

L&T Infra Fin Plans to Fund ₹45k-cr Clean Energy Projects by '19

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Mumbai: L&T Infrastructure Finance, the infrastructure finance arm of engineering giant Larsen and Toubro, plans to finance 6,500 MW of renewable energy projects worth ₹45,000 crore by 2019, the company CEO said. Nearly 30% of the company's portfolio has exposure to clean energy projects.

"We have already supported renewable projects of 2,500 MW capacity. We will provide senior debt through project finance mechanism for these projects," G Krishnamurthy, chief executive officer at L&T Infrastructure Finance, told ET.

Senior debt normally constitutes 70% of the total funding requirements of a project.

Several companies have recently announced their intent to build a total of 2.6 lakh MW of renewable projects.

These include companies such as NTPC, Reliance Power, Adani and Essel, which are keen to set up solar and wind energy plants. Jagdish Agarwal, spokesperson of Solar Power Development Association, said recent government moves such as raising the solar energy generation target to 100,000 MW by 2022 from 20,000 MW has spurred activity in the sector.

"Reinstating sops to the wind energy sector, planning definitive fiscal sops and imposing strict penalties for flouting renewable purchase norms have really galvanised financial and capacity enhancement activity in the sector," Agarwal said.