

Preface

Indian Renewable Energy Development Agency Limited (IREDA), was established in March 1987 under the Companies Act, 1956 for the purpose of extending loans to renewable energy projects. It was given its unique status as the only Central Public Sector institute which provides institutional finance exclusively in the field of renewables and energy efficiency. IREDA was notified as a Public Financial Institution by the Government of India in 1995 and was registered as a Non Banking Finance Company with the Reserve Bank of India in 1998. It operates under the administrative control of the Ministry of New and Renewable Energy (MNRE).

As per the Twelfth Plan (2012-17) of the Government of India, the annual average growth rate of the total energy requirement is expected to accelerate from 5.10 per cent per year in the Eleventh Plan (2007-12) to 5.70 per cent per year in the Twelfth Plan and the supply from renewables is expected to increase rapidly from 24,503 Megawatt (MW) by the end of the Eleventh Plan to 54,503 MW by the end of the Twelfth Plan. This underlined the need for investments in renewable energy.

In the above backdrop, Audit took up the performance audit of IREDA to assess how the company was discharging its role. The performance audit covered a period of five years from 2008-09 to 2012-13 and involved examination of selected samples of renewable energy projects. As such, matters relating to these sampled projects pertaining to prior and subsequent periods have also been included, wherever necessary.

The Audit Report has been prepared in accordance with the Performance Auditing Guidelines, 2014 and Regulations on Audit and Accounts, 2007 of the Comptroller and Auditor General of India.

Audit wishes to acknowledge the cooperation received from IREDA and the Ministry of New and Renewable Energy at each stage of the audit process.