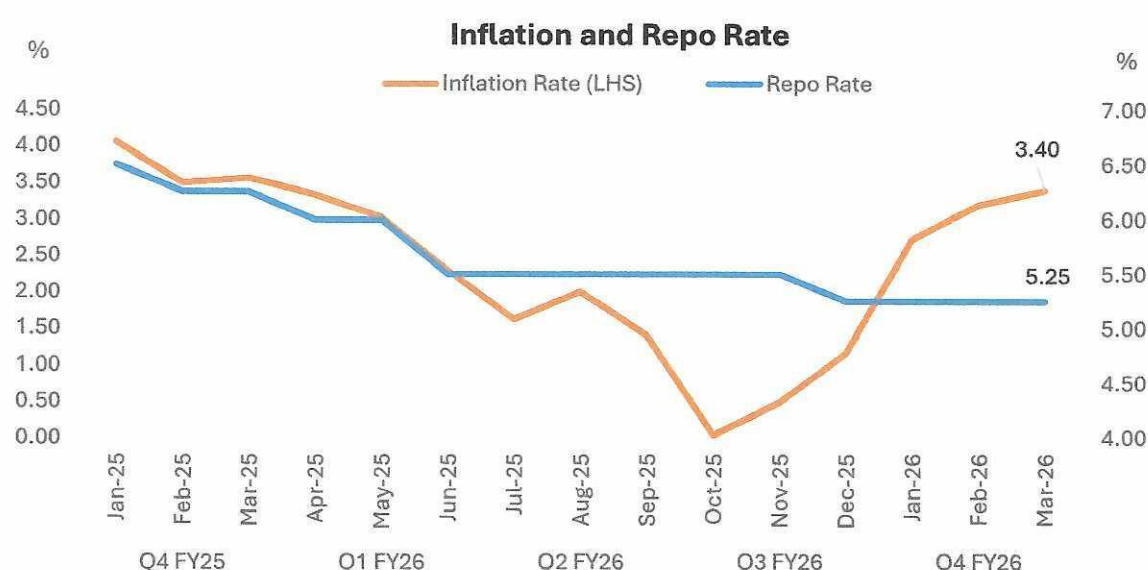
Inflation and Monetary Policy Implications

Despite the presence of the US tariffs discouraging purchase of Indian-made goods and various other geopolitical issues, India's inflation rate has become subdued and has been declining over the past year. In the previous CPI series using the old base of 2012, food prices were given approximately 45% weight compared to the weight in the revised series (Base year 2024) of 37%. Record foodgrain production in FY2025 led to a surplus of food which caused overall inflation to decline, weighed down by volatile food prices. However, core inflation, which excludes food and fuel prices, had diverged from overall inflation as strong domestic demand and heightened global tensions lead to a rise in prices for non-food items. Prices of safe-haven assets such as gold and silver have risen to record highs as investors turn to these assets amid the global uncertainty present in markets. Under the new series, inflation for FY2026 continues to remain below the 4% mark but will likely trend upward in coming months driven by the recent spike in crude oil price and fading base effects.



For approximately two years, the RBI kept the repo rate at 6.5%, adopting a cautious stance managing inflation in the face of post-pandemic economic state. Finally, at the start of 2025, the RBI choose to cut interest rates to support economic growth amid global uncertainties. After the Trump Administration came into power, it began to implement policies that caused a breakdown in trade relations between India and the US and raised uncertainty in the global markets. The RBI has conducted a series of rate cuts throughout 2025 that has brought the repo rate to 5.25% by December 2025. These rate cuts are meant to cushion against external impacts such as the US tariffs and to encourage growth in the economy. The RBI may cut interest rates further, as inflation remains comfortably within its 2 to 6% target range.

Under the new CPI series, India's CPI inflation was reported at 3.40% in March 2026, higher than 3.21% in February 2026. Inflation continues to remain below the 4% target (averaging 3.3% for FY2026), indicating continued price stability.



Source: CMIE, RBI, MoSPI, B2K Analytics

Upside and Downside to Economic Growth

Upsides

- **Monetary Policy:** The RBI has conducted a series of rate cuts in 2025, bringing the repo rate down after two years (125 bps in 2025) and has also cut the Cash Reserve Ratio (CRR) to infuse liquidity into domestic markets. In December 2025, RBI reduced the repo rate by 25 bps and brought it down to 5.25%, which is aimed at supporting growth. The rate cuts also serve as a buffer against external shocks such as the US tariffs which have adverse impact on Indian economy. Easing borrowing costs encourage borrowing and investment simultaneously stimulate credit demand and improve overall liquidity in the financial system. These measures are accommodative to growth.
- **Fiscal Policy:** The recent GST rate rationalisation is a sweeping reform that reduces costs on many items and will encourage domestic demand and manufacturing.
- **Domestic Demand and Consumption:** Strong domestic demand, supported by tax reforms such as the GST rate rationalisation and easing inflation has helped the Indian economy weather against the impact of the US tariffs and other external risks.



- **Digital Growth:** The government has invested heavily in developing India's digital infrastructure through schemes such as Digital India and OpenAI which has also aided in the growth of its service offerings. India is now a global player in the service sector, especially IT services due to its highly skilled workforce and digital infrastructure.
- **Encouragement of Domestic Reliance:** The government has implemented several initiatives to reduce India's reliance on imports and to establish domestic supply chains to make India a global leader in trade and manufacturing. The government has invested heavily in the development of India's industries giving subsidies, financial incentives and skill training.
- **US-India Trade Negotiations:** India and US recently released an interim framework for the trade deal between the two countries that would bring the tariff on Indian imports down to 18% relieving some of the trade tension.

Downsides

- **Geopolitical Crisis:** Persistent geopolitical conflicts such as the Russia-Ukraine war, the Palestine-Israel conflict, the recent US-Israel attacks on Iran and the US tariffs have caused supply chain imbalances and a slowdown in the global economy. This reduces foreign demand for Indian exports as consumer income falls.
- **US Tariffs:** The Trump Administration has implemented a series of protectionist policies including the implementation of high tariffs on Indian imports. The revised tariff rates will have an adverse impact on exports growth and Indian exporters revenue, as external demand for Indian goods will be reduced. The Supreme Court struck down Trump's tariffs in February 2026. In retaliation, he imposed a blanket 10% tariff on all US imports. The recent actions have also delayed the finalisation of the trade deal.
- **Reliance on Imports:** India is heavily reliant on imports of critical minerals useful for a variety of clean energy technologies. Disruptions in the supply chain of these critical minerals can hamper India's industrial growth and slow down operations. Trade tensions between US and China led to China establishing export controls on the export of rare earth minerals. China is India's biggest source of rare earths, and such import controls are a major hurdle on industrial activity in clean energy sectors.
- **Currency Fluctuation:** India's rupee has weakened throughout the year. A weaker rupee raises import costs of key imports such as crude oil, electronics and precious metals.
- **Oil Threat:** Due to the recent US-Israel attacks on Iran, India's supply of oil is under threat as key regions in global oil supply lines such as the Strait of Hormuz are under threat, causing crude oil prices to rise.

Sectoral Performance and Outlook

As per recent estimates based on the new GDP series, the services sector accounted for approximately 59% of the Gross Value Added (GVA) in FY2026, increasing from 55% in FY2025. The industrial sector contributed around 29% and 30% in FY2025 and FY2026, respectively. In contrast, the share of agriculture and allied activities in overall GVA slightly declined from 19% in FY2025 to 18% in FY2026.



- While there is a modest base effect and drag from the excessive rains, agriculture sector reports steady growth for FY2026, supporting rural demand. Estimates of farm output predict another record harvest for 2025 supported by the favourable monsoon.
- The industrial sector has shown strong recovery in FY2026 despite global trade pressures and weaker exports. Manufacturing has led the strong recovery in industry, driven by steady domestic and foreign demand. The onset of the festival season and ongoing diversification of trade partners have also contributed to growth so far in FY2026.
- Services sector continues to lead growth, backed by demand, tech adoption, and government spending. The outlook remains positive driven by sustained domestic demand and government initiatives.



Power Sector in India

An Overview

The power sector in India contributes approximately 2.5% to 3% to India's GDP². It serves as a backbone for industrial and economic activity and plays an important role in employment generation, both directly through generation, transmission, and distribution, and indirectly via construction, equipment manufacturing, and renewable energy ventures.

The sector is highly regulated, with various functions being distributed between multiple implementing agencies. There are three chief architects of the sector namely the Central Electricity Regulatory Commission (CERC), the Central Electricity Authority (CEA), and the State Electricity Regulatory Commissions (SERCs). The electricity sector in India has witnessed a lot of changes in the last three decades. As part of the process of economic liberalisation that began in 1991, the power sector was one of the first sectors of the economy to be "reformed." The thrust of these reforms was to financially and institutionally restructure the power sector to end state monopoly by introducing private generators and distributors of electricity.

The sectors growth was driven by rising electricity demand from rapid urbanisation, accelerating industrialisation, and a growing population. The shift towards renewable energy sources and the electrification of transport, and government-backed rural electrification programs are reshaping the dynamics of the power sector in India. The sector has attracted substantial investment, with India permitting 100% Foreign Direct Investment (FDI) under the automatic route, making it a hotspot for FDI and Foreign Portfolio Investment (FPI), particularly in renewables and grid infrastructure.

Its social development impact is significant with large scale rural electrification program like Saubhagya and Deen Dayal Upadhyaya Gram Jyoti Yojana improving education, healthcare and livelihoods in underserved areas. The power generation in India grew at a CAGR of 5.38% in the last 10 years to 1,734.38 billion kWh (kilowatt-hour) in FY2024³. In FY2025, India's electricity generation reached a record 1,824.21 billion kWh, marking a 5.18% rise over FY2024. While installed power capacity reached approximately 475 GW as of March 2025, with significant variation across states.

India's Power Supply Position

The power supply in India was primarily controlled by private companies in the pre independence era and limited to urban areas, leaving rural regions largely unelectrified. After the establishment of State Electricity Boards (SEBs) in the early 1950s, there has been a systematic growth of the power supply industry across India due to the development of multipurpose hydro projects and the installation of thermal and nuclear stations, which significantly increased power generation. The Electricity Act-2003 which came into effect in June 2003, consolidates laws relating to generation, transmission, distribution, trading and use of electricity and generally for taking measures conducive to development of electricity industry.

² Derived using GDP (MoSPI's National Accounts Statistics 2025) and market size of power sector (Technavio Report Power Market in India 2024-2028, accessed through EMIS).

³ iced.niti.gov.in

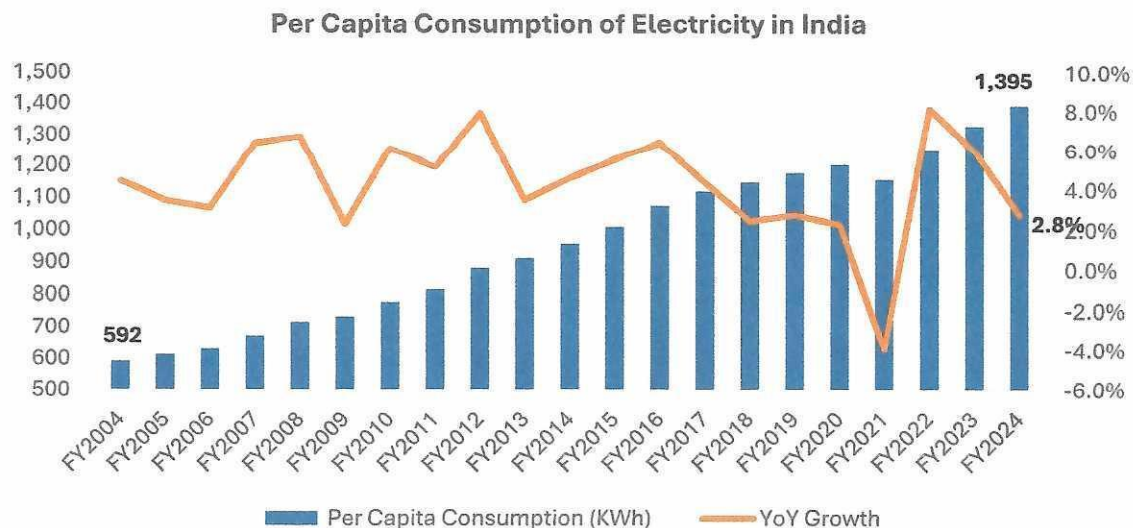


Power Supply Position- FY2010 to FY2026								
Year	Energy				Peak			
	Requirement	Availability	Surplus (+)/ Deficit (-)		Peak Demand	Maximum Demand Met	Surplus (+)/Deficit (-)	
	(MU)	(MU)	(MU)	(%)	(MW)	(MW)	(MW)	(%)
FY2010	830,594	746,644	-83,950	-10.11%	119,166	104,009	-15,157	-12.72%
FY2011	861,591	788,355	-73,236	-8.50%	122,287	110,256	-12,031	-9.84%
FY2012	937,199	857,886	-79,313	-8.46%	130,006	116,191	-13,815	-10.63%
FY2013	995,557	908,652	-86,905	-8.73%	135,453	123,294	-12,159	-8.98%
FY2014	1,002,257	959,829	-42,428	-4.23%	135,918	129,815	-6,103	-4.49%
FY2015	1,068,923	1,030,785	-38,138	-3.57%	148,166	141,160	-7,006	-4.73%
FY2016	1,114,408	1,090,850	-23,558	-2.11%	153,366	148,463	-4,903	-3.20%
FY2017	1,142,929	1,135,334	-7,595	-0.66%	159,542	156,934	-2,608	-1.63%
FY2018	1,213,326	1,204,697	-8,629	-0.71%	164,066	160,752	-3,314	-2.02%
FY2019	1,274,595	1,267,526	-7,069	-0.55%	177,022	175,258	-1,764	-1.00%
FY2020	1,291,010	1,284,444	-6,566	-0.51%	183,804	182,533	-1,271	-0.69%
FY2021	1,275,534	1,270,663	-4,871	-0.38%	190,198	189,395	-803	-0.42%
FY2022	1,379,812	1,374,024	-5,788	-0.42%	203,014	200,539	-2,475	-1.22%
FY2023	1,513,497	1,505,914	-7,583	-0.50%	215,888	207,321	-8,567	-3.97%
FY2024	1,626,132	1,622,020	-4,112	-0.25%	243,271	239,931	-3,340	-1.37%
FY2025	1,693,959	1,692,369	-1,590	-0.09%	249,856	249,854	-2	0.00%
FY2026	1,707,493	1,706,985	-508	-0.03%	245,444	245,416	28	-0.01%

Source: Central Electricity Authority (<https://cea.nic.in/>)

Per Capita Consumption

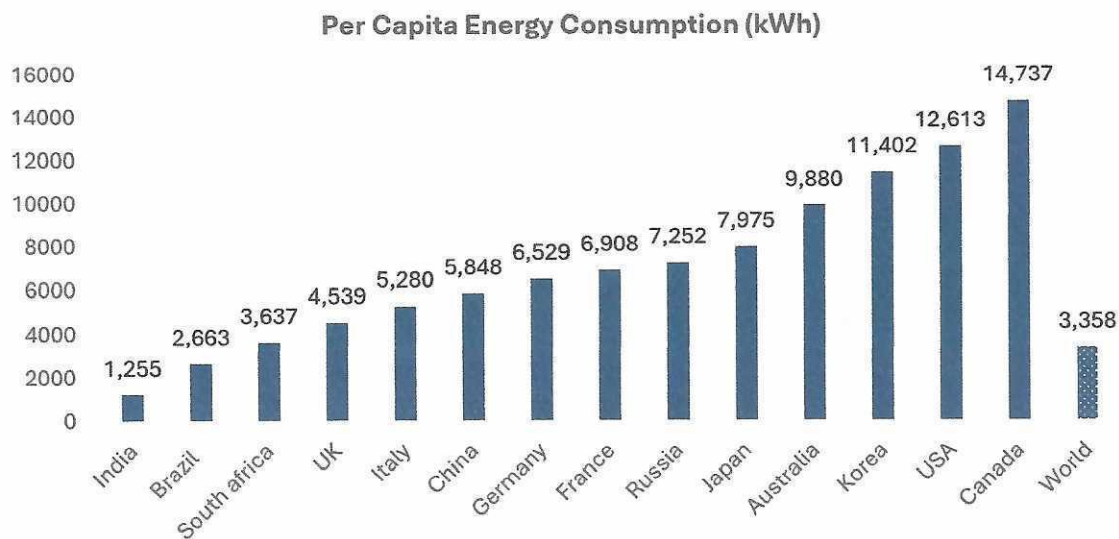
Despite the rapid industrial growth and urbanisation, India's per-capita energy consumption remains lower than many developed nations. The per-capita energy consumption has increased marginally from 612 KWh in FY2005 to 1395 KWh in FY2024 (CAGR 4.2%). Rising adoption of electric appliances by households, electric vehicles, accelerating rural electrification, expanding industrial and commercial activity, etc indicate potential for further expansion.



Source: Central Electricity Authority & PIB



Global Comparison (2021)

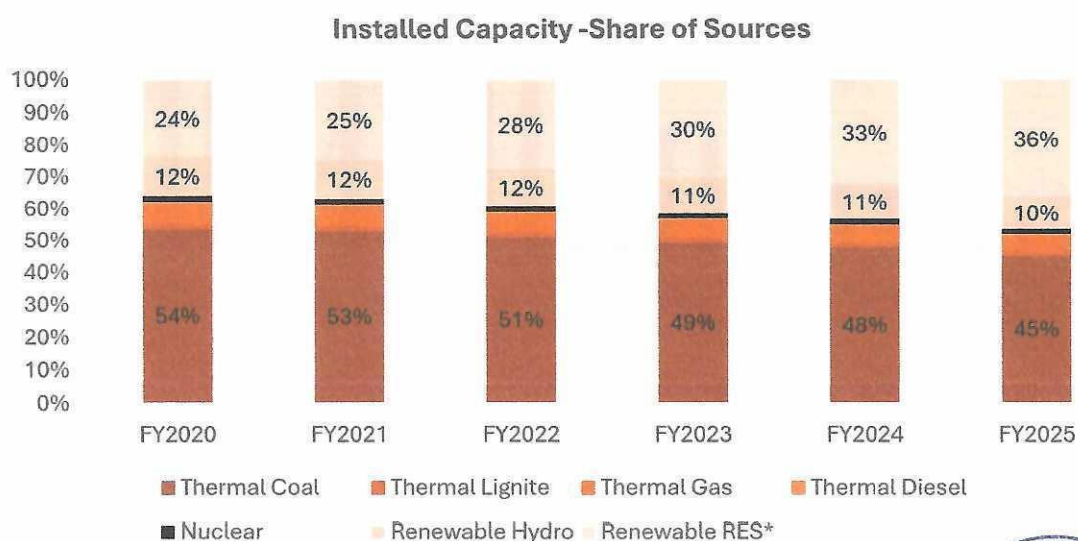


Source: Central Electricity Authority, Growth Book 2024

Power Capacity

Installed capacity grew at a CAGR of 5.1% in the last five years, and 7.5% (YoY) in FY2025. Coal and lignite-based installed power capacity has maintained its dominant position over the years and accounted for ~46% as of March 2025. The installed capacity through thermal based sources reached 245 GW in while, RE installations (including large hydroelectric projects), reached ~191 GW capacity as of March 2024 compared with 114 GW as of March 2018, constituting about 43% of total installed generation capacity. This growth has been led by solar power, which rapidly rose to ~60 GW from 22 GW during the same period.

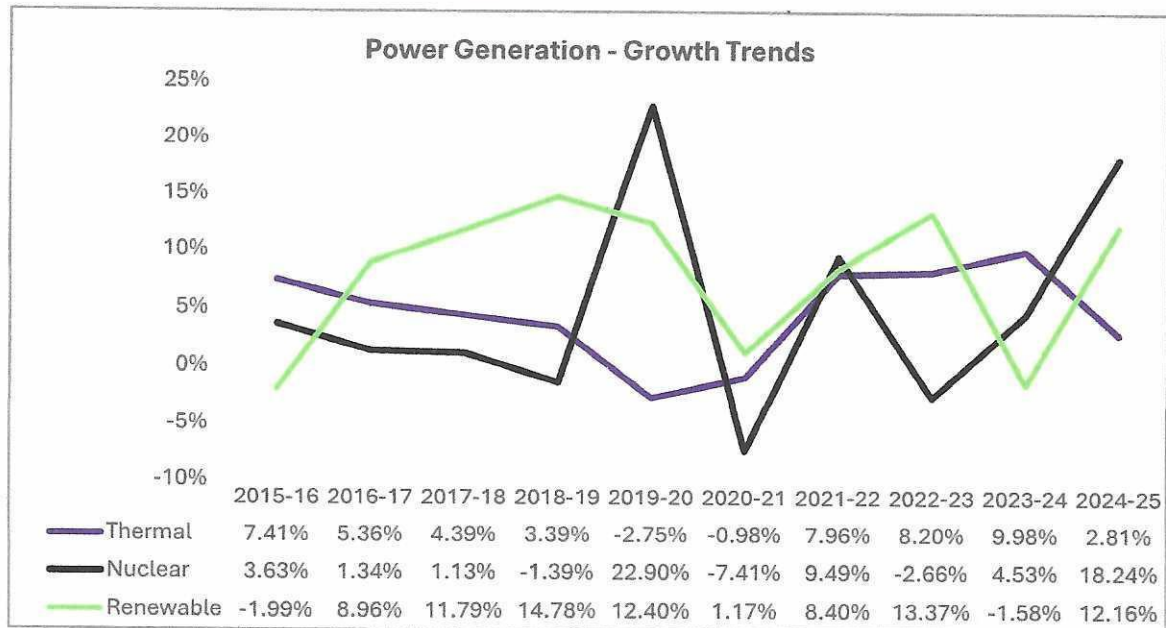
The Government of India has taken several steps and initiatives to promote and accelerate renewable energy capacity in the country to realise the commitment of 500 GW non-fossil energy capacity by 2030.



Installed Capacity-Mode wise Breakup (in Megawatt)								
Year	Thermal				Nuclear	Renewable		Total
	Coal	Lignite	Gas	Diesel		Hydro	RES*	
FY2020	198,525	6,610	24,955	510	6,780	45,699	87,028	370,106
FY2021	202,675	6,620	24,924	510	6,780	46,209	94,434	382,151
FY2022	204,080	6,620	24,900	510	6,780	46,723	109,885	399,497
FY2023	205,236	6,620	24,824	589	6,780	46,850	125,160	416,059
FY2024	210,969	6,620	25,038	589	8,180	46,928	143,645	441,970
FY2025	215,193	6,620	24,533	589	8,180	47,728	172,368	475,212

* RES (Renewable Energy Sources) includes small hydro power (≤ 25 MW), biomass power, solar and wind power, U&I (Urban & Industrial Waste) power.

Source: Central Electricity Authority (<https://cea.nic.in/>)



Source: Central Electricity authority

Distribution of Installed Capacity-Region wise

As per the CEA, Southern and Western states are at the forefront of renewable integration, while Northern and Eastern states rely more on thermal and hydro. Gujarat, Maharashtra, and Rajasthan are India's top states by installed power capacity, with Rajasthan and Gujarat especially dominant in solar and overall renewable energy. Gujarat and Rajasthan are also at the top for solar and wind, while Karnataka and Tamil Nadu also have significant wind portfolios. Rajasthan, Gujarat, Maharashtra, Karnataka, and Andhra Pradesh are leading in renewable capacity additions.

Domestic Distribution of Installed Capacity by States in MW as on 31 March 2025								
State	Mode-wise Breakup							Total
	Thermal				Nuclear	Renewable		
	Coal	Lignite	Gas	Diesel		Hydro	RES* (MNRE)	
Gujarat	17,159	1,400	5,932	-	1,035	772	31,403	57,701
Maharashtra	26,064	-	3,513	-	1,069	3,332	19,354	53,332
Madhya Pradesh	15,963	-	332	-	492	3,224	8,593	28,603
Chhattisgarh	12,222	-	-	-	136	264	1,708	14,330
Central - Unallocated	2,835	-	198	-	438	-	-	3,471
Dadra and Nagar Haveli and Daman and Diu	587	-	110	-	29	-	52	778
Goa	492	-	68	-	42	2	58	662
Total (Western Region)	75,323	1,400	10,151	-	3,240	7,593	61,169	158,876
Tamil Nadu	12,835	1,959	1,027	212	1,448	2,178	23,112	42,772
Karnataka	9,948	486	370	25	698	3,632	20,228	35,388
Andhra Pradesh	12,031	189	3,847	37	127	1,674	10,504	28,409
Telangana	11,599	61	832	-	149	2,480	5,283	20,403
Kerala	2,236	325	534	160	362	1,964	1,889	7,470
Central - Unallocated	1,666	434	-	-	450	-	-	2,550
Puducherry	141	118	33	-	86	-	55	432
NLC	-	66	-	-	-	-	-	66
Total (Southern Region)	50,456	3,640	6,642	434	3,320	11,927	61,072	137,490
Rajasthan	12,624	1,580	775	-	557	2,028	33,725	51,288
Uttar Pradesh	23,235	-	1,030	-	289	3,544	5,722	33,820
Punjab	8,214	-	150	-	197	3,827	2,174	14,562
Haryana	8,638	-	582	-	101	2,382	2,450	14,153
Delhi	3,649	-	2,115	-	103	752	397	7,017
Himachal Pradesh	145	-	-	-	29	3,437	1,215	4,826
Uttarakhand	628	-	734	-	31	2,169	975	4,538
Jammu & Kashmir and Ladakh	577	-	304	-	68	2,340	318	3,607
Central - Unallocated	1,543	-	291	-	237	841	-	2,913
Chandigarh	45	-	15	-	8	103	79	250
Total (Northern Region)	59,298	1,580	5,995	-	1,620	21,426	47,057	136,975
West Bengal	8,683	-	80	-	-	1,466	771	11,000
Odisha	5,351	-	-	-	-	2,179	804	8,335
Bihar	7,283	-	-	-	-	73	539	7,895
DVC	3,037	-	-	-	-	214	-	3,251
Jharkhand	2,607	-	-	-	-	177	224	3,008
Central - Unallocated	1,836	-	-	-	-	86	-	1,922
Sikkim	77	-	-	-	-	643	63	782
Total (Eastern Region)	28,875	-	80	-	-	4,838	2,401	36,194
Assam	875	-	742	-	-	522	233	2,371
Arunachal Pradesh	37	-	47	-	-	545	155	784
Meghalaya	52	-	110	-	-	417	73	652
Tripura	56	-	487	-	-	68	37	649
Central - Unallocated	113	-	64	-	-	140	-	316
Manipur	47	-	82	36	-	87	19	271
Mizoram	31	-	60	-	-	98	76	265
Nagaland	32	-	74	-	-	66	36	208
Total (North- Eastern Region)	1,242	-	1,665	36	-	1,944	629	5,516
Andaman & Nicobar	-	-	-	93	-	-	35	128
Lakshadweep	-	-	-	27	-	-	5	32
Total (Islands)	-	-	-	120	-	-	40	160
India Installed Capacity	215,193	6,620	24,533	569	8,180	47,728	172,368	475,212
Source: CEA								

Source: CEA



Segmentation

The power sector in India is segmented both by the stages of the electricity supply chain and by the types of energy sources used for generation. Electricity is produced in power plants using various energy sources, including coal, natural gas, oil, nuclear, hydro, wind, and solar. Power plants convert primary energy (such as fuel or kinetic energy) into electrical energy using generators (devices that move conductors through magnetic fields to create current). Electricity generated at power plants is sent over long distances via high-voltage transmission lines. Transmission networks move electricity from generating stations to substations, maintaining efficiency and minimizing energy loss during transportation. Transformers at substations adjust the voltage for further distribution. After stepping down the voltage at substations, electricity is delivered through distribution networks to end users such as homes, businesses, and industries.

The generation and transmission of electricity are critical to the economy for several reasons:

- Industrial operations depend on a steady power supply for production, processing, and logistics.
- Service sectors, including banking, healthcare, and IT, require uninterrupted electricity for daily functioning.
- Households depend on electricity for basic needs, quality of life.
- Efficient transmission ensures that electricity reaches consumers with minimal loss, keeping energy costs lower and reliability higher.
- The electrical grid's reliability and reach underpin everything from transportation systems to emergency services, enabling overall economic growth and societal development.

The power generation segment is dominated by conventional (coal, lignite, natural gas, oil, hydro and nuclear power) sources, while non-conventional sources (such as wind, solar, and biomass and municipal waste) also growing as solar power is rapidly gaining traction due to supportive government policies and increasing demand for renewable energy.

The operations of the power industry (**Power Generation, Transmission and Distribution**) are described below, using thermal energy to illustrate the key processes.

Generation:

In a thermal power plant coal is burnt to produce high temperature and high-pressure steam in a boiler. The steam is passed through a steam turbine to produce rotational motion. The generator, mechanically coupled to the turbine, thus rotates producing electricity. Chemical energy stored in coal after a couple of transformations produces electrical energy at the generator terminals.

Components of Thermal power plant

- Coal handling plant
- Stoker
- Pulverizer
- Boiler
- Superheater
- Economizers & Air preheater
- Reheater



- Deaerator
- Condenser
- Primary air fan
- Turbine (prime mover)
- Draft fan & chimney
- Electro-static precipitator
- Cooling tower
- Ash handling plant
- Electrical equipment
- Generator
- Transformers
- Switch yard

Transmission: High Voltage (HV) and Extra High Voltage (EHV) transmission is the next stage from power plant to transport A.C. power over long distances at voltages like; 220 kV & 400 kV. Where transmission is over 1000 kms, high voltage direct current transmission is also favoured to minimise the losses. Sub-transmission network at 132 kV, 110 kV, 66 kV or 33 kV constitutes the next link towards the end user. Distribution at 11 kV / 6.6 kV / 3.3 kV constitutes the last link to the consumer, who is connected directly or through transformers depending upon the drawl level of service. The transmission and distribution network include sub-stations, lines and distribution transformers. High voltage transmission is used so that smaller, more economical wire sizes can be employed to carry the lower current and to reduce losses. Sub-stations, containing step-down transformers, reduce the voltage for distribution to industrial users.

Distribution: The distribution system is the electrical system between the substation fed by the Transmission system and the consumer meters. It generally consists of feeders, distributors, and service mains

(i) Feeders

A feeder is a conductor which connects the sub-station (or localized generating station) to the area where power is to be distributed. Generally, no tappings are taken from the feeder so that current in it remains the same throughout. The main consideration in the design of a feeder is the current carrying capacity.

(ii) Distributor

A distributor is a conductor from which tappings are taken for supply to the consumers. The current through a distributor is not constant because tappings are taken at various places along its length. While designing a distributor, voltage drop along its length is the main consideration since the statutory limit of voltage variations is $\pm 6\%$ of rated value at the consumers' terminals.

(iii) Service Mains

Service mains are generally a small cable which connects the distributor to the consumer terminals.

There is no difference between a transmission line and a distribution line except for the voltage level and power handling capability. Transmission lines are usually capable of transmitting large quantities of electric energy over great distances. They operate at high voltages. Distribution lines carry limited quantities of power over shorter distances. Voltage drops in line are in relation to the



resistance and reactance of line, length and the current drawn. For the same quantity of power handled, lower the voltage, higher the current drawn and higher the voltage drops. The current drawn is inversely proportional to the voltage level for the same quantity of power handled. The power loss in line is proportional to resistance and square of current. (i.e. $P_{LOSS}=I^2R$). Higher voltage transmission and distribution thus would help to minimize line voltage drop in the ratio of voltages, and the line power loss in the ratio of square of voltages.

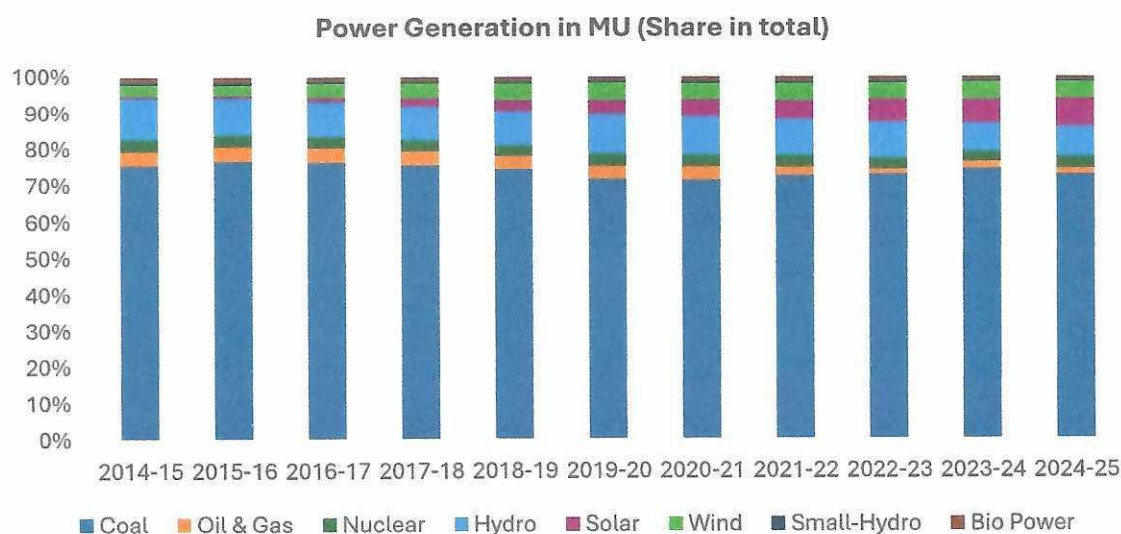
By Type

Thermal Energy: Thermal power plants use fuels such as coal, lignite, gas, or diesel to produce heat in a boiler. This heat converts water into steam, which is then used to drive a turbine. The turbine is connected to a generator that converts the mechanical energy into electrical energy. Thermal energy accounted for 80.8% of total energy mix in FY2016, but this share has fallen to 74.8% in FY2025, largely due to increase in power generation through renewable energy sources. Coal accounted for 75.6% of total energy mix in FY2015 which is slightly fallen to 73.0% in FY2025.

Nuclear Energy: Nuclear power plants use uranium to make nuclear reaction in reactor which in turn produces heat. The share of nuclear energy mix in total power generation has slightly decreased from 3.2% in FY 2016 to 3.1% in FY2025. This decrease is primarily due to the absence of new nuclear plant installations during this period, as nuclear facilities are relatively expensive to construct and operate compared to other power generation options.

Renewable Energy: Renewable energy power plants generate electricity by harnessing naturally replenishing energy sources such as solar radiation, wind, hydro, biomass. Renewable energy including hydro accounted for 16.0% of total energy generation in FY2016 which has increased to 22.1% in FY 2025. Hydro power including small hydro accounted for 69.3% of total renewable energy generation in FY2015 which has been fallen to 39.7% in FY2025. Solar power accounted for 4.0% of total renewable energy mix in FY2016 which has been increased to 35.7% in FY2025.

By Source



Source: ICED



Generation, Transmission & Distribution - An Analysis

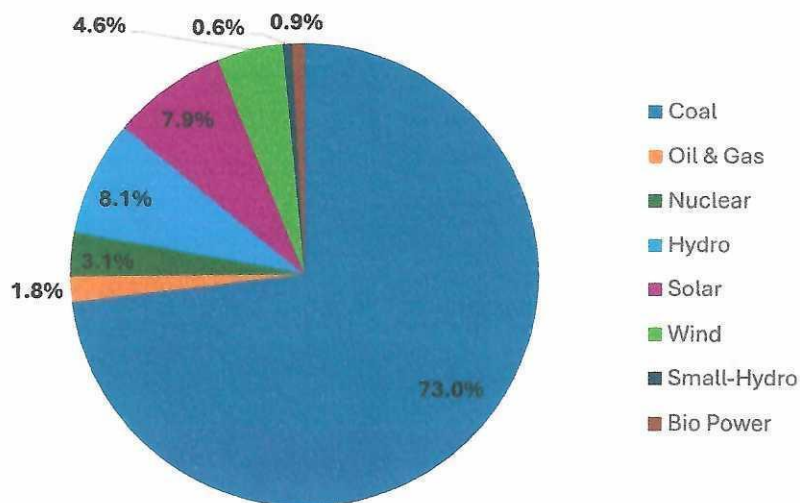
Generation

India's overall power generation grew at a Compound Annual Growth Rate (CAGR) of 5.14% between FY2016 and FY2025. During the same period, thermal power generation (comprising coal, gas, and oil) expanded at a CAGR of 4.50%, while nuclear power grew slightly faster at 4.61%. Notably, renewable energy sources, including hydropower, experienced the highest growth, registering a CAGR of 7.77%. This indicates that while all segments contributed to the overall increase in power generation, renewables and hydropower drove the fastest expansion, outpacing both thermal and nuclear energy growth rates in the last 10 years.

The annual growth in the energy generation in FY2025 has been 5.18%, slightly higher than average growth of last 10 years.⁴ Coal remains a major source of electricity generation, though its share is gradually declining as renewables expand. From 74.52% in FY2019 the share of coal in electricity generation has fallen to 73.0%, while renewables share increased from 19.1% to 22.1% during the same period.

As per CEA's Operation Performance Monitoring Division, energy generation from sources other than solar, wind, small hydro and bio power, reached 15,69,204.57 MU in FY2025 achieving 95.2% of the target of 16,48,000 MU. For FY2026, the target has been increased by 5.0% to 17,25,000 MU.

Electricity Generation - Share of Sources



Source: ICED, NITI Aayog

⁴ ICED, NITI Aayog



Electricity Generation (MU)							
Sources	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Coal	1,022,265	994,197	981,443	1,078,581	1,182,096	1,294,852	1,331,867
Oil & Gas	50,049	48,641	51,168	36,230	24,115	31,697	32,023
Nuclear	37,813	46,472	43,029	47,112	45,861	47,937	56,681
Hydro	134,894	155,769	150,300	151,627	162,099	134,054	148,634
Solar	39,268	50,131	60,402	73,484	102,014	115,975	144,150
Wind	62,036	64,646	60,150	68,640	71,814	83,385	83,347
Small-Hydro	8,703	9,451	10,258	10,464	11,171	9,485	11,568
Bio Power	16,752	14,108	16,437	18,325	18,554	16,989	15,944
Total	1,371,779	1,383,417	1,373,187	1,484,463	1,617,723	1,734,375	1,824,214
Growth (in %)	5.24	0.85	-0.74	8.1	8.98	7.21	5.18

Source: ICED, NITI Aayog

Transmission

State-owned entities manage India's transmission segment, with Power Grid Corporation playing a key role. The length of power line circuits in India has seen substantial growth over the decades, reflecting the country's expanding electricity demand.

India's inter-regional transmission capacity has risen from 14 GW in 2007 to 95 GW in 2019 and by January 2025, this capacity has further grown to approximately 119 GW, enabling more efficient transfer of electricity across regions and supporting the integration of renewable energy sources into the national grid.

Increasing generation capacity (especially from renewable sources), and the need to strengthen interregional power transfer and grid reliability are the drivers of this growth, while challenges such as Right-of-Way (RoW) constraints and land acquisition issues are the major constraints.

As of March 31, 2025, India's total transmission line network stood at 494,374 circuit kilo meters (ckm), a modest 1.8% increase from the previous year. But there was a notable slowdown in annual addition of transmission lines which is only 8,830 ckm, compared to the historical average of around 19,123 ckm per year between FY 2016-2024

Policy initiatives such as the PM Gati Shakti Master Plan and the National Electricity Plan have set ambitious targets, with plans to add about 1.91 lakh ckm of transmission lines by 2032 to support India's development goals and energy transition.

Transmission in Circuit Kilometre (ckm)		
Year	Transmission Lines	Transmission Lines Addition
FY2019	413,407	22,437
FY2020	425,071	11,664
FY2021	441,821	16,750
FY2022	456,716	14,895
FY2023	471,341	14,625
FY2024	485,544	14,203
FY2025	494,374	8,830

Source: ICED, NITI Aayog





Source: CEA Growth Book, 2024

Distribution

The power distribution reflects both the size of state economies and their natural resource endowments, especially for renewables. In India, power distribution is primarily handled by state-owned companies (Discoms), with private entities operating in major cities like Delhi and Mumbai.

The government is prioritising the distribution sector within the electricity supply chain, with a strong focus on improving the financial health and operational performance of Distribution Companies (DISCOMs) and State Electricity Boards (SEBs). This is being done to support India's growing energy needs and to ensure reliable and quality power supply.

Liquidity infusion package announced under Aatma Nirbhar Bharat for the power sector

The finances of many DISCOMs in India have faced significant stress, worsened by the COVID-19 pandemic and the resulting lockdown, which hindered revenue as consumers struggled to pay bills. Despite maintaining power supply as an essential service, liquidity issues surged. To address this crisis, the Government introduced a liquidity infusion package under the Aatma Nirbhar Bharat initiative, allowing DISCOMs to secure concessional loans from PFC and REC, backed by State guarantees, to settle their dues with various power generation and transmission companies. Ministry of Power released guidelines on 14th May 2020 for States to access concessional loans from PFC and REC under the Aatma Nirbhar Bharat package. By FY2023, loans worth Rs. 1.33 Lakh Cr were sanctioned, with Rs. 112456 Cr disbursed.

Revamped Distribution Sector Scheme

The Government of India launched the Revamped Distribution Sector Scheme (RDSS) to support DISCOMs in improving operational efficiency and financial stability through performance-based financial aid, with an investment of Rs 3.04 lakh crore over five years (FY2022 to FY2026). It includes Rs 0.98 lakh crore in budgetary support to reduce AT&C losses to 12-15%, close the ACS-ARR gap, and improve power supply quality by FY 2024-25. Under the RDSS, almost 50% of investments target prepaid smart metering and advanced metering infrastructure (AMI) via a TOTEX model. Smart meters improve utility cash flow by enabling communication, enhancing forecasting, optimizing



procurement, and reducing costs, aiming to close the ACS-ARR gap and lower AT&C losses. Capital investment under the RDSS initiative focuses on loss reduction, system strengthening, and modernization. Loss reduction efforts encompass replacing bare conductors with AB cables, implementing HVDS systems, and executing feeder bifurcation. System strengthening includes building new substations and upgrading capacities, while modernization emphasizes technologies such as SCADA, DMS, and GIS for improved distribution systems. The initiative is monitored by an inter-ministerial committee chaired by the Secretary (Power), which has conducted 32 meetings, approving action plans and DPRs for 52 Discoms across 32 States/UTs. The approved DPR for Distribution Infrastructure has an outlay of Rs. 1,25,226 Crores. Additionally, smart metering initiatives across 28 States/UTs total Rs. 1,30,474 Crores, with a GBS of Rs. 24,139 Crores and significant meter installation planned.

Government Initiatives

Energy Conservation Campaign

The Bureau of Energy Efficiency is an agency of the Government of India, under the Ministry of Power, created in March 2002 under the provisions of the nation's 2001 Energy Conservation Act. The agency's function is to encourage the efficient use of energy in India by developing programs to support it. Its primary objective is to reduce energy intensity in the economy.

Ultra Mega Power Projects (UMPPs)

The Ministry of Power launched the Ultra Mega Power Projects (UMPPs) scheme in 2005-06 to develop large-scale power plants of approximately 4,000 MW or more at both coal pithead and coastal locations. These projects are designed to meet the electricity needs of multiple states by leveraging economies of scale to deliver power at competitive rates. The Central Government facilitates UMPPs through tariff-based competitive bidding, adopting supercritical technology on a build, own, and operate (BOO) model. The Central Electricity Authority (CEA) acts as the technical partner, while the Power Finance Corporation (PFC) serves as the nodal agency for implementation.

Restructured Accelerated Power Development and Reforms Programme (R-APDRP)

The Ministry of Power launched the R-APDRP in July 2008. The program aims to strengthen the sub-transmission and distribution network in urban areas; along with the metering of distribution transformers/feeders/consumers in the urban areas. The scheme plans to reduce AT&C losses, establish IT-enabled energy accounting/auditing systems, and improve the billing of energy based on metered consumption, and its collection.

National Smart Grid Mission

The National Smart Grid Mission was launched in 2015 to accelerate Smart Grid deployment in India. NSGM has its own resources, authority, and functional and financial autonomy to plan and monitor implementation of the policies and programs related to smart grids in the country.

NSGM functions with a four-tier hierarchical structure:

1. Governing Council (GC), headed by Minister of Power
2. Empowered Committee (EC), headed by Secretary (Power)
3. Technical Committee (TC), headed by Chairperson CEA
4. NSGM Project Management Unit (NPMU)



UJWAL DISCOM Assurance Yojana (UDAY)

UDAY is a scheme for the financial turnaround of Power Distribution Companies (DISCOMs) launched in November 2015, with the objective to improve the operational & financial efficiency of State Power Distribution Companies (DISCOMs).

This scheme covers 32 states and all Union Territories and aims to increase annual tariffs, adjust quarterly fuel costs, reduce interest burden, rationalize coal prices, lower fuel costs through coal swapping, minimize time bound losses, and others.

Saubhagya Scheme

The Pradhan Mantri Sahaj Bijli Har Ghar Yojana (Saubhagya) launched in October 2017 aims to achieve universal household electrification in India. Additionally, the scheme also aims to provide last-mile connectivity and electricity to all unelectrified rural households and offer last-mile connectivity to economically poor unelectrified households in urban areas (excluding non-poor urban households). The scheme also includes solar photovoltaic (SPV) standalone systems for unelectrified households in remote areas where grid extension is not feasible.

National Policy on Biofuels – 2018

The policy was initiated by the Ministry of Petroleum and Natural Gas in 2018. The policy focuses on utilising and promoting domestic feedstock for biofuel production to substitute fossil fuels. It aims to enhance national energy security, mitigate climate change, and create sustainable employment opportunities. The policy also encourages the use of advanced technologies for biofuel generation.

India Energy Modelling Forum (IEMF)

In October 2020, the government announced the creation of an inter-ministerial committee under NITI Aayog to lead research and studies on energy modelling. The IEMF was jointly launched by NITI Aayog and the United States Agency for International Development (USAID).

Integrated Power Development Scheme (IPDS)

The main objective of the scheme is the strengthening of sub-transmission and distribution networks in the urban areas, metering of distribution transformers/feeders/consumers, enterprise resource planning (ERP), IT enablement of balance urban towns, Real Time-Data Acquisition System (RT-DAS) projects, and others.

Mission on Advanced and High-Impact Research (MAHIR)

The government has launched MAHIR with a view to leverage emerging technologies in the power sector and make the country a manufacture hub. MAHIR aims to facilitate indigenous research, and the development and demonstration of the latest and emerging technologies in the power sector. The mission will be funded by pooling financial resources of the Ministry of Power, Ministry of New and Renewable Energy, and the Central Public Sector Enterprises. Any additional funding needed will be mobilized from the Indian government's budgetary resources.

Independent Transmission Projects

The Ministry of Power has initiated a Tariff-Based Competitive Bidding Process to develop and strengthen the transmission system with private sector participation. The goal is to enhance transmission capacity in India and attract potential investors. This involves completing preliminary



tasks such as route identification, survey work, land acquisition processes, seeking forest clearances (if needed), and conducting the bidding process.

Key Recent Developments

- ✓ **April 2025** - West Bengal Chief Minister Mamata Banerjee laid the foundation stone for an Rs 160 billion, 1,600 MW JSW power plant in Salboni. The project is expected to create direct 2000 jobs and marks a major push in the power sector, with five more plants and Rs 480 billion in planned investments to boost capacity to 18,000 MW in Bengal.
- ✓ **February 2025** - Tata Motors and Tata Power have partnered to develop a 131 MW wind-solar hybrid project that will supply renewable energy to six manufacturing plants in Maharashtra and Gujarat. The initiative will generate 300 million renewable units annually, offset 200,000 tons of CO₂, and support Tata Motors' goal of 100% renewable energy by 2030.
- ✓ **February 2025** - EDF India and Actis have partnered to launch a smart metering platform in India. The initiative supports the national goal of deploying 250 million smart meters by 2025, enhancing grid efficiency and sustainability. It combines EDF's technical expertise with Actis's investment capabilities to achieve long-term impact.
- ✓ **February 2025** - India's 2025–26 Budget launches a transformative Nuclear Mission to expand nuclear capacity from 8,180 MW to 22,480 MW by 2031–32 with Rs 200 billion allocated for Small modular reactor R&D, it targets 100 GW by 2047, encourages private participation, and aligns with India's 2070 net-zero goals.
- ✓ **December 2024** - IndiGrid, a consortium including British International Investment (BII) and Norfund, has launched EnerGrid, an Rs 25.55 billion platform to develop greenfield transmission and battery energy storage projects in India. Each partner has committed Rs 8.52 billion to the initiative. IndiGrid will acquire the projects after they become operational, supporting India's USD 1.2 Trillion net-zero mission.

Major Player in Power Sector

Major Players by Installed Capacity (other than Solar and Wind Energy)		
Major Players	Installed Capacity in MW	Share in Total*
NTPC Limited	51,488.00	38.8%
Adani Power Limited	12,310.00	9.3%
Maharashtra State Power Generation Limited	10,872.00	8.2%
Nuclear Power Corporation of India Limited	8,780.00	6.6%
Rajasthan Rajya Vidyut Utpadan Nigam Limited	8,455.35	6.4%
Uttar Pradesh Rajya Vidyut Utpadan Nigam Limited	8,455.00	6.4%
Damodar Valley Corporation	6,544.00	4.9%
NHPC Limited	6,251.20	4.7%
Karnataka Power Corporation Limited	5,390.05	4.1%
Gujarat State Energy Corporation Limited	5,160.00	3.9%
M.P. Power Generating Corporation Limited	4,570.00	3.4%
Tamil Nadu Generation and Distribution Corporation Limited	4,320.00	3.3%
Total-Major Players	1,32,595.60	28.1%
* Individual share in total installed capacity of major players. Total share of major players in total installed capacity. Source: ICED, NITI Aayog		



Top 15 Power Plant by Capacity Installed (Other than solar and wind energy)				
Name of the Project	Company Name	Capacity in MW	Source	State
Vindhyachal STPS	NTPC Limited	4,760	Coal	Madhya Pradesh
Mundra TPS	Adani Power Limited	4,620	Coal	Gujarat
Mundra UMTTP	Tata Power Limited	4,000	Coal	Gujarat
Sasan UMTTP	Reliance Power Limited	3,960	Coal	Madhya Pradesh
Tirora TPS	Adani Power Limited	3,300	Coal	Maharashtra
Talcher or Kaniha Talcher STPS	NTPC Limited	3,000	Coal	Odisha
Rihand STPS	NTPC Limited	3,000	Coal	Uttar Pradesh
Sipat STPS	NTPC Limited	2,980	Coal	Chhattisgarh
Chandrapur (Maharashtra) STPS	Maharashtra State Power Generation Co. Ltd.	2,920	Coal	Maharashtra
Suratgarh STPS	Rajasthan Rajya Vidyut Utpadan Nigam Ltd.	2,820	Coal	Rajasthan
Barh STPP	NTPC Limited	2,640	Coal	Bihar
Anpara TPS	Uttar Pradesh Rajya Vidyut Utpadan Nigam Limited	2,630	Coal	Uttar Pradesh
Ramagundam STPS	NTPC Limited	2,600	Coal	Telangana
Korba STPS	NTPC Limited	2,600	Coal	Chhattisgarh
Vijayawada or Dr. Narla Tata Rao TPS	Andhra Pradesh Power Generation Limited	2,560	Coal	Madhya Pradesh

Source: ICED, NITI Aayog

Outlook

According to estimates by the CEA, India's power requirement to grow to reach 817 GW by 2030. The proportion of renewable energy generation is projected to rise from 22.1% to 44.0% by FY2030, whereas the share of thermal is anticipated to decrease from 74.7% to 52.0%. India holds the fourth position globally in installed renewable energy capacity, including large hydro and in both wind power capacity and solar power capacity. The country has elevated its goal at COP26 to secure 500 gigawatts of energy from non-fossil fuel sources by 2030. As of March 2025, India possesses an overall installed capacity of 220.10 GW for renewable energy sources, which includes large hydropower. The distribution is detailed as: Wind energy at 50.04 GW, solar energy at 105.65 GW, biomass/co-generation at 10.74 GW, small hydropower at 5.10 GW, waste-to-energy at 0.84 GW, and large hydropower at 47.73 GW. This varied combination emphasises India's major progress in enhancing renewable energy facilities for a more sustainable energy future.



Operation and Maintenance Industry

Overview

Operation and maintenance (including overhaul) encompass the processes, services and materials involved in ensuring the continued functionality, safety and efficiency of equipment, infrastructure and facilities. Maintenance, Repair and Operations (MRO) is integral to operations across various industries, supporting the upkeep of machinery, electrical systems and physical environments.

The operation and maintenance (including overhaul) market consists of revenues earned by entities (organisations, sole traders and partnerships) that include goods such as spare parts, consumables, tools and equipment, as well as services such as inspection, diagnostics and repair. O&M activities are crucial for minimising downtime, extending the lifecycle of assets and maintaining compliance with safety and operational standards. O&M is used by businesses and organisations in diverse sectors, including manufacturing plants, construction sites, commercial buildings and specialised industries such as aerospace and defence. Its uses range from routine maintenance to emergency repairs, ensuring equipment reliability and operational continuity.

O&M products and services are often complementary to operational technologies and substitute certain capital expenditures by extending the lifespan of existing assets. Regular maintenance helps avoid unscheduled equipment failures that can halt production. O&M practices can significantly reduce operational costs by minimising waste and optimising resource use. Well-maintained equipment reduces the risk of accidents and injuries in the workplace. Effective MRO contributes to longer asset lifespans and reduces environmental impact through better resource management.

The O&M market includes sales of products and services that support maintenance, repair, and operational activities across various sectors, including industrial, electrical, facility and other types. The O&M market consists of maintenance, repair and operational support for industrial equipment and facilities, like bearings, motors and pumps, as well as services such as equipment diagnostics and part replacements, catering to industries like power, manufacturing, mining and utilities. It also includes maintaining systems such as circuit breakers, transformers, cables, and control systems, which are essential for operational safety and efficiency as well as focuses on upkeep and repairs of buildings and infrastructure, including HVAC, lighting, plumbing, janitorial supplies, and general building maintenance to ensure safe and functional environments. The market also caters to niche applications such as IT hardware maintenance, transportation fleet repairs, and specialised safety equipment, providing comprehensive support across diverse operational needs.

Market Trends

The global O&M (including overhaul) market was valued at approximately USD 721.12 billion in 2025 and is projected to reach around USD 972.17 billion by 2034, with a compound annual growth rate (CAGR) of 3.37%. The O&M market in India too grew at CAGR 4% in the last five years and estimated to reach USD 34.7 billion by 2030.



India O&M (including overhaul)

Market Size



Source: EMIS, Global Maintenance Repair And Operations Market Report 2025

Power O&M Services: The power O&M market consists of revenues earned by entities by providing operation and maintenance services for energy operation, as well as regular maintenance, routine repairs, replacement and upgrades of energy equipment and devices. The maintenance and operations include various services offered to manage assets that are used to supply energy.

Top 10 Players in India - Power O&M

1. ADV Powercon Pvt. Ltd
2. Flowtherm Engineering Pvt. Ltd
3. N.S Thermal Energy Private Limited
4. Neptunus Power Plant Services Pvt. Ltd
5. Pavo Power Engineering Pvt. Ltd
6. Power Mech Projects Limited
7. Sai Urja Indo Ventures Limited
8. SKV Energy Services Pvt. Ltd
9. Solon India Pvt. Ltd
10. Sopan O&M Co. Pvt. Ltd.



Key Services

1. Maintenance Services

This segment focuses on the regular upkeep, repair, and replacement of equipment and components to ensure optimal performance and prevent breakdowns.

Key Activities:

- ✓ **Preventive Maintenance:** Scheduled inspections and maintenance tasks to prevent equipment failures.
- ✓ **Corrective Maintenance:** Repairs and replacements performed in response to identified issues or failures.
- ✓ **Predictive Maintenance:** Using data and analytics to predict potential failures and address them proactively.

2. Operational Management

This segment involves the day-to-day management and operation of power plants to ensure they run efficiently and meet performance targets.

Key Activities:

- ✓ **Operational Monitoring:** Continuous monitoring of plant operations to ensure optimal performance.
- ✓ **Performance Optimisation:** Implementing strategies to enhance the efficiency and output of power plants.
- ✓ **Compliance Management:** Ensuring operations adhere to regulatory and safety standards.

3. Overhaul

This is ideally performed as a preventative measure to avoid unplanned maintenance, thereby ensuring reliable and satisfactory availability of the power generating plant.

Key Activities:

- ✓ **Overhaul of major Equipment:** Detailed overhaul of equipment including but not limited to structural replacement, restoration, upgrading and modification of existing equipment's.
- ✓ **Cleaning and Washing:** It includes cleaning and washing of major equipment.

4. Manpower Supply

This segment focuses on providing skilled and unskilled workforce to the company.

Key Activities:

- ✓ **Workforce Recruitment and Deployment:** Hiring, training, and assigning workforce, both skilled and unskilled to meet the workforce requirement of the company.
- ✓ **Skill Development and Training:** Providing training programs to workforce to increase their efficiency and effectiveness.
- ✓ **Temporary and Contract Staffing:** Managing flexible staffing solutions for peak periods, emergencies, or specific projects, including shift rotations and on-site supervision.

Demand and Supply

Value Chain of the Industry

- ✓ **Planning and Setup-** Initial phase involving the planning and establishment of O&M processes and systems.
 - **Key Activities:** Developing maintenance schedules, setting up monitoring systems, and establishing operational protocols.
- ✓ **Routine Maintenance** Regular maintenance activities conducted to ensure the smooth operation of equipment and systems.



- **Key Activities:** Conducting inspections, performing scheduled maintenance tasks, and updating maintenance records.
- ✓ **Operational Management** Day-to-day management of plant operations to ensure optimal performance.
 - **Key Activities:** Monitoring operational parameters, adjusting processes for efficiency, and managing staff.
- ✓ **Repair and Replacement** Addressing equipment failures and replacing worn-out components to maintain plant functionality.
 - **Key Activities:** Diagnosing issues, performing repairs, and sourcing and installing replacement parts.
- ✓ **Performance Optimization** Implementing strategies to enhance the efficiency and output of power plants.
 - **Key Activities:** Analysing performance data, making process improvements, and deploying advanced technologies.
- ✓ **Compliance and Safety Management** Ensuring that operations adhere to regulatory standards and safety protocols.
 - **Key Activities:** Conducting safety audits, implementing compliance measures, and training staff on safety practices.

Demand Drivers

- ✓ **Aging power plants:** The coal-based power plant is around 15.41 years old and hydro based power plants are about 30 years, which requires frequent maintenance.
- ✓ **Increase in installed capacity:** India power installed capacity is expected to grow from 475.21 GW in FY2025 to 817 GW in FY2030, which is expected increase demand.
- ✓ **Renewable energy expansion:** Indian renewable energy installed capacity is expected to increase from 220.10 GW in FY2025 to 500GW in FY2030.
- ✓ **Asset performance optimisation:** There is efforts by industry players to improve PLF and provide stable and continuous energy.
- ✓ **Cheaper outsourcing:** For power generation companies it is cheaper to outsource O&M than to maintain O&M department internally.

Key Success Factors

- ✓ **Operation of plant for optimum energy generation:** O&M has to ensure that plant runs at optimum level i.e at optimum PLF and continuously with very less/no downtime.
- ✓ **Maximum availability of plant that i.e. effective preventive and predictive maintenance:-**O&M companies has to ensure that spare parts are available in stock and analyse the operation of plant for maximum generation.
- ✓ **Skilled and trained workforce for operation and maintenance:** O&M companies is required to have skilled and trained workforce to resolve any issue quickly to reduce downtime.
- ✓ **Operation efficiency by maintaining optimal Plant load factor, heat rate and auxiliary power consumption to ensure optimum generation**
- ✓ **Use of digital tools and automation – SCADA systems, IOT sensors etc:** By using these tools O&M companies can stimulate problem in plant before it happens (Preventive maintenance)
- ✓ **Robust Safety and Regulatory Compliance:** O&M players has to ensure compliance of law and regulations to avoid fine and penalties.



Key Factors Shaping Market

Description	Example	Impact
Digital Transformation and Industry 4.0		
The integration of digital technologies is revolutionising the O&M industry. Industry 4.0 technologies, including the Internet of Things (IoT), Artificial Intelligence (AI), and big data analytics, are increasingly being adopted to enhance operational efficiency and predictive maintenance capabilities.	- IoT Sensors: Used for real-time monitoring of equipment health and performance. - AI and Machine Learning: Employed to analyse data and predict maintenance needs, thereby reducing unplanned downtime. - Digital Twins: Creating virtual models of physical assets to simulate and optimise performance.	Increased operational efficiency, reduced maintenance costs, and extended asset life.
Remote Monitoring and Management		
The COVID-19 pandemic has accelerated the adoption of remote monitoring and management solutions. These technologies enable companies to oversee operations and maintenance activities from a distance, ensuring continuity even during disruptions.	- Remote Monitoring Systems: Allowing real-time tracking of equipment performance from off-site locations. - Virtual Inspections: Using drones and other remote tools to conduct inspections without the need for physical presence.	Impact: Increased operational resilience, reduced travel and on-site personnel requirements, and enhanced safety.
Increased Adoption of Renewable Energy O&M		
The growing adoption of renewable energy sources such as wind and solar is driving demand for specialized O&M services tailored to these technologies.	- Wind Farm Maintenance: Regular inspection and servicing of wind turbines to ensure optimal performance. - Solar Plant O&M: Cleaning and maintaining solar panels, monitoring energy output, and managing system components.	Increased operational efficiency, reduced maintenance costs, and extended asset life.
Emphasis on Predictive and Preventive Maintenance		
There is a shift from reactive to predictive and preventive maintenance approaches. By using data analytics and IoT, companies can predict equipment failures before they occur and schedule maintenance activities proactively.	- Predictive Maintenance Systems: Utilising historical and real-time data to forecast potential issues. - Preventive Maintenance Programs: Regularly scheduled inspections and maintenance tasks to prevent equipment breakdowns.	Reduced downtime, lower maintenance costs, and improved reliability of operations.
Focus on Sustainability and Green O&M Practices		
Sustainability is becoming a core focus in the O&M industry. Companies are adopting green practices to reduce their environmental footprint and comply with stringent regulatory standards.	- Energy-Efficient Operations: Implementing measures to reduce energy consumption in operations. - Waste Reduction Initiatives: Minimizing waste generated during maintenance activities. - Sustainable Materials: Using eco-friendly and sustainable materials for repairs and replacements.	Enhanced environmental performance, compliance with regulations, and improved corporate reputation.
Advanced Asset Management		
Advanced asset management strategies are being implemented to optimize the performance and lifespan of assets. This includes comprehensive tracking, lifecycle management, and strategic planning.	- Asset Management Software: Tools that provide detailed insights into asset performance, maintenance history, and lifecycle costs. - Lifecycle Management: Planning for the entire lifespan of assets, from acquisition to disposal.	Better decision-making, optimized asset utilization, and reduced total cost of ownership.
Focus on Health and Safety		
Health and safety remain top priorities, with increasing emphasis on creating safer work environments and adhering to regulatory standards.	- Safety Training Programs: Regular training sessions to ensure employees are aware of and adhere to safety protocols. - Safety Technologies: Implementing safety technologies such as wearables that monitor worker health and safety conditions.	Reduced workplace incidents, improved worker well-being, and compliance with health and safety regulations.
Expansion of Service Offerings		
O&M firms are expanding their service portfolios to include comprehensive solutions such as facility management, energy efficiency consulting, and retrofitting services.	- Facility Management Services: Providing end-to-end management of entire facilities, including maintenance, security, and utilities. - Energy Efficiency Consulting: Advising clients on how to optimize energy use and reduce costs.	Increased revenue streams, stronger client relationships, and enhanced value propositions.



Challenges and Opportunities

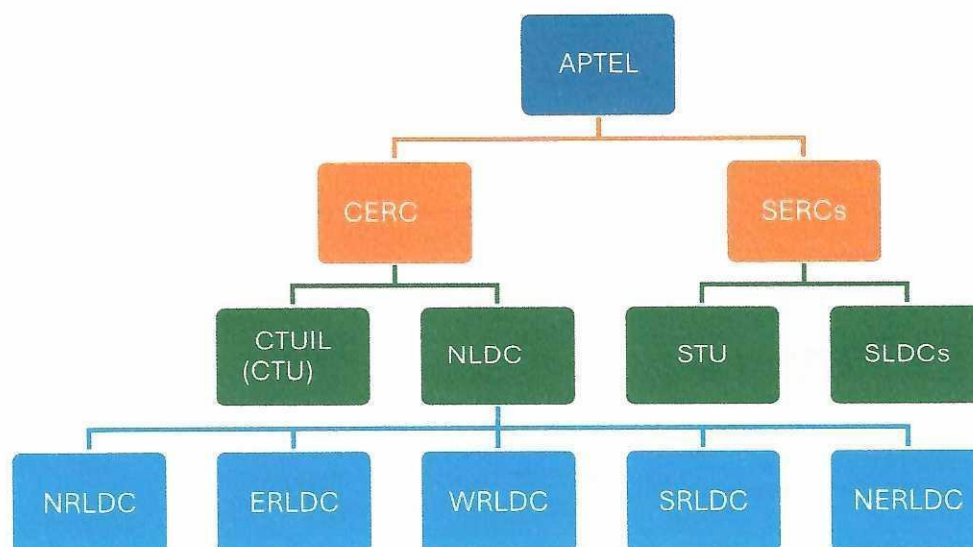
Regulatory frameworks impacting maintenance practices:

Laws & Regulations

1. CEA (safety requirements for construction, operation and maintenance of Electrical Plants and Electrical Lines) Regulations, 2011 -
2. Central Electricity Regulatory Commission –Renewable Energy Tariff Regulations, 2024
3. Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2024.
4. The Electricity Act, 2003.
5. Indian Electricity Grid Code (IEGC), 2006.
6. The Factories Act 1948, Wages Act 1936, Minimum Wages Act 1948, Employer's Liability Act 1938, Workmen's Compensation Act 1923, Industrial Dispute Act 1947, Maturity Benefit Act 1961, Employees State Insurance Act 1948, Contract Labor (Regulations & Abolishment) Act 1970

Regulatory Structure

Inter-state generation and transmission activities are done by National load dispatch centre and Intra state generation and transmission activities are done by state load despatch centre.



APTEL - The Appellate Tribunal for Electricity, CERC- Central Electricity Regulatory Commission, WRLDC- Western Regional Load Despatch Centre, ERLDC- Eastern Regional Load Despatch Centre, SRLDC- Southern Regional Load Despatch Centre, NLDC: National Load Despatch Centre (Now called as GRID-INDIA), NRLDC- Northern Regional Load Despatch Centre, NERLDC- North-Eastern Regional Load Despatch Centre. SLDCs- State Load Despatch Centres; CTU- Central Transmission Utility; STU- State Transmission Utility, SERCs: State Electricity Regulatory Commissions.



Evolving Technology

- **Leveraging Artificial Intelligence (AI) And Internet of Things (IoT) for Predictive Maintenance:** Major companies in the operation and maintenance (including overhaul) market are increasingly leveraging Artificial Intelligence (AI) and Internet Of Things (IoT) sensors to develop predictive maintenance services. This innovation enables real time monitoring and early fault detection, improving asset reliability and reducing downtime across industries.
- **Launch of Cloud Based Platforms Revolutionising MRO Efficiency and Service Management:** Major companies in the operation and maintenance (including overhaul) market are investing in cloud-based collaboration and project management platforms to improve efficiency. These platforms help streamline workflows, enhance communication among maintenance teams and reduce downtime, ultimately driving productivity and operational performance.

Effect of Implementation of Technology Upgrade in O&M Services in Power Plants

Technology driven solutions are continuously evolving and increasingly being adopted across the power generation sector to enhance operational efficiency and reduce downtime. For example, the integration of AI based predictive analytics enables the real -time analysis of vast operational datasets, helping to identify performance deviations, predict failures, and proactively recommend corrective measures using machine learning algorithms. For example, enSights' cloud-native O&M platform⁵ cleans and standardises all asset data, enabling real-time fault detection. Its AI-driven features have led to substantial increases in system uptime, reduced unnecessary troubleshooting, and improved scalability for O&M teams. Companies report faster incident response, fewer manual interventions, and better asset longevity following such upgrades.

One of the most transformative advancements is the deployment of digital twin technology a virtual replica of physical assets that allows trained professionals to interact with and monitor equipment remotely. This reduces the need for on-site personnel for routine diagnostics, enabling targeted interventions only, when necessary, thus optimising resource deployment and improving safety.

Emerging applications such as demand response systems, hybrid energy storage, vehicle to grid integration, and virtual power plants are also being piloted across the sector, incorporating advanced technologies to increase system flexibility and reliability.

Furthermore, Machine Learning (ML) and Artificial Intelligence (AI) are being used to detect complex patterns, predict equipment malfunctions, and identify key operational variables that may be overlooked by traditional monitoring systems. For example, in AMPIN Energy transition⁶ the company is using AI and ML to detect operational inefficiencies and failure trends based on subtle behavioural patterns the company uses correlation among inverter loading, temperature spikes and past failure logs, the system flags probable future issues. These innovations collectively support smarter, safer, and more efficient operation and maintenance practices across all types of power plants.

⁵ Revolutionising Clean Energy O&M with Automation and AI

⁶ <https://energy.economictimes.indiatimes.com/news/renewable/from-solar-panels-to-smart-grids-how-ai-is-powering-the-future-of-energy-operations/120486906>



Porter Five Forces

Bargaining power of supplier: The bargaining power of supplier in the power plant operation and maintenance industry for skilled manpower is high as there is shortage in skilled labour in Power plant O&M, whereas bargaining power of supplier for unskilled manpower is low.

Bargaining power of buyer: The bargaining power of buyer in the power plant operation and maintenance industry is very high as there are various provider of Operation and maintenance provider and switching cost is low unless there is some specific technical specialisation provided by these operation and maintenance providers. The utilities and independent power producer are price sensitive and have fixed tariff with some escalation fixed by Power purchase agreement thereby squeezing O&M providers to reduce costs.

Threat of new entrant: The threat of new entrant is moderate in Power plant operation and maintenance industry as there is need for skilled engineers, OEM partnership. The utilities and independent power producer prefer established names due to safety and compliance risks.

Threat of substitute: The threat of substitute is very high as large utilities and independent power producer prefer in house O&M to avoid vendor risks and maintain direct control. However, this needs a large workforce, training, is not viable for smaller independent power producer companies.

Threat of competition between existing players: The threat of competition between existing players is high as there is competitive bidding in operation and maintenance contracts. Power producing companies always look for lowest prices. It decreases the margins of O&M provider. There is no differentiation in service provided by operation and maintenance provider and switching cost is also low.

PESTLE – Operation and Maintenance

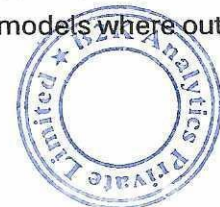
1. Political Factors

India's aggressive push toward achieving 500 GW of renewable energy installed capacity by 2030 has significantly shifted the country's energy mix from thermal dominance to a more renewable focused portfolio. This transition has required O&M strategies to evolve and adapt to the challenges of managing distributed and intermittent energy sources. To support this shift, the government has introduced a range of incentives and mandates including viability gap funding, accelerated depreciation, and Production Linked Incentive (PLI) schemes which have catalysed the development of new power assets that demand modern, performance linked O&M frameworks.

Government renewable targets and incentives are expanding the O&M market, driving demand for more advanced services. While incentives support growth but also require adapting to new compliance standards, hence O&M providers need to innovate for distributed renewable assets.

2. Economic Factors

Rising cost consciousness and increasing tariff pressure driven by declining tariffs such as solar power have compelled power producers to aggressively optimise operational costs. This has led to a growing reliance on third party O&M providers offering cost effective and performance driven services. Simultaneously, the industry has seen a fundamental shift from reactive to proactive and predictive maintenance approaches, giving rise to service-based business models where outcome-



oriented contracts such as availability linked payments and shared savings agreements are becoming the norm. Complementing this trend is the broader transition from capital expenditure (CAPEX) to operational expenditure (OPEX), as asset light strategies push plant owners to favour outsourced or hybrid O&M arrangements over traditional in-house teams.

Cost pressures and tariff declines force both asset owners and O&M providers to seek cost-efficient, outsourced, and outcome-based O&M services. This fuels growth of specialised third-party providers investing in digital and predictive solutions, while OPEX-focused models create steady revenue streams but demand stronger service delivery and risk management. Tariff pressures and OPEX focus drive cost-efficient, outsourced, and outcome-based O&M models, increasing recurring revenues and the need for digital solutions.

3. Social Factors

The transition toward smarter and more digitally integrated power plants has highlighted a significant shortage of skilled labour, particularly in the domain of digital operations and analytics. This has necessitated widespread reskilling initiatives and the adoption of digital onboarding platforms to bridge the skills gap. At the same time, there is a growing emphasis on workforce safety and well-being, driven by heightened regulatory oversight and public scrutiny of workplace hazards. In response, the industry is increasingly deploying technology-based safety solutions such as wearables and AR/VR (Augmented and Virtual Reality) enabled training modules. Furthermore, with rapid urbanization and increased dependence on uninterrupted power supply, public expectations have evolved toward zero tolerance for outages demanding real time diagnostics and swift, efficient O&M interventions to ensure reliability.

Skill shortages in digital O&M roles drive businesses to invest in training, reskilling, and digital onboarding to stay competitive. Heightened focus on safety and employee well-being leads to adoption of advanced safety technologies, with strong safety records becoming a key differentiator. Rising public demand for reliable power compels companies to provide rapid, real-time issue resolution through 24/7 support and advanced monitoring tools, raising the overall service quality expectations.

4. Technological Factors

The past decade has witnessed an explosion of smart technologies in the power sector, with widespread adoption of SCADA systems, programmable logic controllers (PLCs), IoT sensors, and smart meters across thermal, hydro, and renewable energy plants to enable real time remote condition monitoring. Simultaneously, the rise of artificial intelligence (AI) and machine learning (ML) has significantly advanced predictive maintenance, allowing operators to anticipate faults, enhance fuel efficiency, and prolong asset life. Since 2020, digital twin technology has become increasingly standard in utility scale plants, enabling remote diagnostics and reducing the need for manual inspections. Additionally, O&M teams are now managing more complex and integrated ecosystems involving grid edge technologies such as energy storage systems, EV infrastructure, and virtual power plants requiring a new level of digital coordination and technical capability.

Widespread adoption of advanced technologies such as SCADA, PLCs, IoT, and AI/ML is essential for O&M providers to remain competitive and relevant. Integrating digital twins lowers costs and boosts accuracy, enabling innovative services such as remote diagnostics and predictive maintenance as-a-service. As energy systems become more complex and interconnected, businesses that specialise in integration, data analytics, and comprehensive digital O&M solutions gain new growth opportunities and a competitive edge.

5.Environmental Factors

Stringent emission regulations and growing ESG (Environmental, Social, and Governance) mandates have significantly reshaped O&M practices in the power sector. Compliance requirements such as sulphur emission caps, fly ash utilisation rules, water reuse obligations, and net zero targets have compelled operators to adopt cleaner, more sustainable maintenance protocols. Simultaneously, the increasing frequency of climate related events such as floods, droughts, and heatwaves has underscored the need for climate resilient infrastructure and retrofitted O&M strategies, particularly in vulnerable thermal and hydropower plants. Additionally, as many older thermal power plants approach the end of their operational life, a new domain of O&M services has emerged, focused on plant decommissioning, site remediation, and responsible waste management.

Increasingly stringent environmental regulations and ESG mandates push O&M providers to adopt cleaner and more sustainable maintenance practices, creating business opportunities for providers with strong green credentials. Climate change-induced risks such as floods and heatwaves demand resilient infrastructure and adaptive O&M strategies, driving innovation in asset hardening and emergency responsiveness. Additionally, as aging thermal plants reach end-of-life, a new segment in plant decommissioning, site remediation, and responsible waste management emerges, necessitating new capabilities and partnerships. Overall, environmental imperatives are reshaping O&M business models toward sustainability, resilience, and lifecycle management. Compliance and ESG mandates create business for sustainable O&M offerings, climate resilience solutions, and decommissioning services for end-of-life assets.

6.Legal & Regulatory Factors

The regulatory landscape governing power plant O&M has become increasingly robust over the past decade. Since 2011, CEA safety regulations have mandated regular safety audits and equipment certifications, leading to standardized preventive maintenance practices across the sector. Complementing this, the Electricity Act and evolving CERC/SERC regulations have introduced tariff linked performance norms, technical minimum requirements, and strict grid compliance obligations, all of which have made operational efficiency a legal necessity. In parallel, labour laws such as the Contract Labour Act, ESI, and EPF norms have tightened enforcement, formalised the engagement of the contract workforce and ensuring better worker protections. Moreover, as digital technologies have become integral to plant operations, cybersecurity regulations introduced post 2017 have established stringent protocols for IT/OT system protection, including mandatory cybersecurity audits, significantly impacting the governance of modern O&M functions.

Strict safety audits, grid compliance, and equipment certifications make preventive maintenance mandatory, improving operational predictability but raising compliance costs. Tariff-linked



performance norms incentivise O&M providers to enhance efficiency and invest in quality improvements. Meanwhile, tighter labour and cybersecurity regulations increase compliance complexity and costs, but also professionalise the industry, protect stakeholders, and raise barriers for less qualified operators. Overall, these factors drive higher standards and cost structures while fostering a more reliable and secure O&M sector.

Comprehensive O&M Industry Insights & Trends

Power plant O&M Industry is linked to the installed capacity of power plants which is itself driven by overall electricity demand. As per NITI Aayog India energy security scenario (IESS) 2047 following is the forecasted electricity demand including captive and Electricity supply (utility) for India.

The installed capacity has been increased at CAGR of 5.13% from FY2020 to FY2025 i.e. from 3,70,106 MW in FY2020 to 4,75,212 MW in FY2025. Renewable energy accounts for 83.13% for installed capacity addition followed by coal at 15.86%. As per India's Renewable Electricity Roadmap 2030, the government has planned to have 500 GW of non-fossil fuel capacity by 2030 by increasing its share to 50% in total electricity generation capacity. Currently (FY2025), renewable energy accounts for 22.13% of total electricity generation at 220.10 GW. This suggests renewable energy is expected to grow at a CAGR of 17.83% by FY2030. As on FY2025, renewable energy consists of 46.32% of installed capacity, while its share in electricity generation is still at 22.13%. This is due to integration constraint in Grid system and the need for irregular storage capacity when power production is not possible, as renewable energy sources such as solar and wind are intermittent and cyclical.

Electricity Demand (Including captive) in TWh					
Year	2027	2032	2037	2042	2047
Industry	747.12	1042.86	1383.24	1812.89	2336.93
Buildings	596.92	847.1	1202.75	1707.26	2421.07
Agriculture	256.33	323.03	406.75	511.44	642.44
Telecom	64.16	83.65	106.67	131.59	162.1
Cooking	5.66	10.17	18.29	32.87	59.02
Transport	58.49	88.18	123.65	162.73	204.07
Miscellaneous	172.81	261.17	353.36	456.27	575.86
Total	1901.49	2656.16	3594.71	4815.05	6401.49

Electricity Supply (Utility) in TWh					
Year	2027	2032	2037	2042	2047
Gas	50.09	51.24	52.39	53.54	54.69
Coal	1303.75	1657.39	1984.84	2454.98	3212.71
CCS	0.00	8.59	17.18	25.77	34.36
Nuclear	72.70	106.82	156.96	230.62	338.86
Hydro	183.68	206.07	226.59	230.57	234.56
Solar	176.34	349.09	593.51	873.98	1143.87
Wind	126.85	237.66	464.8	770.11	1097.43
Bioenergy	20.41	22.13	24.26	26.96	29.39
Electricity Trade	0.40	5.68	13.72	17.51	22.35
Total	1934.22	2644.67	3534.25	4684.04	6168.22

Source: CEA

Ministry of Environment, Forest & Climate Change (MoEF&CC) had notified "Environment (Protection) Amendment Rules, 2015" for thermal power stations on December 7, 2015. All existing thermal generating stations including new stations and stations under construction were required to comply with the new Standards within 2 years (i.e. by Dec. 2017). However, due to limited vendor



capability and installation time of about 48 to 52 months as well as import challenges and exorbitant high prices, the TPPs were unable to meet the timeline., In view of this, subsequently MOEF&CC vide gazette notification dated 05.09.2022 has categorized thermal power plants in three categories having different timelines along with the environment compensation for non-compliance. CEA gives update on the implementation on quarterly basis on the same. The compliance of above changes in regulation is resulting in huge capital expenditure for power generating company thus creating a business opportunity for O&M providers.

Coal Based Power Plant Renovation and Modernisation and Life Extension

As per final report of the committee constituted for studying various aspects of Renovation and modernisation and life extension of coal-based power plant (2024-2033). CEA has identified 223 units with total capacity of 63,440 MW as potential candidates for R&M/LE works with age older than 20 years as of December 2022. R&M/LE works in these units have to be implemented in nine phases to avoid any major energy demand supply gap. CEA gives update on the implementation on quarterly basis on the same.

Age of Power Plant

Source	Sum of Capacity (MW)	Installed Capacity Commission	Installed Capacity Commission	Age*
		Age data is not available	Age data is available	
Bio Power	11,594.02	6,864.75	4,729.27	15.07
Coal	2,19,338.00	NA	2,19,338.00	15.41
Hydro	47,928.16	NA	47,928.16	30.18
Nuclear	8,780.00	NA	8,780.00	17.10
Oil & Gas	20,122.42	NA	20,122.42	20.05
Small Hydro	5,102.05	2,211.88	2,890.17	23.40
Solar	1,07,945.61	1,07,945.61	0.00	-
Wind	51,058.55	51,058.55	NA	NA
Total	4,71,868.81	1,68,080.79	3,03,788.02	-

*Age is calculated using weighted average formula that i.e. Age * Installed capacity/Total installed capacity source wise, for which age data is available.

Note: Total age of power plant cannot be calculated on aggregate basis, as age of solar and wind energy plant is not available.

Source: ICED, NITI Aayog

Capital Expenditure- Consolidated Level (Rs crore)										
FY ended	NTPC Limited	Power Grid Corporation of India Limited	Adani Power Limited	Adani Green Energy Limited	Tata Power Company Limited	Adani Energy Solutions Limited	JSW Energy Limited	NHPC Limited	Torrent Power Limited	Reliance Power Limited
2015	28,290	22,456	3,072	NA	3,494	194	371	1,726	1,380	2,119
2016	32,091	22,584	1,975	NA	1,009	736	69	2,221	1,315	2,167
2017	33,991	24,429	854	917	883	1,360	372	1,587	2,450	60,061
2018	31,037	25,791	941	3,936	3,560	961	121	1,567	2,281	45,974
2019	33,494	15,313	1,212	2,869	3,576	1,199	233	1,360	1,989	4,860
2020	35,539	25,807	2,227	3,397	2,226	2,763	121	3,632	1,334	54,444
2021	33,982	11,284	3,618	6,143	3,336	3,952	435	2,058	1,296	13,396
2022	34,491	9,060	3,435	14,792	7,268	4,191	2,294	5,014	1,809	19,616
2023	31,986	9,212	3,244	3,376	7,656	4,702	4,236	4,975	3,089	38,449
2024	35,385	12,500	2,602	15,773	13,333	5,430	8,033	6,997	3,656	5,146
2025	41,283	24,134	11,559	24,776	17,273	9,378	6,709	8,851	4,330	15,310

Source: Consolidated financial statements, Annual Reports, EMIS



Hydro Based Power Plant Renovation and Modernization and Life Extension

Programme during the period 2022-27: The Renovation, Modernisation, Upgrading and Life Extension works at 49 Hydro Electric Plants (HEPs) with an aggregate installed capacity of 8765.90 MW is programmed for completion during the year 2022-27 with its break up as 2228.8 MW through R&M at 14 HEPs, 5294.1 MW through Life Extension at 26 HEPs and 1,243 MW through Life Extension and Upgrading at 09 HEPs. Out of these 49 Schemes, Eleven Schemes with an aggregate installed capacity of about 2590.8 MW have been completed till March 2025 which has resulted in benefit of 1301 MW through Life Extension and 90 MW through Upgrading. The Renovation, Modernization, Upgrading and Life Extension works at 32 Hydro Electric Plants (HEPs) with an aggregate installed capacity of 5161.20 MW is programmed for completion during 2027-32 through Life Extension and Upgrading. CEA gives update on the implementation on quarterly basis on the same.

The Renovation and modernization and life extension of coal-based power plant (2024- 2033) and Hydro based power plant results in huge capital expenditure for power generating company thus creating a business opportunity for O&M providers. O&M services are also provided by EPC companies making it difficult for pure play O&M companies to get business from power generating companies.

Small Modular Reactor: Nuclear Power Corporation of India Ltd has floated a request for proposals to site two indigenously designed, 220 MW small modular reactors within industrial zones the reactors would be built using private industrial capital, operated by NPCIL, with ownership reverting to the state for a token Rs 1, while the companies would receive long term, cheap, clean power at prices beginning as low as Rs 0.60 per unit. India wants to increase its nuclear capacity to 22 GW by 2031 and to an ambitious 100 GW by 2047.

Battery Energy Storage Systems:

As per National Electricity Plan (NEP) 2023 of CEA (CEA), the energy storage capacity requirement is projected to be 82.37 GWh (47.65 GWh from PSP and 34.72 GWh from BESS) in year 2026 27. This requirement is further expected to increase to 411.4 GWh (175.18 GWh from PSP and 236.22 GWh from BESS) in year 2031 32. Further, CEA has also projected that by the year 2047, the requirement of energy storage is expected to increase to 2380 GWh (540 GWh from PSP and 1840 GWh from BESS), due to the addition of a larger amount of renewable energy in light of the net zero emissions targets set for 2070.

The Levelised Cost of Electricity (LCOE) for solar power has significantly declined over the past decade, making it cheaper than coal-based generation in many cases. This cost competitiveness has increased pressure on conventional power producers to reduce their cost structures, including operation and maintenance (O&M) expenses, to remain viable under tightening margins. As India advances toward its net zero target by 2070 and emphasizes a clean energy transition, the installed generation mix is expected to be dominated by low tariff renewable sources particularly solar and wind.

Given that renewable energy plants, especially utility scale solar, generally have lower O&M intensity and fewer moving parts than thermal units, the revenue potential for traditional O&M service providers is likely to face structural headwinds. Consequently, the O&M industry must adapt by shifting towards value added services such as digital performance monitoring, asset optimization, and lifecycle extension strategies to maintain relevance and profitability in a low tariff environment”.



Business Potential for the Entity

Power: Power sector is undergoing a significant shift from thermal based to renewable energy power infrastructure. This is aligned with Government of India's vision 2030 to have 500GW of renewable energy installed capacity and make India net zero by 2070 along with Renovation and Modernization and life extension of thermal and hydro power plant provides an opportunity for O&M service providers. However, even there is increase in installed capacity of power plants majority will be in renewable where tariff rates are lower than electricity generated through thermal power plant that creates pressure on power companies leading to competitive pricing O&M market and these O&M contract are also provided by EPC companies making pure play O&M service provider to grow business.

Oil & Gas: India mineral oil & petroleum captive power installed capacity has grown between FY2019-2023 at CAGR 6.95%, for FY2023 coal being the most used fuel at 46.77% followed by gas at 46.68%. As per Green hydrogen policy 2022, Government of India directly influence the oil and gas industry in multiple ways, pushing the sector toward decarbonization, energy diversification, and technology transition. Indian refineries currently use grey hydrogen for desulfurization and other refining process. The green hydrogen policy encourages refineries to replace grey hydrogen with green hydrogen produced using renewable energy via electrolysis for adapting electrolysis-based hydrogen generation requiring advanced control systems, renewable integration thus creating an opportunity for O&M service provider.

Paper: India paper & paperboard market volume has grown between FY2019-2024 at CAGR of 0.50%. The paper industry installed capacity increased FY2019-2024 by CAGR of 2.28%. The paper industry uses coal as a source for power generation that is 87.79% of total installed capacity in FY2023. The aging coal reliant power infrastructure provides and opportunities for O&M service provider. However, the paper industry continues to operate under tight margins and subdued demand growth, implying that any O&M intervention must be cost effective and ROI driven to gain traction.

India Paper & Paperboard Market Volume (2019-24)

Year	Thousand tonnes	% Growth
2019	18,415.50	NA
2020	16,562.50	10.10%
2021	15,740.10	5.00%
2022	16,842.90	7.00%
2023	17,810.60	5.70%
2024	18,852.00	5.80%
CAGR: 2019-24		0.50%

Source: EMIS, Market Line Industry Reports India Paper & Paperboard, March 2025

Food and Beverage: India food products industry captive power installed capacity has grown between FY2019 and 2023 at CAGR 7.42%, with diesel being the most used source at 64.76% followed by coal at 20.59% in FY2023. The food products industry leaders such as PepsiCo and HUL are moving toward renewable energy in production, and its competitors /other companies in the food product industry are likely to adopt similar practices thereby opening up growth opportunities for O&M service providers in renewable energy infrastructure.

Chemicals: India chemicals industry captive power installed capacity has grown between FY2019 and FY2023 at CAGR 5.82%. During FY2023 coal being the most used source at 45.20% followed by



diesel at 32.13%. The chemical industry leaders shown a negative growth in captive power installed capacity because of shifts towards renewable energy because of sustainability and cost efficiency. As industry is moving towards renewable energy these creates growth opportunities for O&M service providers in renewable energy infrastructure.

Infrastructure: India's infrastructure sector is rapidly shifting toward sustainable energy under initiatives like the National Infrastructure Pipeline and PM Gati Shakti. This creates strong demand for renewable energy and O&M service providers. Metro systems, ports, airports, and industrial corridors increasingly require reliable, clean captive power solutions. There is growing interest in solar, hybrid, and green hydrogen systems to meet energy and ESG goals. Ageing power infrastructure also offers opportunities for modernization and performance improvement services. BOOT and BOO models are gaining popularity to reduce upfront capital costs. The expansion of EV charging and hydrogen infrastructure in logistics and transport adds further potential. Overall, clean energy integration and O&M support are becoming critical across India's infrastructure projects.

Iron & Steel: India's iron and steel sector, a key contributor to industrial growth, is under pressure to decarbonize and improve energy efficiency in line with national sustainability goals. The industry remains heavily reliant on coal based captive power and heat intensive processes, creating opportunities for renewable energy and O&M service providers. Integration of solar and hybrid power systems can help reduce energy costs and carbon emissions, especially in integrated steel plants and rolling mills. Modernization of captive power units, waste heat recovery, and energy optimization are emerging focus areas. There is also growing interest in green hydrogen for direct reduced iron (DRI) production, supported by evolving policy frameworks.

Agrochemical: India's agrochemical sector, vital for supporting agricultural productivity, is witnessing a shift toward cleaner and more sustainable manufacturing practices. Traditionally energy intensive and reliant on fossil fuels, agrochemical plants are exploring renewable energy integration such as solar, biomass, and green hydrogen for captive power generation to reduce operational costs and emissions. This transition opens opportunities for O&M and clean energy service providers to offer solutions like solar rooftop systems, process heat optimization, and hybrid power setups. Additionally, modernization of ageing utility systems and compliance with stricter environmental norms (air, water, and hazardous waste) create demand for performance improvement and emissions control services. As global buyers increasingly link procurement to ESG performance, energy efficient operations and decarbonization measures are becoming essential for agrochemical manufacturers.

Data Centres: India data centre industry crossed the 1 GW milestone, growing at a robust pace of 24% CAGR since 2019. This strong growth was driven by increasing demand from Cloud service providers. India enjoys the advantage of one of the lowest data usage costs and the world's second largest mobile user market, leading to strong digital growth. The Indian data centre industry grew from 350 MW in 2019 to 1030 MW in 2024. As the power requirement of these data centre increases these data centre operating companies are developing their own captive power plant for continuous electricity supply for example.

- ✓ In November 2024, Equinix Partners done an agreement with CleanMax to Develop 33 MW Captive Renewable Power Projects to Decarbonize its Data Centres in India.



- ✓ In February 2025, India's CtrlS Datacentres, a data centre operator, has unveiled a 125 MWp captive solar farm, Green Volt 1, in Nagpur, Maharashtra.

As captive power plant of these data centre companies increases it provides an opportunity to O&M players to expand its business.

Captive Power Plant Installed Capacity: Source Wise (MW)					
Particulars	FY2019	FY2020	FY2021	FY2022	FY2023
Biomass	0	0	0	0	28
Coal	47679	51543	47760	45303	46783
Diesel	15571	12775	17563	18649	18080
Gas	8787	7316	7361	5685	6359
Hydro	103	131	131	135	132
Solar	1064	1525	2202	3769	3478
Wind	2003	2950	3491	3192	3541
Total	75207	76239	78508	76732	78401

Source: ICED, NITI Aayog

Industry-wise Captive Power Installed Capacity (MW)					
Particulars	FY2019	FY2020	FY2021	FY2022	FY2023
Aluminium	7254	7486	8673	9097	9808
Automobiles	1233	1402	1962	2777	1899
Cement	6052	7244	7549	6014	7090
Chemical	5473	5933	5012	4455	4305
Collieries	196	190	351	303	282
Electrical Engineering	5959	4068	5585	1770	1652
Fertiliser	1202	1403	1248	1412	1473
Food Products	1010	1458	1181	1306	1345
Heavy Engineering	546	514	640	633	627
Iron & Steel	14238	15017	15165	16025	15462
Jute	147	150	145	136	61
Light Engineering	1036	1515	1057	815	1149
Mineral Oil & Petroleum	4891	5217	6713	6250	6399
Mining & Quarrying	488	701	720	608	474
Miscellaneous	7711	4772	5166	6686	7059
Non- Industry	0	0	4080	4694	4715
Non-Ferrous	1371	1000	1147	1059	824
Paper	1677	1875	1846	1830	1835
Plastic	241	274	281	291	308
Rubber	1282	1416	633	634	477
Sugar	8028	8549	5315	5967	6906
Textiles	5173	6060	4043	3972	4250
Total	75208	76244	78512	76734	78400

Source: ICED, NITI Aayog



Competitive Landscape

Major players in the industry

- Sai Urja Indo Ventures Limited
- Neptunus Power Plant Services Private Limited
- Power Mech Projects Limited
- Lakshya Powertech Limited
- SKV Energy Services Private Limited
- Solon India Private Limited
- Sopan O And M Company Private Limited

SWOT Analysis

Strength

- Diversified Operation & Maintenance Services across Electrical Mechanical and Control & Instrumentation, rendered in various units of a power plant including Main Plant or BTG/Boiler Turbine Generator, Balance of Plant units like Coal Handling Plant, Ash Handling Plant, Flue-Gas De-Sulphurization Plant, Transmission Lines along with associated townships and substations.
- Technical capabilities which enable them to participate in tenders for like services in other process industries such as steel, fertilizer, oil and gas, and cement.
- Pan India presence.
- Experienced management.

Weaknesses

- Company operations concentrated in the power generation industry, specifically in conventional thermal energy coal-powered power plants.

Opportunities

- India aims for 817 GW of installed capacity that will lead to exponential demand for O&M services.
- Data centre operating companies are developing captive power plants for steady and continuous flow of energy thereby resulting in demand for O&M services.
- Adoption of IoT, AI, and analytics in power plant maintenance can unlock a new premium segment of O&M services.

Threat

- Majority of installed capacity additions will be made in renewable energy, particularly solar, which creating a threat for the company, as it has less exposure towards O&M services of solar plant.
- Falling tariff rates of solar energy will also affect margin for O&M companies.
- Increasingly strict pollution control norms and emission regulations can lead to premature shutdown or costly retrofits of old thermal energy plants.



Peer Comparison

Financial Details of Sai Urja Indo Ventures Limited and O&M Peer Players (FY2020 to FY2026)											
Particulars	Sales in Rs.crores	Total income in Rs.crores	Net profit in Rs.crores	Net profit %	Sales growth %	ROA %	Employee cost to sales %	EBITDA margin %	Debt equity ratio	Current ratio	Working capital turnover
2026											
Sai Urja Indo Ventures Limited	85.11	85.64	4.30	5.16%	29.90%	12.13%	87.31%	8.27%	0.11x	1.54x	14.80x
Lakshya Powertech Limited	179.93	180.80	10.14	5.64%	12.39%	5.11%	20.93%	11.62%	0.71x	2.00x	1.99x
2025											
Sai Urja Indo Ventures Limited	85.52	85.82	3.04	4.64%	43.64%	14.84%	86.34%	8.30%	0.69x	1.13x	41.66x
Lakshya Powertech Limited	160.10	161.33	15.8	9.87%	8.08%	10.45%	25.47%	14.91%	0.29x	2.56x	1.84x
Neptunus Power Plant Services Private Limited	118.46	121.65	14.72	12.43%	76.18%	13.01%	11.74%	19.03%	0x	2.91x	1.79x
Solon India Private Limited	288.77	291.63	19.48	6.75%	15.77%	10.93%	3.09%	10.73%	0.96x	1.62x	4.89x
Sopan O And M Company Private Limited	440.31	449.06	54.31	12.33%	12.26%	14.02%	21.78%	18.38%	0.04x	2.30x	3.39x
2024											
Sai Urja Indo Ventures Limited	45.62	45.88	1.46	3.20%	63.39%	9.92%	82.84%	6.98%	0.45x	0.99x	-141.63x
Lakshya Powertech Limited	148.13	149.22	15.68	10.59%	185.63%	19.01%	25.83%	15.71%	0.94x	1.53x	5.91x
Neptunus Power Plant Services Private Limited	67.24	70.57	7.51	11.18%	-27.60%	8.26%	11.73%	20.57%	0x	4.24x	1.07x
Solon India Private Limited	249.43	251.16	14.9	5.97%	257.09%	13.24%	2.97%	11.43%	0.49x	1.57x	7.85x
Sopan O And M Company Private Limited	392.20	398.02	45.43	11.58%	-5.33%	13.50%	20.86%	17.71%	0.09x	2.43x	2.66x
2023											
Sai Urja Indo Ventures Limited	27.92	27.93	0.32	1.18%	7.10%	2.29%	1.90%	3.09%	1.07x	1.5x	6.85x
Lakshya Powertech Limited	51.86	51.88	2.94	5.67%	58.35%	8.96%	40.04%	9.77%	1.92x	1.95x	3.55x
Neptunus Power Plant Services Private Limited	92.87	94.97	8.71	9.38%	21.59%	9.46%	9.16%	12.06%	0x	4.67x	1.57x
Solon India Private Limited	69.85	74.72	2.62	3.75%	-57.89%	3.56%	10.42%	10.19%	0.82x	2.32x	2.39x
Sopan O And M Company Private Limited	414.28	417.39	42.67	10.30%	1.50%	15.02%	17.92%	15.41%	0.06x	2.11x	3.95x
2022											
Sai Urja Indo Ventures Limited	28.51	28.61	0.82	3.09%	0.13%	7.22%	78.67%	4.94%	0.81x	5.76x	3.01x
Lakshya Powertech Limited	32.75	32.82	1.17	3.57%	23.12%	6.83%	38.10%	6.73%	1.23x	1.93x	4.20x
Neptunus Power Plant Services Private Limited	76.38	77.81	6.54	8.57%	-20.84%	7.87%	10.07%	11.81%	0x	4.05x	1.34x
Solon India Private Limited	165.89	168.98	8.46	5.10%	273.64%	7.56%	3.66%	8.81%	0.93x	1.38x	6.8x
Sopan O And M Company Private Limited	408.16	410.78	41.66	10.21%	58.18%	17.42%	15.36%	15.25%	0.07x	1.83x	5.36x
2021											
Sai Urja Indo Ventures Limited	26.47	26.47	1.00	3.78%	0.43%	8.34%	14.49%	5.51%	0.56x	5.32x	2.80x
Lakshya Powertech Limited	26.6	26.61	0.8	3.01%	14.02%	7.77%	37.86%	5.86%	1.42x	2.70x	4.32x
Neptunus Power Plant Services Private Limited	96.48	97.44	4.52	4.69%	-19.70%	5.31%	9.98%	9.21%	0.14x	3.09x	1.86x
Solon India Private Limited	44.40	44.91	0.9	2.03%	-33.14%	1.33%	11.62%	9.83%	2.23x	1.42x	2.52x
Sopan O And M Company Private Limited	258.04	259.9	28.53	11.06%	21.72%	16.04%	15.81%	17.12%	0.12x	1.52x	6.77x
2020											
Sai Urja Indo Ventures Limited	26.69	26.67	1.35	5.08%	5.56%	14.17%	-	5.49%	0.53x	2.45x	11.5x
Lakshya Powertech Limited	23.33	23.35	0.81	3.47%	78.23%	6.73%	43.28%	6.35%	1.89x	1.93x	4.18x
Neptunus Power Plant Services Private Limited	120.15	121.45	7.01	5.84%	36.41%	9.27%	6.85%	8.20%	0.2x	2.97x	2.58x
Solon India Private Limited	66.41	66.41	2.21	3.33%	64.55%	2.64%	5.86%	8.26%	2.56x	1.28x	4.06x
Sopan O And M Company Private Limited	212.00	214.57	18.16	8.57%	35.83%	13.91%	17.79%	13.37%	0.08x	1.68x	5.92x

Notes:

1. All financial data presented relates to financial years ending March 31.
2. Standalone financial statements have been used for peer comparison across all companies, except Neptunus Power Plant Services Private Limited, where consolidated financial statements were considered.
3. Financial data for FY2026 (ended March 31, 2026) is publicly available only for Lakshya Powertech Limited among peers as of June 2026.

Source: EMIS, CMIE-Prowess, B2K Analytics

Outlook

O&M sector is closely linked to India's power sector. India's power requirement is expected to reach 817 GW by 2030. The proportion of renewable energy generation is projected to rise from 22.13% to 44% by FY2030, whereas the share of thermal is anticipated to decrease from 74.76% to 52%. Most of the new capacity addition is going to happen in renewable segment, and within that majority of energy mix will of solar energy. As compared to other source of power, solar energy power plant has high penetration of outsourcing of O&M services but as there is decrease in per kWh tariff of power generated through solar energy majorly because of cost of components. The decreased tariff will have an impact on margin of O&M players. In captive power generation with the rise of data centres the operators will look for stable and continuous flow of power to keep their data centres running for these data centres are developing their own power plant (via EPC contractor) for the energy needs these gives O&M contractor an opportunity to grow their business.



Engineering Procurement Construction & Commissioning in Power Sector

An Overview

EPC project covers design, civil works, equipment purchase installation, and commissioning. The scope of an EPC work in most cases now also include O&M (Operation and Management) services. EPC projects consider as supply (material) contracts and services contracts. In a comprehensive package, most of the EPC providers offer 3-5 years of O&M services after commissioning of the project and after expiry of the services.

Market Size- India

Year	2022	2023	2024	2025	2026	2027	2028
	Actual	Forecasted	Forecasted	Forecasted	Forecasted	Forecasted	Forecasted
USD million	6317	7629	9377	11773	15165	20164	27905

Source: EMIS, Technavio Power EPC Market in India 2024-2028.

Key Services

Particulars	Description
Civil	It includes construction of chimney, buildings, cooling tanks, land development, roads & boundary walls, erection and fabrication and substations.
Erection works	Erection, testing and commissioning including turbine-generator and boilers, heaters, cooling system, condensing system, SCR and FGD, substations.
Instrumentation	Instrumentation and process control requirement is high in case of power sector and various equipment involve: Distributed digital control monitoring, PLC based control, Control system of boiler, turbine & balance of plant.
Electrical	Electrical systems such as auxiliary transformers, generators, panels, electrostatic precipitators, switchgears and cabling, transmission lines, transmission towers, substations, electrification and distribution.
O&M and AMCs	O&M of power plants, O&M of transmission and distribution network and O&M of substations.

Top Players – EPC

1. Larsen & Turbo Limited
2. Tata Projects Limited
3. Adani Infra Limited
4. Bajaj Electricals Limited
5. Bharat Heavy Electricals Limited
6. BTL EPC Limited
7. Doosan Power Systems India Private Limited
8. Hindustan Construction Company Limited
9. KEC International Limited
10. Sterlite Electric Limited

Source: EMIS, Technavio Power EPC Market in India 2024-2028



Demand and Supply

Value Chain Analysis – EPC (Construction Materials)

Inputs

The inputs in the construction materials market include raw materials, labour, and manufacturing equipment. The key raw materials used in the industry include limestone, clay, gypsum, cement, sand, water, and natural clay minerals.

Inbound Logistics

The inbound logistics processes in the construction materials market include the activities associated with handling, warehousing, and disseminating raw materials. Other activities included under inbound logistics are inventory control, vehicle scheduling, and returns to suppliers.

Operations

The production of construction materials entails processes such as grinding, sizing, raw material combining, extrusion, chamfering, coating, drying, firing, setting, and packaging. Apart from the manufacturing process, the value chain of the construction materials market includes research, product and process development, and product design.

Outbound Logistics

The outbound logistics activities in the market include warehousing, material handling, delivery vehicle operations, and transportation or distribution of finished goods to the points of sale. Efficient outbound logistics services in the industry ensure timely and accurate delivery of products to the customers. Processes such as the distribution and sales of products are accomplished by traders (international and domestic), distributors, dealers, wholesalers, and retailers.

Marketing and sales

The marketing and sales activities in the construction materials market include advertising, branding, promotions, and selling. Several construction material manufacturing companies focus on improving their marketing activities by training their sales force and offering services, such as aftersales support, which enhance the value of their products. Recyclers include third party recyclers and an in-house team of manufacturers that engage in the recycling of various types of construction materials.

Service

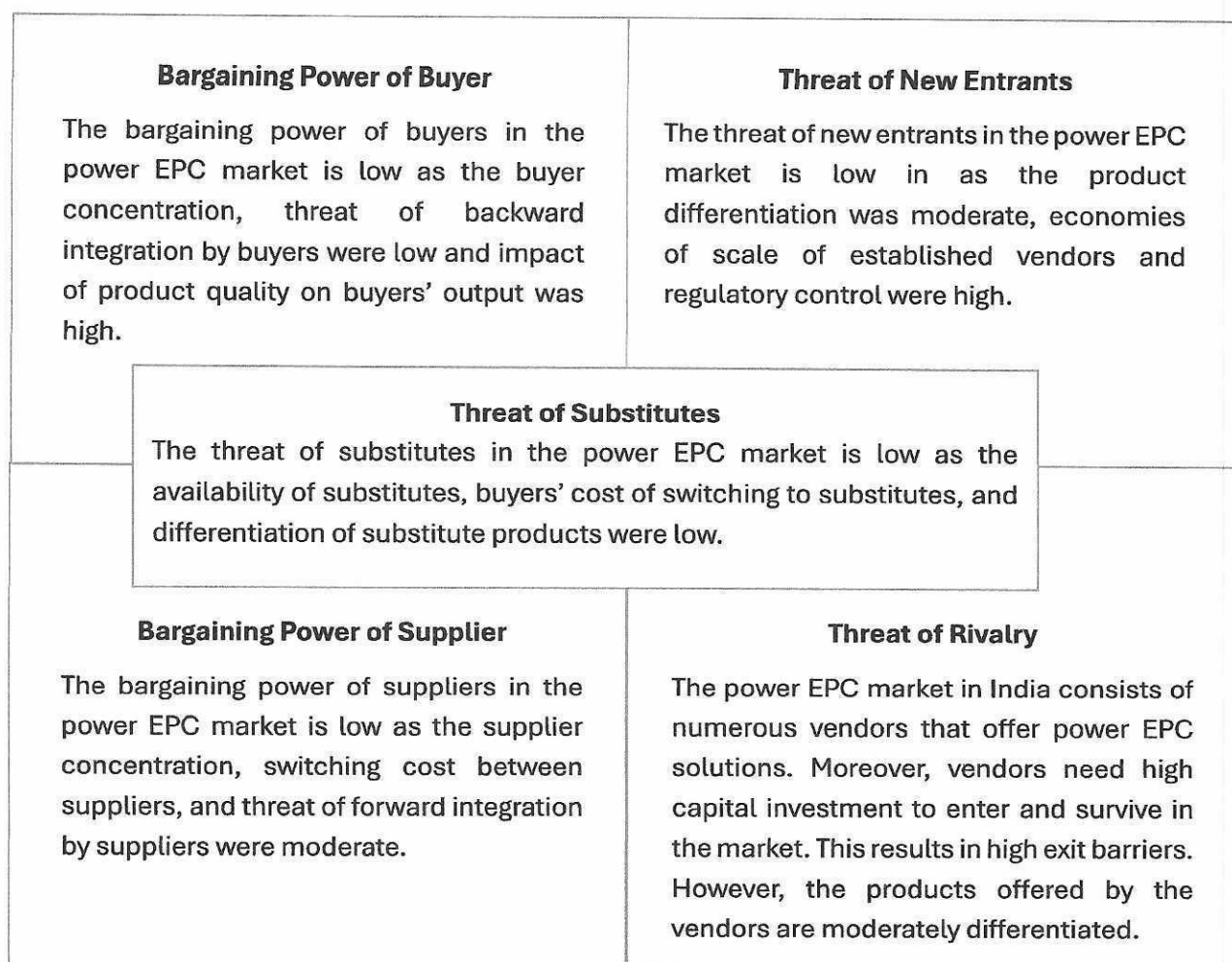
This is the final stage that adds value to the item down the value chain. It comprises customer support services after the sale of the product for the maintenance of products. Efficient service programs also ensure the retention of customers. The better an organization's customer support, the greater is its brand identity, and the higher is the number of retained customers.

Support Activities

The support activities in the construction materials market include the purchase of resources and inputs, technology development, firm infrastructure development, and human resource management. It also includes the implementation of the latest technology solutions to ensure speed and accuracy during different processes and enhance the quality of the final product. Another



Porter Five Forces



PESTLE – EPC

Political Factors

EPC demand in the power sector is largely driven by government led initiatives in electrification, renewable energy expansion, and infrastructure development. Majority of the contracts are awarded by public sector entities such as National Thermal Power Corporation Limited and Power Grid Corporation of India Limited making project flow and payment timelines sensitive to political influence. However, execution is often delayed due to regulatory bottlenecks, including environmental and forest clearances, land acquisition issues, and shifting import policies.

Economic Factors

EPC demand in the power sector closely follows capital expenditure and infrastructure investment cycles, with economic slowdowns often leading to project deferrals or cancellations. Since EPC contracts are typically milestone based, firms face long receivable cycles and significant working capital stress, making effective liquidity management essential. Additionally, project costs are highly



critical activity in the construction materials market is human resource development, as upskilling initiatives for employees can improve their overall performance and competence. Thus, a good supply network and the effective execution of all support activities will enable companies to position themselves strongly in the market and meet their strategic objectives.

Innovations

Factors such as the growing consumer demand for construction materials with unique properties and a crowded marketplace have made it imperative for manufacturers to invest in technology solutions and implement innovative strategies to optimise production for long term growth. Following is some of the innovative approaches adopted by manufacturers to ensure a sustainable market presence:

Introduction of smart construction materials equipped with sensor driven and mobile integration features, Launch of premium construction materials with advanced features.

Use of AI in construction, Launch of energy efficient construction materials, Development of innovative products such as self-healing concrete, modular bamboo, and 3D graphene for construction.

Demand Drivers

- ✓ Increase in installed capacity: India Power installed capacity is expected to grow from 475.21 GW in FY2025 to 817 GW in FY2030.
- ✓ Renovation and modernisation of aging power plant: - The coal-based power plant is approx. 15.41 years old and hydro based power plant are approx. 30 years requiring EPC.
- ✓ Fuel gas desulfurization: As per amended environment regulation power plants need to reduce and control carbon emissions for these power plant needs to install FGD creating a demand for EPC and O&M.
- ✓ Grid Modernization: - Indian grid modernization and calibration of grid for solar energy creates an opportunity for EPC and O&M companies.
- ✓ Transmission & Distribution (T&D) Expansion: - GOI plan for electrification of rural area and 24*7 electricity availability in country is resulting to expansion of T&D lines creating an opportunity for EPC and O&M companies.

Key Success Factors

- ✓ Compliance of project execution timeline: As power EPC are high value projects the successful completion of project within given timeline gives a brand name to EPC companies.
- ✓ Performance of equipment: A power generation companies require very less /no downtime of its plant.
- ✓ Cost of generation: To remain competitive and earn market share power generation companies want cost of generation to be less than its competitors which can happen if power plant is developed efficiently and can run optimally.



sensitive to fluctuations in commodity prices such as steel, copper, and cement and exposure to foreign exchange risks, especially when importing key components like solar modules and turbines.

Social Factors

Social factors significantly impact power sector EPC projects, with land acquisition challenges, community protests, and local employment demands often causing delays particularly in large thermal and transmission projects. Securing a social license to operate increasingly depends on strict adherence to workforce safety standards and fair labour practices. At the same time, rising urbanization, especially in Tier 2 and Tier 3 cities, is driving steady demand for substation and grid infrastructure, creating new opportunities for EPC contractors.

Technological Factors

Technological advancements are reshaping the power sector EPC landscape, requiring firms to shift from traditional thermal and hydro projects to newer formats such as solar, wind, hybrid, and grid scale battery storage. To remain competitive, EPC players are increasingly adopting digital tools like drones, Building Information Modeling (BIM), project tracking software, and prefabrication techniques, which enhance execution quality and cost efficiency. Additionally, the growing focus on smart grid development including digital substations, advanced energy management systems, and electric vehicle (EV) infrastructure is significantly expanding the scope and complexity of EPC work.

Environmental Factors

Environmental considerations are becoming increasingly critical in power sector EPC projects, with stricter regulations requiring compliance with air, water, noise, and waste standards particularly for thermal and hydro plants. This has led to the mandatory inclusion of systems such as flue gas desulphurization (FGD), ash handling units, and zero liquid discharge setups in project designs. Moreover, climate impact assessments factoring in risks from flooding, heatwaves, and extreme weather are now often required at the planning stage. In parallel, access to green financing and project awards is increasingly linked to environmental, social, and governance (ESG) performance, clean energy integration, and sustainable procurement practices.

Legal Factors

Legal challenges in power sector EPC projects are significant, with frequent issues related to delay penalties, change orders, and disputes over payments often requiring arbitration. Strong legal frameworks and effective dispute resolution mechanisms are essential to manage these risks. Compliance with increasingly stringent labour laws, safety regulations, and environmental approvals is critical, as violations can lead to project shutdowns or blacklisting. Additionally, sudden policy changes such as adjustments in import duties on solar equipment, updates to grid codes, or renegotiations of power purchase agreements (PPAs) add layers of legal uncertainty that EPC firms must carefully navigate.



Peer Comparison

Financial Details of EPC Peer Players (FY2020 to FY2026)											
Particulars	Sales in Rs.crores	Total income in Rs.crores	Net profit in Rs.crores	Net profit %	Sales growth %	ROA %	Employee cost to sales %	EBITDA margin %	Debt equity ratio	Current ratio	Working capital turnover
2026											
Larsen & Toubro Limited	2,85,874	2,91,635	18,547	6.49%	11.79%	4.23%	18.26%	14.66%	1.05x	1.25x	4.82x
Bharat heavy electricals limited	33,782	34,590	1,600	4.74%	19.21%	2.10%	19.15%	9.32%	0.38x	1.59x	1.76x
KEC International Limited	23,506	23,556	1,095	4.66%	7.59%	2.41%	7.07%	7.27%	1.24x	1.23x	5.59x
Reliance Infrastructure Limited	20,441	20,862	2,895	14.16%	-13.36%	6.92%	6.09%	6.97%	0.53x	0.17x	-0.81x
Bajaj electricals limited	4,462	4,524	-107	-2.41%	-7.59%	-2.13%	8.76%	4.78%	1.14x	1.11x	17.06x
Hindustan Construction Company Limited.	3,970	4,081	246	6.19%	-29.16%	1.95%	8.57%	17.04%	1.51x	1.14x	6.12x
2025											
Larsen & Toubro Limited	2,55,734	2,59,859	17,685	6.92%	15.66%	4.66%	18.29%	11.95%	1.18x	1.21x	5.92x
Bharat heavy electricals limited	28,339	28,805	371	1.31%	18.61%	0.78%	20.90%	6.02%	0.42x	1.51x	1.95x
Reliance Infrastructure Limited	23,592	23,999	9,178	38.90%	6.91%	12.89%	4.92%	17.65%	0.67x	0.21x	-0.99x
KEC International Limited	21,847	21,918	616	2.82%	9.70%	2.57%	7.05%	7.21%	1.04x	1.19x	6.91x
Tata projects limited	17,471	17,565	-711	-4.07%	-1.63%	-2.80%	8.36%	1.26%	1.83x	1.26x	3.76x
Adani Infra limited	6,764	7,302	3,657	54.07%	679.13%	36.84%	10.45%	79.40%	0.96x	1.50x	5.87x
Hindustan Construction Company Limited.	5,603	5,727	164	2.92%	-20.03%	1.39%	8.80%	16.36%	4.39x	1.21x	5.62x
Sterlite Electric Limited	4,956	5,068	-254	-5.13%	0.77%	-2.42%	3.43%	10.96%	0.23x	1.50x	4.63x
Bajaj electricals limited	4,828	4,883	135	2.80%	4.03%	3.16%	7.87%	7.50%	0.04x	1.29x	7.52x
BTL EPC limited	783	786	52	6.67%	22.03%	6.45%	5.44%	13.43%	0.37x	1.16x	10.26x
Doosan Power Systems India Private Limited	587	620	-802	-136.79%	-41.47%	-34.96%	39.79%	-79.06%	-0.34x	0.56x	-0.44x
2024											
Larsen & Toubro Limited	2,21,113	2,25,271	15,955	7.22%	20.60%	4.58%	18.62%	12.51%	1.19x	1.23x	5.46x
Bharat heavy electricals limited	23,893	24,439	200	0.84%	2.26%	0.48%	23.56%	4.85%	0.43x	1.36x	2.59x
Reliance Infrastructure Limited	22,067	22,519	-1,145	-5.19%	6.88%	-1.09%	5.05%	11.34%	1.38x	0.36x	-1x
KEC International Limited	19,914	19,967	401	2.01%	15.23%	1.82%	7.23%	6.36%	0.94x	1.11x	12.08x
Tata projects limited	17,761	18,046	88	0.50%	4.80%	0.38%	6.73%	5.20%	1.82x	1.19x	5.82x
Hindustan Construction Company Limited.	7,007	7,139	546	7.79%	-28.91%	5.28%	9.14%	11.47%	-27.28x	1.16x	7.57x
Sterlite Electric Limited	4,918	4,999	-136	-2.77%	50.00%	-0.57%	2.56%	11.21%	0.58x	1.08x	22.11x
Bajaj electricals limited	4,641	4,728	131	2.83%	-14.51%	3.42%	7.86%	7.46%	0.05x	1.21x	10.32x
Doosan Power Systems India Private Limited	1,002	1,040	-752	-75.00%	-42.80%	-24.02%	25.36%	-42.35%	-0.39x	0.61x	-0.86x
Adani Infra limited	868	1,184	87	10.08%	15.96%	1.53%	14.52%	63.80%	23.04x	1.76x	2.07x
BTL EPC limited	641	645	38	5.86%	23.11%	4.92%	5.42%	13.67%	0.51x	1.24x	6.01x
2023											
Larsen & Toubro Limited	1,83,341	1,86,270	11,572	6.31%	17.13%	3.82%	20.30%	12.92%	1.22x	1.37x	3.1x
Bharat heavy electricals limited	23,365	23,854	461	1.97%	10.15%	0.80%	24.40%	5.16%	0.26x	1.29x	3.47x
Reliance Infrastructure Limited	20,646	21,161	-2,576	-12.48%	12.14%	-4.05%	5.24%	8.40%	1.44x	0.35x	-0.93x
KEC International Limited	17,282	17,313	254	1.47%	25.76%	0.94%	7.85%	4.98%	0.86x	1.11x	10.69x
Tata projects limited	16,948	17,042	-862	-5.08%	23.89%	-4.17%	6.08%	-1.64%	1.27x	1.13x	7.75x
Hindustan Construction Company Limited.	9,857	9,912	-54	-0.54%	-7.62%	-0.21%	8.49%	6.42%	-11x	1.09x	16.27x
Bajaj electricals limited	5,429	5,505	218	4.01%	12.80%	4.62%	7.85%	7.99%	0.37x	1.3x	6.84x
Sterlite Electric Limited	3,279	3,315	-207	-6.31%	-36.92%	-1.78%	2.88%	13.25%	3.06x	0.95x	-13.92x
Doosan Power Systems India Private Limited	1,752	1,757	-742	-42.37%	-31.59%	-17.12%	15.01%	-21.51%	-0.55x	0.6x	-1.33x
Adani Infra limited	749	1,378	9	1.21%	1.82%	0.11%	12.22%	94.65%	1.06x	0.48x	-0.71x
BTL EPC limited	521	525	17	3.27%	59.60%	2.72%	6.06%	9.71%	0.5x	1.22x	6.71x
2022											
Larsen & Toubro Limited	1,56,521	1,58,788	10,858	6.94%	15.11%	3.22%	19.00%	13.09%	1.39x	1.3x	3.26x
Bharat heavy electricals limited	21,211	21,566	522	2.46%	22.55%	0.79%	26.02%	5.14%	0.23x	1.3x	3.27x
Reliance Infrastructure Limited	18,411	19,133	-810	-4.40%	10.22%	-1.08%	5.90%	13.85%	1.23x	0.42x	-0.98x
KEC International Limited	13,742	13,756	363	2.64%	4.79%	2.03%	9.16%	6.67%	0.86x	1.13x	8.66x
Tata projects limited	13,679	13,759	-606	-4.43%	12.24%	-3.41%	6.54%	-0.20%	1.76x	1.12x	7.95x
Hindustan Construction Company Limited.	10,670	10,822	485	4.54%	29.35%	2.81%	8.73%	12.60%	-6.06x	1.04x	30.01x
Sterlite Electric Limited	5,197	6,083	962	18.51%	148.40%	4.81%	4.75%	27.75%	1.25x	1.16x	10.03x
Bajaj electricals limited	4,813	4,881	130	2.70%	4.98%	3.12%	8.34%	6.62%	0.3x	1.2x	11.03x
Doosan Power Systems India Private Limited	2,561	2,568	-599	-23.38%	-12.90%	-13.93%	10.90%	-13.13%	-0.7x	0.64x	-2.21x
Adani Infra limited	735	1,236	9	1.22%	-67.23%	0.08%	8.82%	65.65%	2.05x	0.78x	-1.56x
BTL EPC limited	326	331	7	2.03%	4.68%	1.34%	8.14%	9.53%	0.51x	1.34x	3.61x
2021											
Larsen & Toubro Limited	1,35,979	1,39,408	14,376	10.57%	-6.51%	4.15%	18.21%	14.01%	1.6x	1.42x	2.36x
Bharat heavy electricals limited	17,309	17,657	-2,680	-15.48%	-19.36%	-4.89%	31.07%	-16.14%	0.23x	1.39x	2.17x
Reliance Infrastructure Limited	16,705	17,665	-132	-0.79%	-10.81%	-0.23%	6.53%	20.01%	1.84x	0.44x	-0.82x
KEC International Limited	13,114	13,144	562	4.29%	9.60%	3.93%	8.50%	8.93%	0.62x	1.16x	8.22x
Tata projects limited	12,187	12,289	103	0.85%	14.04%	0.80%	6.22%	7.36%	1.92x	1.15x	6.3x
Hindustan Construction Company Limited.	8,248	8,335	-551	-6.68%	-12.66%	-4.77%	11.58%	5.79%	-5.76x	0.97x	-21.88x
Bajaj electricals limited	4,585	4,654	198	4.31%	-8.07%	4.45%	8.61%	8.12%	0.65x	1.17x	10.47x
Doosan Power Systems India Private Limited	2,941	2,997	-234	-7.97%	-13.82%	-4.77%	10.09%	-0.98%	-1.62x	1.05x	23.64x
Adani Infra limited	2,244	2,638	12	0.53%	111.28%	0.11%	4.97%	17.93%	2.7x	2.17x	1.77x
Sterlite Electric Limited	2,092	3,950	1,022	48.84%	-30.35%	12.88%	11.00%	87.52%	2.53x	0.92x	-9.11x
BTL EPC limited	312	319	4	1.20%	25.20%	0.83%	6.89%	10.01%	0.52x	1.33x	3.7x
2020											
Larsen & Toubro Limited	1,45,452	1,47,813	9,580	6.59%	7.57%	3.51%	15.89%	12.85%	1.95x	1.25x	4.09x
Bharat heavy electricals limited	22,027	21,463	-1,742	-7.91%	-29.49%	-2.46%	25.31%	1.52%	0.23x	1.45x	2.12x
Reliance Infrastructure Limited	18,729	20,972	924	4.94%	-1.34%	1.33%	5.59%	17.74%	2.03x	0.52x	-1.16x
KEC International Limited	11,965	11,976	551	4.61%	8.77%	4.39%	9.23%	10.41%	0.92x	1.13x	9.22x
Tata projects limited	10,687	10,765	73	0.68%	-20.35%	0.74%	7.98%	8.00%	2.35x	1.1x	9.29x
Hindustan Construction Company Limited.	9,444	9,522	151	1.60%	-10.43%	1.62%	10.41%	9.76%	-8.49x	0.75x	-3.94x
Bajaj electricals limited	4,987	5,033	-19	-0.38%	-25.33%	-0.23%	7.80%	5.10%	1.1x	1.11x	14.87x
Doosan Power Systems India Private Limited	3,412	3,426	-2,178	-63.83%	11.84%	-43.12%	9.11%	-56.29%	-0.79x	0.65x	-2.44x
Sterlite Electric Limited	3,004	5,188	450	14.99%	-15.49%	10.30%	8.14%	81.07%	87.77x	0.57x	-1.42x
Adani Infra limited	1,062	1,790	5	0.48%	0.32%	0.07%	6.02%	67.93%	0.76x	0.53x	-1.3x
BTL EPC limited	249	253	2	0.96%	-23.44%	0.56%	10.76%	9.54%	0.51x	1.25x	3.93x



Notes:

1. All financial data presented relates to financial years ending March 31.
 2. Consolidated financial statements have been used for peer comparison across all companies, except BTL EPC Limited, Adani Infra Limited and Doosan Power Systems India Private Limited, where standalone financial statements were considered.
 3. Financial data for FY2026 (ended March 31, 2026) is not publicly available for five companies among the eleven peer companies considered for the analysis as of June 2026.
- Source: EMIS, CMIE-Prowess, B2K Analytics

Peer Analysis

The EPC industry in India is highly fragmented with sales growing at a CAGR of ~ 5% for FY2020 and FY2025. This is in line with the increase in installed capacity of the power sector in the country. Despite this growth, the EPC industry operates on very thin profit margins, typically ranging from 2% to 5%, especially for companies that manage operations across the entire value chain, from power generation to distribution. For example, the Adani Group benefits from a competitive edge in the EPC market due to its vertical integration, which helps enhance its profit margins. Adani Infra Limited, a key subsidiary within the group and one of India's largest solar energy producers, is over leveraged as compared to other industry peers. However, as the group has stable cash flow and ability to pay debt, they manage the debt effectively. In contrast, Doosan Power Systems India Private Limited is facing significant financial challenges, suffering substantial losses primarily due to a steady decline in sales, yet able to achieve sales growth exceeding the industry average. Meanwhile, Reliance Infrastructure Limited, although posting small losses, but sales growth rate remained above the industry average.

EPC industry is closely linked to country's installed capacity of power sector, which is shifting towards renewable energy, primarily solar. Companies such as Adani Infra Limited, part of the Adani Group which is one of the biggest solar energy generation companies have a strong advantage due to their high level of vertical integration across the value chain. This integration positions them to generate steady cash flows and achieve better profit margins in the future.

Outlook

EPC sector is closely linked to India's power sector. India's power requirement is expected to grow and reach 817 GW by 2030. The proportion of renewable energy generation is projected to rise from 22.13% to 44% by FY2029-30, whereas the share of thermal is anticipated to decrease from 74.76% to 52%. The country has elevated its goal at COP26 to secure 500 gigawatts of energy from non-fossil fuel sources by 2030. As of March 2025, India's total installed capacity for renewable energy sources, including large hydropower, stands at 220.10 GW. While India's total installed power capacity stands at 475.21 GW, of which renewable energy accounts for 46%. To meet the country's power demand and achieve its COP26 commitments, India needs to add an additional 341.79 GW of installed capacity. Out of this new capacity, at least 279.90 GW, or 81.89%, is expected to come from renewable energy sources. This represents a 72.00% increase over the current installed capacity. Such a significant expansion presents enormous growth opportunities for EPC players with expertise in solar power plant development, enabling them to scale rapidly.



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