# Introduction to Solar Energy Corporation of India Limited

## BACKGROUND

India, as one of the signatories to the 2015 Paris Agreement, has made a commitment to reduce emission intensity of the economy and to increase generation capacity from clean energy sources.

Towards this objective, the Ministry of New and Renewable Energy (MNRE) is spearheading one of the world's largest renewable Energy (RE) programmes, targeting 500 GW of installed electricity capacity from non-fossil sources by 2030 and net zero by 2070.

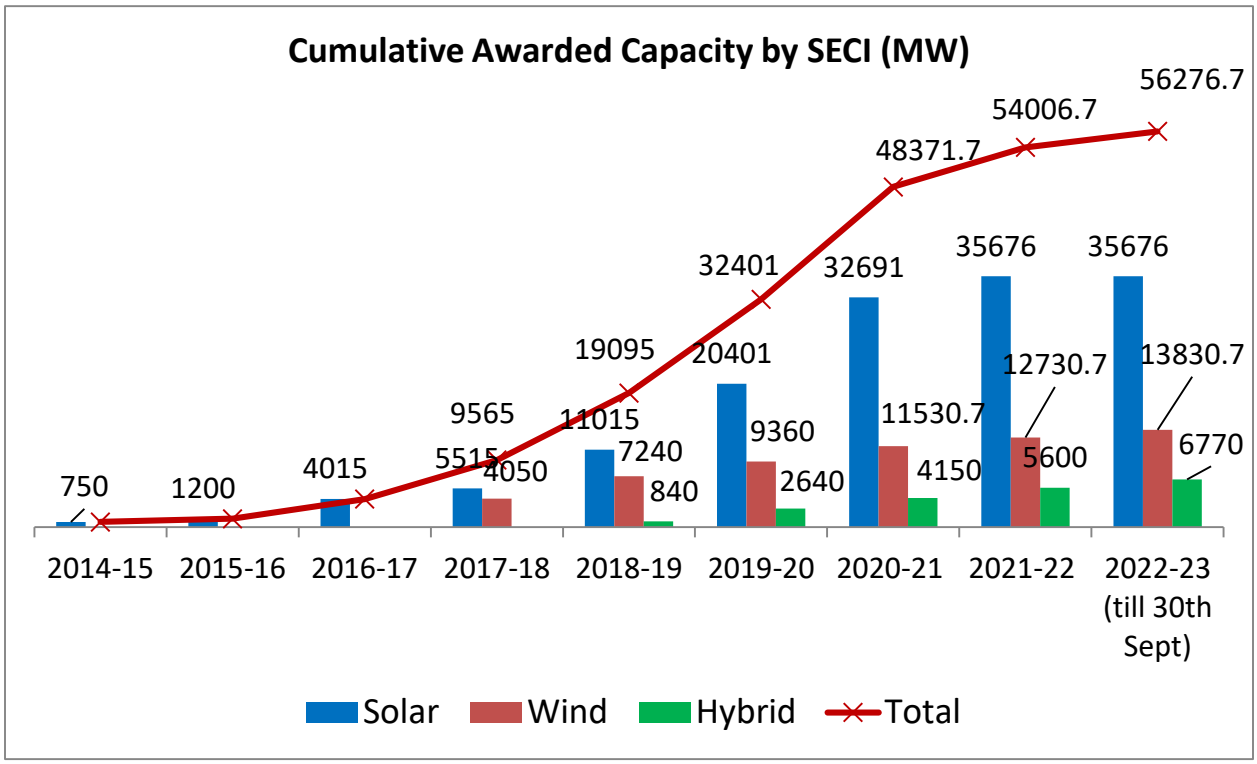
Solar Energy Corporation of India Limited (SECI) was set up in 2011 to facilitate the implementation of National Solar Mission (NSM) and to achieve the targets set forth by it. SECI was initially incorporated as a section 25 company (Not-for-profit) under the Companies Act, 1956. In the year 2015, it was converted into a Section-3 company. SECI is a Schedule- A Central Public Sector Undertaking (CPSU). It is the only CPSU dedicated to the development of RE sector in India and its scope of activities covers all RE sources.

## BUSINESS AREAS

### 1. Implementation of Govt. Schemes/tenders

SECI is an implementing agency of MNRE for issuing tenders for development of solar projects, wind power and hybrid projects on pan-India basis on the basis of Standard bidding guidelines issued by the Government. Presently, over 56 GW of

Project capacity has been awarded to various developers through competitive bidding process. Out of this, more than 17.98 GW of capacity has been commissioned and rest of the projects are under various stages of implementation (as on 30th November 2022).




In these projects, SECI is the power procurement intermediary between the project developers and Distribution Companies (Discoms) and enters into 25-year Power Purchase Agreements (PPAs) and Power Sale Agreements (PSAs) with these entities respectively. Under this model, SECI offers payment security to developers and undertakes to collect payment from Discoms. SECI's payment security mechanism has helped in providing bankability to the agreements, resulting in very good participation in its tenders and in lowering of the tariffs.

SECI has also played a pivotal role in promoting rooftop solar PV projects through competitive bidding route in the country under various schemesof MNRE. SECI has helped in commissioning of over 5000 projects with an aggregate capacity of 370 MW in various States/Union Territories through developers.

SECI is also implementing various schemes of MNRE in which it plays the role of disbursing Central Financial Assistance (CFA) to the project implementing agencies on the basis of pre-defined scheme milestones. Major schemes are- Solar Parks Scheme, Canal Top/ Canal Bank Scheme, Scheme for Defence Establishments and CPSU scheme.

## 2. Own Projects

SECI has set up 21 MW of solar projects on pilot scale through its own investment and further projects are under construction.

| S. No. | Name | Location | Capacity (MW) | Status |
|---|---|---|---|---|
| 1 | Solar | Badi Sid, Rajasthan | 10 | Commissioned |
| 2 | Rooftop solar | Andaman & Nicobar Islands | 1 | Commissioned |
| 3 | Solar | Kolar, Karnataka | 10 | Commissioned |
| 4 | Solar + BESS | Leh, Ladakh | 20 | Under execution |
| 5 | Solar + BESS | Rajnandgaon, Chhattisgarh | 100 | Under execution |
| 6 | Floating solar | Getalsud Dam, Jharkhand, | 100 | Under process |
| 7 | Solar + BESS | Lakshadweep | 1.95 | Under execution |
| 8 | Solar (under CPSU scheme) | Various locations | 1200 | Tender documents under preparation |

## 3. Project Management Consultancy

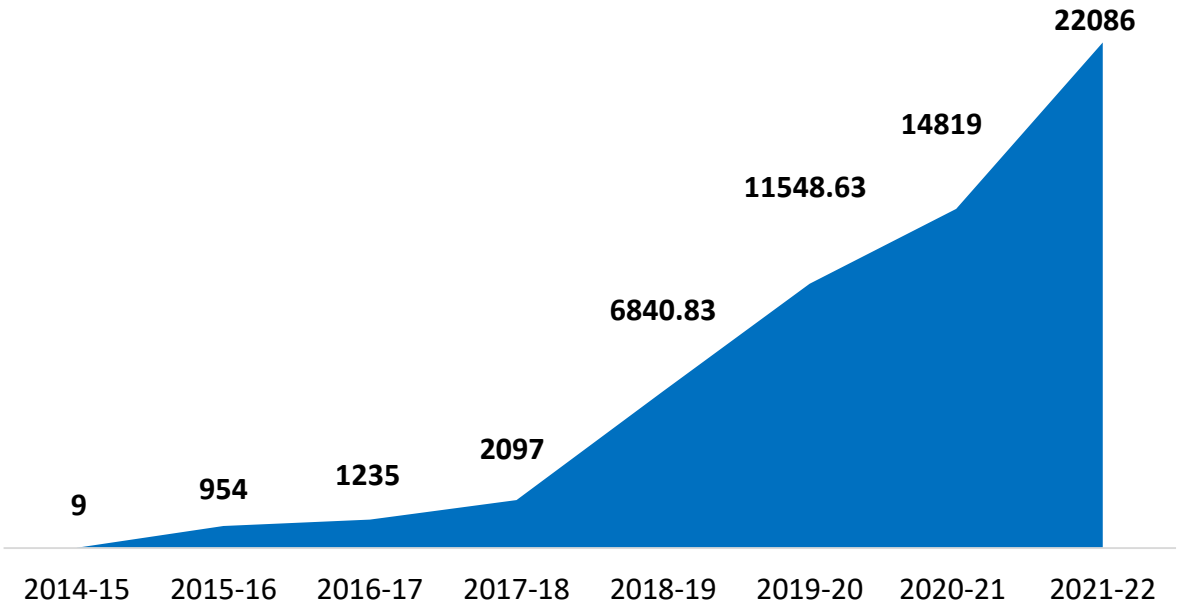
SECI also offers project management consultancy (PMC) services to other Govt. agencies/PSUs for RE projects including project conceptualization, Detailed Project Report (DPR) preparation, tender documents preparation and bid management, construction management and commissioning. Under PMC services more than 350 MW capacity has been commissioned by SECI and currently over 65 MW of projects are under implementation. Major completed projects include 50 MW project for

Indian Renewable Energy Development Agency (IREDA), 50 MW for THDC, 16 MW for Bharat Electronics Limited (BEL), 10 MW for Bharat Dynamics Limited (BDL) and 219 MW for Singareni Collieries Company Limited (SCCL).

## 4. Power Trading

SECI is a Category-1 licensee for trading of power on pan-India basis. It is the power procurement intermediary for projects being set up through its tenders, procuring power from developers and selling to Discoms though long term PPAs/PSAs. SECI is the premier trader of RE power in the country. It has cumulatively signed PPA/PSAs of more than 44898.64 MW and is trading renewable energy with 35 Discoms(as on 30th November 2022).

**Trend of Annual Power Trading Volume (Million Units)**



## FINANCIAL PERFORMANCE

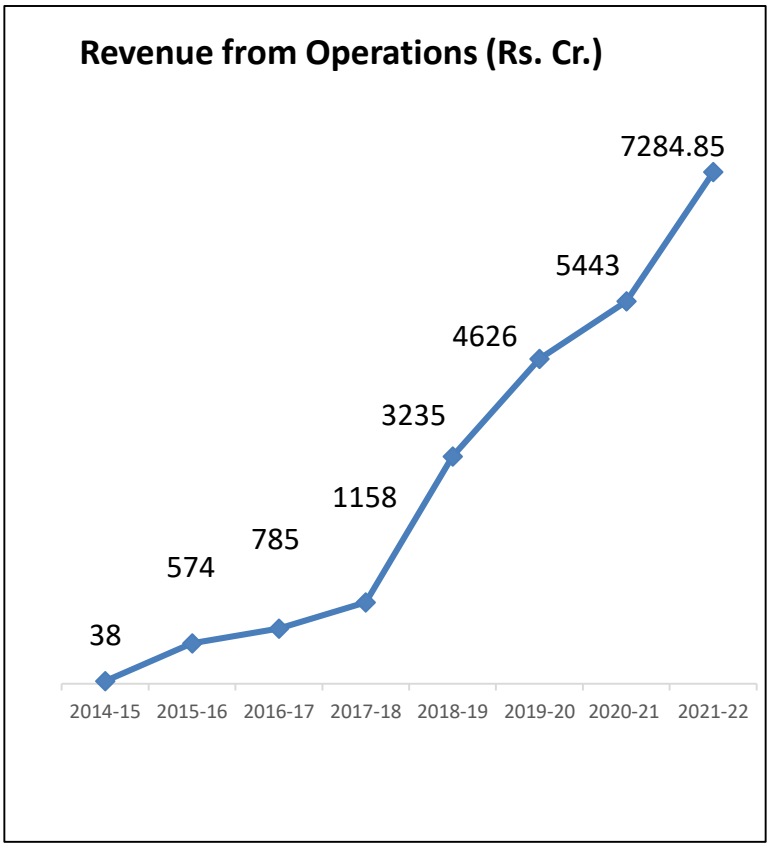
SECI has an authorized share capital of Rs. 2000 Cr. of which the paid up share capital is Rs. 1354 Cr.

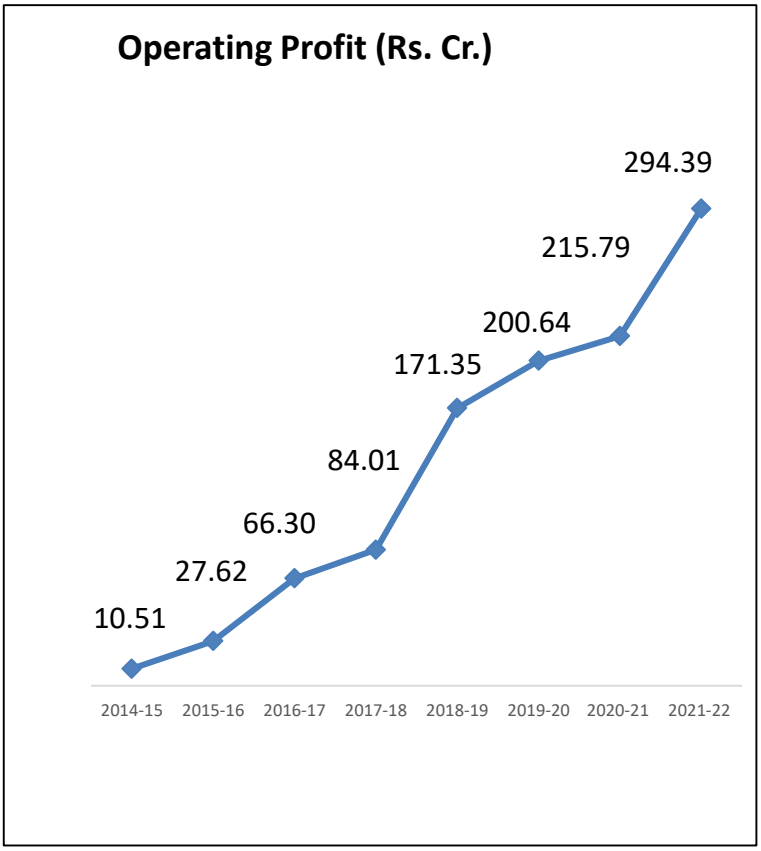
SECI is a profit-making company since the year 2014-15. The company has demonstrated steady growth every year, both in terms of Revenue and Profits. For FY 2021-22, the company's Revenue from Operations is Rs. 7284.85 Cr. and its Operating profit is Rs. 294.39 Cr. Its net-worth is Rs. 1064.46 Cr. (as on 31.03.2022)

Further, Net-worth of the company as on 31.12.2022 is Rs. 2270 Cr. (Provisional)

SECI is rated as AAA in Credit Rating by ICRA.

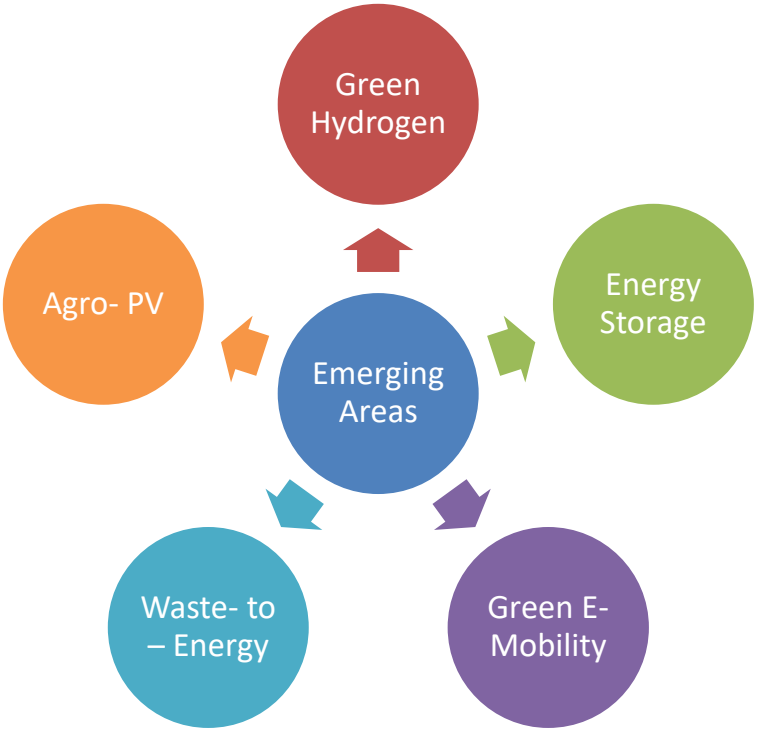
The company is presently debt-free.



## NEW INITIATIVES

In line with rapidly evolving RE sector, SECI is foraying into new business initiatives such as PLI scheme, Green Hydrogen & Green Ammonia, Greening Electric Vehicle Charging, Waste-to Energy, Energy Storage, supply of RE to Commercial and Industrial (C&I) consumers etc. and engaging with relevant stakeholders.

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