

Press Release

IREDA Launches Retail Division: Targets PM-KUSUM, Rooftop Solar and other B2C Segments

Scaling Up Climate Finance: CMD, IREDA Advocates Green Taxonomy and Affordable Financing at COP 28



Dubai, 8th December 2023

Shri Pradip Kumar Das, Chairman & Managing Director of Indian Renewable Energy Development Agency Limited (IREDA) announced the launch of IREDA's retail division, which became operational on 5th December. This strategic initiative is geared towards enhancing emphasis on providing loans to borrowers in the PM-KUSUM scheme, Rooftop Solar, and other Business-to-Consumer (B2C) sectors. He was speaking during the Leaders' Dialogue on "Actioning Solutions for Global Sustainable Development and Governance of Resources" on 7th December 2023 organized by CEEW & CII as part of COP28 in Dubai.



Shortly after opening, IREDA's Retail division quickly sanctioned its first loan amounting to Rs. 58 crores under KUSUM-B, underscoring IREDA's dedication to emerging as the preferred lender in new segments, mirroring its success in other renewable energy sectors. CMD, IREDA also proposed a significant stride towards sustainable investing by suggesting a 1-2% Assets Under Management (AUM) allocation for domestic pension and insurance funds into Renewable Energy (RE) bonds. This strategic move aims to deepen bond markets, fostering increased global and local investments.

Further, Shri Das shared his insights in two panel discussions today at COP 28 in Dubai. The first discussion, organized by the Asian Development Bank, focused on "Scaling Up Climate Finance to Meet India's Energy Transition Goals." The second, jointly organized by the International Solar Alliance and CII, on "Financing Industry Transitions in Emerging Markets and Developing Economies."

In the panel discussion on "Scaling Up Climate Finance to Meet India's Energy Transition Goals," CMD, IREDA, emphasized the necessity of establishing a comprehensive green taxonomy covering the entire spectrum of Renewable Energy and green technology-based investments. This, he noted, would enhance transparency in Renewable Energy sector issuances, attracting investors with a commitment to sustainability.

During the session on "Financing Industry Transitions in Emerging Markets and Developing Economies," CMD, IREDA, underscored the significance of finding and financing low-emission solutions to meet the rising energy demand. Recognizing the evolving green energy landscape, Shri Das emphasized the need for unique solutions across both traditional and new and emerging sectors. Addressing potential solutions for emerging and new renewable energy technologies, Shri Das highlighted the necessity to leverage climate funds. He advocated for low-cost funding to improve risk-adjusted returns and mobilize private capital on a larger scale. This approach, he argued, would enable low-cost funds, accommodate margins for Non-Performing Assets (NPAs), and mitigate the impact of rising interest rates.

