

Press Release

IREDA plans to finance Renewable Energy projects in foreign currency



Shri Pradip Kumar Das, Chairman & Managing Director (CMD), Indian Renewable Energy Development Agency (IREDA) stated that IREDA is planning to establish an office in Gujarat's GIFT City to finance Renewable Energy projects in foreign currency. He was speaking in a panel discussion on "Scaling up Clean Energy Investment in Emerging Economies" under the aegis of G20 events at the Ministry of New and Renewable Energy on 23rd February 2023.

The office at GIFT City, Gandhinagar, will be classified as an overseas office, allowing the IREDA to avoid foreign exchange hedging cost, added CMD, IREDA. He stressed the significance of the Green Taxonomy to raise the approximately Rs. 25 lakh crores fund for green energy projects by 2030. He urged that Insurance and Superannuation funds can be mandated to invest 2% of their assets under management in Green Bonds to finance green energy projects.

Speaking of the IREDA's phenomenal growth over the past three years, Shri Das remarked that we have concentrated on providing handholding approach to our stakeholders with every possible support in compliance with best Corporate Governance Standards. As a result of IREDA's proactive approach of proper review and monitoring, the company has been able to lower its Net NPAs from 7.18% to 2.03% during the past three years.

Further, IREDA is the trend-setter to introduce unique financial products as per Market requirements. He emphasized that IREDA has been working to ensure highest standards of Corporate Governance by implementing the 3Cs principles of Conviction, Commitment, and Clarity.

CMD, IREDA also highlighted that all the major multilateral and bilateral agencies such as World Bank, KfW, JICA and ADB, etc. preferred to channel their funds through IREDA for RE projects, demonstrating that IREDA is the top choice for RE funding. He requested these agencies to review their appraisal process in order to speed up financial support by reducing processing time and other bottlenecks. He concluded by saying that IREDA would continue to play a motherly role in the RE sector through financing.

Shri Dinesh Jagdale, Joint Secretary, MNRE and Mr, Tim Gould, Chief Energy Economist, International Energy Agency (IEA) and other senior officials from ADB, NTPC, SECI and CEEW also participated in the panel discussion.

