

IREDA Aims to Secure ₹3,000 Crore via Second QIP in FY26 to Fuel Green Lending



The Indian Renewable Energy Development Agency (IREDA), a leading state-owned non-banking financial company (NBFC) under the Ministry of New and Renewable Energy, is planning to launch a second tranche of Qualified Institutional Placement (QIP) worth approximately ₹3,000 crore in the current fiscal year (FY26). This strategic move aims to significantly augment IREDA's equity base, thereby enhancing its capacity to lend to the rapidly expanding renewable energy sector in India.

This upcoming QIP follows a successful first tranche in June 2025, through which IREDA already raised ₹2,005 crore. The proposed ₹3,000 crore capital infusion is critical for the "Navratna" status public sector undertaking as it seeks to support India's ambitious clean energy targets, including the goal of achieving 500 GW of non-fossil fuel-based energy capacity. According to Pradip Kumar Das, Chairman & Managing Director of IREDA, the additional equity funds will enable the agency to disburse loans worth approximately ₹24,000 crore, significantly boosting its lending capabilities.

A Qualified Institutional Placement (QIP) is a method for a listed company to raise capital by issuing equity shares or other convertible securities to Qualified Institutional Buyers (QIBs), such as mutual funds, insurance companies, and foreign institutional investors, without the extensive procedural requirements of a public offer. This allows for a faster and more cost-effective fundraising process. In this next round, the Government of India is expected to dilute a 3.76% stake, following a 3.24% dilution in the first tranche.

IREDA's outstanding loan book has already seen substantial growth, surging by 26% year-on-year to reach ₹79,941 crore as of June 30, 2025. The agency is also looking to borrow ₹30,000 crore in the current fiscal year, having successfully raised ₹25,000 crore in FY25. During the first quarter of FY26, IREDA mobilized ₹5,903 crore, which notably included a significant JPY 26 billion External Commercial Borrowing (ECB) from SBI Tokyo, underscoring its ability to access diverse funding sources.

Despite a recent issue with Gensol Engineering, which led to an increase in non-performing assets (NPAs) for the quarter, IREDA's CMD Pradip Kumar Das expressed confidence in the company's robust balance sheet and risk management practices. He emphasized that the Gensol case was an instance of "mismanagement" rather than a sector-wide or lender-related issue. IREDA remains committed to lending to new and emerging segments within the renewable energy space, such as e-mobility, affirming its role as a key financier for the Ministry of New and Renewable Energy.

The planned QIP in FY26 is a testament to IREDA's proactive approach to capitalizing on the growing demand for renewable energy financing. By strengthening its financial resources, IREDA aims to continue its pivotal role in facilitating India's transition to a greener economy and achieving its ambitious climate goals. The successful execution of this fundraising strategy will be crucial for accelerating renewable energy deployment across the nation.