

Head Line: REC: An electrifying journey of success

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REC: An Electrifying Journey of Success

Realizing the Hon'ble Prime Minister's noble vision of harnessing green energy's enormous potential in the country, REC has been successful in raising Green Bonds worth USD 450 million in July 2017 for a tenor of ten years. It was listed on the International Securities Market (ISM) segment of London Stock Exchange and Singapore Stock Exchange.

More than half a century has passed since REC Limited was incorporated, and ever since, it has played a significant role in transforming the power sector and creating power infrastructure assets for the nation. During its glorious journey, REC has excelled consistently both in financial and operational performance to stand tall as an important Infrastructure Finance Company gaining the coveted "Maharatna" status - the highest recognition bestowed on a central public sector enterprise. Evidently, REC ranks among the top 10 profit-making central public sector companies in India with a loan book of the order of ₹4 lakh crores and a Net Worth of over ₹54,000 crores.

As it has always been, REC stays strong in its commitment to positively impact the environment, clients, employees, and the community at large with sustainability at the core of its operations. In recent years, adapting to and mitigating change impact and transitioning to sustainable development have emerged as a major focus area globally. With the rising complexity of the companies on large-scale, investors might want to re-evaluate traditional investment approaches.

As a signatory of the Paris Agreement, India is committed to installing 40% of its electricity generation capacity from non-fossil fuels by 2030. This pledge has led the country to achieve a target of 500 GW of installed renewable energy capacity by this time. However, as on March 31, 2022 India's installed renewable energy capacity stood at 156 GW, representing 39% of the overall installed power capacity. Therefore, it is no surprise that India is the only country among G20 nations set-

ting in motion the perfect path to achieve targets under the Paris Agreement and stands 4th globally in terms of installed renewable energy capacity. While India has accelerated its revolutionizing process in the green energy space, REC aims to capitalize on the growing trends with a greater emphasis on sustainability for the future.

In line with the Government's ambitious target of 500 GW installed renewable energy capacity by 2030, reduction of carbon emission by 1 billion tonnes by 2030 and achieving net-zero carbon emissions by 2070, REC on its part has introduced various policies for competitive financing of clean energy projects across the country, including solar, wind, biomass projects and e-mobility. In essence, REC continues to promote competitive financing for renewable projects and reinforce milestones through its contribution to the green energy sector in India.

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The proceeds have been utilized to finance solar, wind and renewable purchase obligations (RPO) including refinancing of eligible projects, as defined in the Green Bond framework of REC, contributing to positive environmental impact and also strengthening India's energy security by reducing fossil fuel dependency. In accordance with the Green Bond framework, REC has created a 'Green Portfolio' managed through a well laid internal tracking system, updated on regular basis, to monitor, establish and account for the allocation of the proceeds for such Green Portfolio.

In its role, REC remains committed towards accelerating inclusive and equitable energy transitions for bringing positive impact on the environment, clients, employees and the community as a whole. Keeping in

mind the 2030 Action Plan and emerging global trends, REC has incorporated several climate-relevant energy objectives. It facilitates development, integration and stimulates progress beyond the power sector as well, to increase India's global share of renewable energy substantially.

REC is focused on capacity-building for mitigation and adaptation to ensure access to affordable, sustainable and clean energy for all. In this context, a few projects that REC has undertaken recently through its CSR initiatives are worth mentioning. To reduce carbon footprints and encourage green energy production in the Madurai Kamaraj University (MKU) campus, ₹7.25 crores have been sanctioned for the installation of a 1 MWp solar photo voltaic system on the rooftop. Similarly, ₹3.43 crores have been sanctioned for the installation of 245 KW off-grid solar power plant and solar-based LED lights at 13 campus buildings of Odisha's Sambalpur University. Apart from providing a green, sustainable, reliable and continuous power supply, this project ensures safety and security during power outage. The installation of mini mast lights and storing part of power supplies in batteries are proven to be useful.

carbon emissions as a whole.

There is something unique about REC itself. The new Corporate office in Gurugram has been built with a renewed focus on 'sustainability at workplace', keeping excellence akin to paramount importance. Being a revolutionary player as a premier NBFC in India's power sector, REC passionately carries forward the spirit of leadership by redefining how modern offices function. In the same spirit, through its profound expertise and experience in the power and energy sector, REC has learnt the value of harnessing green energy and the same is reflected in the assiduous efforts it makes towards reducing its carbon footprint. The fact that 100% of REC's energy needs at its Corporate Office are being met by the solar rooftop pergola is a testament to REC's emphasis on sustainability. This 1 MW plant produces almost 16 lakh units of electricity per annum which translates into a yearly carbon reduction of 1186 MTs which is equivalent to 19,617 tree seedlings grown for 10 years! This is the Company's distinct way of ensuring a greener and cleaner future.

Triggered by climate change, an additional regulatory mechanism is functioning in place which allows

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Furthermore, 2 more important projects under REC's CSR initiatives will transform the rural and tribal areas of Himachal Pradesh and Maharashtra states. With financial aid of nearly ₹0.83 crores and ₹3.1 crores, a considerable stretch of Bilaspur and Nasik will receive 500 Solar Street Lighting systems of 12 watts with Remote Monitoring System (RMS) and 1650 LED based Solar Street Lights, respectively. The initiative will have a profound impact on the community as not only the eminent public places will be illuminated but the already existing outdoor community activities and commerce will be intensified. Moreover, the safety of women in Bilaspur will gain an impetus with better visibility at night. On the other hand, the tribal areas of Nasik will receive green, sustainable, reliable and close to continuous power supply and contribute to reducing

70% of the ambient temperature to be achieved without using conventional air conditioning methods thus, reducing the overall energy consumption of REC's office building. With rising global temperature and a receding water table, we are confronted to find efficient ways to use water judiciously. Therefore, such is the design of the REC's office building that an integrated 100% wastewater management system runs through rainwater harvesting, allowing 10 million litres of rainwater to be collected annually.

As a testament to its endeavours in achieving excellence in sustainability, REC has been recognized as a GRIHA 5 Star Net Zero building. What is more gratifying is that it has been awarded for the Integrated Water Management and Energy Management systems by the GRIHA Council as well. ♦