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IREDA

IS/ISO 9001:2015, ISO/IEC 27001:2013 Certified

(A Mini Ratna Category –I PSU)

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(A Government of India Enterprise)

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FINANCING NORMS AND SCHEMES

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ENERGY FOR EVER

Contents

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
- Solar Energy
- Biomass including Bagasse & Industrial Cogeneration
- Biomass Power Generation
- Waste to Energy
- Energy Efficiency & Energy Conservation (EE)
- Bio-fuel / Alternate Fuel including Ethanol & Bio -Diesel
- Hybrid Projects with RE Technologies
- New & Emerging Renewable Energy Technologies

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 Centre for Wind Energy Technology (C-WET)

Hydro Power

- IREDA also finance medium and large hydro projects (above 25 MW) under consortium/ co-finance mode only with other lenders

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

Bio-fuel / Alternate Fuel Including Ethanol (other than production of portable alcohol) & Bio- Diesel

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

Waste to Energy

- The loan exposure of IREDA would be limited upto 50% of the project cost
- Loan is for energy generation system including pre-fuel processing system

Grid Inter-Connection Facility for RE Evacuation / Transmission /Distribution facility

- IREDA shall extend term loan for 100% of eligible equipment cost limited to a maximum of 70% 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. Equipment Financing
III. Loans for Manufacturing
IV. Financial Intermediaries
V. Financing of commissioned projects including takeover of Loans from other Banks /FIs.
VI. Additional / Bridge Loan against SDF Loan
VII. Loan against Securitization

<u>Other fund and non-fund based financing schemes</u>

i. Line of Credit to NBFCs for on- lending to RE/ EE Projects.
ii. Short 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 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 of Transmission Projects.
xvi. IREDA Loan Scheme/Line of Credit for Financing Large Scale Roof Top Solar PV Grid Connected/ Interacted Power Projects
xvii. IREDA: Top up Loan Scheme.
xviii. Loan Against Securitization of Future Cash Flow of RE Projects
xix. Short 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. IREDA Financing Scheme for Setting up of New distillery / Expansion of existing distillery for production of Ethanol using Sugarcane Juice / Sugar / Sugar Syrup /B-Heavy Molasses/ C-Heavy Molasses/ Damaged Food Grains

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. Factoring Scheme for purchasing Receivables of Solar Power Developers payable by Eligible Entities (Central Govt. Entities/Govt. Owned Companies/State Entities with good payment track record).

xxvii. IREDA’s Policy for the Resolution for COVID – 19 related Stress as permitted under RBI Circulars dated 06.08.2020 and 07.09.2020

xxviii. IREDA Policy framework for deferment of Interest Instalments and shifting of Repayment Schedule including residual tenor of Term Loans under COVID-19.

xxix. Modified “Top-up Loan scheme” for IREDA Borrowers to tide over Corona Pandemic Crisis for all the Renewable Energy Technologies

xxx. Modified Scheme for Moratorium of Term Loan’s instalments to mitigate the burden of debt servicing due to disruptions on account of the fall- out of the COVID-19 Pandemic.

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 in to 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 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 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. Minimum 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.

b) Typically, 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

c) However, in case of Solar & Wind Sector 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.
   - In case of new clients, the average Debt Service Coverage Ratio (DSCR) of the project should not be less than 1.3.

d) 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.

e) 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 also 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.

f) **IREDA support to Hydro Projects**:

   i. For Greenfield large/medium Hydro including SHP projects, IREDA loan exposure may be limited upto 50% of the project cost.
   ii. However, IREDA's Loan exposure may be considered upto 70% of the project cost for SHP projects upto 15 MW, subject to meeting the following conditions/guidelines:

- **Eligibility:** Promoters having experience in the field of Small Hydro Power with at least 1 operational Project.
- **Additional Security** of Minimum 10% FDR / BG of the loan amount
- **Terms and conditions:**
  a. Upfront Equity 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%

iii. For takeover of commissioned SHP projects with one full year of satisfactory operations, IREDA loan may be extend upto 70% of the capitalized project cost.

g) In case of Waste to Energy generation projects and Biomass direct combustion power projects, IREDA's loan exposure may be limited upto 50% of the project cost.
h) 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.
i) 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/Hydro Power Projects

i. The repayment periods shall be maximum upto 25 years or 80% of the balance PPA period, whichever is lower, depending on the project cash flows, 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.

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.

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", the repayment periods including moratorium, shall be maximum of 10 years, subject to the condition that repayment period shall not be more than balance life of PPA less 5 years.

6. CREDIT RATING, INTEREST RATES & RESET

I. Credit Rating & Interest Rates

IREDA conducts credit rating for all grid connected projects and provides grading in a band of 4 grades (I, II, III & IV) 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 19.11.2018)

S.No.	Borrower/Sector	**State Sector Borrowers/ CPSUs (Category 'A++') [AND] Identified CPSUs [AND] AAA rated Companies**	**State Sector Borrowers/ CPSUs (Category 'A+')**	**State Sector Borrowers/ CPSUs (Category 'A' &'B') [AND] Central Sector Borrowers (Other than Identified CPSUs & AAA rated) - New category**	
1.	Renewable Energy Projects except Biomass and Waste to Energy projects	9.80%	9.95%	10.20%	
2.	Biomass and Waste to Energy (WTE) projects	10.25%	10.75%	11.15%	
S.No.	Borrower/Sector	Private Sector Borrower			
		GRADE I	GRADE II	GRADE III	GRADE IV
3.	Roof top Solar	9.80%	10.05%	10.35%	10.70%
4.	Wind Energy, and Grid Connected Solar PV	9.80 %	10.15 %	10.50 %	10.95 %
5.	Co-generation, Hydro and CSP, Energy Efficiency , Energy Conservation & Solar Thermal /Solar PV Off-Grid, Biomass Power and other sector	10.25%	10.75%	11.15%	11.45%
6.	Manufacturing (All sectors)	Existing units – 10.80 %		Green Field – 11.00%	
7.	LoC for Refinance	Cost of domestic borrowing + 1% to 2% spread			

1. The above interest rates along with conditions will be effective in case of All New Sanction and loan accounts whose first disbursement date is on or after 19-11-2018.The above interest rates along with conditions will be effective also on all loan accounts from their next reset of interest date on or after 19-11-2018.
2. The prompt payment rebate of 0.15% across all sectors is withdrawn w.e.f. 01-04-2017 in case of all new loan agreements signed on or after 01.04.2017. The said rebate of 0.15%, however, shall continue in the existing loan agreements signed before 01.04.2017 till the next reset date.
3. Reduction in Interest rate over and above the applicable interest rates by 25 bps for Repowering of wind energy projects.
4. Additional Interest @ 0.50% over and above the applicable rate of interest shall be charged till the date of commissioning of the project other than Wind and Solar sector. No additional interest during construction for (i) "Schedule- A, 'AAA' rated PSUs (ii) State Sector Borrowers who are engaged in power sector and have successfully implemented not less than 200 MW of hydroelectric projects and implementing Hydro sector projects. 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.

5. In case of projects sanctioned on or after 19.11.2018, 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. Loans for which sanction letter has been issued borrower, may be given the option to opt for interest reset of 1 year.
6. In case of loans sanctioned for manufacturing facilities, no additional interest during the construction period shall be charged.

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(A).
4.	"Short term loan assistance to RE/EE Developers /Suppliers /Contractors"	Highest int. rate of the sector + 0.50% p.a. For more details, please refer the scheme at clause 12(B).
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(C).
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(G & H).

<table>
<tr><td>7.</td><td>IREDA Scheme for Bridge Loans against pending Energy Bills for IREDA Borrowers</td><td>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(J).</td></tr>
<tr><td>8.</td><td>“Access to Energy” Loan Scheme under KfW Line</td><td>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(M).</td></tr>
<tr><td>9.</td><td>Loan Scheme to promote the Concentrating Solar Thermal (CST) Projects for Industrial Process Heat Applications.</td><td>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(N).</td></tr>
<tr><td>10.</td><td>Policy for Financing Transmission Projects</td><td>Shall be aligned with Lead Lender/ Lead Arranger to the satisfaction of IREDA. For more details, please refer the Policy at Section: 12 (O).</td></tr>
<tr><td>11.</td><td>Loan Scheme/Line of Credit for Financing Large Scale Roof Top</td><td>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(P).</td></tr>
<tr><td>12.</td><td>IREDA: Top-Up Loan Scheme</td><td>The prevailing int. rate of the project + 1.5% p.a. For more details, please refer the Policy at Section: 12 (Q).</td></tr>
<tr><td>13.</td><td>Short Term Loan Facility to Govt. Bodies/ Discoms/ Transcos /State Owned Trading Companies”</td><td>shall be based on the risk profile of the borrower company (based on their external rating) as follows:
<table>
<tr><th>Sl. No.</th><th>External Rating</th><th>Applicable Interest Rate*</th></tr>
<tr><td>1.</td><td>AAA to AA-</td><td>Cost of Borrowing + 100 bps</td></tr>
<tr><td>2.</td><td>A+ to BBB-</td><td>Cost of Borrowing + 150 bps</td></tr>
<tr><td>3.</td><td>BB+ to BB-</td><td>Cost of Borrowing + 200 bps</td></tr>
<tr><td>4.</td><td>Below BB-</td><td>Cost of Borrowing + 250 bps</td></tr>
</table>
*Cost of borrowing / raising, one day before Board Meeting in which the proposal is being approved.
For more details, please refer the Policy at Section: 12 (S).</td></tr>
<tr><td>14.</td><td>Loan Against Securitization of Future GBI receivables in case of Grid Connected Wind & Solar Projects</td><td>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 (T).</td></tr>
<tr><td>15.</td><td>IREDA Financing Scheme - “Manufacturing of Biomass Pellets / Briquettes/Torrefied Pellets/ Refuse Derived Fuels (RDF)”</td><td>
<table>
<tr><th>Grade of the Project</th><th>Rate of Interest (% pa)</th></tr>
<tr><td>I</td><td>10.25%</td></tr>
<tr><td>II</td><td>10.75%</td></tr>
<tr><td>III</td><td>11.15%</td></tr>
<tr><td>IV</td><td>11.45%</td></tr>
</table>
For more details, please refer the Policy at Section: 12 (U).</td></tr>
<tr><td>16.</td><td>Scheme for Financing of “Biomass projects for heating applications for commercial use”</td><td>Applicable rates for Biomass sector i.e. 10.25% to 11.45% p.a.
For more details, please refer the Policy at Section: 12 (V).</td></tr>
<tr><td>17.</td><td>Financing Scheme for Setting up of New distillery / Expansion of existing</td><td>As notified from time to time.</td></tr>
</table>

	distillery for production of Ethanol using Sugarcane Juice / Sugar / Sugar Syrup /B-Heavy Molasses/ C-Heavy Molasses/ Damaged Food Grains	For more details, please refer the Policy at Section: 12 (W).

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-IV at the time of sanction, the rate of interest to be charged for such loans would be applicable interest rate for "Grade –IV" 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 rate of interest prevailing at the time of each disbursement shall be applicable, corresponding to the CRRS rated grade at the time of sanction. In case of projects sanctioned on or after 19.11.2018, 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. Loans for which sanction letter has been issued, borrower may be given the option to opt for interest reset of 1 year. (Loan Agreements executed prior to 19.11.2018 might be having 2 year's reset period)

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**.

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

<u>Notes</u>

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 Jammu & Kashmir

- 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 Bank Guarantee

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8. POLICY ON PRE-PAYMENT

IREDA has a policy for pre-payment of the loan/ conversion of Interest to Present Lending Rate. 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. The basis of calculating the pre-payment premium shall be as under:

I. Pre-closing the loan

When the interest rate is not reset during the loan period

- The Pre-Payment Premium shall be charged @ 2% of the loan outstanding, Or as applicable in case of Consortium Arrangements.

Exclusions:

- The above shall not be applicable in case the loan is pre-closed partly/ fully out of capital subsidy / grant.
- The above is not applicable in respect of projects where the loan agreement provides for specific pre-payment conditions.

II. Prepayment at the time of reset (including reset on COD):

The prepayment premium may not be charged for the entire prepayment amount, if the interest rate is increasing. However, in case of same or reduced interest rate regime, the applicable prepayment premium shall be @ 1% on prepayment amount. The prepayment Premium to be provided within 30 days of reset date.

However, no pre- payment charges shall be payable if the pre-payment is effected in any of the following events:

a. At the instance of the Lender(s);
b. From the surplus cash accruals generated by the project upto 20% of Loan outstanding.
c. If the pre-payment is due to cash sweep of the project
d. Repayment by the borrower in the above cases, should be within 30 days from the interest reset date after giving prior written notice of at least 30 days to IREDA.

III. Partial pre-payment

If a borrower makes any partial pre-payment of loan during the pendency of the loan period over and above the normal repayment of the installment, the said pre-payment shall not attract any prepayment charges subject to:

a) Not more than 20% of the loan outstanding in one financial year shall be allowed to be partially closed.

b) 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/ promoter company.

c) The exemptions for payment of penalties on pre-payments are not applicable for takeover of loans from other Banks/FIs.

d) The said partial prepayment should be made out of internal accruals/surplus revenue of funds from the project only. The borrower shall satisfy IREDA with documentary evidence in this regard.

e) In any Financial year, over and above 20%, 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 @2% on balance prepayment amount.

f) 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 disbursed amount.

IV. In case borrower continues loan with reduced rate of interest i.e., current lending rate for sector

a) To calculate premium for reduction of interest rate, the stream of cash flows for the balance re-payment 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.

b) 50% of the Premium as calculated in IV (a) above shall be charged. In case of projects where the interest subsidy is sanctioned by Ministry of New and Renewable Energy, then the same is subject to compliance of conditions as stipulated therein

c) The conversion of rate of interest to present lending rate may be permitted more number of times during the tenure of the loan subject to compliance of condition in IV (b) above.

V. If a borrower pre-closes the loan after availing the facility of conversion of interest to present lending rate

In case the borrower opts to pre-close the loan, at any time, in future, after availing reduction in interest rate as above, it has to pay premium @2% of total loan outstanding. However, the premium paid as indicated in para IV (b) above, shall be adjusted out of the premium so worked out.

<u>Notes</u>

a) 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

b) The above Policy on prepayment will not be applicable (no prepayment charges) for Short Term Loans to RE Developers / Suppliers / Contractors, Short Term Loan Facility 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.

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9. CHARGES FOR LIQUIDATED DAMAGES

I. Default in payment of interest or any monies due will attract interest at the same rate as on the principal loan amount.

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 **2% p.a**. over and above the applicable rate of interest for the projects shall be payable. The 2% p.a LD Charges as above would be applicable for both future as well as existing cases, where loan agreement yet to be signed (W.e.f. 24.09.2020).

III. The additional interest by way of liquidated damages for non-payment of interest and repayment of principal is calculated on daily basis. The number of days in a year being calculated as 365.

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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.

II. Front-end Fee

The front end would be charged as per the following table:

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

(#) Note

1. In earlier cases, please note that Processing fee of 0.1% of loan sanction amount and Sanction letter fee of 25% of applicable front end fee as per earlier financing norms is withdrawn w.e.f 19.11.2018. Further, w.e.f., 19.11.2018, the above mentioned front end fee structure will be applicable. Also, Sanction letters which are pending due to non-receipt of applicable front end fee towards issue of sanction letter will be issued without charging 25% of applicable front end fee
2. The 50% of the applicable “Front End Fee” shall be paid within 3 months from the date of issue of sanction letter otherwise sanction letter be cancelled. Remaining amount shall be paid within the validity period of signing of loan agreement as per sanction i.e. 6 months from the date of issue of sanction letter. (Due to Covid- 19 Pandemic, the payment of first instalment of 50% of the applicable front end fee as above, shall be paid within 6 months (instead of 3 months as mentioned above) and balance 50% when signing of the Loan Agreement within 9 months (instead of 6 months as mentioned above), this relaxation will only be applicable to the cases, wherein the Loan Sanction letter has been issued during the period 01.01.2020 to 30.09.2020)
3. The total Front End fee will have to be paid within the validity period of loan sanction and in any case before signing of the Loan Agreement or as stipulated and is normally non-refundable. The amount of front-end-fee can be included as a part of the project cost.

3) 20% rebate on front end fee payment shall be applicable, if full front end fee is paid within 60 days from the date of IREDA sanction letter.
4) The 60 days for this purpose will not be generally counted from the date of issue of any amendatory letter issued to borrower subsequent to original sanction letter. However, the date of revised sanction/ amendatory letter may be considered, if the revised sanction has material changes having financial implications such as rate of interest, repayment period, pre-payment premium or security conditions, etc. If the revised sanction letter is only for clarificatory changes or not having any implication, as accepted by the client, the original date of sanction to be considered.

5) Applicable front-end fee for takeover loans shall be 60% of the applicable front end fee. The applicability of 20% rebate in front end fee as mentioned above, will not be available for takeover loans.
6) In case of State Nodal Agencies/ State PSUs/ State Governments, the rate of front-end-fee will be 0.5% irrespective of loan slab. However, “Front End Fee” will not be charged from State Sector Borrowers under the scheme “Short Term Loan facility to Government bodies/ Discoms/ Transcos/ State Owned Trading Companies”.
7) 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.

III. Documentation Charges:

- Rs. 1 Lac plus applicable taxes, irrespective of the loan amount in case of sole lending by IREDA.
- 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 Short 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(D).

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

To be paid upfront@ 1% p.a. plus applicable taxes. The fee would be @1.5% 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(E).

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 minin 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(F).

XIV. 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(K).

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

LoC Type	Applicable Fee
For Short Term LoC (upto 1 year)	***0.50%*** plus applicable taxes (i.e. the Minimum applicable fee)
For Long Term LoC (beyond 1 year period and maximum upto 3 years) – o for Wind/Solar Sector	Depending upon CRRS rating of the project (plus applicable taxes) ***Grade I – 0.65 % p.a.*** ***Grade II – 0.80 % p.a.*** ***Grade III – 1.0 % p.a.*** ***Grade IV – 1.25 % p.a.***

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

XVI. **<u>"Loan Against Securitization of Future GBI receivables in case of Grid Connected Wind & Solar Projects"</u>**

<u>Processing Fees:</u> 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(T).

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

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

Eligibility

- NBFCs/ State Govt. Financial institutions & corporations. The NBFCs should have atleast "AA+" 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 for Renewable Energy sector in the last financial year.
- 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.

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**: 3 years from date of Loan Agreement.
- **Mode of Disbursement** : On Reimbursement Mode
- **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 April of every Financial Year (FY).

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/ Energy Efficiency Projects (EE)"

Eligibility

As per Financing Norms of IREDA

- **Interest Rate**: Highest int. rate of the sector + 0.50% p.a.

- **Quantum of Loan**: As per financing norms of IREDA.
- **Repayment Period**: To be repaid within maximum period of 3-5 years from the date of 1st disbursement.

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/PDC / ECS mandate etc. to the satisfaction of IREDA.

Note: The short term loan being funded by IREDA, can be treated as Project Specific Funding(PSF) loans, subject to meeting certain criteria's (Please refer to the Point 12 (XXV) of this document.)

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 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

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"

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.

Extent of Guarantee: To cover tender bid security and or/advance payment received against the contract to execute the RE Project.

Guarantee Fee: To be paid upfront@ 1% p.a. plus applicable taxes. The fee would be @1.5% 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.

- The Fee Shall be charged upto the Claim Period, i.e. Guarantee Period plus minimum 1 year, in case the Claim is settled before the expiry of the claim period, the proportionate balance period fee may 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.

Interest charges: In the eventuality of guarantee being invoked, highest Interest rate of that sector + 1% along with 2 % LD Charges will be charged on amount outstanding, in addition to guarantee fee.

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/PDC / ECS mandate etc. to the satisfaction of 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 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 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 1000 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 1000 kWp.

V. **General Applicant Eligibility norms**.

As per "General Eligibility conditions" mentioned in Chapter 3 of IREDA "Financing Norms and Schemes" 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) Applicants shall be required to submit external credit rating under Rooftop Grading System from empaneled credit Rating agencies of IREDA.
c) 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.

d) Projects under one application shall be required to be based on single revenue model.
e) 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".
f) 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 4 grades (I, II, III & IV) 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) External Credit Rating
   All applicants shall be required to obtain credit rating from external rating agencies under the IREDA Rooftop Rating Model from empaneled Credit Rating Agencies. Applicants under aggregator and direct category shall be rated on various sector specific parameters including sponsor strength as project promoter.
d) 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."
e) 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.
f) COD of the project shall be considered from the date of commissioning of complete capacity as per application.
g) 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.
h) 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 I 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 + 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

- **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. Post Dated Cheques (PDCs) 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. Promisery 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 – guaranting 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 - IV) prevailing for that sector (Solar, Wind) as per IREDA's norms.

o) 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.

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

1. 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.

2. 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.

3. 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.

4. In case of consortium/co-financing, IREDA may follow LoC terms of Lead/co-lenders, if and as required, at its sole discretion.

5. 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 Type	Applicable Fee plus applicable taxes
For Short Term LoC (upto 1 year)	***0.50%*** (i.e. the Minimum applicable fee)
For Long Term LoC (beyond 1 year period and maxim upto 3 years	Depending upon CRRS rating of the project, as under; ***Grade I – 0.65 % p.a.*** ***Grade II – 0.80 % p.a.*** ***Grade III – 1.0 % p.a.*** ***Grade IV – 1.25 % p.a.***

Notes:

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

b) 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.

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

d) 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.

e) Upfront Yearly fee payments shall be charged on the outstanding LoC/LUT liability upto the Claim period of the LoC/LUT period, i.e. LoC/LUT Period plus minimum 1 year, in case the Claim is settled before the expiry of the claim period, the proportionate balance period fee may 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.)**

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

g) 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.

h) In case of delay in payment of the fee, the borrower shall be required to pay additional interest @ 1% p.m. 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 additional interest in case of delay in payment of fee.

i) Since after issuing of LoC/LUT, the disbursement is to be honoured even if disbursement to the borrower is suspended for any reason(s), additional interest 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;

   "Additional interest of 2% p.a. shall be levied in addition to the applicable rate of interest for the project loan, 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 additional interest will be charged by IREDA from the date of disbursement upto the date of compliance of the conditions".

j) 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.

k) 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 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:

- The interest rates may be revised as per IREDA's internal process through interest rate fixation committee
- In case the actual loan tenure exceeds the approved loan tenure the applicable interest rate will be revised accordingly for the entire loan, for a project.
- Interest rates prevailing at the time of each disbursement shall apply

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.

- 10% 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.

7. Fees and charges: As per existing guidelines

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

9. 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 promoters 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 of Transmission Projects

INTRODUCTION

With the current growth trajectory of Renewable Energy in the country in last few years, coupled with GoI target of integrating 175 GW RE capacity by 2022, the transmission planning has become even more essential so as to integrate and evacuate RE power.

Scheme

In view of the above, as all transmission lines across the country are evacuating RE power (currently 8% and expected to reach to 20% by 2020), IREDA has formulated a scheme to participate in funding of transmission line projects.

Terms and conditions of the scheme (Clause b & d are effective from 19.11.2018)

a. IREDA may participate in funding of transmission projects with an exposure cap of 20% of the total project cost to any single transmission project.
b. Transmission financing portfolio at any point of time shall not exceed 10% of asset book of IREDA at any point of time.
c. The securities and terms & conditions of the transmission project shall be aligned with Lead Lender/ Lead Arranger, to the satisfaction of IREDA.
d. IREDA shall ensure that all the sanctioned transmission projects be served the transmission of power generated through renewable energy.
e. All other terms and conditions, as may be applicable would be as per the prevalent "Financing Norms" and "Operational Guidelines" of IREDA from time to time.

Note

Beyond the year 2020, the percentage of IREDA's loan exposure (As mentioned above in Point (a)) may be revised suitably, if required.

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) 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 atleast 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. (Present Applicable interest rates of Solar Roof-Top are 9.80% to 10.70% depending on the grade of the project)
- 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 CUF/generation considered at the time of appraisal/ loan sanction.
- The project shall have an average DSCR $\geq$ 1.25 & Average Asset Coverage ratio $\geq$ 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.
- 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).
- 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 10 years, discounted at the maximum lending rate of the sector.

5. The scheme will be extended for the projects considering a maximum life of 20 years from the date of commissioning.

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 three years. However, the 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.

b) The applicant company should be earning cash profit for a minimum of three previous years. However, the condition may be relaxed to 2 years from existing 3 years subject to fulfillment of the relaxation criteria as indicated in (a) above.

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 years and maximum debt equity ratio (DER) of the Company including the proposed loan should not be more than 3:1 subject to fulfillment of the relaxation criteria as indicated in (a) & (b) above.

d) The loan account should not have been declared as NPA any time due to any reason, what so ever, 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.
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) Maximum loan repayment period shall be 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.

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.

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 time line. 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. "Short Term Loan Facility to Govt. Bodies/ Discoms/ Transcos /State Owned Trading Companies"

1. **Scope:** Meeting RPO Compliance /Procurement of RE Power/ Payment to RE Generators/Setting up RE Infrastructure (Including Transmission Lines).

2. **Tenure**: Upto 3 year excluding moratorium of 6 months

3. **Repayment**: Interest to be payable on monthly basis, and principal with an option of monthly or quarterly.

4. **Interest Rate** shall be based on the risk profile of the borrower company (based on their external rating) as follows:

Sl. No.	External Rating	Applicable Interest Rate*
1.	AAA to AA-	Cost of Borrowing + 100 bps
2.	A+ to BBB-	Cost of Borrowing + 150 bps
3.	BB+ to BB-	Cost of Borrowing + 200 bps
4.	Below BB-	Cost of Borrowing + 250 bps

* Cost of borrowing / raising, one day before Board Meeting in which the proposal is being approved.

Note: *Normally, external rating is required to be submitted upfront. However, in case of delay in submission of external rating, highest applicable interest rate (i.e. Cost of Borrowing + 250 bps) may be charged till the date of receipt of external rating at IREDA & thereafter, interest rate shall be regulated as per external rating. Reduction in applicable interest rate, if any; would not be retrospective. However, rating of similar instrument may be considered till the time, actual rating of the facility is furnished*

5. <u>Front End Fee and Documentation Charges</u>

Front End Fee and Documentation Charges will not be charged to State Sector Borrowers under the scheme

6. <u>Exposure norms (as % of IREDA's Net Worth)</u>

<u>6.1 Normal Exposure Norms</u>

Stand Alone Company	**20%**
Group Exposure limit	**35%**

<u>6.2 Enhanced Exposure Norms</u>

In cases, where applicant proposes to provide State Govt. Guarantee for the entire Loan, the Exposure limits may be considered as:

- **Total Loan Exposure to the State (Single/ Group Exposure):** Upto 50% of the IREDA's Networth (beyond 20% Standalone Company/ 35% Group Exposure limit of IREDA's Networth) shall be applicable for Wind and Solar Sector Only.
- Also the above exposure may be followed in case of Central Govt Entities like SECI, NTPC (Wherein the central government entities be exempted from furnishing of Central/ State Govt. Guarantees) etc.

7. **Security**: The applicant shall create the following securities:

Main Securities

Any of the Following;

1. Exclusive Charge of up to 1.2 times of instalment of IREDA repayment obligation, on Default Escrow Account by earmarking unencumbered specific revenue stream
2. ESCROW cover upto 1.2 times of instalment of IREDA repayment obligation through default escrow mechanism or any another established mechanism
3. State Govt. Guarantee for the Loan

Till any of the above is furnished, disbursement can be made against deposit of the following with a validity of six months

a) Post-Dated Cheques, and
b) Promissory Note covering the loan amount.

However, if any entity has already obtained a loan on security different from the above, and has returned entirely the said loan in last six months, then security on the same terms and conditions of previous loan may be considered.

8. Timeline for Security Creation:

In Case, Condition 1, 2 & 3 of Clause No.7 are taking time then DISCOMS may provide security in the following manner;

- Promissory Note covering the loan amount and Post-Dated Cheque/ECS mandate.

However, the Condition 1, 2 or 3 of Clause No.7 shall be complied with within 6 months.

9. <u>Other General Conditions of the scheme</u>

1. The applicant shall provide an undertaking that the short term loan assistance will be utilized only for RE sector activities (viz. Meeting RPO Compliance /Procurement of RE Power/ Payment to RE Generators/Setting up RE Infrastructure including Transmission Lines etc.) and disbursement shall be utilized accordingly.
2. Applicant shall provide utilization certificate that the fund has been deployed for RE related activities/ projects
3. Company shall submit Board Resolution for availing the Short Term Loan.
4. Company shall execute a short term loan agreement.
5. NoC from the existing lender be provided to IREDA, only if pari- passu charge on assets is stipulated as security

In case of providing enhanced Exposure as mentioned at Sl. No: 6.2 above, to the applicant or its group, the following compliance be ensured w.r.t Enhanced Exposure.

1. Applicable only for Solar and Wind Sectors
2. The Applicant shall provide an undertaking that the enhanced exposure shall be utilized only for Solar & Wind sector activities.
3. Applicant shall provide utilization certificate that enhanced exposure has been deployed for Solar & Wind sector activities/projects (viz. Meeting RPO Compliance /Procurement of RE Power/ Payment to RE Generators/Setting up RE."
4. Applicant shall submit Board Resolution for availing the Short Term Loan for Solar & Wind sector activities.
5. Company shall execute a short term loan agreement.
6. NoC from the existing lender be provided to IREDA, only if pari- passu charge on assets is stipulated as security.

Note: The short term loan being funded by IREDA, can be treated as Project Specific Funding(PSF) loan, subject to meeting certain criteria's (Please refer to the Point 12 (XXV) of this document.)

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 PDCs/ 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 time line 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. **Promoter Contribution and Quantum of Loan**

Quantum of loan from IREDA shall be linked to the project cost and is as per the following table:

Project cost	Loan Amount as % of project cost
If the project cost is upto Rs. 5 Cr	Upto 70%
More than Rs. 5 cr & upto Rs. 10 cr	Upto 60%
More than Rs. 10 Cr	Upto 50%

The minimum promoter contribution shall be 30% of the project cost.

VI. Interest Rate**: -** The applicable interest rate will vary & depends on the grade of the of the of the project, as per IREDA Credit Risk Rating system (CRRS), as applicable to Biomass Power projects are as given below:

Grade of the Project	Rate of Interest (% pa)
I	10.25%
II	10.75%
III	11.15%
IV	11.45%

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

VII. **<u>Repayment Period & Moratorium</u>: -** The repayment periods shall be maximum of 6 years, depending on the project cash flows & DSCR of the project and it shall be after the implementation & moratorium. The moratorium period shall be upto 12 months from the date for COD of the project.

VIII. **<u>Securities:</u>**

- Company shall provide exclusive charge or pari passu charge in case of co-financing, by way of equitable mortgage and on plant & machinery by way of hypothecation of movable assets of the project.
- Pledge of shares (minimum 51%) of the applicant company.
- One or more additional securities such as mortgage of Collateral security, Corporate and/or Personal Guarantees, 3rd party Guarantee, Deposit of PDCs, Demand Promissory Note, BG/FDR for not less than 10% of loan etc., may be provided to the satisfaction of IREDA.
- Revenue from sale of pellets / briquettes/RDF, if any should be routed through TRA and provide exclusive charge on Trust & Retention account (TRA). Further, in place of exclusive charge, the Sharing on pari-passu charge in case of Co-financing may be allowed.
- Any other security, as may be feasible.

IX. **<u>Fees and charges</u>:** As per Financing guidelines of IREDA

X. **<u>General Conditions</u>**

- All the commercially viable Biomass pellets/Torrefied Pellets/ Briquette/ RDF manufacturing plants.
- The site specific Biomass resource availability/ Survey Reports report to be provided.
- Market Survey reports indicating the potential buyers of Pellets/ Briquettes around the site.
- 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

Bio-energy 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
   The repayment periods shall be maximum of 8 years, depending on the project cash flows &

DSCR of the project and it shall be after the implementation & moratorium. The moratorium period shall be up to 12 months from the date for COD of the project.

b) Applicable interest rate will be as applicable for biomass sector i.e. 10.25% to 11.45% depending on the internal rating (CRRS)/ external credit rating 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 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. 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. IREDA Financing Scheme for Setting up of New distillery / Expansion of existing distillery for production of Ethanol using Sugarcane Juice / Sugar / Sugar Syrup /B-Heavy Molasses/ C-Heavy Molasses/ Damaged Food Grains

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

- **Projects Eligible for the Assistance;** All the commercially viable Ethanol manufacturing plants either newly set up Distilleries (or) expansion (enhancement of capacity) of existing Distilleries.

III. Minimum Loan

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

IV. 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
If the Project is eligible	Upto 70%	25%	75%*
If the Project is not eligible	Upto 50%	30%	70%*

Note:

*Limit of Total term loan in the project is subject to its' commercial viability.

V. Interest Rate: - As notified from time to time.

VI. **Repayment Period & Moratorium**: - The repayment period shall be maximum of 7 years (including moratorium) depending on the project cash flows & DSCR of the project and it shall be after the implementation & moratorium period. The moratorium period shall be upto 12 months from the date of commercial operation of the project.

VII. **Securities:**

- Company shall provide exclusive charge or pari passu charge in case of co-financing, by way of equitable mortgage and on plant & machinery by way of hypothecation of movable assets of the project.
- One or more additional securities such as mortgage of Collateral security, Corporate and/or Personal Guarantees, Pledge of shares (minimum 51%) of the applicant company, 3rd party Guarantee, Deposit of PDCs, Demand Promissory Note, BG/FDR for not less than 10% of loan etc., may be provided to the satisfaction of IREDA.
- Revenue from sale of Ethanol to Oil Marketing Companies (IOCL, BPCL & HPCL) through Escrow Account & provide exclusive charge on Escrow account.
- Any other security, as may be feasible.

VIII. **Fees and charges:** As per Financing guidelines of IREDA

IX. **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.
- 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.

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 - Salient Features

The short term loan being funded by IREDA, can be treated as Project Specific Funding(PSF) loans, subject to meeting the following criteria.

1. The appraisal/quantum of Short term loan sanction shall be based on the specific project execution and timelines.
2. The applicant to have land permit or developer's permission or Power Evacuation connectivity, or its combination.
3. The short loan is aligned to the execution timeline and SCOD of the power project for which the EPC player/supplier awarded the turnkey/ part contract.
4. The assessment for sanction of short loan should be based on the cash flow statement of the specific project/ contract.
5. Repayment of Short term loan should be linked with the payment terms/milestones of the project specific supply contract between EPC & Project Developers.
6. Terminal date for the repayment of Short Term Loan should be kept as SCOD (as per PPA) plus maximum 6 months.

Addl. Security:

The following addl. securities may be considered apart from the normal securities as per the Short Term Loan Scheme.

- 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.
- 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. Factoring Scheme for purchasing Receivables of Solar Power Developers payable by Eligible Entities (Central Govt. Entities/Govt. Owned Companies/State Entities with good payment track record).

BACKGROUND

Factoring is a financial transaction whereby business sells its account receivables (i.e. invoices) to a “Factor” for immediate money under a tripartite agreement between 3 parties: Seller of Goods/Services (Principal Borrower or Assignor), Buyer of Goods/Services (Debtor) and the Factor (Assignee). In factoring, receivables are purchased and the responsibility of collection of bills lies with the “Factor” and hence, purchasing of receivables is typically decided on the “Quality/Collectability of the Receivables” than merely the firm’s creditworthiness. Factoring services can be either, With Recourse or Without Recourse (Non-Recourse).

KEY FEATURES OF THE IREDA SCHEME

S.No.	Particulars	Details
1	Assignor	Solar Power Developer/ Manufacture/Contractor/Supplier
2	Factor (Assignee)	IREDA
3	Debtor	SECI/NTPC/REC/ or any other State/Central Govt. owned entity etc. as mentioned under Eligible Entities as under: a) Central Government/State Government b) Central Government Companies/Central Public Sector Undertakings c) Wholly Owned Subsidiaries of Central Govt. Companies/CPSUs d) State, Central, Joint Venture Entities with Good Payment
4	Scheme	Non-Recourse Factoring
5	Factor for Purchase of Annuity Payments	Percentage of discount factor of total annuity payments may vary which is depending upon the quality of debtor, period of annuity, annuity interest rate etc.
6	Security	Assignment of Charge on Annuity Payments to be deposited in a separate Bank Account
7	Other Conditions	NOC to be obtained from the existing lender(s) of the borrower, pertaining to the project

8	Fees	• **Registration fee** as per the financing Norms of IREDA • **Upfront fee** @ 0.50% of the facility amount
9	Exposure Norms	IREDA shall restrict the cumulative factoring business receivables to 10% of its asset book as per audited results.
10	Other Terms and Conditions	All the other terms and conditions., would be as per extant Financing Norms and Guidelines of IREDA

XXVII. IREDA's Policy for the Resolution for COVID – 19 related Stress as permitted under RBI Circulars dated 06.08.2020 and 07.09.2020

Introduction

To mitigate the burden of debt servicing brought about by disruptions on account of COVID-19 pandemic and to ensure the continuity of viable businesses, The Reserve Bank of India as part of its Statement on Developmental and Regulatory Policies released along with the Monetary Policy Statement on August 6, 2020, a 'Resolution Framework for Covid-19 related Stress', vide Circular RBI/2020-21/16 DOR.No.BP. BC/3/21. 04.048/2020-21 dated August 6, 2020 as a special window under the Prudential Framework on Resolution of Stressed Assets issued on June 7, 2019.

The framework enables all lending institutions including NBFCs, which are an essential part of the lenders' pool under this Framework, to implement a Resolution Plan (RP) in respect of eligible corporate exposure even without change in ownership while classifying such exposure as Standard, subject to specified conditions.

IREDA lending is classified into following four categories:

a) Consortium financing where IREDA is not a lead financing institution.
b) Consortium financing where IREDA is a lead financing institution.
c) Co-financing where IREDA share securities on pari-passu with other lenders.
d) Sole Lending by IREDA.

In the cases where IREDA is not a lead financing institution and Co-financing cases where IREDA share securities on pari-passu with other lenders, having less than 75 per cent by value of total outstanding to the company, IREDA shall follow the procedures of Lead Lenders. However, in cases, Consortium financing where IREDA is a lead financing institution with minimum 75% share in loan outstanding and sole lending projects, IREDA shall follow the following policy.

1. RBI Circular dated 06.08.2020:

a) Eligibility:

- Resolution under this Framework is extended only to borrowers having stress on account of Covid-19.
- Only those borrowers who were classified as standard and with arrears less than 30 days as at

March 1, 2020 are eligible under the Framework.

b) Non – Eligibility:

- MSME borrowers whose aggregate exposure to lending institutions collectively is Rs. 25 Crores or less as on 01.03.2020.
- Exposures of lending institutions to financial service providers.
- Exposures of lending institutions to Central and State Governments, Local Government bodies (eg., Municipal Corporations) and body corporates established by an act of Parliament or State Legislature.

c) Invocation Date and implementation:

- Resolution Framework may be invoked not later than December 31, 2020.
- Resolution Plan needs to be implemented within 180 days from the date of invocation.

d) Signing of Inter Credit Agreement (ICA) and provision requirements:

- Resolution process shall be treated as invoked once lenders representing 75% by value and 60% by number (Majority Lenders) agree to invoke the same.
- ICA to be signed by all lenders within 30 days of invocation.
- Lenders who have signed ICA, to make provision, higher of 10% or Income Recognition and Assets Classification (IRAC) norms.
- Lenders who have not signed ICA, to make a provision higher of 20% or as per IRAC norms, upon expiry of 30 days from invocation.

Note: The additional provisions maintained, if any, by Lending Institutions in terms of RBI Circular dated 17.04.2020 in respect of such borrowers, to the extent not already reversed, may be utilized for meeting the provision requirements in all cases.

e) General Guidelines:

- The residual tenor of the loan may be extended by maximum 2 years with or without payment moratorium. The moratorium period, if granted, shall come into force immediately upon implementation of the RP.
- The asset classification may be maintained as standard or upgraded to standard subject to the RP being implemented as per the Framework.
- For aggregate exposures greater than Rs. 100 crore, an Independent Credit Evaluation (ICE) to be obtained from any one Credit Rating Agency authorized by RBI.
- The resolution plan shall be deemed to be implemented only if all of the following conditions

are met:

- ✓ all related documentation, including execution of necessary agreements between lending institutions and borrower and collaterals provided, if any, are completed by the lenders concerned in consonance with the resolution plan being implemented;
- ✓ the changes in the terms of conditions of the loans get duly reflected in the books of the lending institutions; and,
- ✓ Borrower is not in default with the lending institution as per the revised terms.

f) Conversion of Loans into Securities and Valuation:

- RP to include restructuring / regularization / change in ownership, if any, sanction of additional facilities.
- RP may provide for conversion of debt into equity or other marketable non-convertible debt securities provided amortization and coupon are similar to terms of debt.
- Equity to be valued as per lower of breakup value or DCF value (for unlisted companies) and market price (for listed companies).
- Any other instrument to be valued at Re.1.

g) Post Implementation Performance:

- In respect of exposures, any default by the borrower with any of the signatories to the ICA during the monitoring period shall trigger a Review Period of 30 days.
- **If the borrower is in default with any of the signatories to the ICA at the end of the Review Period, the asset classification of the borrower with all lending institutions, including those who did not sign the ICA, shall be downgraded to NPA from the date of implementation of the RP or the date from which the borrower had been classified as NPA before implementation of the plan, whichever is earlier.**
- In all cases, further upgradation shall be subject to implementation of a fresh restructuring under the Prudential Framework, or the relevant instructions as applicable to specific category of lending institutions where the Prudential Framework is not applicable.
- Upon completion of the monitoring period without being classified as NPA, the asset classification norms will revert to the criteria laid out in the Master Circular - Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances dated July 1, 2015 or other relevant instructions as applicable to specific category of lending institutions.

2. RBI Circular dated 07.09.2020:

a) The key ratios while finalizing the resolution plans is as under:

Key Ratio	Definition
Total Outside Liabilities / Adjusted Tangible Net Worth (TOL/ATNW)	Addition of long-term debt, short term debt, current liabilities and provisions along with deferred tax liability divided by tangible net worth net of the investments and loans in the group and outside entities.
Total Debt / EBITDA	Addition of short term and long-term debt divided by addition of profit before tax, interest and finance charges along with depreciation and amortization.
Current Ratio	Current assets divided by current liabilities
Debt Service Coverage Ratio (DSCR)	For the relevant year addition of net cash accruals along with interest and finance charges divided by addition of current portion of long term debt with interest and finance charges.
Average Debt Service Coverage Ratio (ADSCR)	Over the period of the loan addition of net cash accruals along with interest and finance charges divided by addition of current portion of long term debt with interest and finance charges.

b) RBI has fixed the sector specific thresholds for each of the above key ratios that should be considered by the lending institutions in the resolution assumptions.

IREDA funded projects are classified as under:

(i) Grid connected projects which involves Power Generation and Transmission.
(ii) Off –Grid connected projects including short term loans, Energy Efficiency, Waste to Energy, Roof Top PV projects.
(iii) Manufacturing (RE and EEC).
(iv) For Grid connected projects, following thresholds ratios will applied:

Sectors	TOL / ATNW	Total Debt/ EBITDA	Current Ratio	Average DSCR	DSCR
- Power Generation	<=4.00	<=6.00	>=1.00	>=1.20	>=1.00
- Transmission	<=4.00	<=6.00	>=1.00	>=1.20	>=1.00

(i) Off –Grid connected projects, following thresholds ratios will applied:

Sectors	TOL / ATNW	Total Debt/ EBITDA	Current Ratio	Average DSCR	DSCR
- Power Generation / Power Generation	<=5.00	<=6.00	>=1.00	>=1.20	>=1.00

(ii) Manufacturing (RE and EEC), following thresholds ratios will be applied:

Sectors	TOL / ATNW	Total Debt/ EBITDA	Current Ratio	Average DSCR	DSCR
Manufacturing (RE and EEC)	<=5.00	<=6.00	>=1.00	>=1.20	>=1.00

- IREDA will also follow other financial parameters, as applicable and presently being followed.
- The resolution plans shall take into account the pre-covid-19 operating and financial performance of the borrower and impact of covid-19 on its operating (like delay in generation of invoice, delay in meter reading, etc.) and financial performance at the time of finalizing the resolution plan, to assess the Cash flows in subsequent years, while stipulating appropriate ratios in each case.
- To ensure compliance to TOL/ATNW agreed as per resolution plan at the time of implementation and all ratios to be maintained as per the resolution plan by 31.03.2022 and on an ongoing basis thereafter.
- In case of equity infusion as resolution plan, the same may be suitably phased in over this period.
- The various requirements of the resolution framework including ICA, wherever applicable and maintenance of an escrow account after implementation of a resolution plan shall be applicable at the borrower account level.

XXVIII. IREDA Policy framework for deferment of Interest Instalments and shifti of Repayment Schedule including residual tenor of Term Loans und COVID-19.

IREDA is in receipt of inputs regarding adverse impact in light of the COVID-19 crisis. The current crisis is also going to impact the entire RE sector (viz. manufacturing, construction & operations of RE projects). Issues caused by COVID-19 Pandemic and country wide Lockdown are related to disruption in supply chain of manpower & consumables, payment cycle in terms of delay from DISCOMs, Non-generation of invoices etc. are going to be pertinent and bring Financial Stress in the RE Sector.

Thus, there would be liquidity issues with RE industry (developers, manufacturers & others). With a view to provide some degree of relief to the borrowers of IREDA, whose operations are impacted directly & indirectly by COVID 19 Pandemic, the policy framework for deferment of Principal and Interest Instalments and shifting of Repayment Schedule is as under:

In this regard, the detailed features are as under: -

1. Wherever the request of Borrower for moratorium of payment of principal and/or interest instalments is considered, the dues shall be converted into additional loan in each case. The additional loan shall attract interest at rate applicable to the credit facility and shall be recovered on due dates as per original scheme after end of the moratorium period. The principal amount of additional loan shall be recovered during the extended maturity period in equal monthly/quarterly instalment(s).

Note: It is clarified that the additional loan will be treated at par with the original loan facility & all terms and conditions including special rebate on interest and payment terms as applicable to the original loan facility shall apply mutatis mutandis to such loan. All obligations of the borrower like security, guarantees, promoters' undertakings /sponsor support undertakings for debt service obligation should remain in force.

2. The benefits of the said deferment shall not be available to the following –
   - Project which are under commissioning as on 01.03.2020.
   - Borrowers who has availed the Top Up loan facility from IREDA.
   - NPA Borrowers standing in the books of IREDA as on 31st March 2020.
   - Beyond economic life of the project.
3. The additional loan created above will be considered as part of the original loan facility and accordingly, the original loan amount and repayment period shall stand enhanced subject to the condition that the sum of additional loan and existing loan outstanding shall not exceed the originally Sanctioned amount. In any case, the amount of additional loan shall not exceed the existing loan sanctioned. The repayment schedule of the original loan will remain unchanged and payments under the original loan will continue to be made as per the original repayment schedule after 31st August, 2020.
4. Except for principal and interest dues, all other charges/fee(s) will continue to be levied and demanded as per the existing loan document /policies/ guidelines/ procedures.
5. To avail the benefits of the above deferment, Borrower to submit a written request that inter-alia include necessary consent(s) for change/enhancement in existing loan amount; consent for continuing obligations for debt servicing of enhanced amount, increase in financial obligation due to further interest etc.
6. Three (3) months' time (from the date of consent but not later than 30.11.2020) will be provided to execute necessary documents including for security creation, if any. If the borrower fails to execute necessary documents including for security creation, if any within the prescribed timelines, then additional interest @1% will be charged from the borrower from the date of expiry of prescribed timelines.
7. Borrowers wishing to avail the benefit of deferment should have no outstanding overdue(s) as on 1st March 2020. For borrowers, who have outstanding overdue(s) as on 1st March 2020, if such overdue(s) are cleared subsequently i.e. upto 31st August 2020 on or before 30th September 2020, the above benefit of six months' deferment will be available to them for all payment of Instalments falling due between 1st March 2020 to 31st August 2020 from retrospective due date(s), if any.
8. Any prepayment (full/partial) of the said additional loan shall not attract any prepayment penalty paid within the extended period.
9. Any surplus revenue will be 'cash sweep in' within the above repayment period of the additional loan and shall be applicable before creation of DSRM / DSRA. Once the additional loan is fully repaid, waterfall arrangement as stipulated in the TRA shall be applicable.
10. In case of consortium lending, IREDA shall follow the terms of the lead lender.

XXIX. Modified "Top-up Loan scheme" for IREDA Borrowers to tide over Corona Pandemic Crisis for all the Renewable Energy Technologies

Name of the facility: Top-up Term Loan to tide over Corona Pandemic Crisis for all the Renewable Energy Technologies

Applicability of scheme: The said facility will be in force upto 31.03.2021. (Loan Sanctions and Disbursements need to be effected on or before 31.03.2021)

Purpose: 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 arising out of Covid-19 crisis and large-scale shutdown.

Eligible entities

- Only those applicants, who are having an existing project funded by IREDA, are eligible for applying for the said loan.
- The project shall have been classified as Standard Account in the books of IREDA, at the time of application for the said loan.
- The project shall have an average DSCR > 1.15 after taking in to account the top-up loan. Also, the project shall have positive operational revenue till tenure of the IREDA loan.
- DE Ratio: As per Original Sanction
- The scheme is applicable for the existing IREDA Customers only, classified as Standard Asset in Books of IREDA.
- The applicant should have a valid PPA
- There should been clear evidence that the borrower's operation has been adversely impacted directly/ indirectly cause of Covid-19 crisis and large-scale shutdown

Loan amount

- **Limit: -** Maximum 10% of the originally sanctioned amount subject to the condition that the sum of Top up loan and existing loan outstanding shall not exceed the originally Sanctioned amount. In any case, the amount of Top-up loan shall not exceed the existing loan outstanding.
- **Disbursal: -** The borrower can avail the sanctioned amount in one go or in tranches, within 1 year from the date of sanction.

  (Loan Sanctions and Disbursements need to be effected on or before 31.03.2021)
- The scheme will be considered as an exposure on the borrower and guidelines stipulated under the RBI Prudential Norms shall be adhered to.
- The maximum overall exposure to the Company / Group Shall be as per prevailing Exposure Norms of IREDA.

Terminal date for Repayment Entire Loan dues are to be repaid within a period of maximum 3 - 5 years (after max moratorium of 6 months) along with repayment of existing loan, maintaining the DSCR as above. The maximum repayment period shall not go beyond repayment period of the main loan

Moratorium: Maximum upto 6 months from the date of last disbursement

Interest rate: Documented rate as per main loan.

Liquidated damages: 2% p.a. from the date of default, payable with the instalment of interest

Security: Extension of charges on the Primary Security/Collateral Security already held for the main loan. Time of 90 days is given from the date of first disbursement for compliance of the same, failure to comply with same, will attract additional interest at the rate of 1% over & above the applicable rate from the date of default, without prejudice to the other rights. The same would be applicable in cases of Co-financing/ Consortium/ Multi banking Arrangements Projects also.
Borrower shall give undertaking that until the creation of security, Borrower shall not seek the release of securities/security documents and that Borrower shall not create any security in favor of any other party.

Any other security: IREDA may explore obtaining sponsor guarantee (If not already available with IREDA) for the Top-up term loan.

ROC filing: The charge to be filed within 30 days from the date of creation of security

Application fees: Rs. 1 Lac to Rs. 5 Lac depending on the loan quantum, as per IREDA Norms

(The present provision of adjustment of 50% registration fee shall not be applicable & not adjusted from the proposed Front End Fee.)

Front End Fee including documentation charges. 0.50% of the Top-up loan sanctioned + GST will be charged. (No Rebates in payment of Front End Fee shall be applicable under the scheme)

Prepayment penalty: No prepayment penalty applicable, the borrower is free to prepay the loan before the terminal date.

Others:

- The limit will be over and above the main loan/other loans, subject to exposure norms at the time of sanction.
- The facilities shall be made available at the specific request of the borrower.

XXX. Modified Scheme for Moratorium of Term Loan's instalments to mitigate the burden of debt servicing brought about by disruptions on account of the fall- out of the COVID-19 Pandemic.

Name of the facility: Scheme for Moratorium of Term Loan's Instalments for a period not more than Six months

Facility type: Moratorium of maximum Six months

Validity of scheme: All instalments (principal and/or interest components, bullet repayments) falling due between March 1, 2020 and August 31, 2020

Purpose: To mitigate the burden of debt servicing brought about by disruptions on account of COVID-19 pandemic and to ensure the continuity of viable businesses on large-scale shutdown.

Eligibility: Any Term Loans outstanding as on March 1, 2020 in the books of IREDA.

Scheme Details:

a) To grant a moratorium of maximum Six months on all instalments (principal and/or interest components, bullet repayments) falling due between March 1, 2020 and August 31, 2020 on all Term Loans outstanding as on March 1, 2020 in the books of IREDA.
b) The repayment schedule for such loans as also the residual tenor, will be shifted across by Six months after the moratorium period.
c) Interest shall continue to accrue on the outstanding portion of the term loans during the moratorium period and the demand for the same shall be raised after the moratorium period is over.
d) If any borrower does not avail the benefits and there are no outstanding dues for the past period, the borrower will be incentivized with a rebate of 10 bps in the existing interest rate till September 2020. However, if any request for moratorium is received subsequently till August 31, 2020 the said rebate will be withdrawn.

Others

The facilities shall be made available at the specific request of the borrower.

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Amendment/ Revision in the Financing Norms & Guidelines

S. No.	Date of Amendment/ Revision	Clause Ref.	Page No.	Summary of changes
1.	22.07.2010	Notes under Biomass Power of Annexure - A	16 of Annexure - A	Clarification on Item No. 5 of Notes on Biomass Power Generation.
2.	27.07.2010	Annexure - A	All pages	New Interest rates effective from 27.07.2010
3.	25.02.2011	Clause No. 11(b) Schedule of Fees	16 of Financing Norms & Schemes	Revision of Front-end-fee.
4.	04.06.2011	Annexure - A	All pages	New Interest rates effective from 04.06.2011
5.	16.08.2011	Annexure-A	All pages	Interest rates revised w.e.f. 16.08.2011
6.	22.06.2012	Annexure-A	All pages	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	-	All Pages	Review of "Financing Norms & Schemes" & also induction of new Fund and non-fund based schemes.
9.	28.07.2015	-	All pages	Modifications in existing "Financing Norms & Schemes".
10.	23.12.2015	Under "Sectors eligible for Assistance" the sector "Bio Fuel / Alternate Fuel" modified to "Bio Fuel / Alternate Fuel including Ethanol & Bio Diesel"	Page 2 & 3	Clarifications in existing "Financing Norms & Schemes".
11.	29.06.2016	Updation	All pages	Updation in existing "Financing Norms and Schemes"
12.	26.05.2017	Updation	All pages	Updation in existing "Financing Norms and Schemes"
13.	14.05.2018	Updation	All pages	Updation in existing "Financing Norms and Schemes" and introduction of new schemes
14.	19.11.2018	Updation	All pages	Updation in existing "Financing Norms and Schemes" and introduction of new schemes
15.	29.07.2019	Updation	All Pages	Updation in existing "Financing Norms and Schemes" and introduction of new schemes
16	31.01.2020	Updation	All Pages	Updation in existing "Financing Norms and Schemes" and introduction of new schemes
17	24.09.2020	Updation	All Pages	Updation in existing "Financing Norms and Schemes" and introduction of new schemes