

India's energy transition sector presents a ~USD 25 billion annual investment potential: Avendus Capital

Mumbai, March 29, 2023

Avendus Capital, India's largest Investment Banking franchise, unveiled a new research report on energy transition and clean energy investment in India, in collaboration with Clean Energy Pipeline, an independent research firm based in the UK. According to the study, the Indian energy transition landscape is expected to undergo a sea change over this decade with investments in several emerging businesses that are working towards the decarbonisation of the economy. The sector provides a ~USD 25 billion annual investment opportunity for investors.

As part of the study, Avendus commissioned a survey that was conducted by Clean Energy Pipeline to gauge global investor interest in India's clean energy industry, which garnered over 2,000 responses. It indicated that high economic growth and a stable commitment to decarbonisation have drawn the attention of major organizations and investors around the world. The report also interviewed a few key companies and investors who participated in the survey, including SUSI partners, Actis, ABB and Ikigai Capital.

Prateek Jhavar, Managing Director and Head, Infrastructure & Real Assets Investment Banking, Avendus Capital said, "Over the last few decades, any mention of the cleantech sector has become synonymous with renewable power producers. The fact is that only ~20% of final energy consumed is in electrified form. Investments in decarbonisation of the balance ~80% share will require and witness participation from a multitude of players in addition to renewable power producers and its current ecosystem. Despite the global economic slowdown, investment interest in the Indian energy transition sector swelled in 2022. We believe India will continue to be at the forefront of global decarbonisation efforts. In our view Green Hydrogen will be the next big wave in energy transition globally, while green ammonia will provide viable end-use in the short term."

Akhil Dokania, Director, Infrastructure and Real Assets Investment Banking, Avendus Capital said, "We believe green hydrogen, energy storage, EV charging, carbon capture & utilisation and energy efficiency are the segments that will create a mark for themselves over this decade. Existing companies will expand their offerings and multiple new players/business models will contribute towards energy transition. Grid load management is critical and we expect investments will go into both pump storage hydro and battery-based storage projects. Further, EV charging infrastructure will require large scale investments to support the growing EV penetration in India. While the carbon capture, utilisation and storage industry is in its nascent stages, commercially-viable business models will have to be developed for it to become an attractive investment proposition. Indian companies are coming up with service-oriented solutions for energy delivery as well as management, which further creates a significant value creation opportunity for early investors in the emerging energy transition segments."

[Click here to download the report](#)

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Contact: Lynette D'souza

Tel: +91 9920847823

Email: lynette.dsouza@avendus.com

Avendus Capital

Regd. Office: The IL&FS Financial Centre, 6th Floor,
C & D Quadrant, Bandra-Kurla Complex, Bandra (E),
Mumbai-400 051, India

About Avendus

Avendus Group is a leading financial services firm with a presence in the areas of Investment Banking, Institutional Equities, Wealth Management, Credit Solutions and Asset Management. Established in 1999 in Mumbai, India, Avendus is today present in 11 cities across India, the US, UK and Singapore. Avendus partners with the Indian entrepreneur ecosystem to provide differentiated solutions that enable clients to meet their strategic aspirations.

Avendus Capital, the investment banking arm, is consistently ranked among the top investment banks in the country on the back of its in-depth domain understanding and a best in the class track record of domestic and cross-border transactions. Avendus' wide range of clients is testimony to its ability to serve its corporates throughout their life cycle – from growth stage funding to large-sized transactions, and M&A advisory.

Avendus Capital Inc located in New York is an Avendus Group entity offering M&A and Private Equity syndication services to clients in the US.

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