

IREDA New Scheme: – “Bridge loan against 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.

IREDA is the Program Administrator for implementing the Generation Based Incentive (GBI) Scheme of MNRE for Wind and Solar Power Projects. The GBI claims are processed at IREDA based on submission of invoice and Joint Meter Reading (JMR) by the developers and same are released subject to verification and receipt of claim amount from MNRE. However, there are delays in release of GBI claims to the developers due to non-availability of funds from MNRE. Keeping in view the above, a scheme for providing loan against discounting of pending GBI claims has been introduced and the details of the same are as under:

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- GBI group 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. The interest shall be calculated on daily basis and shall be charged during the currency of the Bridge loan/till the same is paid/adjusted against the GBI release by MNRE/paid by the borrower.

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. The Charge shall be created by the borrower within stipulated time as indicated by ROC.

SPECIAL CONDITION

- The amount of loan assistance/ Bridge loan 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 by the IREDA- Coordination Group as per the existing procedures and practices followed at IREDA.