

REC pledges ₹1.12 lakh crore RE funding in next five years

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STATE-OWNED POWER sector lender REC on Wednesday signed a memorandum of understanding with developers of renewable energy for projects worth ₹1.12 lakh crore to be implemented over a period of five years.

The agreement — signed at the ongoing 4th RE-INVEST — entails solar and wind hybrid projects, solar and wind Round the Clock (RTC) project, Firm and Dispatchable RE (FDRE) power, floating solar plants, ultra mega renewable energy park, and hydroelectric power project.

In addition to these, the company will also enable financing for battery energy storage systems (BESS), pumped storage, hydropower, green

BUSINESS BOOST

■ The firm will enable financing for battery energy storage systems, pumped storage, hydropower, green ammonia/hydrogen, and solar cell manufacturing



■ Discussions are also under way for financing of green energy corridors, wind turbine mfg, and EV ecosystem

■ REC is also open to considering renewable projects by developers for the Commercial & Industrial (C&I) segment having top-rated offtakers

ammonia/hydrogen, and solar cell/module manufacturing.

Discussions are also underway for financing of green energy corridors, wind turbine manufacturing, and EV ecosystem, including associated charging infrastructure, the company said.

“Further, REC is also open to considering renewable projects

by developers for the Commercial & Industrial (C&I) segment having top rated offtakers.”

The company is committed to increase its renewables loan book to over ₹3 lakh crore by 2030 which will increase its share of renewables to 30% by the time from the current 8%.

REC projects its loan book

to grow to ₹10 lakh crore by 2030.

The state-owned NBFC is targeting 40% of its sanctions to go to RE projects. “And since turnout time is quite fast we are expecting a lot of disbursement this fiscal and the next. Every year till 2030 we will be able to add 3-4% additional AUM from RE projects,” the company’s chairman and managing director Vivek Kumar Dewangan had earlier told FE.

“Of the ₹10 lakh crore AUM, we plan to sanction ₹5 lakh crore to the conventional sectors, including generation, distribution, and transmission.

This, we may, increase to ₹6 lakh crore. We are focused only on good asset quality, good entity, where revenue cash flows are assured only those non-power infra logs we are sanctioning,” he had said.