

13th Stakeholders' Interaction Meet












Indian Renewable Energy Development Agency Limited

12th May, 2023 | New Delhi

Performance Highlights : FY 2022-23

Amount : ₹ Crore

	As on 31.03.2022	As on 31.03.2023	Achievement
Loan Sanctions	23,921	32,587	 Up by 36 %
Loan Disbursements	16,071	21,639	 Up by 35 %
Total Income	2,874	3,483	 Up by 21 %
Borrowings	27,613	40,165	 Up by 45 %
Profit Before Tax	834	1,139	 Up by 37 %
Profit After Tax	634	865	 Up by 36 %
Net worth	5,268	5,935	 Up by 13 %
Loan Book	33,931	47,076	 Up by 39%
Net NPAs (%)	3.12 %	1.66%	 Reduced by 47 %

Performance Highlights : FY 2022-23

1st CPSE to publish its Annual Audited Financial Results in just 25 days (SEBI allows 60-days).

Previous year, IREDA had published its Annual Audited Financial Results in 30 days.

All time high performance – Sanctions, disbursements, Income, Reduction in NPAs, Loan Book, etc.

ICRA Upgraded IREDA's Ratings to 'AAA' from 'AA+'.

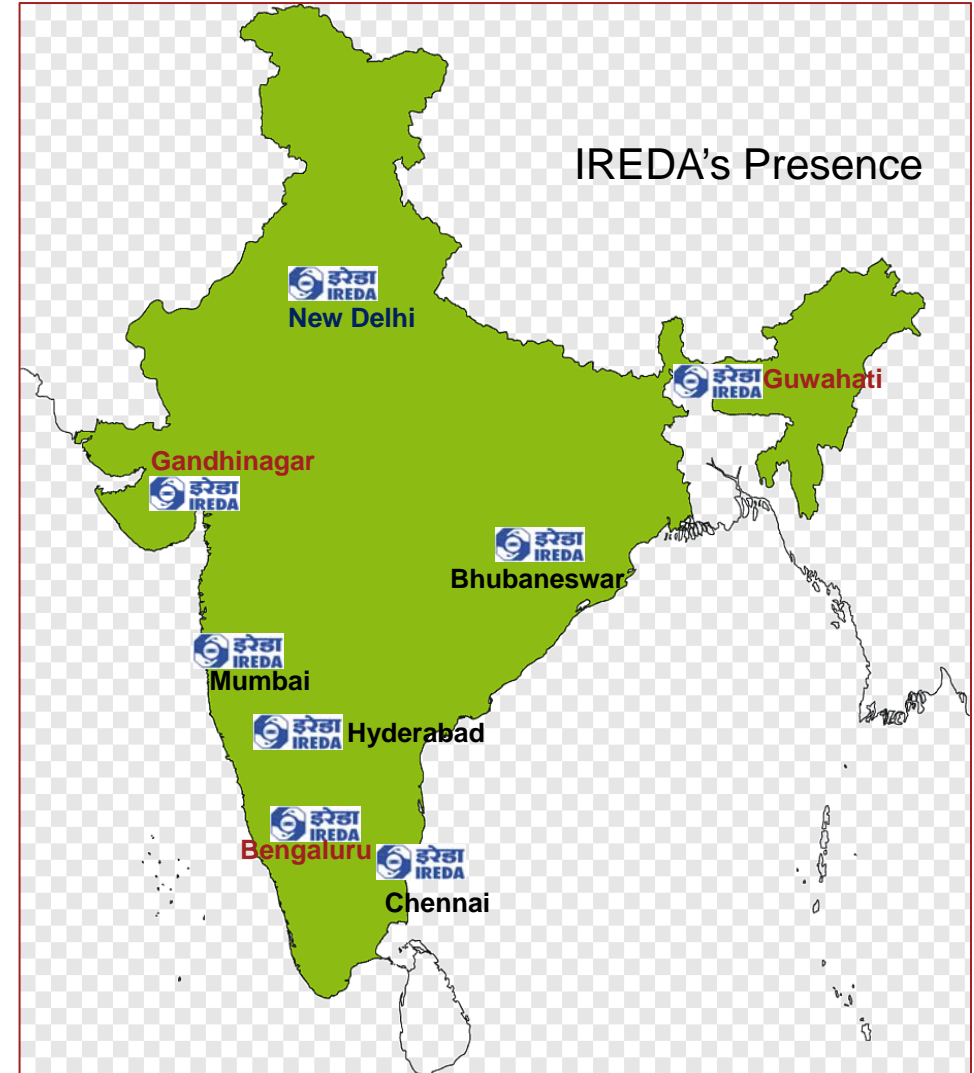
RBI has granted an 'Infrastructure Finance Company (IFC)' status to IREDA.

Cabinet approved listing of IREDA through IPO.

Proposal for Schedule 'A' and Grant of 'Navratna' status is at advanced stage of consideration by GoI.

Increased Geographical Presence

- New branch offices in:
 - Northeast India (Guwahati)
 - Southern India (Bengaluru)
- A branch office / subsidiary in Gujarat's GIFT City to finance Renewable Energy projects in foreign currency is also planned.



Recent Amendments in Existing Loan Products

Schedule of Fees : Before issuance of Sanction Letter, a portion of applicable “Front End Fee” shall be obtained as under:

Loan Amount	Percentage (%) of Fee
Upto Rs.20 Crore	25 %
Above Rs.20 Crore and upto Rs.125 Crore	20%
Above Rs.125 Crore and upto Rs.250 Crore	15%
Above Rs.250 Crore	10%

Note: The above changes are applicable from 01.04.2023.

Scheme for Setting up New Distillery / Expansion of Existing Distillery for Production of Ethanol.

- Projects Eligible for Assistance: Commercially viable **First-generation** Ethanol Manufacturing Plants.
- Loan upto 95% of Project Cost can be provided with additional securities stipulation
- The base case financials shall be:
 - Average DSCR ≥ 1.20
 - Minimum Annual DSCR ≥ 1.10
 - FACR ≥ 1.0
 - IRR (Post Tax) \geq Interest Rate of Project
- Working Capital tie-up before 1st disbursement
- In case of standalone SPV and ethanol is proposed to be manufactured from molasses / sugar syrup-based projects, agreement(s) pertaining to raw material required for complete capacity.

Legal Entity Identifier (LEI) Guidelines

- To ensure compliance of RBI Guidelines, IREDA has introduced Legal Entity Identifier (LEI) Guidelines, which will be applicable to all borrowers.
- A Legal Entity Identifier (LEI) is a 20 digit code that is unique to a legal entity and provides basic information about the entity.
- Entities can obtain LEI from any of the Local Operating Units (LOUs) accredited by the Global Legal Entity Identifier Foundation (GLEIF). LEI can be obtained from Legal Entity Identifier India Ltd. (LEIL) (<https://www.ccilindia-lei.co.in>).

- Timelines for obtaining LEI by borrowers:

Total Exposure	LEI to be obtained by
Above ₹ 25 Crore	April 30, 2023
Above ₹ 10 Crore, upto ₹ 25 Crore	April 30, 2024
₹ 5 Crore and above, upto ₹ 10 Crore	April 30, 2025

- Borrower to submit the LEI Code and details of LOU including address.
- No credit facility to be sanctioned / enhanced to borrowers who fails to comply with the guidelines.

Suggestions received during 12th Stakeholders Meet

N O	Suggestion	Action Taken / Present Status
1	Interest rate for small hydro to be treated at par with wind & solar, right now there is a difference in card rate.	Differential in the interest rate is reduced to 40 bps from earlier 50 bps. However, risk perception with SHP is much higher in comparison with Solar and wind and the same has to be duly captured.
2	Surplus cash may be allowed for mutual fund investment	The suggestion is being examined.
3	BB ratings to be considered as Investment grade.	BBB- is the investment grade as per practice. However, merits of the proposal such geographical advantage, adequacy of cash flows, promoter's background, etc are duly considered in the appraisal process to arrive at the applicable rate of interest.
4	To share the checklist of documents in one go.	Many a times the requests are submitted with incomplete documents. Financing guidelines including list of documents are available on IREDA website. May please refer before submission of application/documents.
5	To dispense with IOM where mortgage creation cannot be done; instead, DoH should be treated as an equivalent in line with other NBFCs	Assignment of project right being taken through IOM as the document will be registered and the applicable stamp duty should be determined by Sub Registrar Office. Same practice is followed by PFC, REC, etc.
6	Off-take agreement conditions in the ethanol sector, needs a periodic review, as this is a dynamic matter	The suggestion is being examined.

Suggestions received during 12th Stakeholders Meet

No	Suggestion	Action Taken / Present Status
7	IREDA should sign indemnity for TRA bankers, as operations are purely on digital mode now.	Irrespective of the mode of operation, Indemnity is already a part of TRA therefore no separate indemnity will be required.
8	Multiple number of NACH.	In case of loan amount exceeding Rs.1 Crore, a single NACH mandate of Rs.1 crore will not be sufficient so multiple NACH mandate would be required.
9	<ul style="list-style-type: none"> Differentiated treatment for hydro in case of commissioned projects with strong operating track record. For D/E ratio of 4:1 experience criteria of 100 MW capacity which is too large for small hydro. 80:20 DE ratio for manufacturing units viz. solar etc. Instead of two rating, one rating agency may be considered for ROI rebates. 	The same is being examined.

Status on suggestions received recently

No	Suggestion	Action Taken / Present Status
1	Concession in rate of interest to borrowers who have suffered by not achieving the approved plant load factor.	There is no merit in the request.
2	For Biogas Sector: a. Interest Subvention from Agriculture Infrastructure Fund b. IREDA may finance 85% of the project cost. c. IREDA to give the benefit of Credit Guarantee under CGTMS d. IREDA may sign long term Carbon Credit purchase agreements with Biogas plants e. IREDA may consider the long-term agreements with Farmers Producers Organization (FPO) for procurement of Raw materials	The suggestions are under examination.
3	Existing policy to be relaxed to include those under Group Captive and/or Third Party PPAs (as against only with State Discom/NVVN/SECI/PTC) and the conditions to be modified to include refinancing allowed in case of any significant upside in the overall operations of the entity leading to higher cashflows also.	As per RBI Guidelines refinancing of existing loans with same lender with tenure extension tantamount to restructuring. Hence not permissible.
4	Interest reconciliation (Devi Energies)	The specific request is under examination and will be disposed off shortly.
5	IREDA NCEF Refinance Scheme – Continuation	The validity of the NCEF Scheme already expired in 2018. The matter is pending with MNRE for reconstitution of the Evaluation Committee for suitable extension of the Scheme.
6	Removal of requirement of NACH mandates	NACH mandate requirement is in line with RBI mandate of discontinuation of PDCs.
7.	Requests raised by an ESCO through the BEE facilitation Centre	Request was towards GHG emission reduction proposal which is currently not covered under IREDA mandate. However, the proposer as well as BEE have been suitably informed about the Energy Auditor's Certificate requirements in order to

IREDA has been regularly following up with stakeholder's for providing:

- Annual Reports , Personal Guarantors' Net worth Certificate (By December of each FY)
- Renewal of Project Insurance Policies
- Quarterly details on : TRA and DSRA

The above information are required to ascertain the quality of assets financed and any information shortfall, adversely affects IREDA rating.

Solicit cooperation for timely submission.

Any issue faced by the borrower is to be submitted to IREDA within a quarter's time, to enable timely resolution.

**Cooperation
Solicited from
Stakeholders**

NPA Assets under Recovery / Sales Auction / Sale Notices

S. NO.	Project Description	Current Recovery Status	Operational Status
1.	19 MW Wind Power Project (14 MW commissioned), Maharashtra	Under sale / Settlement	Non operational
2.	6 MW Biomass Project, Immovable Assets, ~ 12.3 acres, Raichur, Karnataka	Under Sale	Non operational
3.	6 MW Biomass Project, Immovable Assets, ~ 15 acres, Raichur, Karnataka	Under Sale	Non operational
4.	10 MW Biomass Power Project, Maharashtra	Under Liquidation through NCLT	Non operational
5.	3 MW Small Hydro Power Project, Karnataka	Under Liquidation through NCLT	Not commissioned
6.	24 MW Small Hydro Power Project, Telangana	Under SARFEASI action.	Operational
7.	300 MVA Sub Stations in Karnataka	Under SARFEASI action.	Operational
8.	1.05 MW Wind Project in Maharashtra	Under SARFEASI sale.	Non operational
9.	Wind Project in Gujarat (1.6 MW commissioned)	Under NCLT Liquidation - ILFS	Part Commissioned
10.	33,000 SqFt (approx.) Land near Sholinganallur, Chennai	Under DRT auction.	-
11.	Land and building of sugar mill in Thiruannamalai, Tamil Nadu Auction process on. Last date is 30.05.2023.	Under High Court Auction	-

For any further query / clarification about any of the above assets, please send an email to :

rajendra@ireda.in | anudeepyadav@ireda.in



Energy Transition Working Group

Side Event on Mobilizing Low-Cost Finance for Emerging Critical Energy Technologies

15th, May 2023 | 1000-1330 IST

Jio World Convention Centre, Mumbai

वसुधैव कुटुम्बकम्

ONE EARTH • ONE FAMILY • ONE FUTURE

Please register yourself through the link provided below:

<https://www.viablesoft.org.in/G20Mum1517May2023expVD/sideeventregistration.aspx?rId=AA>

Recognition

IREDA has been recently conferred with :

- "Company of the Year",
- "CMD of the Year" and
- “Operational Performance Excellence (1st runner-up)” under Mini-Ratna category by the Indian Chamber of Commerce at “12th PSE Excellence Awards 2022” on 17th March, 2023.





**Solicit your valuable
feedback and suggestions
to further improve our
services.**



Indian Renewable Energy Development Agency Limited
Email: cmd@ireda.in | www.ireda.in