

## **JICA signs loan agreement for JPY 10 billion with TCCL for Climate Change Management Project in India**

**Mumbai, March 25, 2021:** Japan International Cooperation Agency (JICA) signed a Loan Agreement for a maximum amount of JPY 10 billion with Indian Non-Banking Financial Company, Tata Cleantech Capital Limited (TCCL) to support the company to offer loans to businesses across India that focus on renewable energy generation, e-mobility solutions as well as energy efficiency, to help mitigate the effects of climate change by reducing the emission of greenhouse gas (GHG) in India following the Green Loan Principles<sup>1</sup>. This loan will be provided through Private Sector Investment Finance scheme of JICA and is co-financing with the Sumitomo Mitsui Banking Corporation (SMBC).

The Government of India has ratified the Paris Agreement in 2016, in which India has committed to cut GHG emissions intensity of its GDP by 33-35 per cent by 2030. In order to achieve the target, the Government of India is promoting mitigation measures such as installation of renewable energy (solar power, wind power etc.), energy efficient equipment, and electric vehicles (EVs).

**Manish Chourasia, Managing Director, Tata Cleantech Capital Limited, said:** “The partnership with JICA is a significant milestone for TCCL that will enable us to accelerate the pace of transition to clean energy in India. Our focus will continue to be to fund & support projects across Renewable Energy, E-mobility & Energy Efficiency sectors. Our aim is to channelize and mainstream Climate finance in India to help mitigate the impact of climate change.”

JICA’s loan will support TCCL to mitigate the impact of climate change by offering green finance, which will contribute to decrease the emission of GHG in India. It will also contribute to SDGs (Sustainable Development Goals) Goals 7 and 13. JICA will continue its support for climate change initiatives in the world and continue to mobilize private finance for this sector.

<sup>1</sup> Note 1) Green Loans are loans that are limited for use in environmentally conscious projects. Against the backdrop of the expansion of ESG (Environmental, Social, and Governance) investments, the green bond market has developed rapidly as an environment-oriented bond. In order to provide standard guidelines for loan in this sector, Asia Pacific Loan Market Association formulated the Green Loan Principles with its recent version published in February 2021.

### **About Tata Cleantech Capital Limited (TCCL):**

TCCL, a joint venture between Tata Capital Limited (Tata Group) and IFC (World Bank) is a first of its kind Private Sector Green Investment Bank with focus on climate finance and advisory services. Since its inception, TCCL has played an instrumental role in mainstreaming finance for new and nascent sectors. In 2019, it secured US\$ 100 mn line from Green Climate Fund to develop Roof-top solar market in India. Internationally recognized by its induction in the coveted Green Bank Network, TCCL is the premier Indian entity and first Private Sector Climate Finance Institution to be part of this network.

TCCL, having financed more than 220 projects has contributed to the development of ~7.7 GW renewable energy which has averted annual carbon emissions of 12.5 MT. TCCL has built a robust loan portfolio value of ~US\$ 850 mn and has been able to consistently create value for its shareholders while maintaining best

in class asset quality. TCCL enjoys domestic credit rating of AAA from CRISIL (an S&P Global Company), driven by strong parentage & a high quality asset portfolio.

For further information, please contact:

<b>Amit Dalvi</b> +91 9892417582 <a href="mailto:amit.dalvi@adfactorspr.com">amit.dalvi@adfactorspr.com</a>	
---	--

---

<sup>i</sup> Note 1) Green Loans are loans that are limited for use in environmentally conscious projects. Against the backdrop of the expansion of ESG (Environmental, Social, and Governance) investments, the green bond market has developed rapidly as an environment-oriented bond. In order to provide standard guidelines for loan in this sector, Asia Pacific Loan Market Association formulated the Green Loan Principles with its recent version published in February 2021.