

ASIA : INDIA

Madhya Pradesh

GDP: **\$88.5bn**Five-year economic growth rate: **7.3%**Population: **76m**Total clean energy investment, 2009-2014: **\$2.7bn**Installed power capacity: **17.2GW**Renewable share: **6.7%**Total clean energy generation: **1.5TWh**

Top energy authority:

Energy Department, Government of Madhya Pradesh**INDIAN RANKING**

2014

2015

OVERALL SCORE

2015

8**3****1.31**

OVERVIEW

Located in the center of India, Madhya Pradesh is one of the country's largest states by land area. Agriculture accounts for roughly one third of all economic activity in Madhya Pradesh – more than in any other Indian state assessed for *Climatescope*.

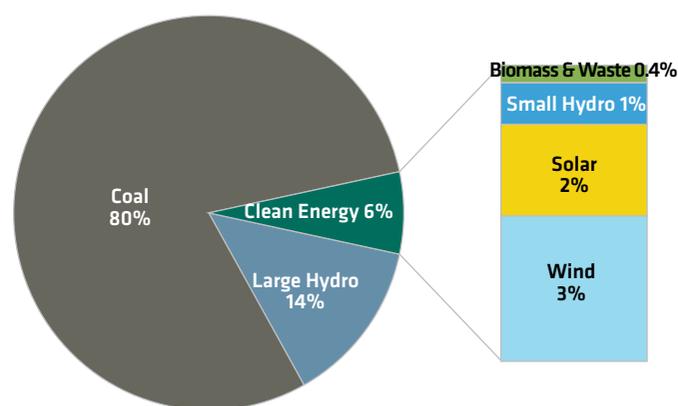
Of 17.2GW power generation capacity on line in the state at year-end 2014, renewables accounted for 1.2GW, or 6%. The state does not have particularly strong wind resources but offers the most generous wind feed-in tariff in India. This has resulted in wind accounting for half of Madhya Pradesh's total renewables capacity.

The state also features good sun and substantial open spaces. In addition, the government's generous policy of offering token leases of public lands for INR1/year has allowed Madhya Pradesh to emerge as second best for solar project development after neighboring state Rajasthan.

As of year-end 2014, Madhya Pradesh had 356MW of solar capacity commissioned and was expecting to almost double that by the end of 2015. The state conducted a 200MW tender in 2012 to sign long-term power delivery contracts from solar, then a 100MW tender in 2014. It has announced plans for a 300MW tender for 2015.

Madhya Pradesh's distribution utilities received a 'B' rating from the Ministry of Power in 2013, reflecting their relatively weak financial health. While their condition appears to be improving, these utilities still suffer from distribution losses as high as 19-22%.

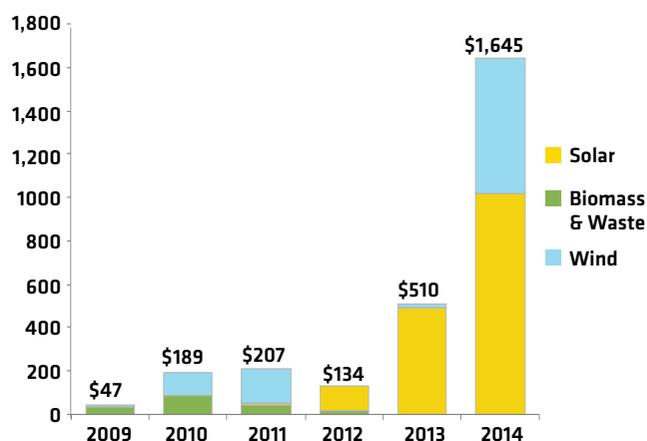
INSTALLED POWER CAPACITY BY SOURCE, 2014 (%)

17.2GW total installed capacity

Source: Bloomberg New Energy Finance, Central Electricity Authority, Ministry of New and Renewable Energy

Such losses impact their ability to support substantial new solar capacity and to attract risk-averse project developers. Still, Madhya Pradesh's favorable land policy and easy clearances have resulted in attracting projects supported by the federal government's Jawahar Lal Nehru National Solar Mission.

ANNUAL INVESTMENT IN CLEAN ENERGY, 2009-2014 (\$m)

\$2.7bn total cumulative investment

Source: Bloomberg New Energy Finance

Notes: Total investment includes: Asset Finance, Corporate Finance and Venture Capital / Private Equity Commitments.

For further information, access www.global-climatescope.org/madhyapradesh