

10:14 AM 28 SEP LIVE	சென்செக்ஸ் 36,233 ▼ -90.83	நிஃப்டி 50 10,938 ▼ -38.80	கோல்டு (எம்சிஎக்... 30,312.00 ▼ -12.00	யுஎஸ்டி/ஐஎ... 72.63 ▲ 0.03	CREATE PORTFOLIO	ஈ-டி மார்க்கெட்ஸ்...	CHOOSE LANGUAGE TAM
-------------------------------	--------------------------------------	--------------------------------------	--------------------------------------------------	--------------------------------------	-------------------------	-------------------------	------------------------

More bad news for renewables; no priority lending

BY ET BUREAU | SEP 27, 2018, 10.25 PM IST

Post a Comment

By Rituparna Nath

The government has ruled out writing to the RBI seeking priority status for renewable sector for limitless borrowing, ET Now learns from government sources.

“We believe there is enough liquidity in the financial system for renewable companies to tap into, and have thus decided to not write to the RBI to grant priority sector status,” the government official said.

This had been one of the key demands of the [renewable energy](#) companies like [Suzlon](#), [ReNew Powet](#) and [Inox Wind](#) that met with the Power Minister [RK Singh](#) on September 19 in New Delhi.

At a time, when banks are shying away from investing in renewable projects, it has been a long standing demand of the industry to give priority status to trigger cash flow into the sector. Banks on the other hand have been reluctant to fund renewable projects due to low tariffs despite a new auction regime, power evacuation issues and NPAs in the thermal sector. [Solar tariffs](#) has been recently capped at Rs. 2.5/unit by Ministry of New and Renewable Energy.

Low tariffs discovered in clean energy bids have raised a question on companies continuing to submit bids that cast a shadow over project viability. Implementation and operational costs around projects coupled with low tariffs are deterring banks from lending.

New Delhi’s hesistance to go the extra mile to fetch funds may make it difficult for the Modi government to achieve its ambitious target of

RELATED COMPANIES

EXPAND

suzlon

inox

Big Change:
[The end of Five-Year Plans: All you need to know](#)

175GW of renewable energy. While 71GW has been installed already, investments over \$100 bn are required to install the remaining capacity.

Stay on top of business news with The Economic Times App. [Download it Now!](#)

Powered by

[Live Market News](#)
[Portfolio](#)
[Mobile](#)
[Live TV](#)
[Biz Listings](#)

[Industry Newsletters](#)
[Commodities](#)
[Speed](#)
[Blogs](#)
[RSS](#)

[About Us](#)
[Create Your Own Ad](#)
[Advertise with Us](#)
[Terms of Use & Grievance Redressal](#)
[Privacy policy](#)

FOLLOW US

Download it from
APP STORE

Download it from
GOOGLE PLAY

Download it from
Windows Store

Other Times Group news sites

[इकनॉमिक टाइम्स](#) | [ईकोनॉमिक्स टाइम्स](#) | [Pune Mirror](#) | [Bangalore Mirror](#) | [Ahmedabad Mirror](#) | [ItsMyAscent](#) | [Education Times](#) | [Brand Capital](#) | [Mumbai Mirror](#) | [Times Now](#) | [Indiatimes](#) | [नवभारत टाइम्स](#) | [महाराष्ट्र टाइम्स](#) | [ವಿಜಯ ಕರ್ನಾಟಕ](#) | [Go Green](#) | [AdAge India](#) | [Eisamay](#) | [IGN India](#) | [NavGujarat Samay](#) | [Times of India](#) | [Samayam Tamil](#) | [Samayam Telugu](#) | [Miss Kyra](#) | [Bombay Times](#) | [Filmipop](#) | [Games App](#)

Living and Entertainment

[Timescity](#) | [iDiva](#) | [Entertainment](#) | [Zoom](#) | [Healthmeup](#) | [Luxpresso](#) | [Gadget Reviews](#) | [Titanium & Platinum Credit Card](#) | [Online Songs](#) | [MensXP](#) | [Hotels](#) | [Travel Destinations](#) | [Cricbuzz](#) | [Recipes](#) | [Gaana](#) | [Happytrips](#) | [Getsmartapp](#)

Interest Network

[itimes](#)

Hot on the Web

[Share Market](#) | [GST](#) | [Income Tax Slabs](#) | [Aadhaar Card](#) | [IFSC Code](#) | [Mutual Funds](#) | [Top ELSS Funds to Invest](#) | [How to save Income Tax](#) | [Sensex Today](#) | [Nifty Bank](#) | [Telangana Assembly Election](#) | [Income Tax Calculator](#)

Services

[Book print ads](#) | [Online shopping](#) | [Matrimonial](#) | [Astrology](#) | [Jobs](#) | [Tech Community](#) | [Property](#) | [Buy car](#) | [Bikes in India](#) | [Free Classifieds](#) | [Send money to India](#) | [Used Cars](#) | [Restaurants in Delhi](#) | [Remit to India](#) | [Buy Mobiles](#) | [Listen Songs](#) | [News](#) | [TimesMobile](#) | [Real Estate Developers](#) | [Restaurant Deals in Delhi](#) | [Car Insurance](#) | [Gadgets Now](#) | [Free Business Listings](#) | [CouponDunia](#) | [Remit2India](#) | [Techradar](#) | [AliveAR](#) | [Getsmartapp App](#) | [ETMoney Finance App](#) | [Feedback](#) | [Auto](#)

In Case You Missed It

[All about PNB Fraud](#)

[Home Loan Calculator](#)

[Jet Airways](#)

[Income Tax](#)

[Steel Import Duty](#)

[Bank Merger Benefits](#)

[Income Tax Calculator](#)

[Yes Bank](#)

[Education Loan Calculator](#)

[BoB-Vijaya-Dena Bank Merger](#)

[IFSC Code](#)

[Bank Merger Deal](#)