

Presentation on Indian Renewable Energy Development Agency Limited

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About IREDA

Dedicated FI for Renewable Financing

Inception

Incorporated under the Companies Act on 11th March, 1987 to promote, develop and extend financial assistance for Renewable Energy and Energy Efficiency/ Conservation Projects.

Mission

Be a pioneering, participant friendly and competitive institution for financing and promoting self-sustaining investment in energy generation from renewable sources, energy efficiency and environment technologies for sustainable development.

MOTTO

Energy For Ever

Financial Services

Fund Based

- Term Loan
- Take-out financing from Banks/FIs
- Bridge Loan for SDF, Solar VGF, GBI etc.
- Securitization of Project Receivables
- Short term loan to RE Developers/ Suppliers
- Refinance to Banks/ FIs under NCEF Scheme
- Line of Credit to NBFCs for lending to RE Projects

Non-Fund Based

- Performance Guarantee to RE Suppliers/ Promoters
- Underwriting/ Syndication
- Program Administrator for Wind & Solar GBI

IREDA's Initiatives in RE Financing

New initiatives as per Market Requirements

- Rooftop Solar Financing Scheme (through Aggregators)
- Off grid Solar Financing – Telecom Towers, Solar Pumps.
- Scheme for CST
- Direct Discounting of GBI for grid interactive Wind and Solar power projects
- Direct Discounting of Capital Subsidy payable to channel partners / SNAs for SWHS
- To take up the Lead FI Role

IREDA's Initiatives in RE Financing

- Credit Enhancement Guarantees
- Supplier Credit Guarantees
- Comfort Letter against EMDs
- Enhancement in quantum of loan – upto 75%
- Enhancement of Loan Tenure- Repayment period from 12-15 years

MOU with leading FIs:

- IFC
- PFC- GEL
- IIFCL (India Infrastructure Finance Company Ltd.)

Broad Terms of Loan & Financial Indicators (w.e.f.01.11.2015)

Borrower/Sector	GRADE I	GRADE II	GRADE III	GRADE
Schedule A,'AAA' Rated PSUs (Net)	9.90 %			
State Sector Borrowers (Net)	9.90 %	10.20 %	10.50 %	10.75
LoC for Refinance and other	Borrowing Cost* + 1.00% to 2.00% (Spread)			
Roof top Solar	10.05%	10.30%	10.60%	10.90
Wind Energy, and Grid Connected Solar PV	10.20 %	10.95 %	11.10 %	11.40
Co-generation, Hydro and CSP	10.50%	11.20%	11.45%	11.70
Energy Efficiency , Energy Conservation & Solar Thermal/ Solar PV Off-Grid, Biomass Power and other sector	10.60 %	11.25 %	11.65 %	11.90
Manufacturing (All sectors)	Existing units – 11.70 %		Green Field – 11.90	

* *Present Incremental Borrowing Cost is 8.65% (Minimum Base Interest Rate)*

1. Reduction in interest rates over and above the applicable interest rates by 25 bps, 20 bps and 15 bps for Grade –I, Grade- II and Grade-III of external grading's respectively. (Irrespective of IREDA's internal grading) Except for serial no.1 & 2 of above.
2. Prompt payment rebate of 15 bps on the applicable interest rate, if the installments of interest and Principal are paid in full, on due dates Except for serial no.1 & 2 of above.
3. Reduction in Interest rate over and above the applicable interest rates by 25 bps for Repowering of wind energy projects
4. Additional Interest @ 0.50% over and above the applicable rate of interest shall be charged till the date of commissioning of the project other than **Wind and Solar** sector. No additional interest during construction for (i) "Schedule-A, 'AAA' rated PSUs (ii) State Sector Borrowers who are engaged in power sector and have successfully implemented not less than 200 MW of hydroelectric projects and implementing Hydro sector projects and (iii) "State Sector Borrowers" which are engaged in power sector and implementing Wind Energy projects/ Solar Energy Projects.
5. In case of loans sanctioned for manufacturing facilities, no additional interest during the construction period shall be charged.

Broad Terms of Loan & Financial Indicators

Term loan	Upto 70% of project cost
Repayment	10 -12 years (excl. construction and grace period), extendable upto 15 years.
Construction period	Upto 6 months
Moratorium	Upto 12 months

IREDA's Performance (As of October, 2015)

Cumulative Loan Sanctions	-	Rs. 33781.62 crores
Cumulative Disbursements	-	Rs. 17867.85 crores
Cumulative Loan Sanctions in Solar	-	Rs. 4581.89 crores
Cumulative Loan Disbursements in Solar	-	Rs. 1788.17 crores

IREDA financed solar projects in all major States where Solar Policy announced