

Cabinet gives nod to IREDA listing in clean energy push

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NEW DELHI: The Cabinet Committee on Economic Affairs (CCEA) on Wednesday approved the listing of state run Indian Renewable Energy Development Agency (IREDA), reiterating its emphasis on green energy.

India has an ambitious clean energy target of 175 gigawatt (GW) by 2022—and it needs money, around \$200 billion, to achieve this.

The share sale will increase IREDA's equity base and help it "raise more debt resources for funding RE (renewable energy) projects", the government said in a statement. The sale will also "increase IREDA's visibility in domestic and international financial markets," the government added.

"IREDA, being the premier institution for RE Sector, will be required to raise equity funds to leverage loan financing for RE Sector," the government state-

ment said.

"I think Indian government has started to see that it does not need external money for India's renewable targets as the market is bullish. The government is confident of achieving its renewable power goals and is positive that the renewable market is itself taking forward the momentum," said Rakesh Kamal, a consultant with The Climate Reality Project, which works on climate change related issues.

India's clean energy market has seen record low tariffs for wind and solar power projects of ₹2.44 per unit and ₹3.46 per unit respectively.

Among other key decisions, the Cabinet approved a memorandum of understanding (MoU) for \$9 billion credit between the Export-Import Bank of India and Export-Import Bank of Korea. This will be inked during finance minister Arun Jaitley's visit to South Korea on June 14 and 15.

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contributed to the story*