

Press Release

RE-INVEST 2024: CMD, IREDA Highlights Role of Green Taxonomy in Driving Climate Financing



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Shri Pradip Kumar Das, Chairman & Managing Director, Indian Renewable Energy Development Agency Limited (IREDA), highlighted the critical need for a robust "Green Taxonomy" framework during a panel discussion at the 4th Global Renewable Energy Investors Meet & Expo (RE-Invest) at Mahatma Mandir, Gandhinagar.

Speaking on "Green Taxonomy & Climate Financing," Shri Das emphasized that defining renewable energy technologies as "green" is essential to build investor confidence and ensure climate finance flows to genuine green projects. "By clearly defining 'green,' India can align with global standards and avoid misallocation of funds," he said.

Shri Das proposed that India's Green Taxonomy cover the entire renewable energy value chain- from manufacturing electrolyzers, solar PV modules, and EV batteries to renewable energy generation, smart grids, and equipment recycling. He noted that this framework would significantly boost investor confidence in India's growing renewable energy sector.

CMD further elaborated on the role of IREDA's wholly owned subsidiary in GIFT City. By raising and disbursing funds in foreign currency, IREDA's subsidiary will provide significant cost savings in hedging for export-oriented manufacturers, particularly in sectors such as green hydrogen, renewable energy component manufacturing, and captive projects.

He emphasized the importance of the "DAS" principle for the rapid advancement and financial viability of renewable energy projects. The "DAS" principle stands for Discipline of investors, Attitude of lenders, and Simplification of policies by central-state governments, CEA etc., as well as regulatory bodies like RBI and SEBI. Shri Das pointed out that by adopting this principle, IREDA has realigned its processes to align with the nation's goal of achieving 500 GW of non-fossil energy by 2030. This realignment by the company has led to significant improvements and Hockey Stick approach growth over the past four years.



Shri Das also underlined IREDA's request to the Government of India for inclusion in the list of companies eligible to raise funds through bonds under Section 54EC of the Income Tax Act, aiming to further reduce borrowing costs for renewable energy developers.

The panel discussion also included Mr. Deepak Agrawala, Senior Executive Vice President, Avaada Group; Mr. Kailash Vaswani, Group CFO, ReNew; Mr. Pritesh Vinay, CFO, JSW Energy; Mr. Jitendra Singh, Head of Engineering & Technology, Acme; and Ms. Kumi Kitamori, Deputy Director Environment, OECD. Mr. Umang Shah, Managing Director and Partner of Boston Consulting Group, moderated the session.