ENERGY FOR EVER

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A Navratna CPSE

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FINANCING NORMS AND SCHEMES

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1. SECTORS ELIGIBLE FOR LOAN ASSISTANCE

All the projects in Renewable Energy (RE), Energy Efficiency/Conservation (EE) and other Environmental Sustainable technologies, including Power Generation, Transmission, Renovation & Modernization, which are techno-commercially viable, are eligible to obtain finance from IREDA. The eligible sectors are as under-

- Wind Energy
- Hydro Power (including Pump Storage)
- Solar Energy
- Biomass including Bagasse & Industrial Cogeneration
- Biomass Power Generation
- Waste to Energy
- Energy Efficiency & Energy Conservation (EE)
- Biofuel / Alternate Fuel including CBG, Ethanol
- Hybrid Projects with RE Technologies
- New & Emerging Renewable Energy Technologies
- Manufacturing for RE related products / Components (except Solar PV module manufacturing on standalone basis).
- Transmission
- Manufacturing of electrolyzers for green hydrogen and its derivatives and other components in the hydrogen and its derivatives value chain may be included
- E - Mobility and related Infrastructure

Notes

Wind Energy

Machine types eligible (Wind Electric Generator - WEG) for financing wind projects will be as per Revised List of Models and Manufacturers (RLMM) of Wind Turbines issued by MNRE/autonomous body of MNRE.

Hydro Power

IREDA also finance hydro projects including pump storage as per norms stipulated herein.

Biomass including Bagasse & Industrial Cogeneration

- Use of high energy efficient equipment in sugar / paper mills for supporting Co-generation projects are encouraged.
- In case of Sugar Mill, the minimum size of Sugar Plant should be 2500 TCD.
- If alternate fuel is required for extension of operating days in a year, fossil fuels up to 15% of annual fuel consumption is allowed
- In case of project size up to 5.0 MW (except sugar industry), the minimum applicable boiler pressure will be 42 kg/ cm2.
- In case of project size above 5.0 MW (Both for Sugar and Non-Sugar Industry), the minimum applicable boiler pressure will be 63 Kg/cm2.

Biomass Power Generation

- IREDA shall finance not more than one independent Biomass Power Project excluding captive Biomass/ Bagasse based Co-generation, in a radius of 50 KM, whether funded by IREDA/other FIs/Banks.
- For Biomass direct combustion power projects, IREDA's loan exposure may be limited upto 50% of project cost.
- Biomass direct combustion power projects exceeding 7.5 MW capacity up to a maximum of 10 MW, will be considered on case-to-case basis subject to careful examination, particularly with reference to Biomass availability, presence of other Biomass power/ Biomass cogeneration projects in that area, linkage for off-season fuel, water availability etc. and the loan from IREDA shall not exceed loan for 7.5 MW of the project. However, IREDA may also consider projects exceeding 7.5 MW upto maximum of 10 MW on a 70: 30 debt equity ratio and may take exposure upto 50 % of project cost subject to above condition and that the promoter shall bring in upfront 75 % of their contribution.
- Projects based on captive biomass/ energy plantation are encouraged.
- Use of high energy efficient equipment in Biomass Power Plants are encouraged.

Biofuel / Alternate Fuel Including CBG, Ethanol (other than production of portable alcohol)

- In case of Fuel cells, IREDA loan is available for power/ vehicle applications only.

Waste to Energy

- The loan exposure of IREDA for MSW based Waste to Energy Projects, would be limited upto 70% of the project cost, keeping the Dept Equity ratio as 70: 30. (W.e.f 01.12.2021)
- The increased loan exposure for MSW based Waste to Energy Projects would be applicable for new sanctions only and for takeover of commissioned projects.
- Loan is for energy generation system including pre-fuel processing system.

Grid Inter-Connection Facility for RE Evacuation / Transmission facility

- IREDA shall extend term loan for 100% of eligible equipment cost limited to a maximum of 80% of total project cost.
- The above loan shall be applicable to all grid connected power projects.

Miscellaneous

- RE/EE Proposals not covered in the above will be considered for financing on the individual merit basis.

2. TYPES OF SCHEMES

I. Project Financing
II. Loans for Manufacturing
III. Financial Intermediaries
IV. Financing of commissioned projects including takeover of Loans from other Banks /FIs.
V. Loan against Securitization

Other Fund and Non-fund-based Financing Schemes

i. Line of Credit to NBFCs for on- lending to RE/ EE Projects.
ii. Short/Medium term loan assistance to RE/EE Developers/Suppliers/ Contractors.
iii. Bridge loan assistance to RE Developers against Capital Subsidies/VGF available under various State/Central Govt. Schemes.
iv. Policy on Underwriting of Debt/Loan Syndication.
v. Guarantee Assistance Scheme to RE Suppliers/ Manufacturers/ EPC Contractors/Developers.
vi. IREDA, as the lead FI under Consortium/Syndicated Loans/ Multi banking arrangements by charging Lead Fee.
vii. Direct Discounting of MNRE Capital Subsidy payable to Accredited Channel Partners and State Nodal Agencies (SNA) for installation of Solar Water Heating Systems.
viii. Direct Discounting of GBI Claims Payable to Renewable Energy Developers under MNRE Scheme for Generation Based Incentive (GBI) for grid interactive Wind and Solar power projects.
ix. Loan Scheme for Financing Rooftop Solar PV / Large Scale Rooftop Grid Connected/ Interactive Power Projects (Industrial, Commercial and Institutional).
x. IREDA Scheme for Bridge Loans against pending Energy Bills.
xi. Credit Enhancement Guarantee Scheme for raising Bonds towards Renewable Energy Projects (Solar / Wind).
xii. Policy for Issue of Letter of Comfort (LoC)/Letter of Undertaking (LUT) for opening of Letter of Credit (LC) under Term Loans sanctioned by IREDA.
xiii. IREDA Scheme “Access to Energy” under KfW Line of Credit.
xiv. Loan Scheme to promote the Concentrating Solar Thermal (CST) projects in India for Industrial Process Heat Applications.
xv. Policy for financing Transmission Projects.
xvi. IREDA Loan Scheme/Line of Credit for Financing Large Scale Roof Top Solar PV Grid Connected/ Interacted Power Projects.
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xviii. Loan Against Securitization of Future Cash Flow of RE Projects
xix. Term Loan Facility to Govt. Bodies / Discoms / Transcos /State Owned Trading Companies.
xx. Loan Against Securitization of Future GBI receivables in case of Grid Connected Wind & Solar Projects.
xxi. IREDA Financing Scheme - “Manufacturing of Biomass Pellets / Briquettes/Torrefied Pellets/ Refuse Derived Fuels (RDF)”.

xxii. Scheme for Financing of “Biomass projects for heating applications for commercial use.
xxiii. Setting up of New Distillery / Expansion of Existing Distillery for Production of Ethanol Using Sugarcane Juice / Sugar Syrup / B-Heavy Molasses / C-Heavy Molasses / Damaged Food Grains / Surplus Rice with FCI And Other feedstock such as Sorghum / Sugar Beet etc.
xxiv. Takeover of “Term Loans from Banks/FIs and Unsecured Loans/ Bridge Loans/ Creditors Payables/ Any Other Similar Instrument Infused in The Project”.
xxv. Project Specific Funding (PSF) Loans - Salient Features.
xxvi. Policy for granting of In- Principle Loan Sanction to Applicants.
xxvii. Scheme for Power generation through Biomass Gasifiers.
xxviii. IREDA Loan Scheme for “Compressed Bio- Gas (CBG)” under SATAT Scheme.
xxix. Comprehensive policy for financing new technologies for promoting & increasing usage / penetration of Renewable Energy & Funding of green mobility segment.
xxx. Special product for funding renewable energy projects through bonds/banks loans/other financial instruments.
xxxi. Policy for Extending Term loan for Renewable Energy Expansion.
xxxii. Policy for Refinancing of Loan.
xxxiii. Policy for financing of Smart Meter Projects.
xxxiv. Policy on providing loans/ advances to projects under PM-KUSUM Scheme.
xxxv. Policy for “Setting up of production facility/ unit of Sustainable Aviation Fuel (SAF) as biofuel from renewable feedstocks such as, agricultural residues, biomass, waste oils, and municipal waste, etc. including Bioethanol

3. GENERAL ELIGIBILITY CONDITIONS

Eligible Entities/ Categories

- Private Sector Companies/ firms/LLPs
- Central Public Sector Undertaking (CPSU)
- State Utilities/ Discoms/ Transcos/ Gencos/ Corporations
- Joint Sector Companies

Applicants, registered in India, falling under any of the above categories, with borrowing powers and powers to take up new and renewable energy and energy efficiency projects as per their Charter, are eligible to avail financial assistance from IREDA *except for the following*:

I. Trusts, Societies, Individuals, Proprietary concerns and Partnership firms (other than Limited Liability Partnerships, LLPs). However, they can be considered for financing only if they provide Bank Guarantee / Pledge of FDR issued by Scheduled Commercial Banks as described in RBI Act for the entire loan.

II. Loss making applicants and / or, Applicants with accumulated losses (without taking into account effect of revaluation of asset, if any) as per audited Annual Accounts of the immediate preceding financial year of operation. However, they can be considered for financing only if they provide security of Bank Guarantee / Pledge of Fixed Deposit Receipt (FDR) issued by Scheduled Commercial Bank as described in RBI Act for the entire loan.

However, the provisions under (II) above shall not apply to the following --

a. Loss incurred due to preliminary & preoperative expenses in the case of projects promoted by Special Purpose Vehicle (SPV)
b. Loss due to depreciation and interest on account of Compulsorily Convertible Debentures (CCDs), Optionally Convertible Debentures (OCDs), Unsecured Loans, Non-Convertible Debentures (NCDs), other mezzanine debt which are subservient to senior lenders & any payout is subject to restrictive payment clause i.e., the interest expense is booked on accrual basis, however the same is not to be paid on account of restrictive payment clause(s) as per the agreement, in the case of takeover loans
c. Companies posting loss due to de-merger /merger/ acquisition /amalgamation
d. Loss due to booking of one-time expenditure provided they are otherwise profit making.
e. Mark to Market loss on account of foreign currency hedging or losses depicted in Other Comprehensive Income (OCI).

III. Applicants who are in default in payment of dues to Financial Institutions, Banks, NBFCs and/or IREDA and their name is appearing in CIBIL/ CRILC reports, as defaulters.

IV. Accounts classified as NPA/ SMA2 with other Institutions/ at the time of applying. However, the Loan applications received with the approved resolution plan of NCLT or Asset Reconstruction Companies (ARCs) for any specific project based on viability of the project, may be eligible subject to upgradation of the account to Standard Category and the following conditions:

a) Residual Life of the project/Equipment – There should be adequate residual life of the Project/ Equipment, Machinery etc. It should be minimum 10 Years for consideration of

the loan application. The Applicant shall submit latest valuation report for the Project prepared by independent Valuers, empaneled with leading Banks/FIs, Further, IREDA may also conduct third party review of the valuation report submitted by the applicant.

b) Balance Validity of PPA - Minimum Remaining Balance PPA life should be 10 Years. Accordingly, the maximum loan repayment period shall be kept as 10 - 15 years from the date of disbursement subject to the condition that repayment period shall not be more than 80% of balance life of PPA, whichever is lower, depending on the project cash flows, DSCR of the project etc.

c) Availability of Performance Guarantees of Plant Machinery – The applicant to provide the satisfactory equipment performance guarantees for balance life of the project. Additional insurance policies covering Loss of generation which may include machine breakdown (MBD), natural calamities/force majeure conditions etc.

d) Addl. Securities such as Personal Guarantees/Corporate Guarantees/Pledge of shares etc. to be taken in such cases.

e) Rehabilitation and Refurbishing Report; The applicant to provide detailed report on past generation performance of the project along with financials (Audited Annual Report for past 3 Years etc.) Further, the future cost economics/ plan and life expectancy of the project to be incorporated in the report.

f) Terms and conditions for Loans towards expansion of the existing Project will be as per the extant Financing Norms/ Guidelines of IREDA, without linking to the above terms and conditions.

V. Applicants/ Group Companies and/or Core promoters of the applicant company who –

a. Default in payment of IREDA / **other Banks / FIs dues and/ or,**
b. Classified as willful defaulters as defined by RBI/ classified by other FIs and/ or,
c. Had availed OTS from IREDA and/ or,
d. Convicted by court for criminal/ economic offences or under national security laws

VI. Greenfield Projects involving second-hand equipment and machinery.

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4. MINIMUM LOAN AMOUNT

The minimum loan eligibility from IREDA will be Rs. 50 Lakh unless specifically exempted under any scheme/ programme.

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5. PROMOTER CONTRIBUTION, QUANTUM OF LOAN, MORATORIUM AND REPAYMENT PERIOD

The typical financing norms relating to maximum moratorium, quantum of loan, repayment period and minimum promoter contribution, in brief, for different type of eligible projects are given below:

5.1. Promoter Contribution, Quantum of loan & Maximum Debt Equity Ratio.

a) The quantum of loan from IREDA shall be normally upto 70% of the total project cost with promoter contribution of 30% of the project cost.

b) In Solar, Wind, Hydro, Bagasse based Cogeneration and Energy Efficiency & Conservation projects, IREDA may consider the minimum promoter contribution as 25% of project cost and may extend loan up to 75% of the project cost subject to meeting the following conditions:

- In case of repeat borrowers of IREDA with an operational RE/EE project, should have a good track record w.r.t. repayment to the satisfaction of IREDA and financial viability of project proposal.
- **In case of new clients, the average Debt Service Coverage Ratio (DSCR) of the project should not be less than 1.25 for solar & wind and 1.3 for other sectors. For manufacturing sector, average DSCR of the project should not be less than 1.4**
- Only in Case of Energy Efficiency and Conservation Technology Projects wherein the underlying Contract/Project is with Government/ Government owned entity.

c) D: E to 4:1 and Quantum of loan upto 80% of Project Cost be allowed in Solar, Wind Energy, Hydro and Energy Efficiency and Conservation Technology meeting following criteria: -

I. Promoter experience in successful implementation and two years of satisfactory operation of at least one project of 50 % of proposed capacity.
II. Minimum Internal Risk Rating of Grade-III or minimum A(-) (A minus) external rating.
III. The average Debt Service Coverage Ratio (DSCR) of the project should not be less than 1.2 for tenure of loan.
IV. In Case of Energy Efficiency and Conservation Technology Projects the underlying Contract/Project must be with Government/ Government owned entity.

In Solar (including PM-KUSUM) sector and Wind sector, IREDA considers minimum capacity of 5 MW for funding and for hydro sector, IREDA considers the minimum capacity of 2 MW for funding.

For accessing experience as per clause I above, relevant Documents/Experience Certificate be mandatorily obtained.

d) D: E to 4:1 and Quantum of loan upto 80% of Project Cost shall be allowed in RE Manufacturing projects subject to the following:

I. The manufacturing project being setup by existing borrower of IREDA or its holding company.

II. Borrower or group company is having good track record of repayment of minimum 2 years to their existing lenders and to the satisfaction of IREDA.
III. Promoter experience in successful implementation and two years of satisfactory operation of at least one RE manufacturing project of 50 % of proposed capacity.
IV. Minimum A(-) (A minus) external rating.

e) Quantum of loan upto 90% of Projects Cost in Transmission Projects wherein borrower is Government owned entity and 80% otherwise can be extended as per Policy for Financing Transmission Projects.

f) For all government supported RE Projects, we may follow the guidelines of respective schemes w.r.t. treatment of such assistance as Promoter contribution/Quasi Equity.

g) **IREDA support to Cogeneration Projects:**
   i. IREDA may consider sanctioning SDF supported Co-generation projects with a condition that minimum promoter contribution should be 25% of the project cost and term loan (IREDA/ Other Banks/FIs) including Bridge loan against SDF, should not exceed 75% of the project cost.
   ii. IREDA exposure to main loan may be limited upto 50% of the project cost either for normal cogeneration projects or for SDF supported cogeneration projects. In addition, IREDA may extend bridge loan against SDF, upto 50% of expected SDF loan sanction. However, the Bridge loan facility shall only be disbursed upon receipt of confirmation about the sanction of SDF and an undertaking from SDF/ Implementing Agency that, as and when SDF loan is disbursed, this shall come directly to IREDA.
   iii. SDF loan may not be considered as part of promoter's contribution and may have to be considered as term loan as SDF is also seeking charge on Escrow including pari-passu charge on project assets.

h) **IREDA support to Hydro Projects**:
Loan exposure may be considered above 50% but limited to 80% of the project cost for projects upto 25 MW, subject to meeting the following conditions/guidelines:

- **Eligibility:** Promoters having experience in the field of Hydro Power with at least 1 operational Project (This condition will not be applicable for Projects upto 5 MW). IREDA considers the minimum capacity of 2 MW for funding.

- **Additional Security** of Minimum 10% FDR / BG/ Surety Bond, of the loan amount

OR

Security in the form of charge on residential house/commercial property at circle rate equivalent to at least 10% of loan amount, which falls within municipal range as per IREDA norms.

OR

Charge on Project assets equivalent to at least 10% of loan amount (at any point of time during the tenure of the loan) of existing commissioned renewable energy project of applicant company or promoter company. For the above purpose, any other debt free renewable energy project (s) of applicant/ promoter company apart from existing IREDA funded project (s) would be considered, and this shall be based on Operational performance/ merits of that project.

- **Terms and conditions in case of borrowers not having experience in the sector:**
  a. Upfront Promoter Contribution of 70% of total contribution to be brought in and spent by the promoters' towards implementation of the project
  b. Cash sweep in by IREDA of minimum of 50% from the surplus amount in the TRA after creation of DSRA as per the Waterfall arrangement
  c. Disbursement to be regulated as per the following:

Promoters' Contribution (%)	**IREDA's loan (%)**
• Upfront Equity/contribution of 70% of total contribution	Upto 30%
• 80%	Upto 55%
• 90%	Upto 75%
• 100%	Upto 95%

  d. Management Experience be also considered

In cases of borrowers not having experience in the sector, all other terms and conditions, as per regular disbursement procedure/ guidelines of IREDA to be followed, in addition to above.

Note: In other cases, disbursement would be regulated as per regular disbursement procedure/ guidelines of IREDA i.e., on pro rata basis.

<u>Exposure in case of Commissioned Hydro Projects</u>

A. For takeover of loan upto maximum allowed limit in Financing Norms in commissioned Hydro project, Following be complied: -
   - The project should have achieved the envisaged generation levels as per the sanction, for a minimum period of complete 1 Year.
   - All the securities should have been created and perfected, as per allowed timelines.
   - The additional exposure is to be utilized for the following purposes only:
   - Payment of unsecured loans etc.
   - Creditor Payables
   - Any other short-term liability
   - However, no reduction in promoter contribution shall be allowed.

B. For takeover of commissioned SHP projects with one full year of satisfactory operations, IREDA loan may be extend upto 75% of the capitalized project cost.
C. Funding of Hydro Power Projects of upto 25 MW Capacity maintaining DER of 75:25 may be considered for the IREDA funded projects upon commissioning, subject to following:
   - The condition of funding upto 75:25 on commissioning, to be stipulated during sanction.
   - The projects should have achieved the envisaged generation levels as per the sanction, for a minimum period of complete 1 Year.
   - All the securities should have been created and perfected, as per allowed timelines.
   - The additional exposure is to be utilized for the following purposes only:
     - ✓ Payment of unsecured loans etc.

- ✓ Creditor Payables
- ✓ Any other short-term liability

- However, no reduction in equity shall be allowed.

i) In case of Biomass direct combustion power projects, IREDA's loan exposure may be limited upto 50% of the project cost.

j) For IREDA funded biomass projects, IREDA can finance biomass fuel processing machines upto 75% of equipment cost. The eligible components are baler, shredder, choppers, tractor with front end loader and trailer.

k) IREDA can finance biomass gasification projects (>=1000 kWth) up to 75% of equipment cost. This loan is only available for captive use of thermal applications.

5.2 Moratorium & Repayment Period

A. For Solar/ Wind/ Transmission and Hydro Power Projects

i. The repayment periods shall be based on the project cash flows, offtake agreement, DSCR of the project etc., and it shall be after the construction & moratorium, with a condition that IREDA shall have the right to call option after 15 years of repayment. However, total loan to be amortized within 80% of the useful life of Project.

B. For all other sectors

i. Depending on the project cash flows, DSCR of the project, PPA period etc., the repayment period shall not be more than 15 years and it shall commence after the construction & moratorium. However, the total loan be amortized within 80% of the useful life of the project.

Note: In case specific policy/guidelines stipulates repayment period different than above, then the period as mentioned in specific policy/guideline be followed.

C. The moratorium would be upto 6 months to 1.5 years from the date of COD of the project.

D. In case of financial assistance under "Securitization of Future Cash Flows", maximum loan repayment period of upto 15 years from the date of disbursement or 80% of balance life of PPA, whichever is lower will be extended.

5.3 General Norms for obtaining Securities

A. Primary Securities

a) Mortgage

First charge by way of mortgage (equitable/registered) of all the immovable properties of the Borrower pertaining to Project, both present and future. In case of leasehold immovable properties, mortgage/assignment of leasehold rights over such property.

b) Hypothecation

A first charge by way of hypothecation on the following, along with power of attorney:

- on all the Borrower's movable properties and assets pertaining to the Project, including moveable plant and machinery, machinery spares, equipment, tools and accessories,

furniture, fixtures, vehicles and all other movable assets wherever situated, both present and future, and the same shall not include the Current Assets.

- on all the Current Assets pertaining to the Project, including but not limited to book debts, operating cash flows, stock-in-trade and inventory, Receivables, commissions and revenues of the Project, if any, revenue of whatsoever nature and whenever arising relating to the Project, both present and future.
- over all bank accounts of the Borrower relating to the Project, including, the Escrow Account and the Sub-Account(s) (including but not limited to DSRA) or any account created for any reserve(s) to be created and maintained (or any account in substitution thereof), that may be opened in accordance with the Escrow Agreement and the Financing Documents, or any of the other Project Documents, and all funds from time to time deposited therein, the Receivables and all Permitted Investments or other securities representing all amounts credited to the Escrow Account, any letter of credit, Debt Service Reserve and other reserves maintained in terms of the Financing Documents and any other bank accounts of the Project/ Borrower (pertaining to the Project), present and future, wherever maintained;
- over rights, title and interest, beneficial interest, claims and demands whatsoever of the Borrower:

(i) in the Government approvals, clearances, licenses, permissions etc., both present and future pertaining to the Project., subject to Applicable Laws; and
(ii) in Project Documents including PPA, user agreements, other contracts, insurance policies/contracts, insurance proceeds, guarantees/insurance bonds under the contracts etc., both present and future with respect to the Project; and
(iii) over all intangibles of the Borrower including but not limited to goodwill, intellectual property rights, undertakings and uncalled capital, present and future; and
(iv) in any letter of credit, guarantee including contractor guarantees and liquidated damages and performance bond provided by any party to the Project Documents, both present and future.

c) Assignment of rights, title and interest, beneficial interest, claims and demands whatsoever of the Borrower by way of IOM of the following:

(i) in the Government approvals, clearances, licenses, permissions etc., both present and future pertaining to the Project., subject to Applicable Laws; and
(ii) in Project Documents, user agreements, other contracts, etc. assignable by the Borrower, both present and future with respect to the Project; and
(iii) in insurance policies/contracts and insurance proceeds, guarantees/insurance bonds under the contracts both present and future with respect to the Project; and
(iv) over all intangibles of the Borrower including but not limited to goodwill, intellectual property rights, undertakings and uncalled capital, present and future; and
(v) in any letter of credit, guarantee including contractor guarantees and liquidated damages and performance bond provided by any party to the Project Documents, both present and future.

However, for companies availing loan amount up to Rs. 50 Crores, or Self- captive projects or MSME borrowers, an undertaking shall be given for creating assignment through Indenture of Mortgage (IOM) at a later date whenever so required by IREDA, subject to submission of ₹ 20 Lakhs in the form of BG/FDR to IREDA, as security deposit towards registration cost of IOM

d) Trust and Retention Account (TRA) for deposit of project receivables.
e) Debt Service Reserve Amount (DSRA) as per requirement.
f) NACH mandate.

B. **Additional Securities**

a) **Mortgage of collateral property**

- In case of collateral security, valuations from **2 IBBI registered/approved valuers** is to be provided.
- Among the two valuation reports, the **lower realizable value** shall be considered for valuation of the property.
- In the case of Collateral Securities, the cases where the assets/ property having clear title which have been purchased in name of the Borrower company out of own funds or otherwise acquired (i.e. beyond the funds / equity envisaged for the project cost) to be considered as collateral and to this effect a certificate from Statutory Auditor (SA)/Chartered Accountant (CA) (when SA is not available) to be submitted.

Note-1:

- ✓ The valuation fee is to be paid by the borrower company only.
- ✓ The fresh valuation to be carried out in every three years.
- ✓ If the loan falls in SMA-2 category for a period of 6 months and more, then fresh valuation will be carried out and thereafter every three years.
- ✓ In event of subsequent valuations to be carried out, then IBBI valuer should be different from the previous valuer.
- ✓ The collateral property life is to be more than the stipulated period of collateral security, i.e., in case period of collateral property is to be provided till tenure of loan, then the life of the property should be more than tenure of loan.

Further, valuation from single IBBI registered/approved valuer will be obtained once the process of empanelment of IBBI registered/approved valuers at IREDA is completed.

Note-2:

The additional securities are normally to be completed before release of first disbursement. However, it has been observed that in some instances there is a delay in providing additional security by way of mortgage of collateral property. In view of above, the following may be noted:

- ✓ Wherever, additional security, by way of mortgage of collateral property is stipulated, borrower will be permitted to provide BG/FD of equivalent value in lieu of the stipulated value of collateral property upfront till the time collateral by way of Mortgage is created.
- ✓ In the event if the borrower cannot provide BG/FD upfront, the borrower may be permitted to provide the BG/FD commensurate to proposed disbursement, after recording the reasons therein in the corresponding project file. However, 100% of the BG / FD amount stipulated will be completed within 06 (six) months of date of first disbursement. Penal charges shall be applicable beyond 6 (six) months till compliance.
- ✓ In case if security of creation of mortgage of collateral security or providing of 100% of BG/FD towards additional securities is created beyond 6 months, then penal charges shall be applicable from date of expiry of 6 months from the date of first disbursement & up to maximum of 12 months or till completion of security of creation of mortgage of collateral security / providing of 100% BG/FDR, whichever is earlier.
- ✓ If the above mortgage of collateral security / providing of BG/ FD towards additional security is not created within 12 months from date of first disbursement of loan, then the matter may be reviewed by Projects group for decision on case-to-case basis.
- ✓ In the event of non-compliance of creation of above additional security within stipulated time, Projects group shall inform Finance group for action regarding levying of penal charges in such cases.

b) Personal guarantees and or, Corporate Guarantees as applicable.

c) Pledge of shares.

<u>Note: IREDA may stipulate other additional securities like BG/FDR/TDR, extension of charge on other existing project assets etc. based on the requirement.</u>

6. CREDIT RATING, INTEREST RATES & RESET & DEBT SERVICE RESERVE ACCOUNT

I. Credit Rating & Interest Rates

IREDA conducts credit rating for all grid connected projects and provides grading in a band of 5 grades (I, II, III, IV & V) based on the risk assessment. The interest rates are linked with the grades. The interest rates are fixed by a "Committee for fixing interest rates" from time to time based on market conditions.

The current applicable interest rates are as given below: (w.e.f. 01.10.2026)

S. No.	Sector/External Credit Rating by CRA	CPSUs / State PSUs / JVs		
		AAA to AA	AA- to A-	BBB+ to BBB
1	Renewable Energy (Project Specific Loans)	8.65%	8.90%	9.15%

S. No.	Sector/Integrated Credit Rating published by MOP	State Gencos / Transcos linked with Discoms				
		A	A-	B	B-	C and C-
1	Renewable Energy (Project Specific Loans)	8.65%	8.90%	9.15%	9.40%	9.65%
2	Transmission (Project Specific Loans)	9.20%	9.45%	9.70%	9.95%	10.20%

S. No.	Sector/Borrower	Private Sector Borrower				
		GRADE I	GRADE II	GRADE III	GRADE IV	GRADE V
1.	Rooftop Solar, Wind Energy, Grid Connected Solar PV, Hybrid Wind and Solar, Floating Solar	8.85%	9.10%	9.35%	9.60%	9.85%
2.	Hydro Power upto 25 MW (for more than 25 MW additional 25 BPS)	9.25%	9.50%	9.75%	10.00%	10.25%
3.	Biomass Power, Co- generation, Waste to Energy	9.40%	9.65%	9.90%	10.15%	10.40%
4.	Transmission	8.85%	9.10%	9.35%	9.60%	9.85%
5.	EV and EV Infrastructure	9.75%	10.00%	10.25%	10.50%	10.75%
6.	CBG	9.95%	10.20%	10.45%	10.70%	10.95%
7.	Green Hydrogen and its derivatives	9.75%	10.00%	10.25%	10.50%	10.75%
8.	Ethanol (with Existing Sugar Plant)	10.35%	10.60%	10.85%	11.10%	11.35%
9.	Ethanol (stand-alone projects)	10.75%	11.00%	11.25%	11.50%	11.75%
10.	Energy Efficiency, Energy Conservation & Solar Thermal /Solar PV Off-Grid, CSP & Other Sector (Including battery manufacturing and Sustainable Aviation Fuel)	11.00%	11.25%	11.50%	11.75%	12.00%

11.	Advance/Smart metering Infrastructure Service- Pvt Sector (With Direct Debit Facility)	8.90%	9.15%	9.40%	9.65%	9.90%
12.	Energy Storage System (ESS)	8.85%	9.10%	9.35%	9.60%	9.85%
13.	Short term loan, medium term loan, project specific loans for Transmission sector	Highest rate of the Transmission sector + 50 BPS				
14.	Short term loan, medium term loan, project specific loans for Green Hydrogen	Highest rate of the Green Hydrogen and its derivatives Sector + 100 BPS				
15.	Short term loan, medium term loan, project specific loans for all sector except transmission & Green Hydrogen sector	Highest rate of the respective sector + 150 BPS				
16.	Manufacturing (Solar & Wind) and related ancillaries	Installed manufacturing Capacity ≥ 500 MW/TPD	Installed manufacturing Capacity > 200 MW/TPD and < 500	Installed manufacturing Capacity < 200 MW/TPD		
		9.40%	9.65%	10.15%		
17.	LoC for Refinance	Cost of domestic borrowing + 1% to 2% spread				

1. The above interest rates along with the conditions will be effective in case of all new Sanctions and for disbursement on or after 01.10.2026. The above interest rates along with the conditions will also be effective on all loan accounts from their next reset of interest date on or after 01.10.2026.
2. The above interest rates are for loans having interest installments on monthly rest, for accounts having interest installment on quarterly rest, the interest rate will be 10 bps higher than the above rate.
3. Additional Interest @ 0.50% shall be charged over and above the applicable rate of interest 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. The additional interest during commissioning period shall discontinue after commissioning of the project. The date of such discontinuance shall be the date on which the borrower submits the duly certified commissioning certificate for the entire sanctioned capacity of the project to IREDA.
4. The interest rate shall be subjected to reset on commissioning of the project or 1 year from the Date of first disbursement, whichever is earlier and thereafter every 1 year. In case projects commissioned prior to first disbursement, the first reset will be 1 year from the date of first disbursement.
5. In case of loans sanctioned for manufacturing facilities, no additional interest during the construction period shall be charged.
6. For Hydro projects more than 25 MW capacity, an additional interest rate of 25 bps to be charged over and above the Hydro power sector rate.
7. For Advance/Smart metering Infrastructure Service- Pvt Sector, wherein alternate Payment Security Mechanism (PSM) is provided by State Govt./DISCOM/Govt. entities. an additional

interest rate of 50 BPS to be charged over and above the rates applicable for Advance/Smart metering Infrastructure Service- Pvt Sector (With Direct Debit Facility)

8. For EV related Manufacturing, an additional interest rate of 50 bps to be charged over and above the EV & EV Infrastructure sector rate.
9. For Ethanol (stand-alone projects), rebate of 25 Bps would be provided on satisfaction of all the following conditions – a) The submission of legally binding raw material contract from private entity / written communication from FCI for requisite Raw material quantity and b) Interest Subvention Approval of DFPD and c) Signed Long term purchase agreement (i.e. minimum tenure of 10 years) with OMCs (IOCL/BPCL/HPCL etc.).
10. For EV bus fleet operators having Gross Cost Contracts (GCC) along with payment security mechanism (PSM) wherein contract is with Government entities like municipal corporations / state transport corporations, PSUs and other Government entities a discount of 75 bps on rates prescribed for EV and EV Infrastructure shall be applied.
11. For Green Hydrogen Sector Borrowers are entitled for the rebate of 25 BPS where Developers has obtained external credit rating of "A-" or above.
12. For i) Rebate in Interest rate for commissioned projects (All sectors excluding Short-term loans) and ii) Rebate in Interest rate based on the External rating, the following may please be referred.

I. <u>Rebate in interest rate for Commissioned projects</u> (All sectors excluding Short-term loans)

Particulars	Investment grade External rating	Not rated/non-Investment grade
Commissioned Project (All sectors excluding Short-term loans)	25 bps	Nil

II. <u>Rebate in interest rate based on their External rating</u> (including under-commissioning projects)

External rating	Rebate
AAA	35 bps
AA+	30 bps
AA	25 bps
AA-	20 bps
A+	15 bps
A	10 bps
A-	5 bps

Note:

1. The above matrix along with the conditions will be applicable for all existing projects of IREDA and projects to be sanctioned in future.
2. External rating is to be done by at least 2 SEBI registered Credit Rating Agencies and if ratings of the agencies are different, then lower of the two ratings would be considered for applicability of rebate.
3. However, one external rating shall be considered for applicability of rebate in interest rate for MSMEs (having valid MSME certificate) or having loan amount upto Rs. 50 Cr. This provision shall be effective from 29.08.2024.
4. For Rebate in interest rate for Commissioned projects pertaining to all sectors excluding short-term loans, the Rebate will be passed on for the project with minimum Investment Grade External rating and shall be applicable only for project term loan.
5. For Rebate in interest rate based on their External rating, the Rebate will be passed on for the projects based on their latest External rating and shall be applicable only for project term loan.
6. For the above two rebates, New External rating will have to be provided, valid for a period of 12 months or upto 15 months, as confirmed by the rating agency, and if not provided then the rebate shall not be passed on. Further, calculation of validity shall be w.e.f. the date of publication of external rating. Timeline for submission of external rating shall be 15 days from the date of publication and if it is not submitted within 15 days, then the rebate shall be given from the date of submission of rating to IREDA.

   Note: Above modifications shall also be applicable for the existing cases wherever the valid rating has been provided on continuous basis and request received for the same, 01.04.2024 onwards.
7. The above Rebates will be linked to the timely payment of Monthly / Quarterly dues on or before the due dates, as specified in the loan agreement.
8. The above matrix along with the conditions will be effective on or after 01.10.2026.

II. Requirement of External Credit Rating (ECR) of Sponsor/ Promoter for Loan applicants

Case and conditions under which External Credit Rating of the sponsor/ promoter is required

All the applicants, wherein the project is under implementation stage would be required to provide External Credit Rating of the Sponsor/ promoter from any of the SEBI registered Credit Rating Agencies during the appraisal stage. However, this would be exempted in the following cases:

- Wherein the SPV is promoted by individual promoters.
- The applicant/ promoter Company being MSE (Micro and Small Enterprises) borrower.
- Applicant is a Government Entity (including Central and State PSUs), or it is promoted by State/ Central Government.
- Projects promoted by Sovereign Funds/ Infrastructure Funds/ Pension Funds and or any other similar nature funds.
- Where applications are assessed at portfolio level under obligor co-obligor structure

- The sponsor Company is debt free.
- The sponsor Company is an investment Company only.

Rebate in Interest Rate

In the event of Borrower furnishing security of Bank Guarantee/ pledge of FDRs from scheduled commercial banks as described in RBI Act, or Unconditional/ Irrevocable guarantee from All India Public Financial Institutions with "AAA" or equivalent rating - equivalent to the amount sanctioned by IREDA, the following shall apply -

- For projects covered under CRRS: Interest rate charged will be as applicable for Grade I borrowers.
- For Projects not covered under CRRS: 1% rebate in applicable interest rates.

Exclusions (Rebate in Interest Rates)

a) BG/ FDR provided against debt service reserve money (DSRM) as per requirement of Trust & Retention Account (TRA)

b) BG / FDR provided towards collateral security/ Loan against promoter's contribution.

Applicable Interest rates under other IREDA Schemes

No	Scheme	Current Interest Rates
1.	Bridge Loan Scheme for SDF supported Bagasse based Cogeneration Projects	Additional interest rate of 1% over and above the applicable interest rate shall be charged for the bridge loan portion.
2.	Loans against Securitization of future cash flows of existing RE projects (Corporate Loan)	Additional interest rate of 1.25% over and above the applicable interest rate shall be charged.
3.	Line of Credit to Non-Banking Financial Companies (NBFCs) for on-lending to RE/ EE Projects.	Cost of Domestic Borrowing Cost + 1% to 2% Spread. The annual commitment fee shall be 0.1% p.a., to be paid upfront on outstanding amount (w.e.f date of loan agreement). For more details, please refer the scheme at Section: 12(I).
4.	"Short term loan assistance to RE/EE Developers /Suppliers /Contractors"	As per internal interest rate matrix, revised from time to time. For more details, please refer the scheme at clause 12(II).
5.	"Bridge loan assistance to RE Promoters/ Developer against Capital Subsidies /VGF available under various State/Central Govt. Schemes"	Applicable interest rate for the project + 1% p.a. (on bridge loan portion only). For more details, please refer the scheme at Section: 12(III).
6.	Direct Discounting of MNRE Capital Subsidy & GBI Claims	0.90% per month (10.8% p.a.). For more details, please refer to the scheme at Section: 12(VI & VII).
7.	IREDA Scheme for Bridge Loans against pending Energy Bills for IREDA Borrowers	Prevailing highest interest rate for the Sector + 50 basis point. To be notified from time to time by the Interest Rate Fixing Committee. Processing Fees (Front end fee): 0.25% of the sanctioned loan amount. For more details, please refer the scheme at Section: 12(X).
8.	"Access to Energy" Loan Scheme under KfW Line	Loan Tenure — Interest rate p.a. ➢ Upto 2 Years — 9.75% ➢ More than 2 – 4 Years — 10.75% ➢ Longer than 4 Years — 11.50%

		For more details, please refer to the scheme at Section: 12(XIII).
9.	Loan Scheme to promote the Concentrating Solar Thermal (CST) Projects for Industrial Process Heat Applications.	7% p.a., after considering interest UNIDO subvention. 12% on bridge loan, if any against MNRE subsidy. For more details, please refer to the scheme at Section: 12(XIV).
10.	Policy for Financing Transmission Projects	Shall be aligned with Lead Lender/ Lead Arranger to the satisfaction of IREDA. For more details, please refer the Policy at Section: 12 (XV).
11.	Loan Scheme/Line of Credit for Financing Large Scale Roof Top	Discount of 30 BPS on the interest rates as applicable under the existing Loan scheme to Roof Top Solar PV Projects. For more details, please refer the scheme at Section: 12(XVI).
12.	IREDA: Top-Up Loan Scheme	The prevailing int. rate of the project + 1.5% p.a. For more details, please refer the Policy at Section: 12 (XVII).
13.	Loan Facility to Govt. Bodies/ Discoms/ Transcos /State Owned Trading Companies"	As per internal interest rate matrix, revised from time to time. For more details, please refer the Policy at Section: 12 (XIX).
14.	Loan Against Securitization of Future GBI receivables in case of Grid Connected Wind & Solar Projects	Interest rate: Highest prevailing interest rate of the sector (solar & wind) + 0.5% p.a., with reset clause as per prevailing norms of IREDA (presently 1 year). For more details, please refer the Policy at Section: 12 (XIX).
15.	IREDA Financing Scheme - "Manufacturing of Biomass Pellets / Briquettes/Torrefied Pellets/ Refuse Derived Fuels (RDF)"	For more details, please refer the Policy at Section: 12 (XXI).
16.	Scheme for Financing of "Biomass projects for heating applications for commercial use"	Applicable rates for Biomass sector For more details, please refer the Policy at Section: 12 (XXII).
17.	Setting up of New Distillery / Expansion of Existing Distillery for Production of Ethanol Using Sugarcane Juice / Sugar Syrup / B-Heavy Molasses / C-Heavy Molasses / Damaged Food Grains / Surplus Rice with FCI And Other feedstock such as Sorghum / Sugar Beet etc.	As notified from time to time. For more details, please refer the Policy at Section: 12 (XXIII).

<u>Criteria/Conditions for retaining projects by offering competitive interest rate is as follows: -</u>

1. All the securities of the project should have been created as per sanction terms.
2. Account should be standard and regular.
3. External Rating of the project should have been upgraded after taking loan from IREDA or if the project not rated earlier at the time of sanction, the project should have minimum investment grade external rating.
4. Loan should have been completed 1 year after the first date of disbursement.

5. Rate to be decided based on similar sanction from other lenders and competitive rate to be offered, which may be lesser than the similar sanction. However minimum margin of 100 bps over and above incremental cost of borrowing is to be ensured.

If any borrower satisfying the above conditions and holds a valid sanction letter from other Banks/NBFCs, the project will be eligible for the said reduction of interest rate.

Applicable Interest in case of default in payment

In case any borrower defaults in payment of principal and /or interest and is classified as NPA in terms of IREDA"s accounting policy and was assigned grade better than Grade-V at the time of sanction, the rate of interest to be charged for such loans would be applicable interest rate for "Grade –V" of the sector at the time of default or applicable rate of interest for the project at the time of sanction/ reset whichever is higher. The higher interest rate will be charged till the loan gets upgraded to standard category.

Reset

The interest rate shall be subjected to reset on commissioning of the project or 1 year from the Date of first disbursement, whichever is earlier and thereafter every 1 year. In case projects are commissioned prior to first disbursement, the first reset will be 1 year from the date of first disbursement.

Projects not covered under CRRS rating will also have interest rates prevailing at the time of each disbursement apart from Reset guidelines as mentioned above.

Note:

- Reset periods are subject to change.
- Re-rating of the project will be carried out by IREDA on its own on interest reset dates subsequent to COD (including reset on COD), by charging applicable fee of Rs. 1 Lakhs, plus applicable taxes, at any other time, the borrower will have the option to get the project re-rated by paying applicable fee of Rs. 5 Lakhs, plus applicable taxes.
- Thereafter, the revised rating and the corresponding interest rate would be applicable **for the next 1-year period.**
- **In the event, the borrower obtains re-rating of the project in between the two interest reset dates. The interest rate post re-rating will be the corresponding applicable interest rate as on date pertaining to the re-rating grade and sector and will be effective from the date of re-rating for the next 1-year period (effective from 01st October 2025).**

II. Debt Service Reserve Account

a) New Project (Greenfield and expansion) and Not commissioned takeover project

Period	Amount of Debt Service Reserve Account
On or before the date of Commencement of Commercial Operations of the Project	In total, the highest Interest amount of a quarter during repayment period
Within 6 Months from the date of Commencement of Commercial Operations of the Project	In total, the highest sum of Interest amount of 2 quarters during repayment period
Within 1 Year from the date of Commencement of Commercial Operations of the Project	In total, highest sum of Interest of 2 quarter and principal amount of 1 quarter during repayment period
Within 1 and half Year from the date of Commencement of Commercial Operations of the Project	In total, highest sum of Interest and principal amount of 2 quarter during repayment period

Note : Penal shall be applicable from the actual Commercial Operations Date (COD)

b) For Commissioned take-over projects

Period	Amount of Debt Service Reserve Account
Before disbursement	In total, the highest sum of Interest amount of 2 quarters during repayment period
Within 6 Months after disbursement	In total, highest sum of Interest of 2 quarter and principal amount of 1 quarter during repayment period
Within 1 Year after disbursement	In total, highest sum of Interest and principal amount of 2 quarter during repayment period

c) For Extending Medium Term loan for Renewable Energy Expansion

Period	Amount of Debt Service Reserve Account
Before disbursement	In total, highest sum of Interest and principal amount of 1 quarter during repayment period.

d) For specified off-takers projects:

	Off-takers	Within 1 Year from the date of Commencement of Commercial Operations of the Project	Within 1 and ½ year from the date of Commencement of Commercial Operations of the Project
1	SECI/NTPC/Any Other Central Utility & DISCOMs with A+ Rating as per "Annual Integrated Ratings of State DISCOMs by PFC"	In total, highest sum of Interest and principal amount of 1 quarter during repayment period.	Not Required

2	Other DISCOMS (*)	In total, highest sum of Interest and principal amount of 1 quarter during repayment period.	In total, highest sum of Interest and principal amount of 2 quarter during repayment period
3	Group captive/ third party	In total, highest sum of Interest and principal amount of 1 quarter during repayment period.	In total, highest sum of Interest and principal amount of 2 quarter during repayment period

(*) If the PPA is with any other Discoms which have history of delayed payments to generators and are having weak financial health, then IREDA may insist for additional working capital limits/Addl. DSRA.

Note:

a) For the projects already sanctioned before the effective date, the earlier approved policy will prevail.

b) In case of co-financing / consortium financing or any other structured financing, above conditions/ clauses can be aligned with terms and conditions proposed by lead FI/ Banks/Underwriters/ Syndicators.

c) In case on non-creation of DSRA as stipulated, penal charges of Rs 3000 per lakh per annum of Loan outstanding amount for non-compliance which shall be calculated on daily basis considering the number of days in a year as 365(proportionate amount would be charged for the amount less than a lakh, if any).

d) The technical group will inform the non-compliance of this policy to finance group for the purpose of their action.

e) DSRA shall not form part of project cost.

f) Borrower shall have option of providing Bank Guarantee/Revolving Bank Guarantee/ Pledge on Term Deposit Receipt in lieu of any shortfall in stipulated DSRA amount.

g) In Case of providing BG in lieu of shortfall of DSRA, BG renewal/fresh BG (of appropriate amount) be submitted at least 30 days before expiry of previous BG. Upon non-compliance, BG be invoked.

h) DSRA amount created can be invested in non-volatile highly liquid financial instrument. For e.g., STDR/TDR/Gilt Mutual Fund. Pledge/Lien on the investment be created within 30 days of such investment. In case on non-creation of pledge beyond 30 days charges of Rs. 1 Lakh for every 1 month of non-compliance be payable by borrower. For calculation of charges, part of month to be considered as full month.

i) In case a specific policy/guideline stipulates DSRA requirement different from above guidelines, then specific policy/guideline shall be followed concerning the difference.

j) Calculations regarding DSRA formulation to be included as part of project cash flows while calculating project viability assessment.

k) The quantum and reason for above penal charges shall be clearly disclosed to the customers in the loan agreement.

l) Whenever reminders for non-compliance are sent to borrowers, the applicable penal charges shall be communicated. Further, any instance of levy of penal charges and the reason therefore shall also be communicated.

m) On above stated charges, interest will not be charged. i.e. there will be no capitalization of penal charges/no further interest computed on such charges.

n) The above guidelines will also be applicable for financing new technologies for promoting & increasing usage / penetration of Renewable Energy & Funding of green mobility segment.

7. SPECIAL EFFORTS & CONCESSIONS RELATING TO SPECIAL STATES /BACKWARD /RURAL AREAS, SC/ST, WOMEN ENTREPRENEURS, ETC.

Due encouragement and efforts are made to assist promoters in the backward/rural areas and falling in SC/ST, Women, Ex-Servicemen and Handicapped categories. The details are as follows:

I. Entrepreneurs belonging to SC/ST, Women, Ex-Servicemen and Handicapped Categories (applicable only for projects involving project cost up to Rs.75 lakhs)

- Rebate of 0.5% p.a. in interest rate
- Exemption from payment of the following: -
  - Registration Fee
  - Documentation Charges
  - Front End Fee
  - Inspection charges
  - Expenditure on Nominee Directors
- Concession of 5% in promoters' contribution

Notes

The definition of SC/ST, Women, Ex-Servicemen and Handicapped Entrepreneurs would be as under:

1. ***For Companies incorporated under Companies Act and Co-operative Societies Act***
   - More than 50% of equity share holding/share capital should be with SC/ST/women/ Ex-Servicemen and Handicapped entrepreneurs singly or jointly; and
   - Enterprise to be managed by SC/ ST/ Women/Ex-Servicemen/ Handicapped i.e. management vests with the SC/ST/Women/Ex-Servicemen/ Handicapped in the form of majority in the Board of Directors/Governing Body.

2. ***For Societies and NGO***
   - Majority of members are SC/ST/women/ex-servicemen/handicapped. Management vests with the SC/ ST/ Women/ Ex-servicemen/ Handicapped in the form of majority in the Governing Body /Council /Board.

II. Special efforts & concessions for entrepreneurs setting up Projects in North Eastern States, Sikkim, Islands, Estuaries, and union territories of Jammu & Kashmir and Ladakh

- Rebate of 0.5% p.a. in interest rate
- 50% Exemption from payment of the following: -
  - Registration Fee
  - Documentation Charges
  - Front-end fee
  - Inspection Charges
  - Legal Charges (other than incurred for Recovery)
  - Expenditure incurred on Nominee Director (s)

Notes

- In case the entrepreneurs belonging to SC/ST/ Women/ Ex-Servicemen/ Handicapped category, additional concessions, if any, available for this category will also be available.
- The definition of Islands, Estuaries would be as notified/announced/ declared by way of Gazette/Government Order/Circular/Executive Order/ Specific clarification letter by Competent Authorities of Central/State Government/Local Authorities.
- All interest concessions/rebates will be available on the condition that the Borrower pays the installments of loan and interest on or before due dates. This will not apply to rebate for providing Guarantee Assistance.
- Rebates for Special efforts & concessions for entrepreneurs setting up Projects in North Eastern States, Sikkim, Islands, Estuaries, and union territories of Jammu & Kashmir and Ladakh will be applicable in main loan only.

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8. POLICY ON PRE-PAYMENT

Pre-payment of loan in full/part is permissible subject to prior written notice of minimum 30 days and payment of the pre-payment premium by the borrower.

In case, a borrower proposes to continue to avail the loan facility from IREDA but desires that the documented Interest rate be converted into the Present Lending Rate applicable to a particular grade/ sector, the same shall also be considered by IREDA subject to Pre-Payment Premium, as per the prevailing guidelines/ norms at the time of pre-closure/ date of conversion of rate.

In case, a borrower proposes to continue to avail the loan facility from IREDA but desires that the documented Interest rate be converted into the Present Lending Rate applicable to a particular grade / sector, the same shall also be considered by IREDA subject to Payment of Premium, as detailed below:

- To calculate premium for reduction of interest rate, the stream of cash flows for the balance repayment period has to be worked out based on the last document rate and current lending rate for the sector. The differential Interest (disbursement rate less the current lending rate applicable to the borrower) cash flows are discounted on daily basis by taking the prevailing Present Lending Rate as discount factor.
- 50% of the Premium as calculated in (a) above shall be charged.
- The conversion of rate of interest to present lending rate may be permitted more number of times during the tenure of the loan.

Note:

- In case of projects where the any subsidy / benefits/ interest subvention, etc., provided by Ministry of New and Renewable Energy / SECI / other agencies, then the same is subject to compliance of conditions as stipulated therein.
- There shall be no change in the Reset Date.
- The premium calculation shall be only upto upcoming / next Reset date.
- Rates as applicable on next reset date shall be applied from the reset date.
- Fund base: Applicable to disbursed and undisbursed amount.

If a borrower pre-closes the loan after availing the facility of conversion of interest to present lending rate, no change as per existing policy.

The Pre-Payment Premium shall be charged as per the slabs mentioned below on the loan outstanding, or as applicable in case of Consortium Arrangements:

a) 2%, if the prepayment is made before re-payments of 30% of loan amount sanctioned.
b) 1.5%, if the prepayment is made after 30% of re-payments but before 50% of repayments of loan amount sanctioned.
c) 1%, if the prepayment is made after 50% of re-payments but before 75% of repayments of loan amount sanctioned.
d) 0.5%, if the prepayment is made after 75% of re-payments of loan amount sanctioned.

Exclusions:

- No pre- payment charges shall be payable if the pre-payment(fully/partly) is affected in any of the following events:

a. At the instance of the Lender(s),

b. the loan is pre-closed partly/ fully out of capital subsidy / grant,

c. the loan agreement provides for specific pre-payment conditions,

d. From the surplus cash accruals generated by the project upto 20% of Loan outstanding. The said partial prepayment should be made from internal accruals/surplus revenue of funds from the project only. The borrower shall satisfy IREDA with documentary evidence in this regard. But in case, in any Financial year, over and above 20% of loan outstanding, if a borrower opts to pre-close the balance loan outstanding in one lump sum at any point of time subsequent to the partial prepayment, it shall be liable to pay the prepayment premium as per pre-payment policy.

e. If the pre-payment is due to cash sweep of the project

f. In case of Hydro Projects, accelerated full prepayment may be accepted (without Pre-payment premium), if the prepayment is from the internal accruals of the project.

g. No prepayment fee will be charged in case of prepayment of entire loan, where the loan outstanding is less than or equal to 10 % of the total loan sanctioned / disbursed amount.

h. In case of rescheduled accounts, the borrower will have the option for accelerated prepayments and in such cases, no prepayment premium shall be charged for such amounts.

i. Equity raised by borrower/promoter with prior intimation to the IREDA that the equity is raised for pre-payment of loan.

Note:

a) Borrower can prepay loan with applicable prepayment penalty, however the same can be adjusted against upfront fees for subsequent financing (i.e. date of issuance of intimation of sanction) for other project set up by same company / group company on pro-rate basis of loan amount within a period of 6 months from the date of prepayment. Adjustment shall not be done for any tax paid by the borrower.

b) The Policy on prepayment will not be applicable (no prepayment charges) for Loans to Govt. Bodies/ Discoms/Transcos/State Owned Trading Companies and Line of Credit to Non-Banking Financial Companies (NBFCs) for on-lending to RE/ EEC Projects.

c) Prepayment by the borrower in the above cases, should be within 30 days after giving prior written notice of at least 30 days to IREDA. Eg. If a borrower give notice on 1 June 2023 to pre-pay outstanding loan amount on 30 June 2023, entire amount should be paid by 30 July 2023. In this case, borrower shall pay the interest upto 30 June 2023 and further interest till the date of prepayment. In case the prepayment is not made by 30 July 2023, fresh prepayment request to be submitted. Further in case borrower wishes to pre-pay the loan before 30 June 2023(as given in example), interest will be charged till 30 June 2023.

d) The re-payment (while calculating pre-payment premium) excludes any amount of pre-payment made earlier in last one year from the date of current prepayment request.

e) The above guidelines will be applicable unless there is specific approval for other prepayment guidelines.

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9. CHARGES FOR LIQUIDATED DAMAGES

I. Default in payment of interest or any monies due will attract prescribed penal charges.

II. In case of default in payment of installments of principal, interest and all other monies (except liquidated damages) on due dates, liquidated damages, at the rate of Rs 2000/- per lakh per annum for the projects shall be payable which shall be calculated on daily basis considering the number of days in a year as 365(proportionate amount would be charged for the amount less than a lakh, if any).

III. The quantum and reason for above penal charges shall be clearly disclosed to the customers in the loan agreement.

IV. Whenever reminders for non-compliance are sent to borrowers, the applicable penal charges shall be communicated. Further, any instance of levy of penal charges and the reason therefor shall also be communicated.

V. On above stated charges, interest will not be charged i.e., there will be no capitalisation of penal charges / no further interest computed on such charges.

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10. SCHEDULE OF FEES

I. Registration Fee

Loan applied	Registration Fee per application
Upto Rs.20 Cr.	Rs.1,00,000/- plus applicable taxes
Above Rs.20 Cr. & up to Rs 125 Cr.	Rs.2,50,000/- plus applicable taxes
Above Rs.125 Cr. & upto Rs. 250 Cr.	Rs.5,00,000/- plus applicable taxes
Above Rs. 250 Cr	Rs.10,00,000/- plus applicable taxes

Note:

- The State Sector Discoms, Transcos, Gencos would be exempted from payment of above Registration Fees.
- The Registration fee once paid for any type of loan application is non- refundable.
- Application is valid for 6 months from date of registration. On expiry of application, fresh application to be filled with applicable fee.

Loan slab	Front-End- Fee (% of loan amount)
Upto Rs 100 Cr.	1% of loan amount plus applicable taxes
Above Rs 100 Cr.	For loans above Rs. 100 Cr.: 1% of First Rs. 100 Cr. plus 0.25% for the balance loan amount above Rs. 100 Cr, plus applicable taxes

II. Front-end Fee

Note

1. Letter intimating applicant to deposit applicable Front End Fee (amount to be mentioned in the letter) be issued by Projects Department within one day of receiving communication of approval by Sanctioning Authority. **(01.04.2023 onwards)**

2. Non – refundable, 100% of applicable "Front End Fee" plus applicable GST, be obtained without any rebate, before issuance of sanction letter.

3. In cases wherein borrower is State Nodal Agencies/ State PSUs/ State Governments/Government owned entity, front-end-fee is exempted.

4. Additional loan, if sanctioned will also be governed by above table with reference to total loan amount, but front-end fee shall be chargeable on the additional loan component. The same is not applicable to the loans sanctioned under "IREDA-Top—Up Scheme", for which front end fee shall be charged as per the slab, treating it as a fresh loan.

5. For Additional loan towards the existing project with sole banking / exclusive with IREDA, which are sanctioned for change / upgradation of Technology/capacity enhancement, the front-end fee shall be considered for total loan including additional loan.

6. The Front-end Fee towards availment of Non Fund based facility by borrowers / group companies who are existing customers of IREDA and have regular repayment track record, categorized under regular category, is not classified under SMA-I or above as on date, during the tenure of the loans including all facilities for the said borrower/ group company / promoter shall be applicable as per details mentioned below for loan slab upto Rs.100.00 crores only:

S.No.	Existing customer	Front End Fee Applicable
1	Upto 5 years	1.00%
2	Continues relationship more than 5 years to 10 years	0.75%
3	Continues relationship more than 10 years	0.5%

Note:

- No rebate/concession shall be applicable for payment of front-end fee.
- No Front End Fees is applicable where NFB facility is given as sub limit of Term Loan.
- The Front End Fee is non refundable.
- Above Rs.100 crore slab existing fee structure shall be applicable.

III. <u>Documentation Charges:</u>

- In case of sole lending by IREDA, documentation charges will be governed as:

  ✓ Rs. 2 Lacs plus applicable taxes for IREDA Loan amount upto Rs.20 Crores,
  ✓ Rs. 5 Lacs plus applicable taxes for IREDA Loan amount above Rs.20 Crores and upto Rs.100 Crores
  ✓ Rs. 10 Lacs plus applicable taxes for IREDA Loan amount above Rs.100 Crores and upto Rs.500 Crores
  ✓ Rs. 15 Lacs plus applicable taxes for IREDA Loan amount above Rs.500 Crores and upto Rs.1000 Crores
  ✓ Rs. 20 Lacs plus applicable taxes for IREDA Loan amount above Rs.1000 Crores

Note:

Title search counsel fee depending on nature of documentation, number of titles and size of land, etc., and any other charges towards legal documentation is to be paid separately by the borrower.

Stamp papers for legal documentation is to be arranged by the borrower. Incase stamp paper is arranged by IREDA, stamp charges as per actuals will be paid by the borrower.

- Rs.3 Lac plus applicable taxes, irrespective of the loan amount in case of Joint financing.

Note:

(1) The Fees/ charges to be paid by borrower before processing of request. The fee in any case would be non-refundable.

(2) The charges are also applicable in case of drafting the documents for extending and taking charge, subsequently for other lenders.

(3) The above charges are not applicable: for Term loan assistance to State sector Discoms/ Transcos/ Gencos/ CPSUs/ State PSUs/ Other State/Central Government Sector Agencies.

(4) In case of CST project under UNIDO scheme, the Documentation Charges will be 1% of the loan amount or Rs. 1 Lac, whichever is lower, irrespective of the loan slab.

IV. Reschedulement Fee

IREDA normally does not allow rescheduling of installment(s) of loan as incorporated in the Loan Agreement. The reschedulement fee will be linked with loan o/s in including FITL, if any, as per the following:

- Upto Rs. 20 Cr : Rs. 1 Lac plus applicable taxes
- Above Rs. 20 Cr : Rs. 3 Lac plus applicable taxes

The Fees/ charges to be paid by borrower before processing of request. The fee in any case would be non-refundable.

V. NOC Fee for sharing existing charge on assets

IREDA would charge a lump sum fee of Rs. 1.5 lakh plus applicable taxes for issuing NOC for existing charge on assets.

The Fees/ charges to be paid by borrower before processing of request. The fee in any case would be non-refundable.

VI. Fee for sharing of Appraisal

The fee for sharing of appraisal (for each FI/Bank) will be linked with loan o/s including FITL, as per the following:

- Upto Rs. 20 Cr : Rs. 1 Lac plus applicable taxes
- Above Rs. 20 Cr : Rs. 3 Lac plus applicable taxes

The sharing of Appraisal Report will take place, if the project envisages co-financing arrangements and/ or requirement of working capital at the time of appraisal of project by IREDA.

The Fees/ charges to be paid by borrower before processing of request. The fee in any case would be non-refundable.

VII. NoC Fee for Merger/ Amalgamation etc.

IREDA would charge fee as 0.1% of the loan o/s including FITL (Current Loan Outstanding as on date of processing of the request to be considered) for issuance of NOC towards merger/ amalgamation etc. The fee to be taken before the issuance of NoC.

The Fees/ charges to be paid by borrower before processing of request. The fee in any case would be non-refundable.

VIII. NoC Fee for Change in Management, Change of Shareholding pattern, Foreign Participation

IREDA would charge fee of Rs. 5 Lakhs, plus applicable taxes, for issuance of NOC towards change in management, change in shareholding pattern for more than 50%. The fee is not applicable if the change of management/ shareholding is on behest of IREDA or due to Rehabilitation/ Revival of Stressed Projects.

The Fees/ charges to be paid by borrower before processing of request. The fee in any case would be non-refundable.

IX. Re Rating Fee

Re-rating of the project will be carried out by IREDA on its own on interest reset dates subsequent to COD (including reset on COD), by charging applicable fee of Rs. 1 Lakhs plus applicable taxes. At any other time, the borrower will have the option to get the project re-rated by paying applicable fee of Rs. 5 Lakhs plus applicable taxes.

The Fees/ charges to be paid by borrower before processing of request. The fee in any case would be non-refundable.

X. Other NoC Fees

Any other NoC Fees, which is not covered under "Schedule of Fees" Chapter, would be charged as Rs. 1 Lakhs plus applicable taxes for issuance of respective NoC. However, NoCs issued towards Insurance Claims would be exempted from payment of above fees.

XI. Underwriting Fee

a) **Soft Underwriting: -** 1% of the underwritten amount (Including 0.5% Front End Fee) plus applicable taxes

b) **Hard Underwriting: - 1.25**% of the underwritten amount (Including 0.5% Front End Fee) plus applicable taxes.
For more details, please refer the scheme at Section: 12(IV).

XII. Guarantee Fee under "Guarantee Assistance Scheme to RE Suppliers/ Manufacturers/ EPC Contractors/ Developers"

To be paid upfront@ 2% p.a. plus applicable taxes. The fee would be @2.5% p.a. if the guarantee assistance to RE Developers towards their requirement for projects bidding /allocation by SECI, NTPC, State Discoms, other Govt. Agencies & in case if they accept IREDA Guarantee. For more details, please refer the scheme at Section:12(V).

XIII. Lead Fee

Consortium Loan Slab	Lead Fee (% of Loan Amount)
Upto Rs. 200 Cr.	0.20% of the total loan amount plus applicable taxes
Above Rs. 200 Cr.	0.20% for first Rs. 200 cr plus 0.15% for the balance loan (Subject to minimum of Rs. 40 Lakhs and maximum of Rs. 60 Lakhs) plus applicable taxes

One-time fee as per the mentioned slab needs to be paid in the 1st Year. Subsequently, amount of Rs. 3 Lakhs plus applicable taxes will be charged on 1st Quarter of every year, till the currency of the loan period. For more details, please refer the scheme at Section 12(VI).

XIV. Appraisal Fee:

An amount of 0.25% of loan amount (minimum Rs. 10 Lakh and maximum Rs. 25 Lakhs) to be obtained before issuance of term sheet (after financial concurrence) in case of New and Emerging Technologies. The technologies are as follows:

- Battery Energy Storage Systems (BESS) and manufacturing of batteries
- Projects involving production of Green Hydrogen and its derivatives, including manufacturing/ production of components/materials which have direct impact on providing support to Renewable Energy/ Green Technologies/EV/Green Hydrogen and its derivatives.
- Fuel Cells,
- Manufacturing/ assembling plant of Electric Vehicles and associated components,
- Waste Recycling units to meet the demands of the RE Sector, Electric Mobility and BESS Segments
- Smart Meter Projects

XV. Fee under "Credit Enhancement Guarantee Scheme" for raising Bonds towards Renewable Energy Projects (Solar / Wind)

- **The guarantee fee** to be charged by IREDA shall be in the range of **1.80% -2.90%** p.a. of its exposure plus applicable taxes.
- Apart from above Guarantee fee, applicant shall be liable to **pay processing fee of 0.10% of the IREDA's exposure of Guarantee.** For more details, please refer the scheme at Section: 12(XI).

XVI. Fee for Issue of Letter of Comfort (LoC)/Letter of Undertaking (LUT) for opening of Letter of Credit (LC)

LoC/LUT Duration	Minimum Applicable Fee
Upto 1 Year	**1.00%**
Upto 2 Years	**1.25% p.a.**
Upto 3 Years	**1.50% p.a.**

For more details, please refer the Policy at Section: 12(XII).

XVII. "Loan Against Securitization of Future GBI receivables in case of Grid Connected Wind & Solar Projects"

Processing Fees: 0.5% of the loan amount or Rs. 5 Lakhs plus applicable taxes, whichever is lower. (No separate Front-end fee shall be applicable). For more details, please refer the Policy at Section: 12(XVIII).

Note:

- All Fees received is non-refundable and in case a specific policy/guideline stipulates a different fee with respect to above schedule of fees contained at 10.I-XVI, then the fee as per specific policy/guideline shall be charged.

11. NORMS UNDER CONSORTIUM/CO-FINANCING

In case of co-financing / consortium financing or any other structured financing, IREDA's lending can be aligned with terms and conditions proposed by lead FI/ Banks/Underwriters/ Syndicators

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12. OTHER FUND AND NON-FUND BASED FINANCING SCHEMES

I. Line of Credit to Non-Banking Financial Companies (NBFCs) for on-lending to RE/ Energy Efficiency and Conservation (EE) Projects, Electric Mobility Segment etc..

Eligibility

- NBFCs/ State Govt. Financial institutions & corporations. The NBFCs should have at least "A+" rating and in case of private sector financial institutions/companies, they should also have valid registration with RBI.
- It should have disbursed loans not less than Rs. 20 Cr. in last financial year for Renewable Energy sector/ Energy Efficiency and Conservation (EE) Projects/ Electric Mobility Segment, including new and emerging sectors like Green Hydrogen and its derivatives or any other upcoming green/renewable energy sector in future etc.

  or

  The NBFC has atleast 5 years of experiences and entering into this new segment.

- It should be profit-making for the last three financial years and should have no accumulated losses.
- Capital Adequacy Ratio (CAR) should be in conformity with the prescribed RBI Norms.
- Gross NPA should not normally exceed 5% of entire portfolio.
- The existing Debt Equity Ratio of NBFC should not be more than 5:1. However DER more than 5:1 can be considered against the security of BG/FDR for 100% loan amount issued by Scheduled Commercial Banks.
- The NBFCs should have adequate systems & procedures in regard to appraisal and recovery of loans.
- All other conditions relating to eligibility would be as per financing norms of IREDA.
- At the time of appraisal, threshold of financial covenants to be maintained by borrower like net NPA, Debt:Equity ratio, profitability (NIM) etc. be stipulated alongwith period of submitting compliance (period of submitting compliance be preferably quarterly but not more than 1 year). The borrower shall submit Auditor certificate within stipulated period for ensuring compliance to stipulated financial covenants. In case of non-compliance, charges of Rs. 5 Lakh for every period of non-compliance be payable by borrower. For calculation of charges, part of period to be considered as full.

Interest Rate: The interest rates vary from time to time. The current interest rates applicable would be as prevailing interest rates matrix (Chapter 6 of this document or as updated from time to time). In case of Govt. NBFC's/FIs, a rebate of 0.50% p.a. is applicable.

- **Repayment Period** **:** 10 years + 1-year moratorium

- **Fund utilization period** : First Disbursement is to be taken within 1 year of the loan agreement and the loan should be fully disbursed within 1 year of the first disbursement.
- **Mode of Disbursement** : On Reimbursement Mode and on-lending mode (on Lending mode applicable only for NBFCs in the EV Segment)
- **Annual Commitment Fee:** 0.25% p.a. plus applicable taxes upfront on undisbursed amount. The upfront Annual Commitment Fee has to be paid by 10th of subsequent month upon completion of 12 months from the first disbursement date, on the undisbursed portion, if any.

Security Conditions

Line of Credit from IREDA would be secured by a Charge (exclusive/first pari passu charge) as may be required, on the book debts of the NBFC upto 100% of the IREDA Loan outstanding including dues, at all times during the currency of the IREDA loan (OR) Any other securities as per the financing norms of IREDA. For Scheduled commercial Banks, the above condition i.e. Charge on the Book Debts, may be exempted.

II. "Short term loan assistance to RE Developers/ Suppliers/ Contractors/ Manufacturers etc.

Purpose To provide financial assistance in the form of short-term loan for meeting immediate fund requirements towards project development, implementation/ operations of renewable energy projects.

Eligible Entities

As per financing norms of IREDA

Scope

The short-term loan can be extended to RE/EE developers/ suppliers/ contractors/ Manufacturers etc. for meeting their immediate fund requirement for project development, implementation/ operations of the RE Projects provided applicant has to ensure/ confirm that promoter/ developer have the land permit or developer's permission or power evacuation connectivity, or its combination, before disbursement of the loan.

Repayment Period

Short term loan will be repaid within in the maximum period of 1 year from the date of first disbursement.

Interest Rates

As per internal interest rate matrix, revised from time to time.

Securities

First/ Pari passu charge on the movable and immovable assets of project (Or)

Security in the form of BG/FDR and one or more additional securities such as Extension of pari-passu/first charge in IREDA funded projects, pledge of shares, mortgage of collateral property,

corporate, personal Guarantees, Charge on revenue streams/Contracts/ Supplier Receivables/NACH mandate/ ECS mandate etc. to the satisfaction of IREDA.

Security (Min. 15% Margin money) in the form of BG/FDR and one or more additional securities such as Extension of pari-passu/first charge in IREDA funded projects, pledge of shares, mortgage of collateral property, corporate, personal Guarantees, Charge on revenue streams/Contracts/ Supplier Receivables/NACH mandate / ECS mandate etc. to the satisfaction of IREDA. Security of minimum 5% (instead of minimum 15%) of margin money may be considered for existing borrowers of IREDA or their group companies and having satisfactory payment track record at IREDA.

Reporting and monitoring

- The applicant will provide IREDA on request all statements, information, materials and explanations relating to its business and financial position including Annual Audited Financial Statements and Directors'/Auditors' Reports etc.
- The applicant will submit detailed status of the progress/ utilization certificates, on periodic basis. The end use certificate to be submitted on quarterly basis.
- IREDA may appoint Monitoring Agencies and/or carry out site inspections to verify the progress of the project/ utilization of funds for which, the short-term loan is being extended.

III. "Bridge loan assistance to RE Promoters/ Developers against Capital Subsidies/VGF available under various State/Central Govt. Schemes"

Eligibility

- As per financing norms of IREDA.
- The borrower company to have latest external credit rating to the satisfaction of IREDA.
- The applicants should submit unconditional letter of approval/comfort from concerned authorities for sanction/release of capital subsidies/VGF for the project under consideration.

Interest Rate: Applicable interest rate for the project + 1% p.a. (on bridge loan portion only).

Repayment Period: As per government schemes/guidelines of sanction order.

Securities

First/ Pari passu charge on the movable and immovable assets of project (OR) In case of 2nd charge, one or more additional securities such as pledge of shares, mortgage of collateral property, corporate, personal Guarantees etc. to the satisfaction of IREDA.

IV. "Underwriting of Debt/Loan Syndication"

Eligibility:

- As per financing norms of IREDA.
- The borrower company to have latest external credit rating to the satisfaction of IREDA.
- The debt underwriting would cover all renewable energy generation projects.

Extent of Exposure: It will be upto total debt requirement of the project subject to meeting exposure norms of IREDA. IREDA may prescribe a hold portion of loan commitment i.e. loan commitment of IREDA which IREDA intends to take on its own books of account. Remaining portion will be down sold to other banks/FIs

Interest Rate: The lending rates will be as per financing norms of IREDA as applicable from time to time. IREDA may have same or different interest rates for "Debts to be retained" and "Debt earmarked for down selling"

Debt Equity ratio of the project

As per IREDA financing norms, applicable from time to time.

Underwriting Fee:

- **Soft Underwriting**

Fee: 1% of the underwritten amount (Including 0.5% Front End Fee) plus applicable taxes

- **Hard Underwriting**

Fee: 1.25% of the underwritten amount (Including 0.5% Front End Fee) plus applicable taxes

Notes

- The clause 10 of this document with respect to 20% rebate in front end fee, if paid within 60 days from the date of IREDA sanction letter is not applicable in case of "Underwriting Fee"
- The above front-end fee upto 0.5% in both Soft and Hard Underwriting may be shared with participating Banks/FIs. The quantum/percentage of sharing will be on case-to-case basis, based on the quantum of the loan being down sold and the applicable fees of Bank/FIs.

Soft underwriting: IREDA will be obliged to take only hold portion on its books of accounts and remaining portion will have to be compulsorily down sold to participating banks/FIs.

Hard underwriting: Commitment of IREDA for entire underwritten portion is legally binding even when remaining portion of debt has not been tied up.

Financial charges and other fees:
The other charges, if any, shall be payable by the borrowers, as per IREDA financing norms as applicable from time to time.

Security: As per financing norms of IREDA.

V. "Guarantee Assistance Scheme to RE Suppliers/ Manufacturers / EPC Contractors/Developers"

(The above scheme is put on hold as per 460th Board meeting approval dated 25.03.2026 and will be reviewed periodically)

Eligible Entities

- Suppliers/Manufacturers/EPC Contractors/Developers having established track record of successful implementation of RE projects of not less than 50 MW capacity in India.

- It should be profit-making for the last three financial years and should have no accumulated losses.
- The borrower company to have latest external credit rating to the satisfaction of IREDA.
- LIE for the total period be appointed in projects wherein instrument towards performance/completion of project/ contract is being issued.
- Site visit by LIE/IREDA staff be mandatorily done every quarter with submission of quarterly report.
- One site visit by LIE/IREDA staff be mandatorily done before issuance of instrument with quarterly report thereafter.
- LIE fee to be borne by borrower.
- All other conditions relating to eligibility would be as per financing norms of IREDA.

Note: "Before issuing any assistance under the scheme, appointment of Lender's Financial Advisor is compulsory."

Extent of Guarantee: To cover tender bid security Earnest Money Deposit (EMD), Performance Bank Guarantee (PBG) and or/advance payment (ABG) received against the contract to execute the RE Project.

Guarantee Fee:

To be paid upfront@ 2% p.a. plus applicable taxes in case to be issued to Banks, Fis, etc.

However, fees will be @2.5% p.a plus applicable taxes, if the guarantee assistance to RE Developers towards their requirement for projects bidding /allocation by SECI, NTPC, State Discoms, other Govt. Agencies & in case if they accept IREDA Guarantee.

- The Fee Shall be charged upto the guarantee period plus actual claim period.

- **For Existing borrowers or their group companies participating in bids of Govt/ Govt entities/ PSEs and having satisfactory repayment track record at IREDA:** guarantee fee shall be charged on annual basis. The claim period fees shall be amortized within the guarantee period.

  At the time of issuance of guarantee, guarantee fees will be paid upfront by the borrower for complete one year from the date of issue of guarantee.

  Subsequently, annual guarantee fees will be paid in suomoto in advance within 7 days before expiry of last paid annual fee, otherwise highest applicable interest rate of the sector on the date of default plus penal charges will be levied.

  (In case, Guarantee Period is more than one year).
- In case the Claim is settled before the expiry of the claim period, the proportionate balance period fee shall be returned in all the cases. (Fee for the Guarantee period shall not be returned) to customer without GST (or any applicable taxes).

- For the purpose of fee calculation, it should be for full month. e.g. if the period is 2 months 4 Days, the fee would be charged for complete 3 Months.

- The securities taken for issue of Guarantee will not be released upto the Claim Period, or Settlement Date, whichever is earlier.

(the above norms will also be applicable in Smart metering / e-mobility Projects)

Interest charges: In the eventuality of guarantee being invoked, highest Interest rate of that sector + 1% along with Rs 2000 per lakhs (proportionate amount would be charged for the amount less than a lakh, if any) as LD Charges will be charged on amount outstanding, in addition to guarantee fee. Further, the quantum and reason for above penal charges shall be clearly disclosed to the customers in the loan agreement and whenever reminders for non-compliance are sent to borrowers, the applicable penal charges shall be communicated. Further, any instance of levy of penal charges and the reason therefor shall also be communicated.

On above stated charges, interest will not be charged i.e. there will be no capitalization of penal charges / no further interest computed on such charges.

Securities

First/ Pari passu charge on the movable and immovable assets of project (OR)

Security (Margin money) in the form of BG/FDR and one or more additional securities such as Extension of pari-passu/first charge in IREDA funded projects, pledge of shares, mortgage of collateral property, corporate, personal Guarantees, Charge on revenue streams/Contracts/ Supplier Receivables/NACH mandate/ ECS mandate etc. to the satisfaction of IREDA.

Security (Min. 15% Margin money) in the form of BG/FDR and one or more additional securities such as Extension of pari-passu/first charge in IREDA funded projects, pledge of shares, mortgage of collateral property, corporate, personal Guarantees, Charge on revenue streams/Contracts/ Supplier Receivables/ NACH mandate / ECS mandate etc. to the satisfaction of IREDA. Security of minimum 5% (instead of minimum 15%) of margin money may be considered for existing borrowers of IREDA or their group companies and having satisfactory payment track record at IREDA.

VI. IREDA to take up the role of lead FI under Consortium/ Syndicated Loans/ Multi banking arrangements by charging Lead Fee.

Background

IREDA do take up the role of the Lead Financial Institution (FI) under Consortium / Syndicated Loan / Multi Banking Arrangements while financing Renewable Energy Projects.

Fees Structure

IREDA to take up the role of lead FI under Consortium/Syndicated Loans/Multi banking arrangements by charging the below mentioned Lead Fee, apart from the other applicable fees as per the guidelines.

Consortium Loan Slab	Lead Fee (% of Loan Amount)
Upto Rs. 200 Cr.	0.20% of the total loan amount plus applicable taxes
Above Rs. 200 Cr.	0.20% for first Rs. 200 cr plus 0.15% for the balance loan (Subject to minimum of Rs. 40 Lakhs and maximum of Rs. 60 Lakhs) plus

- One-time fee as per the mentioned slab needs to be paid in the 1st Year. Subsequently,

amount of Rs. 3 Lakhs plus applicable taxes per will be charged on 1st Quarter of every year, till the currency of the loan period

- For calculation of fee for loan slab above Rs. 200 Cr.: 0.20% for first Rs. 200 Cr. plus 0.15% for the balance loan amount above Rs. 200 Cr., will be charged
- In addition to the mentioned Lead Fee, Borrower shall reimburse all other expenses incurred, including expenses towards Security trustee fee, Independent Engineer/Consultant, Concurrent Auditor/ CA, Legal Counsel, Lender's Financial Advisor, Insurance Advisors, Consortium meetings, Taxes as applicable, travel lodging, boarding, etc.

VII. Direct Discounting of MNRE Capital Subsidy payable to Accredited Channel Partners and State Nodal Agencies (SNA) for installation of Solar Water Heating Systems

Purpose:

The credit under the bill discounting scheme will be available to MNRE Accredited Channel Partners (ACP), State Nodal Agencies (SNA) and other stake holders for purchase and installation of Solar Water Heating System (SWHS) as approved by MNRE.

Eligibility for Discounting of MNRE Capital Subsidy Claims

MNRE Accredited Channel Partners, State Nodal Agencies (SNA) and other stakeholders as approved by MNRE, who have already submitted a valid claim of Capital Subsidy at IREDA, which is pending for release of payment on account of non- availability of funds, will be eligible under the scheme. The eligibility status is to be verified by the concerned group dealing with Capital subsidy claim at IREDA.

Extent of Assistance

- Up to 80% of the existing pending eligible capital subsidy claim, as verified by the IREDA
- Minimum loan assistance – Rs. 20 Lakhs.

Determination of Loan Amount

Based on verification by IREDA, regarding pending eligible claims of the applicant in line with existing Capital Subsidy policy.

Interest Rate

0.90% p.m. (10.80% p.a) to be adjusted from the subsidy receipts from MNRE against the claim. Shortfall, if any, will be payable by the borrower on demand. For interest calculation purpose, last date of the month in which subsidy claim/ sanction is received at IREDA will be considered.

Repayment

Loan amount to be recovered out of capital subsidy received / to be received from MNRE. Shortfall, if any, will be recovered from the borrower, which will be payable on demand.

Security

Charge on capital subsidy receivables from MNRE.

Special Condition

- The amount of loan assistance/ Bill Discounting Shall be within the unutilized funds of Government Budget/MNRE Scheme for installations of Solar Water Heating Systems (SWHS).
- In case it is felt that the recovery/payment of subsidy amount against which loan assistance has been provided is doubtful, borrower will be liable to pay on demand entire such amount including interest and other charges to IREDA.
- IREDA will also have the option to adjust its dues against any other claim of the borrower being handled by IREDA in case of any shortfall.

Procedures

- The request of the borrower will be processed by the dealing group as per the existing procedures and practices followed at IREDA.

VIII. Direct Discounting of GBI Claims Payable to Renewable Energy Developers under MNRE Scheme for Generation Based Incentive (GBI) for grid interactive Wind and Solar power projects"

Background

Generation Based Incentive (GBI) was announced by the Ministry of New and Renewable Energy (MNRE) for Grid Interactive Wind and Solar Power Projects with the main aim to broaden the investor base, facilitate the entry of large Independent Power Producers and to provide level playing field to various classes of investors. The GBI is provided over and above the feed in tariff approved by State utilities.

Eligibility for Discounting of GBI Claims

RE developers who have already submitted a valid GBI claim under GBI Scheme at IREDA, which is processed and pending for release of payment on account of non- availability of funds, will be eligible under this scheme.

Extent of Assistance

- Up to 80% of the existing pending eligible GBI claim, as verified by the IREDA GBI group.
- Minimum loan assistance – Rs.20 Lakhs.

Determination of Loan Amount

Based on verification by IREDA regarding pending eligible GBI claim of the applicant in line with existing GBI policy.

Interest Rate

0.90% p.m. (10.80% pa) to be adjusted from the GBI receipts from MNRE against the claim. Shortfall, if any, will be payable by the borrower on demand. For interest calculation purpose, last date of the month in which GBI claim is received at IREDA will be considered.

Repayment

Loan amount to be recovered out of GBI proceeds received / to be received from MNRE. Shortfall, if any, will be recovered from the borrower, which will be payable on demand.

Security
Charge on GBI receivables from MNRE.

Special Condition

- The amount of loan assistance/ Bill Discounting Shall be within the unutilized funds of Government Budget/MNRE Scheme for Generation Based Incentive (GBI) for Grid Interactive Wind & Solar Power Project.
- In case it is felt that the recovery/payment of GBI amount against which loan assistance has been provided is doubtful, borrower will be liable to pay on demand entire such amount including interest and other charges to IREDA.
- IREDA will also have the option to adjust its dues against any other claim of the borrower being handled by IREDA in case of any shortfall.

Procedures
The request of the borrower will be processed as per the existing procedures and practices followed at IREDA.

IX. Loan Scheme for Financing Rooftop Solar PV Grid Connected/ Interactive Power Projects (Industrial, Commercial and Institutional)

1. Eligible Projects for Assistance

I. Scheme is available for all Grid connected/interactive Solar PV projects located on Rooftops.
II. Applications can be submitted under Aggregator Category and Direct Category.
III. **Aggregator Category:**
a. Application can include either single project or aggregate multiple projects.
b. Minimum project capacity to be submitted shall be at least 5000 kWp.
c. Minimum capacity of sub projects under this mode shall not be less than 20 kWp.

IV. **Direct Category**:
a. Applicants shall include projects from single roof owners only.
b. Minimum project capacity to be submitted shall be at least 5000 kWp.

V. **General Applicant Eligibility norms**.

As per "General Eligibility conditions" mentioned in Chapter 3 of this document.

2. Application documentation

a) Applicants shall be required to submit loan application forms along with all attachments of required documents as per detailed checklist. Application forms and checklist is available at IREDA website.
b) Projects can be located on single or multiple roofs. In case of multiple owner roofs, the same should be normally located within the geographical boundary of State/Discom (Single contiguous roofs are generally encouraged/ preferred). However, in the following circumstances, Project locations beyond single State/Discom boundary, may be allowed subject to meeting following conditions.

i. If the Loan application/Proposals is under PPAs with Govt. /Govt. owned institutions.
ii. In case of Loan applications/Proposals with Private PPAs, having minimum lock in period/tenure of 10 years, wherein the concerned PPA parties shall assign such PPAs including the payment security/termination payments, to IREDA.

c) Projects under one application shall be required to be based on single revenue model.
d) All Projects shall be required to comply with minimum technical standards as per MNRE /CEA guidelines for rooftop solar/distributed generation "CEA (Technical Standards for Connectivity of the Distributed Generation Resources) Regulations 2013".
e) Applicants shall follow following general guidelines for Rooftop lease, Private PPA agreements.
   - Submit copy of legal document establishing roof ownership rights.
   - Provision in Roof lease for free access to roof (project site) to system owner/contractor, IREDA/its authorized person during the currency of IREDA's loan.
   - Provision in Private PPAs for Payment security mechanism (i.e. BG/revolving LC for 2 billing cycles) assignable to IREDA.
   - Provision in Roof lease for No termination clause during the currency of IREDA's loan except under force majeure/performance. However, termination clause may be stipulated with appropriate termination payment which shall be either equal to or more than loan outstanding at the time of invocation of clause.
   - Under third party PPA, applicant/ roof owner shall ensure that off-taker shall more than 80% of sanctioned load demand and is profitable Profit & Loss accounts for last 2 financial years.

3. Credit Rating, Interest Rates etc.

IREDA shall conduct credit rating for all grid connected projects and provides grading in a band of 5 grades (I to V) based on the risk assessment. The interest rates are linked with the grades.

a) The current interest rates applicable would be as prevailing interest rates matrix (Chapter 6 of this document or as updated from time to time)
b) Special discounted interest rate (with a discount of 15 bps) for all solar rooftop PV projects being set up on government/PSU buildings.
c) Maximum repayment period for the loan shall be up to 10 years, with the moratorium period of 12 months from the date of COD of the project. The maximum construction period shall be 12 months from first disbursement. However, upto 15 years' repayment period may be allowed for all the projects having private off takers, where minimum 80% of the off takers should have a credit rating of "A- or above."
d) In case of Loan application/Project Proposals is under PPAs with Govt. /Govt. owned institutions, then the repayment period may be extended upto 10 to 15 years maximum, depending on cash flows, PPA tenure & DSCR of the project, with the moratorium of 12 months from the date of COD of the project. The maximum construction period shall be 12 months from first disbursement.
e) COD of the project shall be considered from the date of commissioning of complete capacity as per application.
f) Quantum of loan from IREDA shall be 70% of the project cost with minimum promoter's contribution of 30%. However, IREDA may extend loan upto 75% of the project cost on the basis of the creditworthiness of the promoter, track record, project parameters etc. as per the Financing Norms and Operational Guidelines of Rooftop Scheme.

g) If the Borrower opts for providing Bank Guarantee, IREDA shall provide margin money for procuring the above BG. The eligible portion of margin money for funding shall be maximum 20% of the BG amount and the same shall be considered as a part of project cost.

4. Project Monitoring & Provision of Lender's Engineer

IREDA shall engage lender's engineer from IREDA's empaneled list of Lender Engineers for monitoring and quality assurance, safety issues in project construction and operational monitoring. Broad Roles and Responsibilities of LE shall include the following.

a) Lender's engineer shall also provide its independent recommendations/comments on the quality and performance of project for minimum three instances i.e. one each at Pre- sanction, during construction and project commissioning.
b) Lender's Engineer shall review pre sanction techno commercial feasibility including existing shadow profile, construction progress, and project commissioning & completion report.
c) Lender's Engineer shall monitor compliance of applicable EHS norms including fire safety clearance on project site during construction and post commissioning.
d) Lender's Engineer shall submit performance review of commissioned projects vis a vis envisaged at the time of appraisal/EPC contract and give its final Completion Report including its Recommendations and Observations.

5. Other Norms

Following Revenue Models shall be generally considered for the projects.

i. Captive Power Generation of roof owner.
System aggregator and roof Owners shall enter into roof lease and O&M agreement for guaranteed solar generation. Direct applicants shall be required to submit O&M agreement for loan tenor or performance guarantee if self.

ii. Sale to Grid under Net Metering /PPA.
Roof Owners enter into agreement with Discom and aggregator as per Net metering policy.

iii. Sale to Grid under Gross Metering PPA.
Aggregator enters into agreement with Discom/third party and roof owner under Applicable Solar Policy.

iv. Distribution licensee/ Govt. / Semi Government bodies provides appropriate funds.
The DISCOM/Government/Semi Government bodies may appoint Aggregator to implement the Solar Facilities on its behalf for implementing projects.

v. Other revenue models shall also be considered depending upon viability.

vi. Following Project ownership Models shall be considered for the projects.

a. Rooftops under the project are owned by single party.

i. Either Aggregator or direct user can apply for loan.
ii. All project related agreements shall comply with conditions for roof lease and project PPA.

iii. Project's revenue model can be structured under any of the revenue based models as mentioned above, however all projects under the application shall be based on single revenue model.

b. Rooftops and Projects owned by multiple parties.

i. Application shall be through aggregator only.

ii. Project shall be structured under solar lease model/ any other alternative revenue model notified above.

iii. All project related agreements between aggregator and roof owners shall comply with conditions for roof lease and project PPA.

c. Applicant shall be required to submit structure load bearing capacity, seismic load safety and wind load safety reports for highest wind speeds in the region for all sub projects from Structural expert/engineer/Civil engineer empaneled with local Government authority/Town Planning authority/Municipal Corporation.

d. Regular Disbursement on pro rata basis shall be done as per the physical and financial progress of the project. Disbursement through reimbursement mode may be taken at sub project level.

e. All other terms and conditions shall be as per IREDA's existing Financing norms.

6. Security Creation

a) Company shall provide exclusive charge on plant & machinery by way of hypothecation of movable assets of the project along with the NOC for project installation/operation for solar rooftop PV Power plants for IREDA's loan tenor from premises owner.

b) Company shall provide NOC from existing charge holders of building/premises on which project is to be installed to the effect that upon installation of the project, IREDA shall have exclusive charge on the project assets.

c) For projects being set up on government buildings, IREDA shall explore for obtaining substitution rights for lease hold rooftops.

d) Company shall provide an undertaking that roof lease rights shall be assigned to IREDA by way of undertaking to that effect.

e) Company shall provide the collateral security i.e. mortgage of immovable non-agricultural properties in urban or rural areas (excluding waste/barren lands) (minimum 10%-20% of loan amount) and/or Bank Guarantee/FD depending upon the viability of the project and credit worthiness of the Company.

f) Apart from above, IREDA shall also explore possibility of taking other securities such as personal and/or corporate guarantees etc.

X. IREDA Scheme for Bridge Loans against pending Energy Bills

- **Purpose**

  The credit under the scheme is available to all IREDA borrowers (sole / consortium lending) who are selling Energy to state DISCOMS/SECI/NVVN etc. (hereinafter referred to as 'Utilities')

- **Mechanism**

  Many of the RE project developers are exporting energy generated from their projects to the

state Utilities and Energy bills/ invoices are raised by them against the number of units exported on monthly basis. The Utilities are liable to make payment against the eligible billed amount within stipulated time frame. However, it is observed that there has been inordinate delay in receipt of payment against Energy bills which is also impacting the debt servicing obligation of the borrowers. In view of the same, it is proposed to provide Bridge Loan facility for the Energy bills of IREDA borrowers which are pending for payment with Utilities for upto 6 months. However, IREDA may like to take the track record of Utility into consideration while providing the facility.

- **Eligibility Criteria**
  - The applicant should be existing Client/borrower of IREDA (Sole/co-financing/consortium financing)
  - The borrowers should not be declared NPA by IREDA/any of the lenders in the Consortium/ Co - financing arrangement.
  - The Bridge Loan amount will be utilized only for clearance of dues of Term Lenders of the project/ project within the Group and also Working Capital lenders overdue, if any on prorate basis, in terms of financing documents.

- **Extent of Assistance**

  Upto 75% of the invoice value pending for maximum 6 months from the date of application subject to a maximum Bridge Loan facility of Rs.20 crore. The minimum amount of transaction covering a set of bills shall not be less than Rs. 1 Crore.

- **Procedure**

  A. The applicant will approach IREDA with the bills against which Bridge Loan is sought in terms of eligibility criteria.

  B. They shall also submit NOC from the co-lenders in case of consortium or co-financing Projects which will interalia stipulate that the proceeds to be received from UTILITIES against the Bridge Loan will be used on first priority basis towards clearance of IREDA outstanding dues against the said Bridge Loan facility and thereafter the balance amount will be appropriated as per existing TRA mechanism.

  C. The applicant will provide the original acknowledgement of the receipt of bills against which Bridge Loan is sought, by the respective UTILITIES.

  D. The applicant will submit an undertaking that the bills submitted for Bridge Loans are not under any dispute and eligible for receipt of payment from Utilities.

  E. The borrower will also undertake that the proceeds from the Energy bills will be remitted in the designated TRA Account only and shall be appropriated towards Bridge loan on first priority basis

  F. IREDA will provide Bridge Loan against the pending bills and lend the eligible amount to the Client/borrower.

  G. The Bridge Loan will be utilized for clearance of lenders' dues only for the project/project within the group as per eligibility criteria. The dues of lenders will be cleared on pro-rata basis.

- **Tenure**

  Terminal date of repayment will be 12 months from disbursement date. The borrower/promoter will undertake to remit the amount from their own sources in case the same is not realized from the utilities within the terminal date.

- **Interest Rate**
  - Prevailing highest interest rate for the Sector (To be notified from time to time by the Interest Rate Fixing Committee) + 50 basis point.

- **Processing Fees (Front end fee):** 0.25% of the sanctioned loan amount

- **Security**

  A. IREDA will have first right on payments to be received from Utilities against the Bridge Loan.
  B. NOC will be obtained from the co-lenders in case of co-financed projects.
  C. NACH mandate for amount of Bridge Loan
  D. Personal/Corporate Guarantees
  E. IREDA charge on the project security shall continue till the time Bridge Loan facility is fully closed.
  F. Any other security as may be deemed appropriate at the time of sanction of the facility.

- **Repayment**

  Interest to be serviced on monthly basis by the promoter/borrower from their own sources whereas principal will be settled from time to time out of the proceeds received against Energy Bills from the respective utilities. However, the terminal date for repayment will be 12 months from the date of disbursement and thereafter the promoters / borrowers have to make payment of pending dues, if any, from their own sources.
  In case the outstanding loan against the facility extended is not paid by the borrower, the same shall be classified as Non- Performing Assets.

- **Documentation**

  A. Bridge Loan Agreement
  B. Promissory Note
  C. Endorsement of bills by the borrower for which Bridge Loan is sought, by a way of a letter/undertaking.
  D. Any other document and/or condition, as per requirement

XI. "Credit Enhancement Guarantee Scheme" for raising Bonds towards Renewable Energy Projects (Solar / Wind)

1. Title

"IREDA - Credit Enhancement Guarantee Scheme" for raising Bonds by project developers / promotors against commissioned and operationally viable Renewable Energy Projects. It is a non-fund partial credit guarantee instrument.

2. Objective

i. To enhance the credit rating of the bonds, thereby improving the marketability and liquidity.
ii. To attract investment of low cost and long tenure of funds in RE through credit enhancement of project bonds issued by project sponsors.

iii. It will help the project developers to raise funds at a cheaper stable rate from the bond market and in turn help in development of bond market for RE projects in India.

3. Eligibility Criteria

i. The RE project should have atleast 1-year operational history after COD, as on the date of request for extension of Guarantee for Credit Enhancement.
ii. Commercially viable Grid connected Renewable Energy projects (Solar/ Wind), the projects should have minimum average DSCR of 1.2.
iii. The minimum issue size of the proposed bonds should not be less than Rs. 100 Cr. to be eligible under the scheme.
iv. The minimum stand-alone credit rating (external) of the RE project / proposed Bond structure to be credit enhanced should be at least "BBB", such rating should currently be valid.
v. The promoters of the project should not be on the defaulters list of Reserve Bank of India (RBI) or Credit Information Bureau (India) Limited (CIBIL) and no criminal proceeding should be pending against the promoters.
vi. The borrower i.e. SPV/holding Company and its subsidiary should not be in default list of IREDA/Banks/FIs as on date of application.
vii. The amount raised by way of credit enhancement of bonds shall be used only to repay the existing debt partially or fully.
viii. All other eligibility conditions as per financing norms of IREDA.

4. Technologies: Grid connected Renewable Energy Projects (Solar/ Wind).

5. Extent of Credit Enhancement

i. IREDA can extend guarantee upto 25% of the proposed issue size of the bonds and in any case it should not be more than 20% of total capitalized Project Cost, as per latest audited balance sheet.
ii. The project for which the bond proceeds are proposed to be utilized should not have D/E ratio of more than 3:1.
iii. The above limits shall be subjected to IREDA's exposure norms.

6. Nature of Credit Enhancement

IREDA will provide credit enhancement by way of unconditional and irrevocable partial credit guarantee to enhance the credit rating of the proposed bonds.

7. Security conditions

i. Investors to the project bond will have pari-passu charge, on the assets of the project bond issuer, with other senior lenders in the project, if any. IREDA will have a charge, which may be subordinated to the project bond Investors and other senior debt lenders.
ii. However, IREDA will have pari-passu charge to the extent of invoked guarantee on either acceleration of the Project Bonds and/or termination of the concession agreement and/or enforcement of security after paying its obligations under the Guarantee.

iii. In addition to above, IREDA to explore securing corporate guarantee/ undertaking/personal guarantee from the sponsor/holding company/promoters, Collateral security, shares, or any other form of security to secure its exposure.

iv. TRA agreement with trustee bank.

v. The terms of Bonds being issued, for which IREDA is issuing the Guarantee, should have first pari-passu charge on project's TRA (in case of holding company, the TRA of respective subsidiary company) at par with Senior Lenders.

8. Tenure

The period of Guarantee would be linked with the period for which bond are issued, the maximum tenure of the project bonds may be upto **15 years.**

9. Fee Charged by IREDA

i. The Guarantee / Credit enhancement fee to be charged by IREDA shall be based on the external rating of the project, bond yields, market conditions, Risk analysis, bond tenure, etc. The guarantee fee to be charged by IREDA shall be in the range of 1.80% - 2.90% p.a. of its exposure. Details of fee structure is as follows:

Pricing matrix for credit enhancement to be followed by IREDA

Rating of the Bonds without IREDA's Guarantee	Guarantee fee (p.a.) to be charged on IREDA's exposure, based on the Average Maturity of the Bonds (in years) plus applicable taxes	
	Up to 10 years	>10 - 15 years
AA	1.80%	1.80%
AA-	1.85%	1.85%
A+	1.90%	1.90%
A	1.95%	2.00%
A-	2.00%	2.10%
BBB+	2.20%	2.40%
BBB	2.65%	2.90%

ii. Apart from above Guarantee fee, applicant shall be liable to **pay processing fee of 0.10% of the IREDA's exposure of Guarantee** and the same shall be payable to IREDA at the time of documentation for issue of the guarantee. No front-end fee shall be charged.

iii. Payment of Guarantee Fee- Annually in advance as per the applicable procedure.

iv. In addition to the mentioned Guarantee Fee, Borrower shall reimburse all other expenses incurred, including expenses towards Independent consultant, Concurrent Auditor/ CA, Legal Counsel, IREDA's Financial Advisor, meetings, travel lodging, boarding, Applicable Taxes etc.

10. Credit Rating of the Bonds

i. The borrower shall ensure that the credit rating of the bonds for which IREDA has issued Guarantee, shall be renewed/re-affirmed yearly and informed to IREDA.

ii. In case the bonds issued are downgraded by any one of the credit rating agency then IREDA may charge additional guarantee fee as may be notified from time to time. Borrower to submit information in this regard on quarterly basis.

11. Appraisal

IREDA or its authorized agency shall conduct an independent appraisal of the credit risks of the project solely or jointly with an institution providing back stop guarantee/ Co - guarantee etc., if applicable.

12. General Conditions

a) IREDA may consider providing Guarantee assistance to developers/promoters in the field of RE who has an established track record of successful implementation of RE projects and possess satisfactory technical and financial background to implement the project.

b) Guarantee extended by IREDA will be reduced proportionately along with the reduction in the total outstanding bonds i.e. on the repayment/redemption of bonds and payment of interest.

c) Details of project loans with lenders that are proposed to be refinanced through issue of bonds should be furnished along with application of Guarantee for Credit Enhancement.

d) NOC from the existing lenders shall be obtained stating their acceptance of pre-mature repayment of loan and ceding of charge in favour of IREDA, such NOC shall be obtained from: -

   a) Lead Lender (s) along with application of Guarantee
   b) All lenders before issue of Guarantee

e) At the time of default/devolvement of Guarantee, IREDA will be liable to pay dues proportionately of the total defaulted amount (principal and interest only and will not include any other charges) i.e. in the ratio of its Guarantee to bonds subscribed.

f) The amount (i.e. Principal and interest only and will not include any other charges) for which Guarantee is to be given for enhancing the credit rating has to be informed by credit rating agencies appointed by the borrower to rate the issue.

g) The documentation with the borrower shall include the following terms:

   i. The borrower shall provide its consent that IREDA shall have an option to down sell it's Guarantee or get a counter guarantee/ co- guarantee from any other agency.
   ii. Prior approval from IREDA should be taken for further expansion of existing project(s) or any other capital investment.
   iii. After allotment of bonds, the terms of bonds cannot be amended or modified without the written approval of IREDA.
   iv. IREDA shall have the right to attend the meetings of bondholders as an observer.
   v. The trustee will share with IREDA the proceedings of the meetings of bondholders and information it has sent to the bondholders.

h) The borrower shall share all the information on the project and its financials with IREDA.

i) The end use of bonds proceeds shall be monitored by the Bond/Debenture Trustee, who should be appointed in accordance with the requirements of SEBI.

j) The borrower shall establish separate earmarked bank account i.e. bond collection account for receiving the bonds proceed and its utilization for repayment of debt of lenders.

k) The bonds, for which IREDA is giving the guarantee, shall be issued in accordance of the applicable directions of SEBI and other statutory requirements. A certificate of compliance shall be obtained from lead arranger/arranger. In case lead arranger/arranger is not available, such compliance shall be obtained from a legal counsel, appointed by IREDA at borrower cost.

l) For the purpose of above policy, bonds should be in the nature of Non - Convertible Debentures (NCD).

m) In case of Co – guarantying the bonds with other Bank / FI, IREDA's terms and conditions including security and fee structure can be aligned with that of co - guarantor.

n) In case of invoking guarantee (partially/ fully), the interest on the extent of shortfall amount paid by IREDA, shall be at highest interest rate (Grade - V) prevailing for that sector (Solar, Wind) as per IREDA's norms.

o) Under no circumstances, the liability of this line of credit shall devolve on Government of India.

p) Before issuing any assistance under the scheme, appointment of Lender's Financial Advisor is compulsory.

q) Any other terms/ conditions may be deemed appropriate by IREDA.

13. Other conditions

In case, IREDA notices any of the following before the guarantee becoming effective, it may terminate the guarantee even if executed. However, once the Guarantee is effective it would not terminate (as the nature of Guarantee is unconditional & irrevocable):

i. Any fraud or forgery committed by the Borrower or promoters of the project.

ii. Any criminal proceeding has been instituted against the borrower or the promoters of the project.

XII. Policy for Issue of Letter of Comfort (LoC)/Letter of Undertaking (LUT) for opening of Letter of Credit (LC) under Term Loans sanctioned by IREDA

1. Terms and Conditions

Letter of Comfort (LoC)/Letter of Undertaking (LUT) can be issued to all sanctions of term loan where LC opening is a requirement under EPC/Equipment Supply contract to enable the borrower to open LC with its bankers.

LOC/LOU to be provided to Banks only for opening Letter of Credit/Letter of Undertaking for supply of Goods and Services by Foreign Suppliers.

The issue of LoC/LUT shall be subject to the following terms & conditions:

1. A Clause to be mandatorily included in the LOC/LOU stating that under no circumstances, the liability under this Letter of Comfort/Letter of Undertaking shall devolve on Government of India.

2. Proposal for issue of LoC/LUT shall be put up by respective project appraisal unit in line with the contract and LC terms. LoC can be issued after the compliance of all pre-disbursement conditions duly following the disbursement procedure in this regard.

3. Validity of LoC/LUT shall match with LC requirement for the amount & period specified therein. However, IREDA will not issue LoC/LUT facility exceeding a maturity period of 3 years for any project.

4. The maximum exposure for issue of LoC/LUT shall normally be limited to 70% of total IREDA loan exposure, for the projects solely funded by IREDA.
5. In case of consortium/co-financing, IREDA may follow LoC terms of Lead/co-lenders, if and as required, at its sole discretion.
6. All LoC/LUT issued may specifically indicate that borrower shall not be entitled to avail Buyers Line of Credit (BLC) / Buyers' Credit (BC) or similar arrangement/mechanism against such Letter of Comfort / Letter of Credit, unless specifically permitted by IREDA in writing.

2. Fee Structure:

LoC/LUT Duration	Minimum Applicable Fee
Upto 1 Year	**1.00%p.a**
Upto 2 Years	**1.25% p.a.**
Upto 3 Years.	**1.50% p.a**

Notes:

a) Applicable taxes to be charged on the Fee amount.

b) The “Minimum applicable fee” as mentioned above shall be charged on the LoC/LUT amount before issuance of Short-Term LoCs.

c) However, in case of Long-Term LoC/LUT, first year fee shall be charged on the LoC/LUT amount at the above-mentioned rates before issuance of LoC/LUT.

d) Long Term LoC/LUT would be applicable in case of Solar/Wind Sectors, only.

e) In case of delay in implementation of Hydro Projects, the already issued Short Term LoCs may be extended on payment of applicable fee upfront, however no long-term LoCs may be considered.

f) Upfront Yearly fee payments shall be charged on the outstanding LoC/LUT liability upto the maturity period. (For the purpose of fee calculation, it should be for full month. e.g., if the period is 2 months 4 Days, the fee would be charged for complete 3 Months.).

g) The securities, if any taken for issue of LoC/LUT will not be released upto the Claim Period, or Settlement Date, whichever is earlier.

h) In case the borrower intends to avail Buyers Line of Credit (BLC) / Buyers' Credit (BC) or similar arrangement/mechanism in respect of existing and/or future LoC/LUT, IREDA may agree to the request of the borrower at its sole discretion, with the approval of CMD.

However, in such cases of Long-Term LoC/LUT, the borrower will be required to have suitable arrangement in place safeguarding IREDA's interest, by providing suitable documentary evidence that the foreign currency exposure under the subject LoC has been suitably hedged through some banks/IREDA designated banks.

i) In case of delay in payment of the fee, the borrower shall be required to pay penal charges Rs 1000 per lakh per month or part of the month (proportionate amount would be charged for the amount less than a lakh, if any). for the delayed period, on the due amount. Demand letter(s) issued by F&A dept. for payment of the fee shall invariably indicate the provision of charging of penal charges in case of delay in payment of fee.

j) Since after issuing of LoC/LUT, the disbursement is to be honored even if disbursement to the borrower is suspended for any reason(s), penal charges may be charged from the borrower in such circumstances. For this, an enabling clause as below may be incorporated in the terms & conditions of sanction.

"Penal Charges of Rs 2000 per lakh per month or for part of the month on the amount required to be disbursed for the project loan(proportionate amount would be charged for the amount less than a lakh, if any)., in case disbursement is required to be made against LoC, during the period disbursement, would have been suspended for non-compliance of the conditions of the loan for any reason or if an event of default has taken place, as the case may be. The penal charges will be charged by IREDA from the date of disbursement upto the date of compliance of the conditions".

k) In case the borrower opts to pre-close the loan without availing disbursement against LoC/LUT already issued by IREDA, in that case, the borrower shall be required to pay the pre-payment premium, at par with the premium required to be paid for the outstanding loan, if any, in line with loan covenants/financing norms, as applicable on the date of pre-closure.

l) The quantum and reason for above penal charges shall be clearly disclosed to the customers in the loan agreement.

m) Whenever reminders for non-compliance are sent to borrowers, the applicable penal charges shall be communicated. Further, any instance of levy of penal charges and the reason therefor shall also be communicated.

n) On above stated charges, interest will not be charged i.e., there will be no capitalisation of penal charges / no further interest computed on such charges..

o) The above proposed Fee structure may be reviewed internally from time to time as per requirement.

XIII. Access to Energy Scheme under KfW Line

1. Scheme Objective:

The main objective of the Scheme is to increase the supply and use of sustainable clean energy services in rural areas through improved access to financing for project developers.

2. Minimum Loan Requirement

The minimum loan eligibility from IREDA will be Rs.50 Lakh unless specifically exempted under any scheme/ program. (However, as per KfW terms the loan amount to each borrower

shall not exceed 4mn Euro)

3. Promoter Contribution and Quantum of Loan

Financing norms relating to quantum of loan and minimum promoter contribution, in brief, for different type of eligible projects are given below: -

Minimum Promoter Contribution, Quantum of loan & Maximum Debt Equity Ratio:

a. Quantum of loan from IREDA shall be upto 70% of the total Project cost.
b. The minimum promoter contribution shall be 30% of the project cost and the maximum Debt Equity Ratio (DER) shall not be more than 3:1.

4. Sectors Eligible for the Assistance

All the techno-commercially viable projects in RE.

NOTE:

1. Project should be implemented in areas where electricity provided through national grid is less than 2 -3 hours (on an average) during peak hours (5 pm to 11 pm).
2. Project shall follow international best practices with respect to environmental and social aspects.
3. In Hybrid Models, the installed conventional energy capacity shall not exceed install renewable capacity.
4. Bio-mass gasifiers are not eligible to be covered under this scheme.
5. Projects under ESCO modes are eligible under the scheme
6. Prior approval needs to be sought from KfW

5. Repayment Period & Interest Rates

5.1 The repayment periods shall be maximum of 7 years, depending on the project cash flows & DSCR of the project and it shall be after the implementation & moratorium. The moratorium period shall be 3 months to 9 months from the date for COD of the project.

5.2 Applicable interest rate will be as follows:

No	Loan Tenure	Rate of Interest (%) P.a.
1.	upto 2 Years	9.75
2.	More than 2 – 4 Years	10.75
3.	Longer than 4 Years	11.50

Note:

Internal Rating/ Grading is not applicable to Access to Energy projects under this line

6. Special Benefits

- 5% of the loan amount as milestone-based incentive – The amount will be adjusted against the outstanding loan on timely commissioning of the project and repayment of 20% of the loan amount.
- 22.5% of the loan amount as Debt Service Reserve Money (DSRM) – if the sub loan will never be in payment default for more than 90 days during the tenure of the loan and if the borrower has achieved operational service delivery as agreed with IREDA, the DSRM shall become a grant to the borrower at the end of the tenure. It will be offset against the final debt obligations of the borrower.
- 12.5% of the loan amount as Portfolio Risk Reserve Account (PRRA) - considering 1 million EUR of the Extra Grant. In case there is a delay of payment of more than 90 days by

any sub-borrower under the Programme and the amount of overdue payments exceeds the balance of the respective individual sub-borrower's DSRA, IREDA can access the Portfolio Risk Reserve Account to recover up to 70% of such overdue amount. In case the sub-borrower pays back its overdue payments at a later point in time, IREDA pays the respective amount back into the PRRA.

7. **Parameters to look into while appraising Access to Energy Projects**:

- Security Coverage Ratio (SCR) of the proposed projects under this scheme shall be above '1.0' in any case exclusive of the 40% credit risk offered by KfW.
- Average DSCR of the project funded under this scheme shall not be less than '1.10' in any case and minimum DSCR of the project shall not be less than '1.0'.

8. **Special Considerations for this Scheme**:

- Loss Making Applicants may not be considered as Deviation under this scheme subject to 100% upfront promoter's contribution brought-in by the Company before release of first disbursement
- Additional security of Bank Guarantee / FDR equivalent to 10% of the loan amount is to be stipulated as a security condition under this scheme.
- Receipt of NOC from KfW is a must for sanction of any project under this scheme.

9. **Fees and charges:** As per existing guidelines

10. **Securities:** A trust and retention/ Escrow Account between IREDA, trust bank and borrower, satisfactory to both KfW and IREDA, has to be executed. Other security conditions will be as per existing IREDA Guidelines.

11. **General Conditions**

- Other general eligibility conditions for loans shall be as per IREDA's Financing Guidelines.
- The consideration of the projects under the scheme may be subject to availability of funds.

XIV. Loan Scheme to promote the Concentrating Solar Thermal (CST) Projects in India for Industrial Process Heat Applications

Objective

The Ministry of New & Renewable Energy (MNRE) in partnership with United Nation Industrial Development Organization (UNIDO) and IREDA under the GEF-UNIDO-MNRE project launched an innovative financing scheme to promote adoption and of Concentrated Solar Thermal (CST) Technologies for thermal applications in the specified industrial sectors.

It aims to create the necessary enabling environment for increasing penetration and Scaling up of CST Technology in India through an innovative financing mechanism.

The Loan Scheme

The Loan scheme aims to provide upfront financial assistance to beneficiaries to overcome the

financial constraints faced in the adoption and penetration of CST technologies.

- Under this scheme, financial assistance is available for up to 75 % of the CST project costs.

Scheme Highlights

PART A: SOFT LOAN FROM IREDA

Rate of Interest	7 %	After considering UNIDO interest subvention
Repayment Period	7 Yrs.	1-year moratorium + 6 years repayment

PART B: BRIDGE LOAN AGAINST MNRE SUBSIDY

Rate of Interest	**12%**	The rate is applicable till the project is commissioned. On commissioning, the MNRE subsidy will be passed to the project and the bridge loan will be closed

Indicative Project Cost Structure:

- Minimum promoter's contribution: 25%
- Soft Loan - 45%
- MNRE Subsidy - 30%

Total - 100%

Note: Quantum of Soft Loan will depend on the MNRE subsidy and approval by UNIDO-PMU.

Note:

The Project would be eligible for interest rebate of 1 % in the event of Borrower furnishing security of Bank Guarantee/ Pledge of FDRs as the primary security, equivalent to the amount sanctioned by IREDA for both soft loan and bridge loan, from Scheduled Commercial Banks as described in RBI Act or Unconditional or Irrevocable guarantee from All India Public Financial Institutions with "AAA" or equivalent rating.

ELIGIBILITY

Projects Eligible for Assistance

- Any entity as per IREDA guidelines setting up a solar thermal heating/ cooling/ tri-generation project.

General Applicant Eligibility norms. – As per prevalent Financing Norms.

MINIMUM LOAN AMOUNT

- The minimum loan eligibility from IREDA will be Rs. 30 lakhs.

DISBURSEMENT SCHEDULE

- The following disbursement schedule is applicable for both Part A (Soft Loan) and Part B (Bridge Loan)

Installment	Percentage	Terms
1st instalment	30 % of loan amount	On signing of the loan agreement and inflow of minimum 30 % share of promoter's contribution
2nd instalment	30 % of loan amount	Inflow of additional 60% share of promoter's contribution and after delivery of all equipment at site
3rd instalment	30 % of loan amount	Inflow of minimum 90% share of promoter's contribution, on final installation of CST equipment at location
4th instalment	10 % of loan amount	On completion, commissioning, testing and inspection and utilization of 100% of the promoter's contribution.

NOTE

Main loan and bridge loan will be disbursed proportionately as indicated in the table above.

GUARANTEE & SECURITY

- As per IREDA's norms
- Additionally, performance guarantee from supplier for a period of 7 years or until complete repayment of loan and payment guarantee from the beneficiary
- The promoter shall give an undertaking that in case non – release of Capital Subsidy, the company will bring in equity to repay IREDA Loan.

DOCUMENTATION CHARGES:

- Documentation Charges will be 1% of the loan amount or Rs. 1 Lac, whichever is lower, irrespective of the loan slab.

OTHERS:

- All other terms and conditions not specifically mentioned in the scheme will be as per existing norms of IREDA
- The consideration of the projects under the scheme may be subject to availability of funds.

XV. Policy for Financing Transmission Projects

1) Purpose: To provide term loan for implementation of Transmission Projects.

2) Guidelines for deciding Eligible Projects for Financing:

1. **Energy loss savers:** Implementation of Projects / investments resulting in higher efficiency/ reduction in losses in the transmission network promote energy efficiency. A few examples of such technologies (not exhaustive) are provided below:

   I. Replacement of HVAC lines with HVDC lines (25% lower line losses)
   II. Flexible AC Transmission Systems
   III. Gas-Insulated Substations
   IV. Uprating
   V. Replacement of line conductors with lower resistance conductors
   VI. Energy Management System (EMS) integration

VII. Automatic Generation Control (AGC)
VIII. AI-based Enterprise Asset Management System (EAMS) installation
IX. Wide Area Measurement System (WAMS)/ Phaser Measurement Units (PMU) installation
X. Renovation & modernization of transmission network resulting in lower losses

2. **Ancillary service:** Projects/ technologies which help provide stability to grid & support higher levels of RE integration into the grid. A few examples of such technologies, among others, are provided below:
   I. Energy storage development
   II. Substation automation
   III. Installation of Static VAR Compensators
   IV. Installation of Static synchronous compensators
   V. SCADA System Completion
   VI. GIS Rollout

3. **Green energy carriers** include transmission projects related to augmentation & development of greenfield transmission assets or addition of capacity to existing transmission lines.

   To access whether a project can be classified as Green or not, projects can be classified 2 broad categories:

   I. ***<u>Projects that can be directly linked to a generation plant / source (Thermal or RE)</u>***

   If a project is developed **for direct evacuation of RE capacities**, such as Green Energy Corridors and transmission network for evacuation of REZs & RE parks, then such transmission projects will be **directly responsible for grid integration of RE capacity**. **These projects can be funded.**

   Likewise, projects that can be linked to **direct evacuation of non-RE generation plants will not be considered by IREDA for financing.**

   II. ***<u>Projects that CANNOT be directly linked to a generation plant / source (Thermal or RE)</u>***

   <u>For intra-state interconnection transmission projects</u>, the funding is restricted to states as under: -

State RE Funding Percentage*	**Maximum Loan percentage of Project Cost**
States with share of estimated RE installation less than 25% of total estimated power capacity installation	0%

States with share of estimated RE installation greater than or equal to 25% and less than 50% of total estimated power capacity installation	80% for State Sector and 70% for Private
States with share of estimated RE installation greater than or equal to 50% of total estimated power capacity installation	90% for State Sector and 80% for Private

$$* \text{ State RE Funding Percentage} = \frac{\text{RE Capacity addition}}{\text{Total capacity addition}} \times 100$$

State RE Funding percentage is to be calculated as per RE Capacity addition planned as per National Electricity Plan of the state wherein project is.

For Inter-STS interconnection transmission projects: Upto 90% for State Sector and 80% for Private

Apart from above, the General Eligibility Conditions must be complied with.

Security:

Private Entities: As per IREDA Norms

Govt. Entities:

a) ESCROW cover of at least 1.1 times of installment of IREDA repayment obligation through default escrow mechanism or any another established mechanism.

b) First/Pari Passu Charge on movable Assets.

c) First/Pari Passu Charge on immovable assets, wherever feasible.

Or

a) State Govt. Guarantee for the Loan. Till Guarantee is furnished, disbursement can be made against deposit of Promissory Note covering the loan amount with a validity of six months.

Note: If security is not created within stipulated time as per IREDA Norms, penal interest of 1% over and above applicable interest rate shall be charged for the till creation of security.

3) Joint Ventures:

1. In case of Joint Venture (JV) between Govt. and Private Entity where stake of Govt. Entity is 50% or above, DOP, Fee and Security Matrix of Government Entity Shall be followed.

2. In case of Joint Venture (JV) between Govt. and Private Entity where stake of Govt. Entity is less than 50%, DOP, Fee and Security Matrix of Private Entity Shall be followed.

4) Guidelines for Processing Loan Application:

1. All Projects/Assets which are installed for transmission of electricity as per applicable guidelines issue by State Government will be considered for financing under this Policy.
2. Appraisal and due diligence to be conducted as per norms stipulated for greenfield projects, as applicable.
3. In case of Energy Loss Savers and Ancillary Services Projects, it shall be ensured that the said project enables energy efficiency or higher level of RE integration.
4. All other terms and Conditions shall be as per existing Financing Norms and Operational Guidelines.

XVI. IREDA Loan Scheme/Line of Credit for Financing Large Scale Roof Top Solar PV Grid Connected/ Interacted Power Projects.

Background

The Government of India has set an ambitious target of 175 GW of Renewable Energy capacity by 2022. This includes a sizeable amount of Grid Connected Rooftop Solar Photovoltaic projects with capacity aggregating to 40 GW, out of total solar capacity target of 100 GW. To give a stimulus to this segment & to ensure easy availability of finance, it is proposed to introduce a new financing scheme to fund large-scale rooftop solar projects i.e. capacity of 10 MWp or more, being developed by a single developer/ company. A Customized financial product for small scale Roof Top Solar projects (with min. sub project capacity of 20 kWp aggregating to min. project capacity of 1 MWp which has been revised to 5 MWp) had already been introduced by IREDA and now a new financing scheme for large scale Solar Roof top projects is being introduced, as there exists huge potential under this segment.

Eligible Entities/Projects

- IREDA to finance only those projects, which fulfil the following basic requirements:

Project Eligibility

- Minimum aggregate capacity of such projects shall be at least 10 MWp and should have MoU/LoA/PPA for installing a minimum capacity of 10 MWp solar rooftop project.
- The scheme is limited to projects having PPA with Government/Utilities/ Discoms/ Institutions/Hospitals/Trust etc.
- Obtained Clearance for transmission/ wheeling of power produced for the complete project capacity
- Application can be either for single project or aggregate of multiple projects, awarded by Government/Utilities/Discoms/Institutions/ Hospitals/Trust etc.,
- Average Fixed Asset Coverage Ratio (FACR) $\geq$ 1.25

Entity eligibility

- The applicant/sponsor group owns & operates minimum capacity of 100 MW of renewable energy projects (or) 50 MW capacity of solar power projects.

- The applicant/sponsor group shall, have an average annual turnover from the sale of power, not less than Rs. 50 crores for last three financial years.
- The applicant/sponsor group shall have operational experience for at least 5 years in the renewable energy domain, on the date of application.
- All other eligibility conditions as per prevailing norms of IREDA.

Extent of Loan

IREDA may extend loan upto 75% of the project cost, subject to assessment of the project cost, in line with benchmark costs as notified by MNRE from time to time and compliance of applicable financial guidelines of IREDA, if any.

Interest rates

- Discount of 30 BPS on the interest rates as applicable under the existing Loan scheme to Roof Top Solar PV Projects.
- Other Charges: As per IREDA's Financing norms.

Security

- The applicant shall create the following primary securities:
  - Exclusive first charge by way of Hypothecation, on all movable assets & current assets, lease hold rights, cash flows & project related accounts & rights therein, current as well as future, relating to the project.
  - Exclusive charge on receivables on the receivables of the project by way of Escrow/TRA account.
  - Company shall provide an undertaking that Roof lease rights shall be assigned to IREDA by way of undertaking to that effect.
  - The company shall execute Substitution Agreement to the satisfaction of IREDA.
- Apart from above, IREDA shall take one or more of the following securities:
  - Personal / Corporate Guarantees of the promoters/ promoter company
  - Post-dated cheques,
  - Pledge of shares,
  - Second charge on the cash flows of the promoters/ Promoter Company.

Repayment

Repayment periods shall be maximum of 10 to 15 years, depending on the project cash flows & DSCR of the project & PPA tenure, apart from upto 1-year moratorium from CoD. (Separate repayment schedules may be drawn based on completion/commissioning of projects with certain cut off capacity/period in phased manner on case-to-case basis).

Reporting and monitoring

- The applicant will provide all statements, information, materials and explanations relating to its business and financial position including Annual Audited Financial Statements and Directors'/Auditors' Reports etc.

- The applicant shall obtain all the statutory clearances/approvals, as may be required for implementation/operation of the project.
- The applicant shall provide all the details, as requested by lender's engineer, if appointed by IREDA, for the monitoring and quality assurance, safety issues etc. during project construction and operation.

All other applicable terms and condition as per prevailing financing norms of IREDA.

XVII. IREDA: Top-Up Loan Scheme

Purpose of the Scheme

To create a facility, for existing borrowers of IREDA, that allows them to borrow a certain amount of money over and above their main loan outstanding, for purposes of construction of their project or to meet the equity funding for a new renewable energy project or for any other activities related to RE and for easing out their liquidity requirements.

Background

Once an organization takes loan for development of a project, there may be further requirement of funds for different milestones like business expansion, debt consolidation etc. A top up loan can be one of the options for borrowing the required funds at a lower cost. A top-up loan can be offered only to existing customers of IREDA. Interest rates on top-up loans are generally low when compared to working capital or short-term loans.

Eligible Entities

- Only those applicants, who are having an existing project funded by IREDA, are eligible for applying for the top-up loan.
- Only those projects, which have serviced their main loan including interest for a minimum period of 4 year after the moratorium, will be eligible for the top-up loan.
- The project shall have been regular in the repayment of their loans, at the time of application for the top-up loan
- The project should have CUF of at least 80% of the envisaged UF/generation considered at the time of appraisal/ loan sanction.
- The project shall have an average DSCR > 1.25 & Average Asset Coverage ratio > 1.25 after taking in to account the top-up loan. Also the project shall have positive operational revenue till tenure of the IREDA loan.
- The Debt: Equity Ratio of the applicant, at the time of application, taking in to account the proposed Top-Up loan from IREDA, shall not be more than 4:1
- The applicant, seeking the top-up financing shall have operational experience in the renewable energy sector for at least 3 years on the date of application.
- The minimum stand-alone credit rating (external) of the applicant to be at least "BBB" & such rating should currently be valid or internal rating not older than 1 year must be available.
- Under the scheme, only the projects having firm & valid PPA until loan tenure, with the State Discom/ NVVN/SECI/PTC would be eligible under the scheme. The latest rating of the Discom should be atleast "B+" as per latest "Annual Integrated Rating" of State Distribution Utilities issued by Ministry of Power (MoP).
- At the time of appraisal, it must be ensured that Top up loan is not being sought on account of financial difficulty and will result in restructuring. The term financial difficulty and restructuring have same meaning as defined under Reserve Bank of India norms.
- All other eligibility conditions as per prevailing financing norms of IREDA.

Extent of Loan

- The extent of top-up loan shall be limited to an amount such that the maximum loan (Main + Top-Up) is 80 % of total current valuation of project cost at time of application for top-up loan. The top-up loan to a project will be subject to the following limits:
    - Minimum – Rs. 10 Crores & Maximum – Rs. 150 Crores
- In case top-up loans are sought, for multiple projects being owned/ promoted by same promoter, the upper limit of Rs. 250 Crores may be allowed to a same applicant/group.

Interest and other charges

- The prevailing int. rate of the project + 1.5% p.a.
- Other fees / charges: as per IREDA's Financing norms.

Repayment & Moratorium

- Moratorium of upto 6 months
- The repayment of the top-up loan can be co-terminus with the main loan or beyond the main loan repayment period, subject to the condition that repayment period of top up loan shall not be more than 80% of the remaining useful life of the project & PPA period.

Security

- Extension of existing charges (including TRA)/ securities of main term loan of IREDA
- In addition, one or more additional securities such as pledge of shares, mortgage of collateral property (or equivalent value of BG or FDR), Corporate Guarantee, Personal Guarantees, Charge on receivables/ revenue streams of the promoters etc. to the satisfaction of IREDA.

Reporting and monitoring

- The applicant will provide all statements, information, materials and explanations relating to its business and financial position including Annual Audited Financial Statements and Director/Auditors' Reports etc.
- The applicant will submit detailed status of the progress reports, on periodic basis.
- The applicant shall provide all the copies of the invoices, as raised to buyer of electricity of the project, to IREDA from time to time
- Brief report on the purpose/ plan of utilization of top-up loan at the time of application
- The applicant shall provide an undertaking that the top-up loan shall be utilized only for expansion of their RE business / its related activities. Borrower to provide utilization certificates of the top up loans.

All other conditions will be as per prevailing financing/ operational guidelines of IREDA.

XVIII. "Loan against Securitization of Future Cash Flow of Renewable Energy Projects"

Background:

1. IREDA considers sanction of a loan against securitization of future cash flows of existing renewable energy projects which can be used for future business expansion in renewable energy and energy efficiency sectors.

2. Proposed loan scheme will be extended to both IREDA's existing borrowers as well as applicants other than IREDA's existing borrowers, for their business expansion in renewable energy and energy efficiency sectors.
3. The company should have successfully commissioned existing project and running successfully for at least last three years. However, the above condition may be relaxed to 2 years, provided the project is running successfully for the last 2 years and the average DSCR for the last two years is 1.4.
4. The net present value of the future cash flows will be calculated for a maximum period of 15 years, discounted at the maximum lending rate of the sector.
5. The scheme will be extended with maximum loan repayment period of upto 15 years from the date of disbursement or 80% of balance life of PPA, whichever is lower, depending on the project cash flows, DSCR of the project etc.
6. The minimum-security coverage (including future cash flow) should be 1.5 times of the loan amount.
7. As loan amount has been decided based on the available future cumulative cash flow surpluses, hence, date of disbursement is critical and hence extension of validity period will not be considered

Essential Eligibility Criteria Conditions (EECC):

a) Project is commissioned and is running successfully for at least last two years and there is no default/delay in repayment of loan for the said period.
b) The applicant company should be earning cash profit for a minimum of two previous years.
c) Minimum 40% of the existing loan account should have been repaid including loans of co-financers, if any. However, the condition may be relaxed in cases where the Company is regular in repayment of dues for the last 2 year and maximum debt equity ratio (DER) of the Company including the proposed loan should not be more than 4:1.
d) The loan account should not have been declared as NPA any time due to any reason, whatsoever, in the past.
e) Minimum average debt service coverage ratio (DSCR), including the existing debt, should be 1.25 for the loan repayment period. For Hydro Projects, the min. average DSCR Value including existing debt, to be taken as 1.3.
f) The loan account should not have been restructured due to shortfall in generation, any time in the past.
g) Power Purchase Agreement should have entered with SEB / Power Trading Company / power utility company for minimum period equal to or more than the loan repayment period. Or Any other power sale arrangement to the satisfaction of IREDA.
h) Maximum debt equity ratio (DER) of the company including proposed loan should not be more than 4:1.

Essential Conditions before Disbursement:

a) Additional insurance policies covering Loss of generation due to i) machine breakdown (MBD) ii) natural calamities (fire).

b) For IREDA's borrowers and applicants other IREDA's borrowers, Trust and Retention Account (TRA) will be opened as per IREDA's requirement. In addition, an undertaking from the borrower that they shall note and undertake that they will not withdraw any sums from the TRA in case of default to IREDA, unless a prior written permission is obtained from IREDA.

c) The borrower shall submit a letter regarding deposit of sale proceeds of power to Trust & Retention Account from the SEB / off-taker, if not submitted earlier.

d) Assignment of all project related documents such as PPA, TRA, Allotment letter, Implementation Agreement, MoU contracts, etc. to IREDA, if not assigned earlier.

e) Pledge 51% of the total shares of the company which will include 100% shares of guarantors for IREDA's existing borrowers. For applicants other than IREDA's existing borrowers if the shares are already pledged to their existing term lenders of the project, the pledge of shares will be obtained on first charge pari-passu basis.

f) All existing securities will be extended for the proposed loan for IREDA's existing borrowers. For applicants other than IREDA's existing borrowers, all existing securities will be extended for the proposed loan on first charge pari-passu basis

g) Lender's Auditor and / or Engineer will be appointed, if required, to monitor the account.

Fees & Validity Period:

a) Application Fees as per the prevailing guidelines of IREDA.
b) Sanction Letter will be valid for 45 days from the date of issue of sanction letter.
c) Front end fee of 1.0 % of the loan to be paid before execution of loan agreement. No rebate is applicable on Front end fee and the same is non-refundable.
d) To execute loan agreement within 45 days from the date of issue of Sanction Letter.
e) Disbursement within 60 days from the date of signing Loan Agreement.

Loan Terms:

a) Interest Rate will be based on the Rating of the Project plus additional 1.25% with interest reset as per prevailing IREDA Norms.
b) Additional interest rate shall be fixed by CRRS committee, however, initially it is proposed to fix at 1.25% as additional interest rate for all grades.
c) Pre-payment charge as per the prevailing norms of IREDA.
d) Total loan be amortized within 80% of PPA period.
e) No Moratorium
f) Flexi-repayment schedule of quarterly principal installments may be drawn on the basis of generation and cash flow projections.
g) The borrower will give an undertaking that the amount funded by IREDA shall be utilized as seed money for future renewable energy and energy efficiency projects and that IREDA will have the first right to finance these projects.
h) At the time of appraisal, it must be ensured that loan is not being sought on account of financial difficulty and will result in restructuring. The term financial difficulty and restructuring have same meaning as defined under Reserve Bank of India norms.

Methodology:

To ensure that the loan sanctioned is utilized for investment in RE / EE projects, the applicant company shall submit the following documents / information:

a. An undertaking that the fund released by IREDA shall be utilized towards business expansion in the Renewable Energy & Energy Efficiency sectors only.

b. A detailed business plan, supported with documents indicating the proposed utilization of funds for development of Renewable Energy / Energy Efficiency, if any, along with a detailed timeline. Disbursement will be made within 60 days from the date of signing of the Loan Agreement. The utilization of funds shall be completed within 2 years from the date of disbursement.

c. A Special No Lien account for deposit and utilization of funds released by IREDA shall be opened as per IREDA's requirement and a quarterly No Lien account statement, along with Utilization Certificate from Chartered Accountant, shall be submitted to IREDA.

d. During the interim period i.e. till the funds are fully utilized towards investment in Renewable Energy / Energy Efficiency projects, the balance / unutilized portion of funds in the No Lien account, may be kept as a fixed deposit in the same account. The funds cannot be invested in any other instruments including shares, mutual funds, etc. Further, any interest accrued from the above fixed deposit may be utilized for repayment of IREDA's dues, if required.

e. The repayment of installment and interest towards the loan shall be made from the sale proceeds of power of the existing project, through the TRA account.

f. At the end of 2 years from the date of disbursement, a consolidated Utilization Certificate certified by a Chartered Accountant, along with documentary proof, shall be submitted to IREDA. Further, if there is any unutilized fund available in the No Lien account, IREDA shall have a right to decide the further course of action, keeping in view the progress of the proposed new project.

XIX. "Term Loan Facility to Govt. Bodies/ Discoms/ Transcos / Gencos/ State Owned Trading Companies/ Govt. owned companies/ PSUs/CPSEs etc." (The scheme is only for term loans to Government Sectors)

<table>
<tr><td>Scope:</td><td>Meeting RPO Compliance /Procurement of RE Power/ Payment to RE Generators/ any other payments related to State DISCOMs/ TRANSCOs/ GENCOs/ PSUs/ CPSEs, etc., towards Energy Efficiency/ system strengthening for Transmission/ Distribution/ Renovation & Modernisation (R&M)/ Operations and Maintenance (O&M) related to RE Infrastructure, etc., / Other purpose related to RE</td></tr>
<tr><td>Tenure:</td><td>Door to door tenure inclusive of moratorium period.
Loan would further be classified as follows based on the loan tenure inclusive of moratorium period:
<table>
<tr><th>Loan Tenure</th><th>Classification</th></tr>
<tr><td>Upto 1 year</td><td>Short term loan</td></tr>
<tr><td>More than 1 year and upto 10 years</td><td>Medium term loan</td></tr>
</table></td></tr>
</table>

<table>
<tr><td>Moratorium Period</td><td>Moratorium Period:
<table>
<tr><td>Classification</td><td>Moratorium</td></tr>
<tr><td>Short term loan</td><td>Upto 6 months</td></tr>
<tr><td>Medium term loans</td><td>Upto 3 years (36 months)</td></tr>
</table></td></tr>
<tr><td>Repayment:</td><td>Repayments as per the table below:
<table>
<tr><td>Classification</td><td>Tenure</td><td>Interest</td><td>Principal</td></tr>
<tr><td>Short Term Loan</td><td>Upto 12 months from the date of first disbursement inclusive of moratorium period.</td><td>Monthly</td><td>Monthly/ Bullet payment</td></tr>
<tr><td>Medium Term Loan</td><td>Upto 10 years from the date of first disbursement inclusive of moratorium period.</td><td>Monthly</td><td>Monthly</td></tr>
</table>
Note:
1) The principal repayment may be made in equal monthly instalments.</td></tr>
<tr><td>Interest Rate</td><td>As per internal interest rate matrix, revised from time to time.</td></tr>
<tr><td>Front End Fee and Documentation Charges</td><td>Front End Fee and Documentation Charges will not be charged to State Sector Borrowers under the scheme</td></tr>
<tr><td>Exposure norms (as % of IREDA’s Tier-1 Capital after completion of each financial audit)</td><td>Exposure Limit (Single and Group exposure) will be treated as per IREDA Exposure Norms
The above exposure may be followed in case of Entities like SECI, NTPC, other Government entities.
Exposure Limit as %age of IREDA’s Tier-1 Capital after completion of each financial audit.</td></tr>
<tr><td>Security</td><td>Main Securities:
(1) Promissory Note covering the loan amount.
(2) Any one of the following:
(i) State Govt. Guarantee for the Loan
(ii) Exclusive Charge of up to 1.2 times of installment (highest) of IREDA repayment obligation, on Default Escrow Account by earmarking unencumbered specific revenue stream.
(iii) ESCROW cover upto 1.2 times of installment (highest) of IREDA repayment obligation through default escrow mechanism or any another established mechanism</td></tr>
</table>

	(iv) Mortgage / Hypothecation of unencumbered immovable/movable assets to the extent of 1.1 times of IREDA loan along with list of assets. (v) NACH Mandate/ ECS mandate. **Note:** Security of State Government Guarantee will be obtained, in case of the following borrowers: a. C or C- (C minus) rated DISCOMs as per Annual Integrated Rating & Ranking of Power Distribution Utilities by Ministry of Power, Government of India. b. External Credit Rating (ECR) of below investment grade (i.e., BBB-) in case of State GENCOs/TRANSCOs. **Timeline for Security Creation:** ➢ Main Securities as at S. Nos. (1) & (2), above shall be created upfront before disbursement. ➢ In case, more than one security is stipulated from S. No. (2) above, time may be provided upto six (6) months from date of disbursement, for compliance of creation of additional security. **Note:** **In the event of non-creation of stipulated security within six months/ stipulated timelines as per sanction terms, a penal charge of Rs. 2000 per lakh per annum (which shall be calculated on daily basis considering the number of days in a year as 365 (a proportionate amount would be charged for the amount less than a lakh, if any), will be charged for next six-month period. However, the matter will be reviewed by the group after six months.**
Other General Conditions of the scheme	1. The applicant shall provide an undertaking that the Term loan assistance will be utilized only for RE sector activities (viz.) meeting RPO Compliance /Procurement of RE Power/ Payment to RE Generators/ any other payments related to State DISCOMs/ TRANSCOs/ GENCOs/ PSUs/ CPSEs, etc., towards Energy Efficiency/ system strengthening for Transmission/ Distribution/ Renovation & Modernisation (R&M)/ Operations and Maintenance (O&M) related to RE Infrastructure, etc., / Other purpose related to RE, etc., and disbursement shall be utilized accordingly. 2. Applicant shall provide utilization certificate that the fund has been deployed for RE related activities/ projects/ purposes as detailed in loan documentation. The end use certificate to be submitted within maximum period of 1 year from the date of first disbursement. 3. Company shall submit Board Resolution for availing the Loan. 4. Company shall execute a loan agreement.

	5. NoC from the existing lender be provided to IREDA, only if pari-passu charge on assets is stipulated as security 6. **Pre-Commitment Condition**: The borrower will submit an undertaking that the assistance under this loan will not be available for items already financed by IREDA/ Banks/ NBFCs/ other FIs under any Scheme. 7. **Pre - Disbursement Condition**: There should be no outstanding overdues for payment to IREDA
Prepayment	Prepayment will be as per Policy on Prepayment.

XX. "Loan against Securitization of Future GBI receivables in case of Grid Connected Wind & Solar Projects"

Objective: To provide Loan against Securitization of future GBI Receivables of Wind & Solar projects registered under GBI scheme of MNRE.

Eligibility:

- DICOMS/Utilities, who are eligible/ registered for GBI scheme or lending agencies and/or IREDA's borrower shall be eligible to borrow loan under the scheme
- Lending agencies (Banks/FIs including NBFCs, except IREDA funded projects) whose funded projects are registered with IREDA for GBI Scheme, shall be required to satisfy, inter alia, the following parameters to be eligible for availing loan (for refinancing of future GBI claims to their borrowers) under the Scheme:
  - i. They should be profit-making for the last three years and should have no accumulated losses. The condition will not be applicable to State/ Central PSU Banks/Govt. NBFC's/ Govt. FIs.
  - ii. Gross Non-Performing Assets as a percentage of Gross Advances should normally not exceed five per cent for the entire portfolio of the lending institution. The condition will not be applicable to State/ Central PSU Banks/Govt. NBFC's/ Govt. FIs.
  - iii. The Capital Adequacy Ratio should be in conformity with the prescribed regulatory norms.
- Group/promoter/holding company is also eligible to avail loan for all the projects registered for GBI Scheme (under the same group) with single application, provided the holding company is having atleast 76% shareholding in each of the concerned SPVs for which loan is sought.
- Eligible borrower under the scheme should have been registered, approved and sanctioned under the GBI Scheme and there shall not be any overdue to their lenders (including IREDA). The loan account should be standard in the books of the lender(s) including IREDA
- To be eligible to avail loan under the scheme, Applicant should not have availed Accelerated Depreciation (AD) benefits for the projects under loan consideration.
- Other eligibility conditions shall be as per prevailing IREDA's Financing Norms.

Extent of Loan:

- To the extent of 50% of the projected balance future GBI receivables of the project. The projected generation may be preferably estimated based on the average generation during last 2 Financial Years.
- Minimum Loan assistance would be Rs. 50 Lacs per project, as per the applicable guidelines.

Repayment Period:

- The maximum repayment period would be 1 year less than the remaining period for GBI receivables.
- The repayment of Principal would be preferably on annual basis. The interest payments shall be monthly basis. However, the borrower has the option to pay interest amount on annual basis, provided they are agreeing to pay compound interest. Further, the repayments including interest payments may be linked with release of GBI amounts.
- No moratorium would be provided.
- Repayments may be adjusted out of GBI proceeds received / to be received from MNRE. Shortfall, if any will be recovered from the borrower, which will be payable on demand.
- For above purpose, up to 90% of GBI Proceeds received/ to be received from MNRE will be adjusted against IREDA dues. The balance GBI proceeds upto 10% may be released and borrower may utilize the same. In case, if IREDA wants the balance GBI amount may also be adjusted against dues, if any and the same will be done with the consent of the borrower.
- In case of IREDA funded project, IREDA will also have the option to adjust its project loan dues from GBI receivables.
- In the event of any account under the said scheme, is referred to NCLT, the loan shall be repaid in bullet repayment

Interest rate: Highest prevailing interest rate of the sector (solar & wind) + 0.5% p.a., with reset clause as per prevailing norms of IREDA (presently 1 year).

Registration Fee: As per the prevailing financing Norms of IREDA

Processing Fees: 0.5% of the loan amount or Rs. 5 Lac, whichever is lower. (No separate Front-end fee shall be applicable)

Other Fee & Charges: As per the prevailing financing Norms of IREDA

Security:

A. Applicant to provide Exclusive charge on GBI receivables from MNRE, to IREDA.
B. IREDA to explore taking First /Pari-Passu charge on all project assets (including current assets/ receivables) on reciprocal basis. In case of genuine difficulties, IREDA shall have second charge on all assets (including receivables) of the Borrower, both present and future, to secure loans. The said second charge to secure debt shall rank pari passu with all other 2nd charge holders/lenders of the project, if any.
C. One or more additional securities such as Pledge of shares, mortgage of Collateral security (or equivalent value of BG/FDR), Corporate Guarantee, Personal Guarantees, Postdated Cheque,

Charge on revenue streams of promoter companies, 3rd party Guarantee etc., to the satisfaction of IREDA.

- **Security Conditions for Discoms**
  Any one (or more) securities such as State Govt. Guarantee/ Security of Pari-passu charge on current assets /Charge on Escrow Account/Other similar securities such as NACH mandate / Comfort Letter from Discoms/ Demand Promissory Notes etc.

- **Security Conditions for Banks/FIs (Including NBFCs)**
  Apart from the Security conditions as mentioned at Serial No. A & B above in, IREDA may also explore security as "Charge (exclusive/first pari passu charge) as may be required, on the book debts of the Banks/FIs including NBFC upto 100% of the IREDA Loan outstanding including dues, at all times during the currency of the IREDA loan".

<u>Other Conditions:</u>

- The company shall provide an undertaking that funds released under the scheme shall be utilized towards RE projects and its related activities.
- A detailed plan, supported with documents indicating the proposed utilization of funds, if any, along with a detailed timeline to be submitted at the time of Loan application. In this regard, the applicant shall submit utilization certificate (Statutory Auditor), immediately after utilization funds.
- Applicant to provide Statutory Auditors Certificate certifying that they have not availed any Accelerated Depreciation (AD) for the projects under consideration and also confirm in the form of undertaking that they will not avail AD in future also.
- GBI Receivables of the project to be free from any charges, All Bankers of the applicant to provide NoC in this regard.
- In case, the projects funded by IREDA under this GBI scheme at any stage undergoes down selling, such down selling can only be allowed with prior permission of IREDA and in this regard, NoC from IREDA needs to be obtained.
- No change in management/ change in shareholding pattern to be effected without prior permission of IREDA and NoC from IREDA for to be obtained for any change in management/ change in shareholding pattern.
- Additional insurance policies covering Loss of generation which may include machine breakdown (MBD), natural calamities/force majeure conditions etc.
- IREDA reserves the right to debit all expenses incurred on inspection (including the visit prior to sanction of project) and monitoring charges of projects involving IREDA's loan, are to be borne by the borrower.
- The Applicant shall provide an irrevocable undertaking to IREDA for adjusting GBI amounts to recover its dues to IREDA.
- The borrower/ GBI beneficiaries shall provide an irrevocable undertaking authorizing IREDA to receive GBI money released by MNRE, Govt. directly.
- All sanction under the scheme shall be processed as per the Delegation of Power (DOP) of IREDA.
- Other terms and conditions shall be as per prevailing Financing Norms/ Guidelines of IREDA.

XXI. IREDA Financing Scheme - "Manufacturing of Biomass Pellets / Briquettes/Torrefied Pellets/ Refuse Derived Fuels (RDF)"

I. Scheme Objective:

To provide financial assistance for setting up of facilities for manufacture of Biomass Pellets / Briquette/RDF, which in turn promote processing of agriculture crop residues/MSW in an economic way and support sustainable environment.

II. Eligible Entities: As per Financing Norms of IREDA

III. Projects Eligible for the Assistance: All the commercially viable Biomass pellets / Torrefied Pellets/Briquette/ RDF manufacturing plants.

IV. Minimum Loan:

The minimum loan eligibility from IREDA will be Rs.50 Lakh

V. Debt Equity: Debt Equity ratio to be 70:30

VI. Promoter Contribution and Quantum of Loan:

Loan amount to be 70 % of project cost & promoter contribution to be minimum 30%.

VII. Interest Rate: The applicable interest rate will vary & depends on the grade of the of the project, as per IREDA Credit Risk Rating system (CRRS), as applicable to Biomass Power

Note:

- The interest rates are revised from time to time, as per IREDA's internal process through interest rate fixation committee.
- Interest rates prevailing at the time of each disbursement shall apply.

VIII. Repayment Period & Moratorium: - The repayment period shall be maximum of 10 years. (Excluding maximum 12 months moratorium period).

IX. Financial Parameters:

The Base case financials shall ensure compliance of following financial indicators: -

- Average DSCR > 1.20
- Minimum annual DSCR > 1.10
- ACR > 1.0
- IRR (Post Tax) > Interest rate of project

X. Securities:

a) First charge/first Pari passu charge on Land & Buildings, Plant & Machinery, other Fixed assets. The charge shall be created by way of mortgage of immovable assets and as per requirements of IREDA policy.
b) Hypothecation of movable assets or any other mode accepted/stipulated by IREDA. In case of the project land not mortgageable, assignment of leasehold rights / substitution rights of the project land may be stipulated as security condition.
c) Submission of ECS/NACH before first disbursement and activation within 45 days of first disbursement for interest and principal repayments.
d) Revenue from sale of Biomass Pellets / Briquettes/Torrefied Pellets/ Refuse Derived Fuels (RDF) shall be through TRA / Escrow Account and provide exclusive/first/first - passu charge on TRA / Escrow account, as applicable. IREDA may allow Working Capital Banker to have charge on current and fixed assets on reciprocal basis, as per the requirements.
e) DSRA formation will be regulated as per prevalent DSRA guidelines.
f) Pledge of shares (minimum 51%) of the applicant company in case of new companies/SPVs.
g) Two or more additional securities as below:
   - BG/FDR for not less than 10% of loan amount lien marked to IREDA.
   - Collateral security equivalent to 10% of the loan amount mortgaged to IREDA.
   - Corporate Guarantees of promoting entities till the entire loan tenure.
   - Personal Guarantees of promoters till the entire loan tenure.

   Any other security, as may be feasible.

XI. Fees and charges: As per Financing guidelines of IREDA

X. General Conditions:

- Firm raw material contracts entire required quantities for a tenure more than IREDA's loan tenure including moratorium period (door to door) shall be a pre-disbursement Condition.
- Company to provide offtake agreement for full production capacity for a tenure more than IREDA's loan tenure including moratorium period (door to door) shall be a pre-disbursement condition.
- All the commercially viable Biomass pellets/Torrefied Pellets/ Briquette/ RDF manufacturing plants.
- Company to provide TEV and Raw material assessments from independent agency to IREDA.
- The borrower shall provide all information and documents reasonably required in connection with the procurement, of any goods, services and works to be financed by IREDA, as per the established commercial practices.

- The subsidy/grant, if any given by the Central Government/ State Governments shall be adjusted against loan sanctioned by IREDA.
- The interest subvention/interest subsidy, if any given by State/Central Govt., will be passed on to the project.
- Other terms and conditions shall be as per prevailing Financing Norms/ Guidelines of IREDA.

XXII. Scheme for Financing of "Biomass projects for heating applications for commercial use"

1. Background:

Bioenergy has received remarkable attention in India due to increasing environmental concerns. In India, there is abundance of Agricultural crop residues which is likely to increase in the coming years. Majority of the crop residues are either processed in uneconomic way or get destroyed by burning unscientifically causing environment degradation, which could be potentially used for production of useful fuels and chemicals. Biomass has been used extensively as fuel in boiler for power generation. Biomass fuel can also be utilized for production of steam/ heat by burning of biomass in boiler for using in manufacturing process of industry.

2. Scheme Objective:

The main objective of the Scheme is to provide financial assistance to biomass project for heating applications to set up facilities which in turn promote processing of agriculture crop residues in an economic way and support sustainable environment.

3. Eligible Entities:

The Applicant should have a valid third-party agreement for supply of steam to the consumer / for captive consumption.

4. Minimum Loan Requirement:

The minimum loan eligibility from IREDA will be Rs.50 Lakh

5. Promoter Contribution and Quantum of Loan:

Financing norms relating to quantum of loan and minimum promoter contribution, are given below:

Minimum Promoter Contribution, Quantum of loan & Maximum Debt Equity Ratio:

a) Quantum of loan from IREDA shall be up to 70% of the total Project cost.
b) The minimum promoter contribution shall be 30% of the project cost.

6. Disbursement, Repayment Period & Interest Rates:

a) Loan disbursement shall be as per IREDA existing guidelines.

b) The repayment period shall be maximum of 8 years, depending on the project cash flows & DSCR of the project and it shall be after the implementation & moratorium period. The moratorium period shall be up to 12 months from the date for COD of the project.

c) Applicable interest rate will be as applicable for biomass sector, depending on the internal rating (CRRS) of the project/promoter.

Note:

- The interest rates may be revised as per IREDA's internal process through interest rate fixation committee
- Interest rates prevailing at the time of each disbursement shall apply
- Additional Interest @ 0.50% over and above the applicable rate of interest shall be charged till the date of commissioning of the project

7. Fees and charges: As per existing guidelines

8. Securities:

Company shall provide exclusive charge in case of sole lending or pari-passu charge in case of co-financing on land by way of mortgage and on plant & machinery by way of hypothecation of movable assets of the project as per IREDA security norms. In case mortgage of land is not feasible, corporate guarantee/Letter of Comfort from beneficiary/off-taker Company to be obtained.

Additional securities such as pledge of shares, mortgage of Collateral security, corporate & personal Guarantees etc. may be obtained to the satisfaction of IREDA.

- Revenue from sale of steam supply should be routed through TRA and charge on revenue streams and Trust & Retention account (TRA) should be taken
- Other security conditions will be as per existing IREDA Guidelines.

9. General Conditions:

- IREDA shall finance not more than one biomass project for heating applications for commercial use in a radius of 50 KM, whether funded by IREDA/other FIs.
- IREDA reserves the right to debit all expenses incurred on inspection (including the visit prior to sanction of project) and monitoring charges of projects involving IREDA's loan are to be borne by the borrower.
- IREDA reserves the right to nominate/withdraw Nominee Director(s) on the Board of borrowing company. IREDA also reserves right to appoint Concurrent Engineers/Auditors, if required.

- The borrower is required to follow transparent and competitive bidding procedure and shall demonstrate that the procurement procedures adopted by them are appropriate to the circumstances and that the quality goods, services and works are purchased at reasonable and competitive prices, account being taken also of other relevant factors such as time of delivery, efficiency and reliability of the goods and works, their suitability for the project and availability of maintenance facilities and spare parts and quality and competence of the parties rendering them. The borrower shall provide all such information and documents reasonably required in connection with the procurement of any goods, services and works to be financed by IREDA.
- Project shall follow best practices with respect to environmental and social aspects.
- Other terms and conditions shall be as per prevailing Financing Norms/ Guidelines of IREDA.

XXIII. "Setting up of New Distillery / Expansion of Existing Distillery for Production of Ethanol Using Sugarcane Juice / Sugar Syrup / B-Heavy Molasses / C-Heavy Molasses / Damaged Food Grains / Surplus Rice with FCI And Other feedstock such as Sorghum / Sugar Beet etc."

(The above scheme is put on hold as per 460th Board meeting approval dated 25.03.2026 and will be reviewed periodically)

I. **Scheme Objective:** The main objective of the Scheme is to provide financial assistance for setting up of new Distillery or expansion of existing Distillery for manufacturing of Ethanol, which in turn promote blending of biofuel in petroleum for reduction in pollution levels and addressing the issues of sugar demand – supply chain.

II. **Eligible Entities:** As per Financing Norms of IREDA

III. **Projects Eligible for the Assistance:** All the commercially viable First-generation Ethanol manufacturing plants either newly set up Distilleries (or) expansion (enhancement of capacity) of existing Distilleries using 'Molasses / Sugar Syrup / Cane Juice / Damaged Food Grains / Surplus Rice with FCI' and other feedstock such as Sugar Beet / Sorghum, etc. as Raw Material.

Interest Rate: Interest rate may vary time to time as per IREDA policy. However, an additional rate of interest of 0.10% to be charged on the entire loan amount in case the loan amount exceeds 75% of the project cost.

IV. **Repayment Period & Moratorium:** The repayment period shall be maximum of 10 years (including moratorium up to 12 months from COD) depending on the project

cash flows & DSCR of the project and it shall be after the implementation period. In case of consortium/ co-financing, terms and conditions can be aligned with lead FI/Banks/Underwriters/ Syndicators.

V. **Base Case Financial Indicators:** The Base case financials shall ensure compliance of following financial indicators: -

- Average DSCR > 1.20
- Minimum annual DSCR > 1.10
- FACR > 1.11 (For Loan Exposure 90% or above) & FACR> 1.17 For Loan Exposure 85% (preferably post-commissioning, once capitalization of fixed assets is completed.
- IRR (Post Tax) > Interest rate of project

VI. Promoter Contribution and Quantum of Loan:

Quantum of loan from IREDA / Minimum Promoters Contribution shall be linked to eligibility of the Project for availing benefit of Interest Subvention as notified by Govt. of India:

Eligibility for availing Interest Subvention	IREDA Loan Amount (%) of the project cost	Minimum Promoters' Contribution (%)	Total Term Loan (%) of the project cost
For Ethanol Projects along with existing sugar mills			
If the Project is eligible	Upto 90%	10%	90%
If the Project is not eligible	Upto 70%	30%	70%
If the Project is not eligible. However, the project proposes use of 100% biomass and its derivatives in the boiler as fuel and air cooler system in place water cooler system	Upto 75%	25%	75%
For Stand-Alone Ethanol Projects			
If the Project is eligible	Upto 85%	15%	85%
If the Project is not eligible	Upto 70%	30%	70%
If the Project is not eligible. However, the project proposes use of 100% biomass and its derivatives in the boiler as fuel and air cooler system in place water cooler system	Upto 75%	25%	75%

In case interest subvention is available

a) Borrower is eligible for loan upto DFPD interest subvention amount available.

However, in case the loan availed is equivalent to interest subvention, then following STANDARD securities shall be applicable:

- First charge/first pari passu charge on Land & Buildings, Plant & Machinery, other Fixed assets. The charge shall be created by way of mortgage of immovable assets/ hypothecation of movable assets, or any other mode accepted/stipulated by IREDA. In case of the project land not mortgageable, assignment of leasehold rights / substitution rights of the project land may be stipulated as security condition
- Revenue from sale of Ethanol to Oil Marketing Companies through TRA / Escrow Account and provide exclusive/first/first -passu charge on TRA / Escrow account, as applicable. IREDA may allow Working Capital Banker to have charge on current and fixed assets on reciprocal basis, as per the requirements.
- DSRA formation will be regulated as per prevalent DSRA guidelines
- Submission of ECS/NACH before first disbursement and activation within 45 days of first disbursement for interest and principal repayments.
- Pledge of shares (minimum 51%) of the applicant company in case of new companies/SPVs

Apart from the above, following additional securities, may be considered for inclusion to the satisfaction of IREDA:

a) BG/FDR for not less than 10% of loan amount lien marked to IREDA[$]
b) Collateral security equivalent to 10% of the loan amount mortgaged to IREDA[$]
c) Combined BG/FDR/Collateral security (as above) equivalent to 10% of the loan amount[$]
d) Corporate Guarantees of promoters till the entire loan tenure
e) Personal Guarantees of promoters till the entire loan tenure
f) Any other security feasible like cross charges from other IREDA funded projects, charges on non-IREDA funded/debt free projects etc.

[$]In case of additional securities in the form of BG/FD/Property, the amount may be kept limited to the differential amount of Loan and interest subvention in case such differential is less than 10%.

In case of collateral security, valuation from bank empaneled valuers is to be provided before signing of loan agreement (considering circle rate or market rate, whichever is lower).

a) For loan applications where loan amount requested is more than the DFPD interest subvention amount. The following scenarios shall apply:

Interest Subvention amount (in terms of % of project cost)	IREDA Loan Amount (% of the project cost)	Minimum Promoters' Contribution (% of project cost)
For Ethanol Projects along with existing sugar mills		
Upto 50%	Upto 75%	25%
More than 50% and upto 75%	Upto 85%	15%
More than 75%	Upto 90%*	10%
For Stand-Alone Ethanol Projects		
Upto 50%	Upto 70%	30%
More than 50%	Upto 85%*	15%

*However, loans upto 95% may be provided in case of projects with existing sugar mills and 90% in case of standalone projects subject to enhanced securities provided below.

For loans exceeding 75% of the project cost, the project Average DSCR>1.25

VII. Securities: – As per IREDA norms.

VIII. General Conditions:

- The borrower shall provide all information and documents reasonably required in connection with the procurement, of any goods, services and works to be financed by IREDA, as per the established commercial practices.
- The subsidy/grant, if any given by the Central Government/ State Governments shall be adjusted against loan sanctioned by IREDA.
- The interest subvention/interest subsidy, if any given by State/Central Govt., will be passed on to the project after adjustment against overdue of IREDA/ Consortium Lenders.
- The Company shall bring-in minimum 75% promoters' contribution upfront, as per approved means of finance, before the release of first disbursement.
- The Company shall submit Techno-Economic Valuation (TEV) Study Report by empanelled organization with any Bank, along with the loan application.
- The borrower shall provide a copy of signed purchase agreement with OMCs (IOCL/BPCL/HPCL etc.) to IREDA before release of first disbursement.
- The Company shall ensure that the ACR shall not fall below '1.0' at any point of time and minimum DSCR shall not fall below 1.10 during the currency of IREDA loan.
- Revenue from the by products such as Distiller's dried grains with solubles (DDGS) etc. may also be considered as part of the cash flow calculations during the appraisals subject to Borrower submitting agreement for sale of DDGS for IREDA loan tenor. However, annual and average DSCR of at-least 1.0 and 1.10 respectively, be maintained for loan tenure without considering revenue from uncontracted by-products.
- Working Capital tie up to the satisfaction of IREDA be obtained before final disbursement.
- In projects, wherein borrower is a standalone SPV not having associated Sugar mill and ethanol is proposed to be manufactured from molasses/sugar syrup-based projects/damaged food grains etc., agreement(s) pertaining to supply of raw material for entire raw material requirement to be provided for tenor more than IREDA loan tenor.
- Base case calculations to not include interest subvention amount.
- Other terms and conditions shall be as per prevailing Financing Norms / Guidelines of IREDA.

XXIV. Takeover of Term Loans from Banks/FIs and Unsecured Loans/Bridge Loans/Creditors Payables/Any Other Similar Instrument Infused in the Project"

Eligibility Criteria

- The project/borrower company shall meet eligibility criteria as per financing guidelines of IREDA for renewable energy projects.

- IREDA may consider projects under implementation as well as commissioned projects.
- At the time of appraisal, it must be ensured that additional loan, if any, is not on account of financial difficulty and will result in restructuring.
- The term financial difficulty and restructuring have same meaning as defined under Reserve Bank of India norms.

Extent of Loan

- The quantum of loan in takeover cases shall be subject to applicable D: E ratio under IREDA Policy, based on the Capitalized project cost / project cost as appraised and accepted by IREDA.

  This may broadly include the amounts to be paid, subject to maintaining applicable D: E ratio:

- To the existing term lenders
- Towards reimbursement of Unsecured Loans /Bridge Loans/other similar instrument infused in the project.
- Towards payments of Creditors/Suppliers Payables
- Towards other components such as additional loan, on merits.

Repayment Period of Loans

The repayment period shall be determined on case to case basis depending upon the project cash flows and may be kept in line with IREDA policy.

Security

The security for takeover loan shall be as per IREDA's Financing Guidelines. Timeline for security creation and perfection for under implementation projects may be provided as per IREDA policy, whereas for commissioned projects, timelines may be provided as per requirement, on case-to-case basis.

Interest Rate and Financial Charges

Interest rate and other financial charges shall be as per IREDA's norms.

XXV. Project Specific Funding (PSF) Loans

Purpose

To provide financial assistance in the form of short & medium-term loan for meeting immediate fund requirements towards implementation of specific project/ contract.

Scope

The loan can be extended to RE/ EE suppliers / contractors/ Manufacturers etc.

Eligibility

As per Financing Norms of IREDA

Other Criteria's

The appraisal/quantum of loan sanction shall be based on the specific project execution and timelines.

The applicant to have land permit or developer's permission or Power Evacuation connectivity, or its combination.

The loan is aligned to the execution timeline and SCOD of the power project for which the EPC player/supplier awarded the turnkey/ part contract.

The assessment for sanction of loan should be based on the cash flow statement of the specific project/ contract.

Interest Rate

As per internal interest rate matrix, revised from time to time.

Quantum of Loan

As per financing norms of IREDA

Repayment

- Repayment of loan to be linked with the payment terms/ milestones of the project specific supply contract between EPC & Project Developers which in turn will be linked with project SCOD/COD and shall generally not exceed 3 years from first disbursement.
- Terminal date for the repayment of loan to be kept within SCOD (as per PPA) plus maximum 6 months. However, in case of extension in SCOD at a later stage, duly approved by the concerned agency, consequential shift in terminal date may be allowed at the discretion of IREDA, subject to same being a original loan sanction condition.

Security:

- First/ Pari passu charge on the movable and immovable assets of project (Or)
- Security (Min. 15% Margin money) in the form of BG/FDR and one or more additional securities such as Extension of pari-passu/first charge in IREDA funded projects, pledge of shares, mortgage of collateral property, corporate, personal Guarantees, Charge on revenue streams/Contracts/ Supplier Receivables/NACH Mandate / ECS mandate etc. to the satisfaction of IREDA. Security of minimum 5% (instead of minimum 15%) of margin money may be considered for existing borrowers of IREDA or their group companies and having satisfactory payment track record at IREDA.
- LC/Escrowing of project contract related payments
- Confirmation/ Undertaking from project developer is stipulated for deposit of payments into designated Escrow account.

Other Conditions

- LIE/ concurrent auditor is appointed to keep track of the project progress/ fund utilization.

- The end use certificate to be obtained, based on project completion milestones as defined in the appraisal.
- NOC is required from existing working capital lenders.
- The above Project Specific Funding would also be governed under the RBI circulars, if any, issued from time to time.

XXVI. Policy for granting of In- Principle Loan Sanction to Applicants

Background:

The In - Principle sanction letter can be issued with a condition that the final loan sanction is subject to techno economic - viability of the project proposal and approval by Competent Authority (ies). As such there is no binding on IREDA for issue of final sanction approval.

Terms & Conditions:

- IREDA may grant an In-Principle loan sanction to Borrowers without compromising IREDA's rights to do due diligence at the time of loan sanction, in cases, where Regulatory/ Government Approvals are linked to In-Principle Sanction of Loans by FIs/Banks or Loan by Other Institutions in consortium are linked to In-Principle Sanction of Loan by IREDA.
- In-principle sanction letter is a conditional letter and as such there is no binding on IREDA to issue final sanction letter
- Issue of In-principle sanction letters will be applicable to all sectors/schemes of IREDA
- Receipt of Loan Application along with requisite registration fee and documents
- Borrower to submit the documentary evidence for establishing the need for In-principle sanction.
- IREDA may review the following documents/information for issue of such letters
  - DPR/PIM/Feasibility Reports
  - Basic Financial Viability Analysis
- The account should be standard at the time of issue of final sanction, if any.

Eligible Entities/ Categories:

The general eligibility conditions will be as per extant "Financing Norms" & Guidelines of IREDA, as revised from time to time.

Exposure Norms:

The In Principle Loan Sanction shall be within the exposure limits of IREDA.

Fee:

An additional non-refundable fee of Rs.1 Lakh plus taxes (apart from applicable Registration fee) will be charged for processing of In-Principle loan sanction & same will be payable before the issuance of In Principle sanction letter.

Approving Authority: As per Delegation of Power of IREDA

Validity of In-principle sanction:

In-principle sanction to be valid for 120 days from the date of issuance of the letter.

General Terms:

- All other terms and conditions would be as per prevailing IREDA's "Financing Norms" and "Guidelines".
- During the detailed appraisal process for the final sanction, if any, the Applicant (Company/ Promoters etc.) to comply with KYC requirements in line with IREDA Policy.

XXVII. Scheme for Power generation through Biomass Gasifiers.

Main Sector: Biomass Power Generation

Sub Sector: Power Generation through Biomass Gasifiers

Eligibility criteria:

- IREDA shall finance not more than one independent Biomass Power Project excluding captive Biomass/ Bagasse based Co-generation, in a radius of 50 KM, whether funded by IREDA/other FIs/Banks.
- For Biomass Gasifier power projects, IREDA's loan exposure may be limited upto 50% of project cost.
- Biomass Gasifier projects exceeding 7.5 MW capacity up to a maximum of 10 MW, will be considered on case-to-case basis subject to careful examination, particularly with reference to Biomass availability, presence of other Biomass power/ Biomass cogeneration projects in that area, linkage for off-season fuel, water availability etc. and the loan from IREDA shall not exceed loan for 7.5 MW of the project. However, IREDA may also consider projects exceeding 7.5 MW upto maximum of 10 MW on a 70: 30 debt equity ratio and may take exposure upto 50 % of project cost subject to above condition and that the promoter shall bring in upfront 75 % of their contribution.
- Use of high energy efficient equipment in Biomass Power Plants is encouraged.
- Borrower who are having long term PPA tie-up with state DISCOM will be preferred.
- Borrowers coming with third party and captive power plant may be considered subject to long term PPA signed with 3rd party and Captive power plant operator shall have "A" credit rating from RBI authorized Credit rating agencies

Other Conditions:

- All sector specific conditions will be applicable as per Biomass Power Generation
- All other conditions will be as per IREDA financing guidelines

XXVIII. IREDA Loan Scheme for "Compressed Bio- Gas (CBG)" under SATAT Scheme

I. Background:

Biogas is produced from waste / bio-mass sources (e.g., agricultural residue, cattle dung, sugarcane press mud, municipal solid waste, and sewage treatment plant waste) through the process of anaerobic decomposition. Compressed Biogas (CBG) has calorific value and other properties similar to Compressed Natural Gas (CNG) and hence can be utilized as green renewable automotive fuel. Thus, it can replace CNG in automotive, industrial, and commercial areas, given the abundance biomass availability within the country.
SATAT' (Sustainable Alternative Towards Affordable Transportation) Scheme on Compressed Biogas (CBG) was launched on 1st Oct 2018 by Ministry of Petroleum and Natural Gas, Government of India. The objectives of the scheme are:

- Utilizing more than 62 MMT of waste generated every year in India,
- Cutting down import dependence,
- Supplementing job creation in the country, and
- Reducing vehicular emissions and pollution from burning of agricultural / organic waste.

As per information provided by Ministry of Petroleum and Natural Gas, Govt. of India, it is planned to roll out 5,000 CBG plants across India in a phased manner. These plants are expected to produce 15 million tonnes of CBG per annum, which is about 40% of current CNG consumption of 44 million. tonnes per annum in the country. RBI has also notified that Loans to start-ups (up to ₹50 crore) for setting up Compressed Biogas (CBG) plants are included under priority sector lending. Hence, there is a sizeable opportunity for the Banks/FIs to finance such projects over the next few years. Further, as per the Business Plan of IREDA for FY 22 to FY 26, financial assistance to CBG is part of the disbursement targets.

II. Business Model:

The business model has been framed by the Oil Marketing Companies and indicated in the Letter of Intents (LOI) issued to the entrepreneurs. CBG plants are proposed to be set up mainly through independent entrepreneurs who will be responsible for planning and execution of the projects (including sourcing of raw materials, operation, and maintenance of plants) as well as maintaining final product output quantity and quality. CBG produced at these plants will be transported by the LOI holders through cascades of cylinders or pipeline to the fuel station networks of OMCs for marketing as a green transport fuel alternative. The 1,500+ CNG stations network in the country currently serves about 32 lakh gas- based vehicles which can be used for the purpose.

III. Loan Scheme:

"Compressed Biogas (CBG) under SATAT".

1	Sector	Waste to Energy/Bioenergy
2	Sub Sector	CBG under SATAT
3	Eligibility	i. Entrepreneurs having: • Contract Agreement for sale of CBG with OMCs with 100% off take guarantee. The tenure of agreement should be more than the loan duration. • Legally binding agreements with adequate stamp-duty registered at competent authority's office for raw material

		procurement and availability throughout the loan tenure to be provided before disbursement. • A minimum internal rating of "V" is required. ii. All other terms & conditions as per prevailing IREDA Norms/guidelines
4	Minimum Loan amount	INR 50 Lacs
5	Loan tenure	Upto 10 years excluding moratorium and construction period or 80% of the life of contract agreement for sale of CBG, whichever is less
6	Moratorium	Upto 1 Year
7	Construction Period	Upto 1.5 Year
8	(i) Debt Equity ratio (ii) Fixed Asset Coverage ratio	70:30 1.25 (minimum)
9	IREDA Loan amount limit	Maximum up to 70% of the project cost
10	Interest rate	As per IREDA Policy
11	Upfront Equity	At least 50% of the Promoters' contribution should be brought in upfront in form of pure equity.
12	Primary Security	• Mortgage of immovable assets by way of deposit of title deeds or any other legally recognized mode • Hypothecation of movable assets, both existing and future, subject to prior charge of Banks on specified current assets. • TRA for depositing project receivables from OMCs and building up DSRA as per IREDA Norms • Any other security as may be feasible, as per IREDA Norms
13	Collateral security	One or more additional securities, from the following: • Mortgage of urban residential/ commercial land based on project strength. • Pledge of share - minimum 51% • Personal Guarantee • Corporate Guarantee • Bank Guarantee/ FDR for an amount not less than 10% of IREDA loan amount • Any other security, to the satisfaction of IREDA
14	General Conditions	• Execution of project should be preferably through an experienced Contractor. • Lender's Independent Engineer (LIE) to be appointed for close monitoring. • The applicant will provide all statements, information, materials, and explanations relating to its business and financial position including Annual Audited Financial Statements and Directors'/Auditors' Reports etc. • The applicant shall obtain all the statutory clearances/ approvals, as may be required for implementation/ operation. • The Company shall submit production and sales details on monthly basis.

		• LIE for the total period to be appointed in projects till the completion of the project. • Site visit by LIE/IREDA staff to be mandatorily done every quarter with submission of quarterly report, till completion of the project. • The Company shall submit Techno-Economic Valuation (TEV) Study Report by empaneled organization with any scheduled commercial Bank/IREDA/REC/PFC, along with the loan application.
15	All other terms and conditions	As per IREDA guidelines

Fees and charges: As per existing guidelines

General Conditions

- The borrower shall provide all information and documents reasonably required in connection with the procurement, of any goods, services and works to be financed by IREDA, as per the established commercial practices.
- The borrower shall provide undertaking that project has not availed any benefits/ subsidy/ assistance on the machinery/ equipment to be procured under this scheme from any other Central Government/State Government schemes.
- IREDA may share the charge of assets as per extant policy.
- The subsidy/grant, if any given by the Central Government/ State Governments shall be adjusted against loan sanctioned by IREDA.
- The interest subvention/interest subsidy, if any given by State/Central Govt., will be passed on to the project.
- Revenue from the by products such as Manure etc. may also be considered as part of the cash flow calculations during the appraisals. However, annual, and average DSCR of at-least 1.0 and 1.10 respectively, be maintained for loan tenure without considering revenue from uncontracted byproducts.
- Other terms and conditions shall be as per prevailing Financing Norms/ Guidelines of IREDA.

Other Conditions

- Securities and terms & conditions of the loan may be aligned with Lead Lender/ Lead Arranger, if any, to the satisfaction of IREDA.
- CMD, IREDA is authorized to make amendments/ /modifications/ consequential changes, if any as may be required from time to time.
- Funds to be utilized strictly for business purposes only. Term Loan disbursements shall be made directly to the suppliers/ contractors by debit to the term loan account on obtaining the borrower's authority.

- Entire cost overrun to be covered by promoters. An Undertaking in this regard to be obtained from the borrower.
- End use declaration for utilization of funds for the project and equipment to be taken from the borrower.

XXIX. Comprehensive policy for financing new technologies for promoting & increasing usage / penetration of Renewable Energy & Funding of green mobility segment.

(Funding of green mobility segment (E- mobility and Related EV charging Infrastructure including manufacturing/ assembling plant of Electric Vehicles and associated components under the above scheme is put on hold as per 460th Board meeting approval dated 25.03.2026 and will be reviewed periodically, while all other new technologies eligible under the comprehensive policy will continue)

Background:

Accelerating sustainable energy transitions away from carbon-based fuel sources is key in achieving climate mitigation promises and energy security objectives and India is poised well to achieve this objective. Recently, Government of India has set a target of non-fossil energy capacity of 500 gigawatts (GW) by 2030 and Net-Zero by the year 2070. Electricity comprises only around 16.5% of the final energy consumption at the national level and additional efforts are required to reduce greenhouse gasses (GHG) emitted by the remaining 83.5% energy sector. Accordingly, for large scale integration of Renewable Energy and increasing its usage in the economy beyond scope of meeting power sector requirement only, there is a need for constant focus and investments in new and emerging technologies to integrate renewable energy usage in Industry and Transport sector as well. To meet this goal, development of robust manufacturing and deployment infrastructure for Battery Energy Storage Systems (BESS), Green Hydrogen, Biofuel, green-mobility and charging infrastructure shall play a major role. To meet the demand of sustainable alternatives towards mobility, IREDA is already financing Compressed Biogas (CBG), Bio Ethanol Production projects and propose to further extend its mandate for financing entire value chain of green mobility. The details of the Policy are as under:

1. **Terms and conditions for Financing of manufacturing/ new technologies:**

Particulars	Details
Eligible Technologies	• Battery Energy Storage Systems (BESS) and manufacturing of batteries • Projects involving production of Green Hydrogen and its derivatives, including manufacturing/ production of components/materials which have direct impact on providing support to Renewable Energy/ Green Technologies/EV/Green Hydrogen and its derivatives. • Fuel Cells, • Manufacturing/ assembling plant of Electric Vehicles and associated components, • Waste Recycling units to meet the demands of the RE Sector, Electric Mobility and BESS Segments.

Minimum Loan Amount	As per IREDA Norms
Quantum of IREDA Loan	Maximum 70% of the project cost
Upfront Promoter Contribution	Minimum 30% of the Project cost
Loan Repayment period	• Upto 7 Years for manufacturing (in case of E Mobility & associated components, components in green hydrogen manufacturing value chain, Waste recycling units and Manufacturing of batteries) • Upto 80% of the concessionaire/ agreement period (in case of BESS, Projects involving production of green hydrogen and its derivatives and Fuel Cells). In any case, repayment period should not be more than 20 years under the scheme and total loan be amortized within 80% of the useful life/concession period.
Moratorium Period	Upto 1.5 Years
Interest rate	As per IREDA Policy
Upfront Equity	100%
Security	a) Mortgage of immovable assets by way of deposit of title deeds or any other legally recognized mode, if applicable. b) Hypothecation, over movable properties, and assets, including plant & machinery, machinery spares, equipment, tools & accessories, furniture, fixtures, vehicles, and all other movable assets, both present and future. c) Charge on the Project's operating cash flows, book debts, receivables, commissions, revenues of whatsoever nature and wherever arising of the Borrower, both present and future. IREDA may allow Working Capital Banker to have charge on current and fixed assets on reciprocal basis upto the extent of working capital limit, as per the requirements. d) Assignment of Rights, as applicable e) DSRA formation will be regulated as per prevalent DSRA guidelines. f) Trust and Retention Account (TRA)/Special Bank Account to be opened for receipt of Sale proceeds/revenue from concession agreements etc. for repayments/payments to be appropriated directly, or, on demand. g) Ant other security, as per IREDA Guidelines Additional Securities – one or more securities from the following may be stipulated, to the satisfaction of IREDA: a) Corporate Guarantee b) Personal Guarantee c) Pledge of shares - (minimum 51%) of the applicant company to be pledged with IREDA. d) 20% of the loan amount in the form of BG/ FD, Commercial Property/ Residential Property, as per requirement based on project strength

	e) Any other as per IREDA guidelines
All other term and conditions	As per IREDA Policy

2. Terms and conditions for Financing of Electric Mobility Segment

Eligible Entities: The Applicant should be a Company incorporated in India and working in any of following areas:

A. EV Fleet Owner/ Operator:
- Fleet of Commercial Buses or similar passenger vehicle with Concession Agreement with State or Central Govt. Agencies.
- Fleet of Commercial Cars/ Bikes operating as Taxi Service operating as Taxi Service operating on Business to Customer Model (only as Balance Sheet funding to the main promoting company and on merits of the case).
- Fleet of Commercial Buses or similar passenger vehicles having Business to Business contracts or Balance sheet Funding.

B. Charging Infrastructure owners
- Electrical equipment for charging of Electric Vehicles including land area. Charging through Renewable Energy shall also be allowed.

C. Repossession of vehicles financed: -

In case IREDA has financed Electrical Vehicles fleet owner for electric vehicles, Loan agreement shall also contain provisions regarding:
(i) notice period before taking possession;
(ii) circumstances under which the notice period can be waived;
(iii) the procedure for taking possession of the security;
(iv) a provision regarding final chance to be given to the borrower for repayment of loan before the sale/ auction of the property;
(v) the procedure for giving repossession to the borrower; and
(vi) the procedure for sale/ auction of the property.

All other eligibility conditions would be as per prevailing IREDA's Norms/ Guidelines

i. For EV Fleet Owner/ Operator:

Particulars	Details
Minimum Loan Amount	As per IREDA's existing policy.
Quantum of IREDA Loan	Maximum 80% of the Project Cost
Promotor Contribution	Minimum 20% of the Project cost
Loan Repayment period	Upto 80% of residual value of the contract or 10 Years, whichever is lower. Loan has to be amortized within 80% of contract period or 10 years, whichever is earlier.

Construction/ Implementation Period	To be proposed as per the proposal/ contract
Moratorium Period	Upto 1 Year
Interest rate	As per IREDA Policy.
Upfront Promoter Contribution	100%
Security	a) Mortgage of immovable assets by way of deposit of title deeds or any other legally recognized mode, if applicable b) Hypothecation, over movable assets, machinery spares, equipment, tools & accessories, furniture, fixtures, vehicles, and all other movable assets, both present and future. c) Charge on the Project's operating cash flows, book debts, receivables, commissions, revenues of whatsoever nature and wherever arising of the Borrower, both present and future. d) Assignment of Rights, as applicable e) DSRA formation will be regulated as per prevalent DSRA guidelines. f) Trust and Retention Account (TRA)/ Special Bank Account to be opened for receipt of Sale proceeds/ revenue from concession agreements etc. for repayments/ payments to be appropriated directly, or, on demand. a) Any other security, as per IREDA Guidelines **<u>Additional Securities – one or more securities from the following may be stipulated, to the satisfaction of IREDA:</u>** a) Corporate Guarantee b) Personal Guarantee c) Pledge of shares - (minimum 51%) of the applicant company to be pledged with IREDA. d) 20% of the loan amount in the form of BG/ FD, Commercial Property/ Residential Property, as per requirement based on project strength e) Any other as per IREDA guidelines
All other term and conditions	As per IREDA Policy
Reporting and monitoring	• The applicant will provide all statements, information, materials, and explanations relating to its business and financial position including Annual Audited Financial Statements and Directors'/Auditors' Reports etc. • The applicant shall obtain all the statutory clearances/approvals, as may be required for implementation/operation • The applicant shall provide all the details, as requested by IREDA, for the monitoring and quality assurance, safety issues etc.

ii. Financing of Charging Infrastructure

Particulars	Details
Minimum Loan Amount	As per IREDA Norms
Quantum of IREDA Loan	Maximum 80% of the project cost
Promotor Contribution	Minimum 20% of the Project cost
Loan Repayment period	i. Upto 10 years with Renewable Energy based Charging Infrastructure ii. Upto 7 years, without Renewable Energy based Charging Infrastructure.
Construction/ Implementation Period	Upto 1 Year or more in case Renewable Energy System is also being set up
Moratorium Period	Upto 1 Year
Interest rate	As per IREDA Policy. Further a rebate of 15 bps on the prevailing interest rates for respective grades would be applicable in case of Renewable Energy based Charging Infrastructure.
Upfront Promoter Contribution	100%
Primary Security	a) Mortgage of immovable assets by way of deposit of title deeds or any other legally recognized mode, if applicable b) Hypothecation, over movable properties, and assets, including plant & machinery, machinery spares, equipment, tools & accessories, furniture, fixtures, vehicles, and all other movable assets, both present and future. c) Charge on the Project's operating cash flows, book debts, receivables, commissions, revenues of whatsoever nature and wherever arising of the Borrower, both present and future. d) Assignment of Rights, as applicable e) DSRA formation will be regulated as per prevalent DSRA guidelines. f) Trust and Retention Account (TRA)/Special Bank Account to be opened for receipt of Sale proceeds/revenue from concession agreements etc. for repayments/payments to be appropriated directly, or, on demand. g) Any other security, as per IREDA Guidelines **Additional Securities – one or more securities from the following may be stipulated, to the satisfaction of IREDA:** a) Corporate Guarantee b) Personal Guarantee c) Pledge of shares - *(minimum 51%) of the applicant company to be pledged with IREDA.* d) 20% of the loan amount in the form of BG/ FD, Commercial Property/ Residential Property, as per requirement based on project strength e) Any other as per IREDA guidelines

All other term and conditions	As per IREDA Policy

Fees and charges: As per existing guidelines

General Conditions – Financing of Electric Mobility Segment

- At the time of appraisal, annual and average DSCR of at-least 1.10 and 1.25 respectively, be maintained for loan tenure.
- Generally, the concession agreement and contract shall not have any exit clause till the loan tenure. However, in Contracts/ agreements having exit/ termination clauses, the same be reviewed at the time of appraisal and suitable conditions be stipulated during sanction to protect interest of IREDA.
- The borrower shall provide all information and documents reasonably required in connection with the procurement, of any goods, services and works to be financed by IREDA, as per the established commercial practices.
- The subsidy/grant, if any given by the Central Government/ State Governments shall be adjusted against loan sanctioned by IREDA.
- The interest subvention/interest subsidy, if any given by State/Central Govt., will be passed on to the project.
- At the time of appraisal valid Type Approval, from Automotive Research Association of India (ARAI) or other authorized agency, certifying compliance of applicable Automotive Industry Standards issued by Ministry of Road Transport and Highways (MoRTH) be submitted in applicable projects/loan. applications.
- Compliance of consolidated guidelines and standards regarding Charging Infrastructure for Electric Vehicle (EV) issued by Ministry of Power (MoP) be ensured and a certificate from LIE/Government Authorized agency be obtained before first disbursement of applicable projects/loan applications.
- Other terms and conditions shall be as per prevailing Financing Norms/ Guidelines of IREDA.

XXX. Special product for funding renewable energy projects through bonds/banks loans/other financial instruments

1. Title

Special product for funding renewable energy projects through bonds/banks loans/other financial instruments against commissioned and operationally viable Renewable Energy Projects.

2. Objective

i. To fund commissioned renewable energy projects where >75% of the project is commissioned, at competitive rates by linking the rate with the benchmarks /back-to-back fund raising /based on raised resources

ii. It will help the project developers to avail funds from IREDA at a comparatively lower rate.

iii. To provide option of fixed and floating rate to the borrower

3. Eligibility Criteria

i. Commercially viable Renewable Energy projects, the projects should have minimum average DSCR of 1.2.
ii. The minimum loan should not be less than Rs. 500 Cr. to be eligible under the scheme.
iii. The minimum stand-alone credit rating (external) of the RE project or portfolio should be at least “A-”, such rating should currently be valid.
iv. The promoters of the project should not be on the defaulters list of Reserve Bank of India (RBI)
v. or Credit Information Bureau (India) Limited (CIBIL) and no criminal proceeding should be pending against the promoters.
vi. The borrower i.e., SPV/holding Company and its subsidiary should not be in default list of IREDA/Banks/FIs as on date of application.
vii. All other eligibility conditions as per financing norms of IREDA.

4. Fee Charged by IREDA

The front-end fees charged by IREDA for such transaction shall be 0.5% of the total loan amount. However, all other fees shall be charged as per IREDA guidelines from time to time.

5. Net Interest margin for loan:

External Rating of the Project	Net Margin applicable (Fixed rate for 5 years)	Net Margin applicable (Fixed rate for 3 years)	Net Margin applicable (Variable rate for 3 years)	Net Margin applicable (Variable rate for 5 years)
AAA	1.10%	1.00%	1.10%	1.50%
AA, AA+, AA-	1.45%	1.35%	1.25%	2.00%
A, A+, A-	1.65%	1.50%	1.35%	2.20%

6. Other Conditions:

i. If the rating of the project falls below A- than the rate of interest for the project shall be transferred from this regime to IREDA applicable rate of interest.

ii. In case of prepayment, borrower shall be permitted to replace assets with same or higher loan amount, however minimum rating of A- is to be maintained to replace the assets. Further, in case of prepayment before reset 5% prepayment penalty to be charged. However, in case of replacement of assets borrower has to deposit upfront payment of 5% plus applicable taxes and the same will be refunded once the assets are replaced.

iii. For replacement of assets, new appraisal of the project shall be carried out as per IREDA guidelines.

iv. On the date of reset, borrower shall have option to convert loan to IREDA’s rate of interest as per applicable grading or prepay IREDA’s loan as per IREDA guidelines.

v. Reset shall be post initial financing period.

vi. No further rebate will be extended to the borrower as per IREDA guidelines from time to time.

vii. External rating to be submitted by atleast two credit rating agencies and lower of the two rating shall be considered for funding.

viii. Borrower to submit external rating every year.

ix. All other terms and conditions shall be guided by IREDA's guidelines.

XXXI. Policy for Extending Term loan for Renewable Energy Expansion

Purpose:

To provide term loan for Development/execution of projects in Renewable Energy (RE) Sector/Projects (including but not limited to Power generation/transmission, Manufacturing) by applicant company or for investment in group companies/affiliates/subsidiaries towards the above.

Eligibility:

- Applicant in RE sector with external rating of minimum A- for 2 consecutive years immediately preceding loan application date.
- Must have developed / executed RE projects of minimum 1.5 GW and have Operational Capacity of minimum 1 GW at Group level.
- Must be existing borrower of IREDA (by way of loan through group SPVs/associates/applicant) with combined relationship of minimum 3 years to be considered across borrowing entities of the same Group.
- Contingent Liability to be not more than 3 times its networth (definition of networth as per IREDA operation guidelines) for applicant company.
- Networth to be minimum Rs. 500 Crore at a consolidated level.
- Compliance of General Eligibility Conditions as per Financing Norms.

Tenor: 2-5 years door-to-door

Moratorium: Upto 1.5 years from first disbursement

Interest rate: As per internal interest rate matrix, revised from time to time.

Guidelines for processing loan application:

- Appraisal and due diligence to be conducted as per norms stipulated for greenfield projects, as applicable.
- Guidelines on preventive measures while taking collateral securities in IREDA financed projects be followed.
- Valuation of collateral securities be mandatorily obtained.
- Utilization Certificate by Statutory Auditor be obtained within 3 months of disbursement.
- All other terms and conditions shall be as per IREDA guidelines.

Loan amount: Upto 75% of Realizable Value or 50% of circle rate value of Collateral Security whichever is higher.

Security:

- Collateral in the form of unencumbered Operating Project/ Urban Property.
- Hypothecation of movable assets in parri passu with WC bankers for which timeline of 6 months to be given.
- DSRA formation will be regulated as per prevalent DSRA guidelines.
- PG of main promoters to be taken or Pledge of Holdco share of minimum 15% of loan amount. Book value to be taken or valuation of share to be done.

XXXII. Policy for Refinancing of Loan

Purpose:

The policy is applicable for extending term loan for refinancing existing project term loan of all types of commissioned project.

Important Definitions:

Particular	Definition
Restructuring	Restructuring is an act in which a lender, for economic or legal reasons relating to the borrower's financial difficulty, grants concessions to the borrower. Restructuring may involve modification of terms of the advances/securities, which would generally include, among others, alteration of payment period/payable amount/the amount of instalments/rate of interest; roll over of credit facilities; sanction of additional credit facility/ release of additional finds for an account in default to aid curing of default/enhancement of existing credit limits; compromise settlements where time for payment of settlement amount exceeds three months.
Financial Difficulty	a. A default, as per the definition provided in the framework, shall be treated as an indicator for financial difficulty, irrespective of reasons for the default. b. A borrower not in default, but it is probable that the borrower will default on any of its exposures in the foreseeable future without the concession, for instance, when there has been a pattern of delinquency in payments on its exposures. c. A borrower's outstanding securities have been delisted, are in the process of being delisted, or are under threat of being delisted from an exchange due to noncompliance with the listing requirements or for financial reasons. d. On the basis of actual performance, estimates and projections that encompass the borrower' s current level of operations, the borrower's cash flows are assessed to be insufficient to service all of its loans or debt securities (both interest and principal) in accordance with the contractual terms of the existing agreement for the foreseeable future. e. A borrower's credit facilities are in non-performing status or would be categorized as nonperforming without concessions. f. A borrower's existing exposures are categorized as exposures that have already evidenced difficulty in the borrower's ability to repay in accordance with the bank's internal credit rating system. The above list provides examples of possible indicators of financial difficulty but is not intended to constitute an exhaustive enumeration of financial difficulty indicators with respect to restructuring. Lenders shall need to complement the above with key

	financial ratios and operational parameters which may include quantitative and qualitative aspects. In particular, financial difficulty can be identified even in the absence of arrears on an exposure. The robustness of the board approved policy and the outcomes would be examined as part of the supervisory oversight of the Reserve Bank.

Eligibility conditions for Refinancing:

- The entire project should have achieved COD at the time of submission of application.
- The entity should not be in default to any Bank/FI/NBFC, including IREDA.
- The loan asset should be 'standard' asset in the books of all the lenders, on the application.
- Average DSCR and Minimum DSCR for the proposed loan period shall have same limit as specified in IREDA guidelines. The fundamental viability of the project shallbe established based on other requisite financial and non-financial parameters, indicating capacity to service the loan and ability to repay over the tenor of the loan.
- Project with COD less than 2 years:
    a. Minimum external rating of the project/portfolio should be A-
    b. Generation post stabilization of 1 year shall be taken for financial projection and if project COD is less than 1 year than estimated generation as per resource assessment to be taken for financial projection.
- Project with COD more than 2 years:
    a. Minimum external rating of the project/portfolio should be Investment grade.
    b. b. Average generation of upto last 5 years to be considered for financial projection excluding generation of 1" year of operation.
    c. c. Past year on year DSCR of upto last 5 years to be minimum 1.05(for Solar and Wind projects)/minimum 1.10(for projects other than Solar and Wind.

Other Conditions:

- Repayment period should be fixed by taking into account life cycle of and cash flows from the project. Further, there shall normally not be any moratorium on repayment of loan and interest.
- The entity should not be in default to any Bank/FI/NBFC, including IREDA.
- IREDA shall not consider financial assistance under the scheme where the borrower seeks fresh financial assistance from IREDA to prepay/replace the existing facility sanctioned by IREDA itself. However, refinancing of the loan of other lender(s) in case of a project where IREDA is already a lender can be considered as a new business proposal on the terms and conditions in line with the refinancing policy. In such cases IREDA shall necessarily carry out integrated rating/re -rating of the project, however the benefit of improved rating, if any, would be for original as well as additional debt to be refinanced.
- The following conditions should also be fulfilled:
    a. Consent from the lenders whose debt is being refinanced shall be required before commencement of disbursement. This consent may be obtained as per the terms of Common Loan Agreement (CLA).
    b. Confirmation of outstanding loan balance shall be obtained from the

Bank(s)/FI(s)/NBFC(s)whose loan is/are being refinanced before commencement of disbursement.

c. Borrower should ensure that that all the conditions for debt refinancing stipulated in CLA, terms of sanction, TRA agreement, etc. are complied with.

- Security shall be as per extent policy of IREDA or as sought to the satisfaction of IREDA.
- All other terms and conditions shall be as per IREDA guidelines.

XXXIII. Policy for financing of Smart Meter Projects

Background:

Government of India launched the Revamped Distribution Sector Scheme (RDSS) with an outlay of Rs. 3,03,758 crore and estimated GBS (Govt. Budgetary Support) from Central Government of Rs. 97,631 crores for the duration of 5 years i.e. from (FY 2021-22 to FY 2025-26). The Scheme aims to reduce the Aggregate Technical & Commercial (AT&C) losses to pan-India levels of 12-15% and Average Cost of Supply (ACS) - Average Revenue Realised (ARR) gap to zero by 2024-25.

The Scheme has one of the components for financial support for Prepaid Smart Metering & System Metering and upgradation of the Distribution Infrastructure Networks. Financial assistance to DISCOMs is provided for upgradation of the Distribution Infrastructure and for Prepaid Smart Consumer Metering & System Metering based on meeting pre-qualifying criteria and achieving basic minimum benchmark in reforms.

To support this GOI initiative, IREDA has introduced this policy for financing the smart meter projects and distribution infrastructure network. The policy also aims to provide financial assistance to AMISP (Advanced Metering Infrastructure Service Provider) for implementation of RDSS projects.

The details of the Policy are as under:-

Minimum loan amount	As per IREDA Norms
Quantum of IREDA Loan	Upto 75% of the project cost
Quantum of Promoter Contribution	Minimum 25% of the Project cost
Loan Repayment period	Upto 80% of the contract period with DISCOMs
Moratorium Period	Upto 12 months
Interest rate	As per IREDA Interest Rate Matrix
Upfront promoter contribution	100% for a particular tranche

Security:

1) First charge by way of Hypothecation of all movable properties, including smart meters, service cables, communication infrastructure, meter data management system, distribution infrastructure network and other movable assets, present and future pertaining to the project as applicable.

2) First charge by way of Hypothecation/assignment of all present and future book debts, bills,

receivables, monies, incl. bank accounts and stocks including consumable spares and other general stores.

3) First charge by way of Mortgage of immovable assets by way of deposit of title deeds or any other legally recognized mode, present and future, if any pertaining to the project and as per requirements of IREDA norms.

4) Assignment of leasehold rights for land towards Operation cum Monitoring Centre, if any

5) First charge by way of assignment or creation security interest including all rights, title, interest, benefits, claims, and demands whatsoever of the Borrower-
   a) Assignment of all contracts, including contract for appointment of the Borrower as AMISP, documents, insurance policies/contracts/proceeds, rights, titles, permits, approvals, clearances, and interests of the Borrower relating to the project.
   b) Assignment of Direct Debit Facility Agreement
   c) In the clearances related to the project, in any letter of credit, guarantee, performance bonds provided by any party to the project.
   d) All licenses, rights, titles, interest benefit, claims and demands whatsoever of the Borrower.
   e) Current assets, book debts of the project, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, present and future, intangibles, goodwill present and future in relation to the project.
   f) Software license of AMI to be assigned. Deed of assignment to be executed upfront.

6) Pledge of shares:

   Pledge of shares held by the Promoters in the equity share capital of the Borrower of minimum 51% (mandatory in case of SPVs/new companies)

7) Corporate Guarantee and / or Personal Guarantees of the Promoters.

8) DSRA of 2 quarters to be created as per IREDA Policy

9) Trust and Retention Account (TRA) to be opened for receipt of Sale proceeds/revenue from contract agreements etc. for repayments/payments to be appropriated directly, or, on demand. IREDA shall have exclusive charge on the TRA.

10) Any other securities viz. BG/FD, Commercial Property/ Residential Property to the extent of 15% of the loan amount etc. as per IREDA guidelines (mandatory for the cases where DDF Agreements are not available).

    IREDA may allow Working Capital Banker to have charge on securities mentioned at S. No. 1 to 5 on reciprocal basis upto the extent of working capital limit, as per the requirements.

Important conditions to note.

1. Borrower to submit contract between the Borrower and Discom during appraisal stage.
2. Borrower to submit direct debit facility contract between the Borrower and Discom before 1st disbursement.
3. Borrower to execute substitution agreement contract between the Borrower, Discom and IREDA before 1st disbursement.
4. Disbursement shall be subject to compliance of pre-disbursement conditions in tranches and subsequent disbursement shall only be released after utilization of previous tranches.

All other terms and conditions shall be as per IREDA Policy.

XXXIV. Policy on providing loans/ advances to projects under PM-KUSUM Scheme

Component-A

(1) Eligibility Criteria:

As per IREDA financing Norms

(2) Minimum Loan Amount, Promoter Contribution, Quantum of Loan, Moratorium, Loan Period: As per IREDA financing norms for Solar Projects.

(3) Security: As per IREDA financing norms for Solar Projects. Additionally,

In case of Government Land, assignment of Land User Fee agreement may also be considered, if applicable.

(4) PPA: PPA with DISCOM (PPA tenure more than the IREDA loan tenure) should be available at the time of processing proposal / Pre commitment condition (PCC)**.**

(5) Land: Sufficient land should be available as per RBI (Project Finance) Directions, 2025 before disbursement, for each location.

(6) Interest, Fees & Charges: As per prevailing interest rate matrix of IREDA for "Rooftop Solar, Wind Energy, Grid Connected Solar PV, Hybrid Wind and Solar, Floating Solar**"**

(7) Rebate: Rebates as per IREDA financing norms for solar projects will be applicable. Also, rebate of 0.25% in interest rate will be applicable.

Component-B

1) Eligibility Criteria:

As per IREDA Financing Norms pertaining to PSF loans

2) **Minimum Loan Amount, Promoter Contribution, Quantum of Loan:** As per IREDA Financing Norms for Solar Projects.

3) **Loan Period & Moratorium:** To be decided as per specifics of the case (based on the project cash flows, DSCR of the project etc.).

4) **Securities:** As per IREDA Financing Norms for Solar Projects. However, securities regarding "Mortgage" will not be applicable in Kusum-B.

5) **Other Conditions:**

- IREDA may appoint Monitoring Agencies and/or carry out site inspections to verify the progress of the project/ utilization of funds for which, the loan is being extended. However, appointment of monitoring agencies may be waived off where Discom/ State Implementation Agency or the relevant govt agency implementing the scheme has created online project monitoring facilities.
- The end use certificate to be obtained, based on project completion milestones as defined in the appraisal.
- NOC from existing working capital lenders, if any.
- Pre-Sanction site visits are not mandatory.
- DSRA equivalent to interest of two quarters commensurate to disbursement shall be obtained. The timelines to be decided on a case-to-case basis.

6) **Interest, Fees & Charges:** As per prevailing interest rate matrix of IREDA for Short term loan, medium term loan, project specific loans for all sectors except Transmission sector**.**

7) **Rebate:** Rebates as per IREDA financing norms for solar projects will be applicable. Also rebate of 0.25% in interest rate will be applicable.

Component-C (Feeder-Level Solarization)

(1) Eligibility Criteria: As per IREDA Financing Norms

(2) Project Viability Assessment:

All proposals will be appraised under following two scenarios:

(i) With-CFA Scenario

CFA shall be considered as part of project cash flow as per MNRE milestone-linked release mechanism. However, IREDA may consider CFA inflows in the cash flow as per IREDA experience in already funded projects.

Minimum DSCR and Average DSCR should be considered in line with IREDA financing norms for Solar Projects.

(ii) Without-CFA Stress Scenario

Following norms shall be considered under Without-CFA stress scenario

- **Minimum DSCR: ≥ 1.03**
- **Average DSCR: ≥ 1.15**

However, projects with Minimum DSCR≥1.01 and Average DSCR ≥ 1.10 may also be considered with additional security in the form of BG/ FD. Quantum of BG/ FD may be decided on case-to-case basis.

Projects will be sanctioned only if they meet above specified norms:

(i) With-CFA scenario, and
(ii) Without-CFA stress scenario.

(3) Maximum Debt

As per IREDA Financing Norms for Solar Projects

(4) Loan Period and Moratorium

As per IREDA Financing Norms for Solar Projects

(5) PPA: PPA with DISCOM (PPA tenure more than the IREDA loan tenure) should be available at the time of processing proposal / Pre commitment condition (PCC)**.**

(6) Security

(a.) Primary Security:

As per IREDA Financing Norms for Solar Projects. In case of Government Land, assignment of Land User Fee agreement may also be considered, if applicable.

(b.) Additional Security

As per IREDA Financing Norms for solar projects along with any of the following additional securities as per requirement:

- Assignment / charge on CFA receivables
- Bank Guarantee / FDR for an amount not less than the incremental loan required to meet the minimum and average DSCR requirements of the project without CFA.

Note: The above BG/FD shall be released only upon receipt of an equivalent amount of CFA into the TRA account and completion/perfection of all stipulated securities as per sanction terms to the satisfaction of IREDA.

(7) Land Requirement

Sufficient land should be available as per RBI (Project Finance) Directions, 2025 before disbursement, for each location.

(8) Interest, Fees & Charges

As per IREDA Financing Norms and applicable IREDA interest rate matrix.

(9) Rebate: Rebates as per IREDA financing norms for solar projects will be applicable. Also, rebate of 0.25% in interest rate will be applicable.

(10) CFA Apportionment: CFA, if available, may be apportioned in the ratio of debt to equity.

Component-C (Individual Pump Solarization)

Same as that of PM KUSUM, Component-B.

1) PPA with DISCOM (PPA tenure more than the IREDA loan tenure) should be available at the time of processing proposal / Pre commitment condition (PCC).

XXXV. Policy for "Setting up of production facility/ unit of Sustainable Aviation Fuel (SAF) as biofuel from renewable feedstocks such as, agricultural residues, biomass, waste oils, and municipal waste, etc. including Bioethanol"

(as per approval of 462nd Board Meeting held on May 29, 2026)

Purpose

Loan scheme for "Setting up of production facility/ unit of Sustainable Aviation Fuel (SAF) as biofuel from renewable feedstocks such as, agricultural residues, biomass, waste oils, and municipal waste, etc. including bioethanol.

Terms and Conditions

S. No	Purpose	Conditions
(I)	Extent of debt funding	Upto 70% of the eligible project cost.
(II)	Exposure norms	As per financing norms. Quantum of loan amount will be governed by IREDA exposure norms.
(III)	Moratorium and repayment periods	**Moratorium**: The moratorium period for principal repayment would be maximum of twelve (12) months from Date of Commencement of Commercial Operations (DCCO) as defined in Loan Agreement. **The repayment period**: Shall be minimum of 10 years or 80% of economic life of the project whichever is lower, with offtake agreement covering the proposed loan tenure. (As per Companies Act 2013 for calculating depreciation, the useful life of refineries is 25 years. Economic life of normally 15 years). In case of consortium/ co-financing, terms and conditions can be aligned with lead FI/Banks/Underwriters/ Syndicators.
(IV)	Construction period	24-48 months depending on type of technology proposed and capacity of production facility/ unit.
(V)	Front end fee, appraisal fee, other fees/ liquidated damages/ penal charges etc.,	As per policy and as applicable to new and emerging technology.
(VI)	Interest rate matrix	As per Interest Rate matrix applicable for "Other Sector," till specific interest rates for SAF are fixed

(VII)	Prepayment and prepayment charges	As per policy
(VIII)	Base Case Financial Indicators	Compliance of following financial indicators: ➢ Average DSCR > 1.30 ➢ Minimum annual DSCR > 1.20 ➢ FACR >1.17
(IX)	Securities and additional securities	As per IREDA financing norms. Further, this being a new sector, additional securities: 1) Deposit of Fixed Deposit Receipt (FDR) /Bank Guarantee (BG) to IREDA equivalent to 10% of loan amount with lien marked to IREDA. The same will be extinguished on prorata basis, upon repayment of 50% of IREDA loan amount and if the loan account is regular in repayment obligations. 2) Debt Service Reserve Amount (DSRA) as per policy to be provided. However, one quarter Interest to be created upfront upon commissioning of project. 3) The title to the land for the proposed project should be free from all encumbrances and marketable, over which valid mortgage can be created. The title to the land shall be verified by the lender legal counsel (LLC). 4) The land for the proposed project should preferably be freehold land. In case of leasehold land, the following may be ensured: (i) The leased period is more than the project life, and in any case, the lease period should be 6-7 years more than the loan tenure; (ii) There is no restriction on creation mortgage in favour of any financing institution(s) who want/s to fund a project that may come up over the said leased land; (iii) There should not any option for termination of lease by either party; however if lessor wants to have the option for termination due to default in non-payment of lease rentals by the lessee; the lessor shall give 6 months' notice to the lessee to cure the default under copy to the lender/financial institution (if any) who would have funded any project over the said land; and in such event, lender may have the option to cure the default; and (iv) In the event of default by the lessee in repayment of the project loan or otherwise, the lender/financial institution as the mortgagee of leasehold rights shall have the option to exercise its right of substitution and/or transfer/assign the

		leasehold rights for the residual period of lease to a third party on the same terms and conditions (or) may re-negotiate the terms and conditions of lease with the lessor for further period as may be required in the interest of the project. 5) Personal Guarantee of Promoters/ Promoters Director. 6) Corporate Guarantee (CG) may be considered from the promoters, subject to the condition that the CG exposure ratio is within 3x and the net worth of the guarantor exceeds the proposed loan amount in case of SPV/associate entities. In the case of a CG of parent company, the net worth may be adequately higher than the loan exposure to ensure sufficient financial backing. 7) Minimum 51% pledge of shares/promoter's contribution in terms of pledgeable instruments **Note**: BG/ FDR to be obtained/ provided from Scheduled Commercial Banks.
(X)	Eligibility conditions	(a) As per IREDA financing norms. (b) Further, External Credit Rating (ECR)* of Promoter(s) which is/are Companie(s) of at least investment grade may be considered in following two scenarios: (i) In New and Emerging sector with project cost of Rs.1000 Crore and more. (ii) Where Promoter or Promoter's group companies have undergone OTS with any lender(s) during the preceding 3 financial years. (The promoter company shall have ECR not below investment grade).
(XI)	Additional conditions related to sector	(1) Quantum of loan amount will be governed by IREDA exposure norms. (2) Techno-Economic Viability (TEV) report of the project will be obtained, as there are various pathways for production of Sustainable Aviation Fuel. Advancements in technology is likely to make chosen pathway obsolete in future, hence TEV report to include the following: • Technology • sensitivity analysis, • degradation assumptions, • replacement economics, • feedstock stress, • minimum offtake assumptions, • fallback revenue, • carbon-credit dependence,

		(3) Resource/ Raw material assessment report for its utilisation in the project. (4) Market assessment report for proposed sale of SAF. (5) Availability of legally binding long-term raw material supply covering at least the proposed loan tenure. (6) Availability of legally binding long-term offtake agreement(s) covering at least the proposed loan tenure. (7) The promoter's contribution and/ equity to be brought in, must be clearly demarcated along with source and timelines for infusion. (8) The core promoters share in promoter's contribution should be a minimum of 10% of the approved total project cost. (9) If EPC Contractor/ vendor is an associate / group company, the applicant will maintain an arm length in business transactions. Further, in such instances, financial health and experience of EPC Contractor/ vendor in implementing similar or related projects to be assessed. (10) Date of Commencement of Commercial Operations (DCCO) to be detailed in Loan agreement) (11) Project Milestones to be aligned with PERT chart and disbursements may accordingly be linked to achieving such milestones. (12) ESG risk assessment to be incorporated in appraisal. (13) Any extension in Date of Commencement of Commercial Operations (DCCO) and events of default will be governed as per applicable RBI circulars. (14) If project is in consortium funding or cofinancing arrangement, the exposure of IREDA will not exceed the limits as per specified in RBI master directions. **Disbursement**: (1) All securities to be completed to the satisfaction of IREDA. (2) 75% of promoter's contribution to be infused with 100% expenditure incurred on the project, before release of first disbursement. (3) Compliance of Pre-disbursement conditions. (4) Proposed utilisation of funds requested with timelines duly certified by Director of the borrower company. In case of funds not disbursed as proposed or supplies not effected against payments effected, the vendor/ contractor will be liable to refund the amount received back into TRA. Accordingly, a letter from the suppliers/ vendors/ contractors with

		TRA account number will be submitted along with request letter for disbursement. (5) Physical progress of project to be reviewed by IREDA officials along with site visit, if required (6) IREDA appointed LIE/ LFA/ Project Monitoring Agency (PMA) for the project will provide a report before proposed loan disbursement. (7) Any advance payment to EPC contractor/ vendor will be backed by Guarantee acceptable and assigned to IREDA till project is commissioned and begins Commercial operations. (8) The project assets to be adequately insured and names of lender(s) mentioned in Insurance policy. Copy of valid insurance policy to be obtained. (9) Within sixty (60) days of date of each instalment of loan disbursement, end use certificate of disbursed amount will be submitted for each instalment of loan disbursement from IREDA along with confirmation from respective vendor/contractor. (10) The end use of funds disbursed by IREDA shall be verified by LIE / LFA/ PMA during visit to project and reviewed by the business group. (11) In case of delay or time overrun in project implementation, further disbursement requests will be examined after assessment by business group. **Disclaimer**: The above is only indicative and any further due diligence / checks can be carried out by the business group as per requirement.
(XII)	Prepayment/ Premature Repayment	As per the prevailing policy.
(XIII)	Other terms and conditions	All other terms and conditions as per existing guidelines and financing norms

Note: **No deviation to be considered for SAF. However, the same will be reviewed after successful implementation of minimum two IREDA funded projects.**

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Amendment/ Revision in the Financing Norms & Guidelines

S. No.	Date of Amendment/ Revision	Clause Ref.	Summary of changes
1.	22.07.2010	Notes under Biomass Power of Annexure – A	Clarification on Item No. 5 of Notes on Biomass Power Generation.
2.	27.07.2010	Annexure – A	New Interest rates effective from 27.07.2010
3.	25.02.2011	Clause No. 11(b) Schedule of Fees	Revision of Front-end-fee.
4.	04.06.2011	Annexure – A	New Interest rates effective from 04.06.2011
5.	16.08.2011	Annexure-A	Interest rates revised w.e.f. 16.08.2011
6.	22.06.2012	Annexure-A	Interest rates revised w.e.f. 22.06.2012
7.	12.06.2014	-	Interest rates revised w.e.f. 12.06.2014
8.	26.07.2014	-	Review of "Financing Norms & Schemes" & also induction of new Fund and non-fund-based schemes.
9.	28.07.2015	-	Modifications in existing "Financing Norms & Schemes".
10.	23.12.2015	Under "Sectors eligible for Assistance" the sector "Biofuel / Alternate Fuel" modified to "Bio Fuel / Alternate Fuel including Ethanol & Bio Diesel"	Clarifications in existing "Financing Norms & Schemes".
11.	29.06.2016	Updation	Updation in existing "Financing Norms and Schemes"
12.	26.05.2017	Updation	Updation in existing "Financing Norms and Schemes"
13.	14.05.2018	Updation	Updation in existing "Financing Norms and Schemes" and introduction of new schemes
14.	19.11.2018	Updation	Updation in existing "Financing Norms and Schemes" and introduction of new schemes
15.	29.07.2019	Updation	Updation in existing "Financing Norms and Schemes" and introduction of new schemes
16.	31.01.2020	Updation	Updation in existing "Financing Norms and Schemes" and introduction of new schemes
17.	24.09.2020	Updation	Updation in existing "Financing Norms and Schemes" and introduction of new schemes
18.	29.06.2021	Updation	Updation in existing "Financing Norms and Schemes" and introduction of new schemes
19.	15.09.2021	Updation	Updation in existing "Financing Norms and Schemes" and introduction of new schemes
20.	04.12.2021	Updation	Updation in existing "Financing Norms and Schemes" and introduction of new schemes
21.	04.02.2022	Updation	Updation in existing "Financing Norms and Schemes" and introduction of new schemes
22.	28.02.2022	Updation	Updation in existing "Financing Norms and Schemes" and introduction of new schemes
23.	19.03.2022	Clarifications under scheme - Loan against securitization of future cash flows of RE Projects	Clarifications in existing "Financing Norms & Schemes".
24.	27.06.2022	6.I – Credit Rating and Interest rate	Incorporation of Changes in Interest rate as per Minutes of meeting of the Committee on Interest Rate fixing under CRRS.
25.	28.07.2022	Updation	Updation in existing "Financing Norms and Schemes"
26.	26.08.2022	Updation as per MOM of Committee on Interest rate fixing under CRRS	Criteria/Conditions for retaining projects by offering competitive interest rate
27.	09.11.2022	Updation	Changes in Guidelines/Schemes relating to Bio Energy/ Emerging Technologies Sector
28.	11.11.2022	Updation	Inclusion of new policy
29.	24.11.2022	Updation	Updation in existing "Financing Norms and Schemes" and introduction of new schemes
30.	09.02.2023	Updation	Updation in guidelines of Setting up of New Distillery / Expansion of Existing Distillery,etc.
31.	24.03.2023	6.I –Rating and Interest rate, 10.II FFE	Incorporation of Changes in FFE and Interest rate.
32.	01.08.2023	CREDIT RATING, INTEREST RATES & RESET	New Interest rates effective from 01.08.2023
33.	26.08.2023	10-Schedule of Fees	Revision under the Schedule of Fees
34.	06.09.2023	Updation	Updation in existing "Financing Norms and Schemes"
35.	15.09.2023	CREDIT RATING, INTEREST RATES & RESET, DEBT SERVICE RESERVE ACCOUNT	New Interest rates effective from 15.09.2023

36.	16.10.2023	Setting up of New Distillery / Expansion of Existing Distillery for Production of Ethanol Using Sugarcane Juice /Sugar Syrup / B-Heavy Molasses / C-Heavy Molasses / Damaged Food Grains / Surplus Rice with FCI And Other feedstock such as Sorghum / Sugar Beet etc.	Updation in existing "Financing Norms and Schemes"
37.	27.12.2023	Updation	Updation in existing "Financing Norms and Schemes"
38	19.04.2024	• Modification in IREDA Financing Scheme - "Manufacturing of Biomass Pellets / Briquettes/Torrefied Pellets/ Refuse Derived Fuels (RDF)" • Policy for financing of Smart Meter Projects • Updation of "Financing Norms & Operational Guidelines" • Policy on providing loans/ advances to projects under PM-KUSUM Scheme	Updation in existing "Financing Norms and Schemes"
39	08.05.2024	Interest Rate	Updation in existing "Financing Norms and Schemes"
40	20.03.2025	Interest Rate	Updation in existing "Financing Norms and Schemes"
41	30.05.2025	Interest Rate	Updation in existing "Financing Norms and Schemes"
42	15.07.2025	Interest Rate	Updation in existing "Financing Norms and Schemes"
43	16.09.2025	Updation & New Inclusion. Exposure Norms, Front end fee and Documentation fee, Primary Securities, CBG Policy, Ethanol Policy etc.	Updation in existing "Financing Norms and Schemes"
44	14.10.2025	Term Loan Facility to Govt. Bodies/ Discoms/ Transcos/ Gencos/ State Owned Trading Companies" and loan to Government owned companies companies/Govt Bodies etc. under "Policy for Financing Transmission Projects"	Updation in existing "Financing Norms and Schemes"
45	10.11.2025	Updation in Reset Clause	Updation in existing "Financing Norms and Schemes"
46	09.12.2025	• Amendment in "Policy on providing loans/ advances to projects under PM-KUSUM Scheme" • Clarification under Additional Securities	Updation in Financing Norms for PM-KUSUM Policy and updation in Operational Guidelines for collateral and additional securities
47	09.01.2026	Clarification under "Guarantee Assistance Scheme-Extent of Guarantee" -page-43	Updation in Financing Norms for "Guarantee Assistance Scheme to RE Suppliers/ Manufacturers / EPC Contractors/Developers"
48	25.03.2026	Amendment in Financing Schemes (page no. 42, 80, 91)	To put on hold the following schemes: 1. Funding of ethanol projects under the scheme of "Setting up of New Distillery / Expansion of Existing Distillery for Production of Ethanol Using Sugarcane Juice / Sugar Syrup / B-Heavy Molasses / C-Heavy Molasses / Damaged Food Grains / Surplus Rice with FCI and Other feedstock such as Sorghum / Sugar Beet etc. 2. Funding of green mobility segment (E- mobility and Related EV charging Infrastructure including manufacturing/ assembling plant of Electric Vehicles and associated components) under the "Comprehensive policy for financing new technologies for promoting & increasing usage / penetration of Renewable Energy & Funding of green mobility segment, and 3. Guarantee Assistance Scheme to RE Suppliers/ Manufacturers / EPC Contractors/Developers.
49	12.06.2026	a) Interest rate matrix-Page-18 b) New Scheme on SAF approved on 29.05.2026-Page no. 106 c) PV module manufacturing loans approved on 12.06.2026-Page no. 4, 18	1. Revised Interest Rate Matrix wef 01.06.2026. 2. Policy for "Setting up of production facility/ unit of Sustainable Aviation Fuel (SAF) as biofuel from renewable feedstocks such as, agricultural residues, biomass, waste oils, and municipal waste, etc. including Bioethanol 3. To stop PV module manufacturing loan on standalone basis
50	07.08.2026	a) Promoter Contribution, Quantum of Loan, Moratorium and Repayment Period (Page -11 & 12)	Amendment to Minimum capacity funding for Hydro, Solar and Wind Energy Projects.

		b) Loan Scheme for Financing Rooftop Solar PV Grid Connected/ Interactive Power Projects (Industrial, Commercial and Institutional)- Page-47 c) IREDA Loan Scheme/Line of Credit for Financing Large Scale Roof Top Solar PV Grid Connected/ Interacted Power Projects- Page-65	
51	01.09.2026	Term Loan Facility to Govt. Bodies/ Discoms/ Transcos /State Owned Trading Companies	Updation in scope, repayment period, moratorium, exposure norms, security norms, other general conditions and new conditions.
52	01.10.2026	Interest Rate (page no. 18)	Updation in existing "Financing Norms and Schemes" under Interest Rate matrix.