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₹7lk cr loans cleared for green energy

TIMES NEWS NETWORK

New Delhi: Banks and NBFCs (non-banking financial companies) have met 18% of their five-year lending commitment for renewable energy projects within 14 months of promising to fund more than 78 GW (giga watt) of green capacity, indicating improved bankability of such projects on the back of the Modi government's focus on ramping up green capacity to 175 GW by 2022.

According to government data, some 40 banks and NBFCs have sanctioned Rs 71,200 crore and disbursed Rs 29,500 crore since they made the commitment at RE-Invest 2015, the first global investor meet on renewable energy organised by the ministry of new and renewable energy in February last year.

Achieving the 175 GW renewable energy target is estimated to require a capital outlay of \$160 billion, including equity of \$40 billion. The commitment made by major banks—both in public and private sectors—NBFCs and foreign banks operating in India to provide low-cost, long-term funding is, thus, expected to boost growth in the sector.

ECO-FRIENDLY

Mercom Capital Group, a global clean energy communications and research firm, recently forecast more than 4 GW in total solar installations for the 2016 calendar year, nearly 100% year-on-year growth from the 2015 total of 2,133 MW (mega watt). RE-Invest 2015 saw renewable energy capacity commitments of over 283 GW from stakeholders. There was also a commitment of over 62 GW of manufacturing of renewable energy equipment in India.