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Press Release

Cygnus sets up a Centre of Competence for Renewable Energies

Blessed with abundant inexpensive natural resources like sunshine ,water and wind , India is all set to harness these resources to become a major force in Renewable Energies . Besides alleviating power crisis , though in a small way, this will help in reducing pollution and climate control.

Currently installed capacity for Renewable energies in India is about 15,873 MW ,which is about 10 % of the total installed capacity for all sources of power. Through a slew of enabling policy initiatives ,Government of India is targeting to triple it to 45,000 MW by the end of 12th plan.

Power hungry India has realized that there is no better substitute than new and renewable sources and a country which is naturally blessed with plenty of water streams, wind flow and immense solar radiation that touches the country land for almost 300 days in a year can surely unleash the huge potential of these renewable sources for power generation. With Solar Energy, growing annually at over 35% is the fastest growing renewable energy source in the world. Even if 0.5% of land area is brought under solar power, it can meet the entire energy requirement of India in 2030. Although India holds a huge potential for solar energy, it is yet largely untapped.

India ranked third most attractive country to invest in solar energy, after the US and Germany. It is expected that India will shortly meet 40% of its own domestic Solar PV demand, which is largely being imported now.

Jawaharlal Nehru National Solar Mission (JNNSM), launched recently by Government of India is set to change the situation and is all set to catapult India into a SOLAR POWERHOUSE. It envisages installing 20GW of solar power generation capacity by 2022, by offering a range of incentives, like feed-in tariffs for Solar Photo Voltaic and thermal electricity generation, to offset the high cost of producing solar energy. Indian government also offers a Special Incentive Package Scheme (SIPS) to attract foreign investors for manufacture of Solar PV Cells, wherein the government bears 20 percent of capital expenditure during the first 10 years, if a manufacturing unit is located within Special Economic Zones (SEZs) and 25 percent if the unit is located outside a SEZ.

In terms of wind power installed capacity, India is ranked 5th in the World after the US, Germany, Spain and China with a wind power installed capacity (cumulative) of about 10,242 MW in FY09. Growth of installed capacity in wind energy sector over the last 4-5 years has also seen a significant rise with large investments being made in the wind energy sector in the country by the government as well as the private players. The study, Wind Energy Outlook 2009, indicates that wind energy can provide up to 24 percent of India's power needs by 2030, while creating 213,000 green jobs and cutting 5.5 billion tons of CO2 emissions.

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Similarly hydel power projects also offers immense potential in terms of power generation in the country. From the current level of 24% contribution of Hydel power in the total power generation, India is planning to attain 40% level of hydel power in next eight years time. Biomass energy is another sector under renewable energy which is picking up fast particularly in rural areas. Biomass projects are implemented under the Clean Development Mechanism (CDM) and are aimed at reducing the green house emissions that are harmful to the environment.

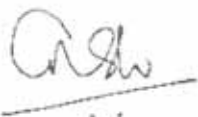
However, there are some historical challenges that slowed down the growth of renewable energy in the past like high cost of generation, highly import dependency for raw materials and other components increasing the project cost, availability of finance for the investors and above all slow pace of regulatory changes mobilising the growth of renewable energy. But recently government of India has given thrust on this sector and as a result of which couple of policies that facilitated the growth of renewable energy were introduced. Incentives in terms of taxes and duties further propelled the growth.

In view of the immense potential in Renewable Energies sector, Cygnus is setting up Centre of Competence to focus on Business Research and Consulting in this sector. Launching the centre, Mr. O.R.S.Rao, Director of Cygnus Business Consulting and Research highlighted that the centre will provide arrange of services in all sectors of Renewable energies like Solar, Wind, Small hydel and Bio-mass. Services provided include publishing of industry reports, monthly industry monitors, market surveys, feasibility studies and credit appraisals of projects. He added that this will be of immense help to entrepreneurs and corporates that plan to set up Renewable energy plants and investors and banks.

Cygnus currently offers has a portfolio of reports on Indian Energy sector, which include Renewable Energy, Solar Energy, Wind Energy, Power sector and Nuclear Energy. Cygnus also offers Pre-Feasibility Reports on Captive Power Plants, which helps customers to understand financial implications and prepare a business and financing plan specific for their requirements.

About Cygnus Business Consulting and Research:

Cygnus Business Consulting and Research (www.cygnusindia.com) is a leading global Knowledge Products and Services Organization. Besides publishing Economy, Sectoral and Company Reports, it takes up projects in Business Research, Credit Appraisals and Securities Research. Cygnus has its Knowledge Centre in Hyderabad and sales offices in Ahmedabad, Bangalore, Chennai, Delhi, Kolkata and Mumbai. Cygnus has over 700 customers in India and overseas. Its prestigious customers in Energy sector include Entegra Ltd, BSES, CESC, KERALA POWER LIMITED, Scania Steel & Power Ltd., L&T ECC, Godavari Power & Ispat Ltd, CITADEL ENERGY, Websol Energy Systems Ltd., PASA House, Forbes & Company Limited, The Energy and Resources Institute (TERI). Cygnus is empanelled by major PSU banks like SBI, Bank of Baroda and Bank of India to conduct Techno Economic Viability studies.



(O.R.S. Rao)
Director