India Smart Grid: Market Forecast (2017 – 2027)
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India represents what is arguably the best smart grid market opportunity among all emerging market countries. It has the second largest electricity customer market size in the world. Unlike China, which has the largest, the Indian market will be open to international vendors, as stated in the central government’s smart grid development strategy. This will create very significant market opportunities for the leading global players. Vendors from across Europe, North America, and Asia have already participated in small-scale pilots and grid upgrade projects, and have been linked with announcements of large-scale rollouts by Indian utilities that are upcoming in the next several years.

India has power sector market conditions that will require significant smart grid infrastructure investment. It has one of the highest transmission and distribution (T&D) loss rates in the world. In some states, the T&D loss rates exceed 50%, and almost all states have loss rates above 15%. Most Indian utilities fail to achieve cost recovery, and smart grid investment will be an important tool for utilities to reduce losses and improve revenue collection and operational efficiency.

The Indian central government has taken several measures to support smart grid development, including financial revitalization programs for utilities, the establishment of a central smart grid agency, and the publication of recommended financing strategies for early deployments.
With strong drivers and a willing government, the medium-to-long term smart grid opportunities in India are enormous. In the near term, the environment may be more challenging. India’s power sector is fragmented and complicated. As in the United States, each state has its own regulatory commission. Industry structure and regulations can vary widely in India from state to state. Understanding the dynamics of each state will be critical to participating in this market.

Overall, India is one of the most unique smart grid markets in the world. It combines enormous market potential and a high GDP growth rate with complex regulatory structures and low per-capita income. Challenges are certain to persist, but the government’s commitment to addressing India’s significant power sector challenges by investing in smart grid infrastructure ensures strong market growth throughout the coming decade.

Key questions answered in this study:

- How large will the smart grid market be across India over the next decade?
- What policies is the Government of India pursuing to support smart grid development?
- How will investment opportunities differ across various state regulatory frameworks?
- How will smart grid projects be financed in the near-to-medium term in India?
- How will rapid renewable energy expansion impact smart grid investment?
- Who are the most active local and international vendors in the India market?

**Deliverables:** 230-page PDF copy of the study, executive summary PowerPoint and Excel dataset.
Table of Contents

i. Executive summary 1

1. What’s new in 2017? 12

2. India smart grid snapshot 29
   2.1 India in comparison 31
   2.2 Smart grid drivers 33
   2.3 Smart grid challenges 41

3. India smart grid market forecast 47

4. Industry structure 57
   4.1 Generation 58
   4.2 Transmission 62
   4.3 Distribution 65
   4.4 Power sector regulatory bodies 70

5. Smart grid regulatory framework 72

6. Maharashtra 84
   6.1 Electricity industry structure 86
   6.2 Smart grid regulatory environment 90
   6.3 Drivers and barriers 91
   6.4 Utility activity 93

7. Karnataka 96
   7.1 Electricity industry structure 98
   7.2 Smart grid regulatory environment 101
   7.3 Drivers and barriers 103
   7.4 Utility activity 105

8. Delhi 108
   8.1 Electricity industry structure 110
   8.2 Smart grid regulatory environment 114
   8.3 Drivers and barriers 114
## Table of Contents (cont.)

8.4 Utility activity 117

9. Gujarat 120
  9.1 Electricity industry structure 122
  9.2 Smart grid regulatory environment 127
  9.3 Drivers and barriers 127
  9.4 Utility activity 130

10. West Bengal 131
  10.1 Electricity industry structure 133
  10.2 Smart grid regulatory environment 137
  10.3 Drivers and barriers 138
  10.4 Utility activity 140

11. Tamil Nadu 143
  11.1 Electricity industry structure 145
  11.2 Smart grid regulatory environment 150
  11.3 Drivers and barriers 152
  11.4 Utility activity 153

12. Kerala 155
  12.1 Electricity industry structure 157
  12.2 Smart grid regulatory environment 160
  12.3 Drivers and barriers 162
  12.4 Utility activity 164

13. Other Indian states and territories 166
  13.1 Market drivers and barriers 167
  13.2 Activity in other states and territories in India 173
    13.2.1 Joint union territories 173
    13.2.2 Rajasthan 174
    13.2.3 Andhra Pradesh 175
    13.2.4 Uttar Pradesh 176
    13.2.5 Bihar 178
# Table of Contents (cont.)

13.2.6 Rest of the country 179  

14. **Vendor activity** 181  
14.1 Domestic vendors 182  
14.2 International vendors active in smart grid in India 192  

15. **Appendix** 201  
15.1 Methodology 201  
15.2 Smart grid overview 205  
15.3 Global smart grid activity 216  
15.4 List of acronyms and companies covered in this study 219

# List of Figures, Boxes, and Tables

<table>
<thead>
<tr>
<th>Figure/Box/Table</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>India smart grid: key takeaways</td>
<td>3</td>
</tr>
<tr>
<td>Newest developments</td>
<td>4</td>
</tr>
<tr>
<td>India’s 15 largest distribution utilities</td>
<td>5</td>
</tr>
<tr>
<td>India T&amp;D loss rates</td>
<td>6</td>
</tr>
<tr>
<td>Total customer size of Indian states</td>
<td>7</td>
</tr>
<tr>
<td>T&amp;D loss rates and smart grid activity in Indian states</td>
<td>8</td>
</tr>
<tr>
<td>T&amp;D losses and consumption at India’s largest distribution utilities</td>
<td>8</td>
</tr>
<tr>
<td>Goals of India’s smart grid roadmap</td>
<td>9</td>
</tr>
<tr>
<td>India’s smart grid targets and progress</td>
<td>10</td>
</tr>
<tr>
<td>India cumulative smart grid forecast</td>
<td>11</td>
</tr>
<tr>
<td>India cumulative smart grid forecast data</td>
<td>11</td>
</tr>
<tr>
<td>Box 1.1: National Smart Grid Mission scope of duties</td>
<td>12</td>
</tr>
<tr>
<td>Figure 1.1: National Smart Grid Mission projects</td>
<td>13</td>
</tr>
<tr>
<td>Table 1.1: Status of NSGM AMI pilot projects</td>
<td>14</td>
</tr>
</tbody>
</table>
List of Figures, Boxes, and Tables (cont.)

Box 1.2: Bureau of Indian Standards smart meter specifications 15
Table 1.2: Communications technology under consideration 16
Figure 1.2: India smart meter trajectory 16
Box 1.3: India Smart Grid Forum recommended procurement strategy 17
Figure 1.3: Leasing and services model 18
Figure 1.4: States participating in UDAY program 19
Table 1.3: Large-scale NSGM projects 21
Table 1.4: Smart grid pilot projects outside of NSGM 23
Figure 1.5: Approved renewable energy policies in India 25
Table 1.5: Renewable energy state policies passed 2015-16 26
Figure 1.6: Planned renewable energy capacity additions 27
Figure 1.7: Comparison to 2015 forecast 29
Figure 2.1: Emerging markets smart meter potential 31
Figure 2.2: Per-capita electricity consumption 32
Figure 2.3: Per-capita CO₂ emissions 33
Figure 2.4: Projected GDP growth (2017 – 2021) 34
Figure 2.5: T&D losses in India 35
Figure 2.6: Net profits of state utilities in India 36
Figure 2.7: T&D loss rates and smart grid activity in Indian states 37
Figure 2.8: Smart grid regulatory drivers in India 38
Figure 2.9: Total electricity demand growth in India 39
Figure 2.10: Solar and wind resources in India 40
Table 2.1: Distribution franchises in India 41
Table 2.2: Status of NSGM AMI pilot projects 43
Figure 2.11: Per-capita electricity consumption by state in India 44
Figure 2.12: Costs of AMI deployments per kWh 44
Figure 2.13: Power sector spending in India to 2019 45
Table 2.3: Other smart grid pilot projects in India 46
Figure 3.1: India AMI penetration rate 47
Figure 3.2: India cumulative smart grid forecast 48
Table 3.1: India cumulative smart grid forecast data 48
<table>
<thead>
<tr>
<th>Figure</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.3</td>
<td>Annual AMI deployments in India</td>
<td>49</td>
</tr>
<tr>
<td>3.4</td>
<td>Comparison of local and internationally made AMI meter costs</td>
<td>50</td>
</tr>
<tr>
<td>3.5</td>
<td>RF-based AMI cost breakdown</td>
<td>51</td>
</tr>
<tr>
<td>3.6</td>
<td>AMI forecast by segment</td>
<td>53</td>
</tr>
<tr>
<td>3.2</td>
<td>AMI forecast data by segment</td>
<td>53</td>
</tr>
<tr>
<td>3.7</td>
<td>DA forecast by segment</td>
<td>54</td>
</tr>
<tr>
<td>3.3</td>
<td>DA forecast data by segment</td>
<td>54</td>
</tr>
<tr>
<td>3.8</td>
<td>HEM forecast by segment</td>
<td>55</td>
</tr>
<tr>
<td>3.4</td>
<td>HEM forecast data by segment</td>
<td>55</td>
</tr>
<tr>
<td>3.9</td>
<td>IT forecast by segment</td>
<td>56</td>
</tr>
<tr>
<td>3.5</td>
<td>IT forecast data by segment</td>
<td>56</td>
</tr>
<tr>
<td>4.1</td>
<td>Ownership and control in India’s electricity sector</td>
<td>57</td>
</tr>
<tr>
<td>4.1</td>
<td>Generation in India</td>
<td>58</td>
</tr>
<tr>
<td>4.2</td>
<td>Utilities and regulators in India by state</td>
<td>60</td>
</tr>
<tr>
<td>4.2</td>
<td>Growth in transmission networks in India</td>
<td>63</td>
</tr>
<tr>
<td>4.3</td>
<td>Regulation of India’s transmission sector</td>
<td>64</td>
</tr>
<tr>
<td>4.4</td>
<td>Regional transmission grids in India</td>
<td>65</td>
</tr>
<tr>
<td>4.5</td>
<td>T&amp;D losses and consumption at India’s largest distribution utilities</td>
<td>66</td>
</tr>
<tr>
<td>4.5</td>
<td>Map of distribution franchises in India</td>
<td>67</td>
</tr>
<tr>
<td>4.3</td>
<td>Main utilities in India</td>
<td>68</td>
</tr>
<tr>
<td>4.4</td>
<td>Distribution franchise models</td>
<td>69</td>
</tr>
<tr>
<td>4.5</td>
<td>Key elements of the Electricity Act of 2003</td>
<td>70</td>
</tr>
<tr>
<td>5.1</td>
<td>National Smart Grid Mission scope of duties</td>
<td>73</td>
</tr>
<tr>
<td>5.2</td>
<td>Government of India smart grid organizational structure</td>
<td>74</td>
</tr>
<tr>
<td>5.1</td>
<td>Status of NSGM AMI pilot projects</td>
<td>75</td>
</tr>
<tr>
<td>5.3</td>
<td>National Smart Grid Mission projects</td>
<td>76</td>
</tr>
<tr>
<td>5.2</td>
<td>Large-scale NSGM pilot projects</td>
<td>76</td>
</tr>
<tr>
<td>5.4</td>
<td>Leasing and services model</td>
<td>77</td>
</tr>
<tr>
<td>5.5</td>
<td>India Smart Grid Forum recommended procurement strategy</td>
<td>78</td>
</tr>
<tr>
<td>5.6</td>
<td>States participating in UDAY program</td>
<td>79</td>
</tr>
<tr>
<td>5.1</td>
<td>Political risk in India</td>
<td>81</td>
</tr>
</tbody>
</table>
List of Figures, Boxes, and Tables (cont.)

Table 5.3: R-APDRP ........................................... 82
Table 5.4: India smart grid roadmap ....................... 83
Table 5.5: Solar potential by state in India .............. 84
Table 6.1: Maharashtra key data ............................ 85
Table 6.2: Smart grid indicators in Maharashtra .......... 86
Figure 6.1: Maharashtra electricity generation statistics 87
Table 6.3: Main utilities in Maharashtra .................. 89
Figure 6.2: Distribution franchising in Maharashtra .... 90
Figure 6.3: T&D loss comparison in Maharashtra ....... 92
Table 6.4: Smart grid projects in Maharashtra ........... 95
Table 7.1: Karnataka key data .............................. 97
Table 7.2: Smart grid indicators in Karnataka .......... 98
Figure 7.1: Karnataka electricity generation statistics 100
Table 7.3: Main distribution utilities in Karnataka ....... 101
Figure 7.2: Karnataka smart grid regulations .......... 103
Figure 7.3: Karnataka solar policy .......................... 104
Figure 7.4: T&D loss comparison in Karnataka .......... 105
Figure 7.5: Karnataka smart grid projects .............. 107
Table 8.1: Delhi key data ...................................... 109
Table 8.2: Smart grid indicators in Delhi ................. 110
Figure 8.1: Delhi electricity generation statistics ....... 111
Table 8.3: Main distribution utilities in Delhi ........... 112
Figure 8.2: Evolution of T&D losses in Delhi .......... 114
Figure 8.3: T&D loss comparison in Delhi .............. 116
Figure 8.4: Tariff and T&D loss rates in metropolitan India 117
Figure 8.5: TPDDL smart grid activity .................... 119
Table 9.1: Gujarat key data .................................. 121
Table 9.2: Smart grid indicators in Gujarat ............. 122
Figure 9.1: Gujarat electricity generation statistics .... 123
Table 9.3: Main distribution utilities in Gujarat ....... 126
Figure 9.2: ADB support for power sector projects in Gujarat 128
List of Figures, Boxes, and Tables (cont.)

Figure 9.3: T&D loss comparison in Gujarat 129
Figure 9.4: Smart grid drivers in Gujarat 130
Table 10.1: West Bengal key data 132
Table 10.2: Smart grid indicators in West Bengal 133
Figure 10.1: West Bengal electricity generation statistics 134
Table 10.3: Main distribution utilities in West Bengal 136
Figure 10.2: Annual growth rate of key electricity metrics in West Bengal 137
Figure 10.3: Contributing factors to West Bengal’s strong utility performance 138
Table 10.4: Electrification progress in West Bengal 139
Figure 10.4: Electrification programs in West Bengal 139
Figure 10.5: T&D loss comparison in West Bengal 140
Figure 10.6: Smart grid activity in West Bengal 142
Table 11.1: Tamil Nadu key data 144
Table 11.2: Smart grid indicators in Tamil Nadu 145
Figure 11.1: Tamil Nadu electricity generation statistics 147
Figure 11.2: India’s Green Energy Corridor project 148
Figure 11.3: State distribution losses due to underpricing 150
Figure 11.4: Tamil Nadu smart grid plan 151
Figure 11.5: Renewable energy in Tamil Nadu 152
Figure 11.6: T&D loss comparison in Tamil Nadu 153
Figure 11.7: 1.5 million meter replacement tender in Tamil Nadu 155
Table 12.1: Kerala key data 156
Table 12.2: Smart grid indicators in Kerala 157
Figure 12.1: Kerala electricity generation statistics 159
Figure 12.2: Annual capital outlay in Kerala 160
Figure 12.3: Renewable energy policies in Kerala 162
Figure 12.4: T&D loss comparison in Kerala 163
Figure 12.5: Annual per-capita consumption in key states 164
Table 13.1: Key data for other main states in India 167
Table 13.2: Smart grid pilot projects in other Indian states 169
Table 13.2: Large-scale pilot projects in other Indian states 170
List of Figures, Boxes, and Tables (cont.)

<table>
<thead>
<tr>
<th>Figure/Table Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Figure 13.1: Population, market size, and electrification rates of largest Indian states</td>
<td>172</td>
</tr>
<tr>
<td>Table 13.3: Key data for Joint Union Territories and Goa</td>
<td>174</td>
</tr>
<tr>
<td>Figure 13.2: Solar potential in Rajasthan versus rest of India</td>
<td>175</td>
</tr>
<tr>
<td>Figure 13.3: Separation of utilities in Andhra Pradesh</td>
<td>177</td>
</tr>
<tr>
<td>Figure 13.4: Smart grid drivers in Andhra Pradesh</td>
<td>177</td>
</tr>
<tr>
<td>Figure 13.5: States with highest T&amp;D losses in India</td>
<td>178</td>
</tr>
<tr>
<td>Table 13.4: States not covered in depth in this study</td>
<td>180</td>
</tr>
<tr>
<td>Figure 14.2: Leading smart grid vendors in India</td>
<td>182</td>
</tr>
<tr>
<td>Table 14.1: Other leading Indian smart grid vendors</td>
<td>192</td>
</tr>
<tr>
<td>Figure 14.2: Other leading international smart grid vendors in India</td>
<td>201</td>
</tr>
<tr>
<td>Figure 15.1: Smart grid value chain</td>
<td>207</td>
</tr>
<tr>
<td>Figure 15.2: Smart grid model highlighting focus in India</td>
<td>208</td>
</tr>
<tr>
<td>Figure 15.3: Global smart grid activity</td>
<td>218</td>
</tr>
<tr>
<td>Figure 15.4: Cumulative smart grid spending from 2017 – 2017 by region</td>
<td>219</td>
</tr>
<tr>
<td>Figure 15.5: Annual smart grid and AMI investment by region in 2027</td>
<td>219</td>
</tr>
<tr>
<td>Table 15.1: Global smart grid drivers and activity</td>
<td>220</td>
</tr>
</tbody>
</table>
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</table>

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<th>CARD NUMBER</th>
<th>EXPIRATION DATE</th>
<th>CV CODE</th>
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</thead>
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<td>SIGNATURE</td>
<td>DATE</td>
</tr>
<tr>
<td>BILLING ADDRESS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CITY</td>
<td>STATE</td>
<td>POSTAL CODE</td>
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