

About the Indian Renewable Energy Development Agency (IREDA)

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- It is a **Mini Ratna (Category-I) non-banking financial institution** under the administrative **control of Ministry of New and Renewable Energy (MNRE)**.
- It is a **Public Limited Government Company** established as a **Non-Banking Financial Institution (NBFC) in 1987**.
- REDA has been **notified as a “Public Financial Institution”** under section 4 ‘A’ of the **Companies Act, 1956** and **registered as NBFC with Reserve Bank of India (RBI)**.
- REDA is primarily engaged in **promoting, developing and extending financial assistance for setting up projects relating to new and renewable sources** of energy and energy efficiency/conservation.
- **Motto: ENERGY FOR EVER**
- **Objectives:**

- To give **financial support to specific projects and schemes for generating electricity and/ or energy through new and renewable sources** and conserving energy through energy efficiency.
 - To **maintain its position as a leading organization to provide efficient and effective financing in renewable energy** and energy efficiency/ conservation projects.
 - **Funding:** IREDA **generates its revenue through the interest and principal repayments from the projects it finances**, as well as **by raising funds from the market and through borrowings**.
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Q1) What is a Non-Banking Financial Corporation (NBFC)?

A Non-Banking Financial Corporation (NBFC) is a company that is registered under the Companies Act, 1956 and is involved in the lending business, hire-purchase, leasing, insurance business, receiving deposits in some cases, chit funds, stocks, and shares acquisition, etc. The functions of the NBFCs are managed by both the Ministry of Corporate Affairs and the Reserve Bank of India.

Source: [Centre sets Rs 4,350 cr as target for IREDA in operating revenues](#)

Source: <https://vajiramandravi.com/current-affairs/about-the-indian-renewable-energy-development-agency-ireda/>

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