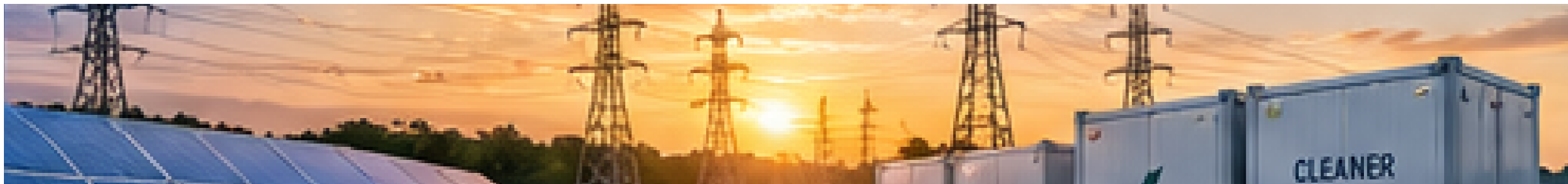


Decoding the ₹2.35 Lakh BESS Bid



BID → FINANCE → CYCLE → AUGMENT → DELIVER

India's latest 265 MW / 530 MWh standalone BESS auction discovered an L1 capacity charge of ₹2.35 lakh/MW/month. But storage bids cannot be interpreted like solar tariffs. Duration, utilisation, VGF, financing, degradation and augmentation all influence whether the price remains viable over twelve years. The real question is not whether ₹2.35 lakh is low - but whether that tariff can support a battery cycled twice every day while maintaining contracted availability through its lifecycle.

*“The winning tariff is only the headline.
Bankability sits in the lifecycle cash flow.”*

₹2.35 lakh/MW/month

L1 BID

NLC India Renewables.

265 MW / 530 MWh

PROJECT SCALE

Two-hour standalone BESS.

2 cycles/day

OPERATING DUTY

95% monthly availability.

12 years

BESPA TENOR

Long-duration storage-service contract.

How to read the report

TENDER DATA

MARKET REFERENCE

FIRSTGREEN ASSUMPTION

MODEL OUTPUT

Tender facts, market references, Firstgreen assumptions and model outputs are visually separated throughout the report.

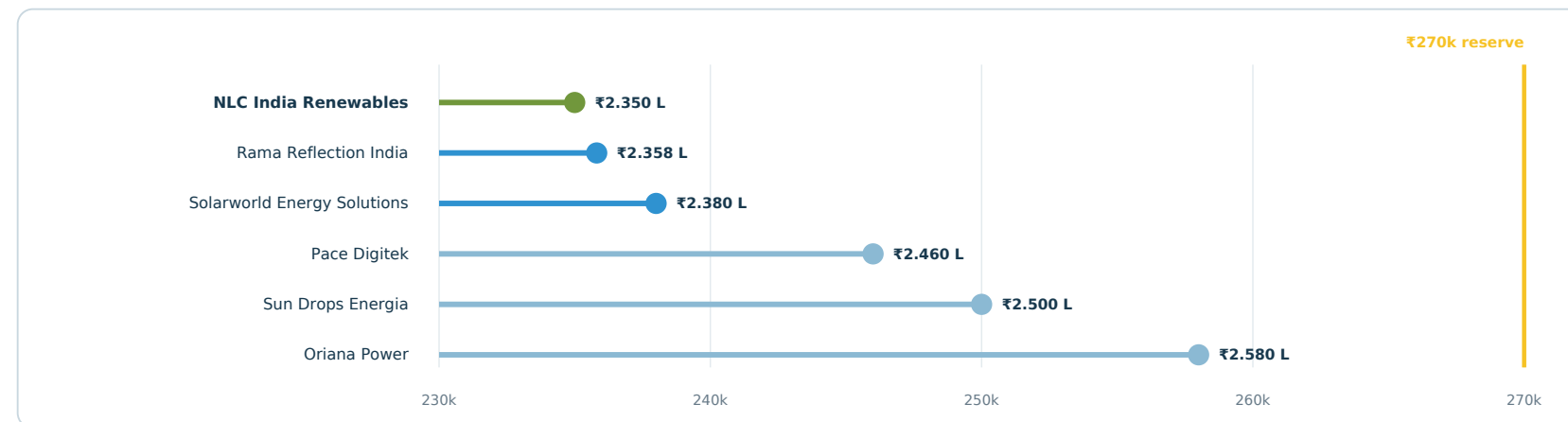
Storage auctions should be decoded through lifecycle economics - not headline tariffs alone.

Sources: user-supplied e-reverse auction result, 24 Sep 2026 • tender/result reporting • Firstgreen analysis.

How Competitive Was the ₹2.35 Lakh Bid?

The top three bids were separated by only ~1.28% - a much tighter cluster than the full auction range.

EXHIBIT 01 | Haryana 265 MW / 530 MWh BESS - quoted capacity charges



TENDER DATA

12.96%

L1 DISCOUNT

Versus ₹2.70 lakh starting/reserve price.

1.28%

TOP-3 BID SPREAD

L1 to third-ranked bid.

~9.8%

FULL AUCTION SPREAD

L1 to sixth-ranked bid.

EXHIBIT 02 | Haryana L1 versus selected 2025 market references

MARKET REFERENCE



Investment interpretation

The first three quotations lie within ~1.3% of one another. That clustering is more informative than L1 alone: several bidders appear to be underwriting the project within a narrow tariff band. Similar bids, however, need not imply similar economics; battery procurement, augmentation and financing assumptions can differ materially.

The auction may indicate tariff normalisation - but one tender does not establish a national price floor.

Sources: auction result • IEEFA/JMK 2025 tariff and viability references • Firstgreen calculations.

What Does ₹2.35 Lakh/MW/Month Actually Buy?

Capacity tariff is not energy tariff - the storage-service cost must be separated from charging electricity.

EXHIBIT 03 | Capacity payment translated into project cash flow

TENDER DATA

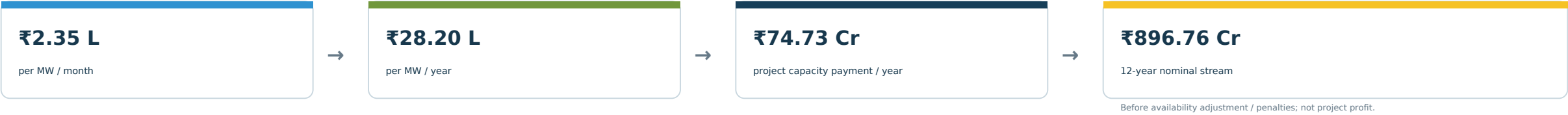


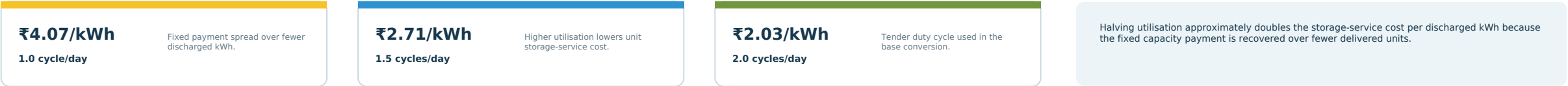
EXHIBIT 04 | Throughput conversion at tender duty cycle

FIRSTGREEN ASSUMPTION



EXHIBIT 05 | Utilisation sensitivity

FIRSTGREEN MODEL OUTPUT



A cheap ₹/MW/month bid can become expensive ₹/kWh storage if utilisation falls.

Sources: tender duty-cycle assumptions • user-supplied auction bid • Firstgreen throughput calculations.

Can ₹2.35 Lakh Support the Project Economics?

The answer is highly sensitive to installed CAPEX, VGF, financing and augmentation.

EXHIBIT 06 | Capital support bridge - screening proxy only

FIRSTGREEN ASSUMPTION


Screening bridge only: ₹636 crore is a transparent proxy and is not verified developer EPC CAPEX.

UNIT CAPEX SCREEN

Gross proxy		₹12,000/kWh
Maximum VGF		-₹1,800/kWh
Net proxy		₹10,200/kWh

EXHIBIT 07 | Firstgreen financial screen - 1 MW / 2 MWh

FIRSTGREEN ASSUMPTIONS

Debt share	70%	O&M	1.5% of gross CAPEX
Cost of debt	9.0%	Augmentation	15% in Year 7
Debt tenor	10 yrs	Residual value	5%
Equity hurdle	15%		

FIRSTGREEN MODEL OUTPUT

-3.1%

Equity IRR
NPV @ 15% hurdle: -₹52.5 lakh/MW
Minimum DSCR: 1.04x

Important qualification

This is not a forecast of NLC India Renewables' project return. It uses the ₹12,000/kWh tender-value proxy plus Firstgreen financing, O&M and augmentation assumptions. Actual procurement, warranty and financing terms may differ materially.

The screening result shows why storage bids cannot be assessed from the headline capacity charge alone. At a gross proxy of ₹12,000/kWh and maximum VGF, the modelled tariff does not clear the assumed 15% equity hurdle once debt service, O&M and mid-life augmentation are included. The exercise is not a verdict on the winning project; it identifies which variables must improve for the auction tariff to become economically sustainable.

Winning the auction and achieving the target equity return are two different events.

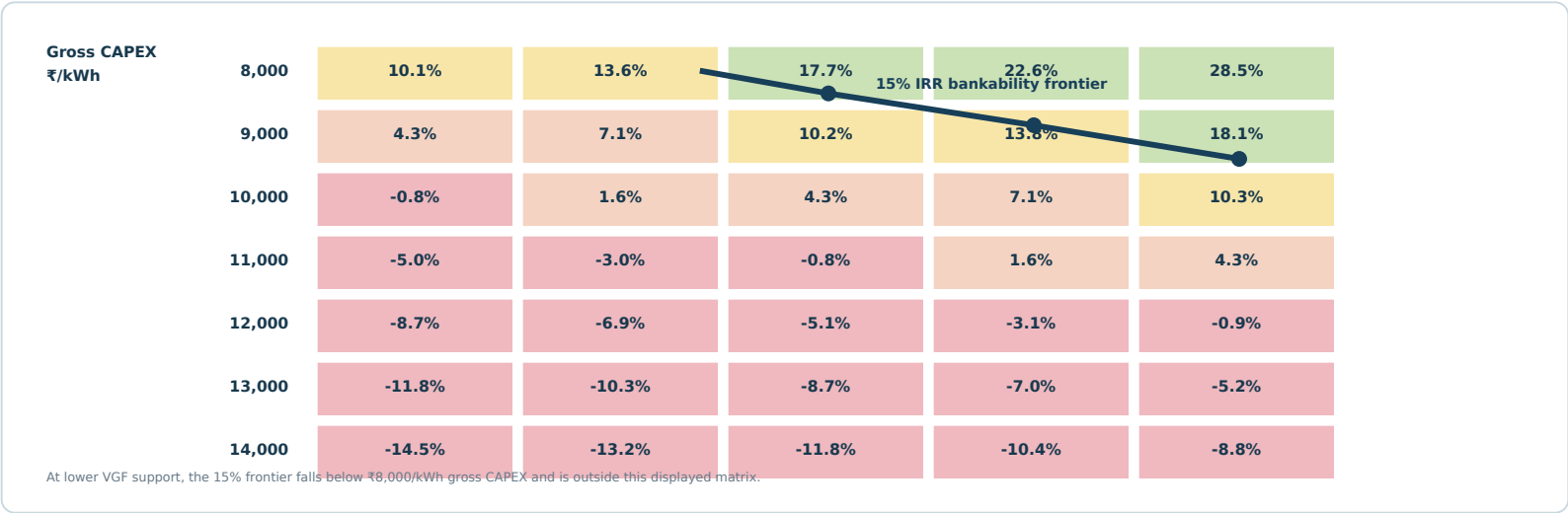
Sources: tender-value/VGF reporting • Firstgreen assumptions and lifecycle cash-flow model. Screening output, not developer-specific economics.

At What CAPEX Does the ₹2.35 Lakh Bid Become Bankable?

The auction result becomes meaningful only when mapped against project CAPEX and capital support.

EXHIBIT 08 | Firstgreen equity-IRR sensitivity - gross CAPEX versus VGF

FIRSTGREEN MODEL OUTPUT

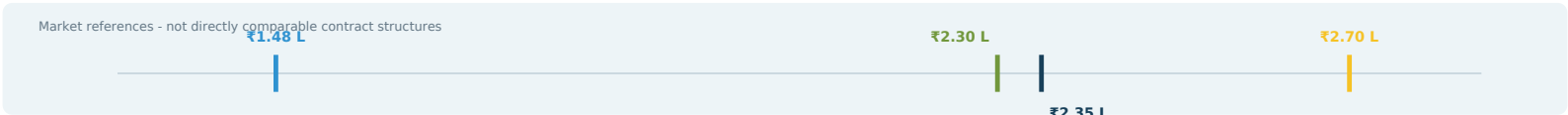


Six variables that move the frontier

- Lower EPC cost**
Battery, PCS, BOS and localisation.
- Lower cost of capital**
Debt and equity requirements affect capacity tariff.
- Augmentation strategy**
Timing and future cell pricing.
- High availability**
Protects contracted revenue.
- Warranty / cycle life**
Two cycles/day is demanding.
- Residual value**
Remaining useful life / second life.

EXHIBIT 09 | Market-normalisation context

MARKET REFERENCE



Investment conclusion

The Haryana result is consistent with a move back toward lifecycle-aware tariffs. It is not yet proof of a new national market floor.

“The right storage tariff is not the lowest bid. It is the lowest tariff that still survives twelve years of reality.”

Auction price discovery should be followed by project-level bankability discovery.

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Sources: Firstgreen sensitivity screen • auction and market-reference inputs • model assumptions require project-level validation.