



# Greening The Enterprise Ecosystem

## Green Climate Finance Vertical Connecting Green



# SIDBI – serving the MSME mandate

*Established under an Act of the Parliament in 1990, SIDBI is the Principal Financial Institution engaged in promotion, financing & development of the MSME sector and coordination of the functions of the various institutions engaged in similar activities.*

## Direct Credit

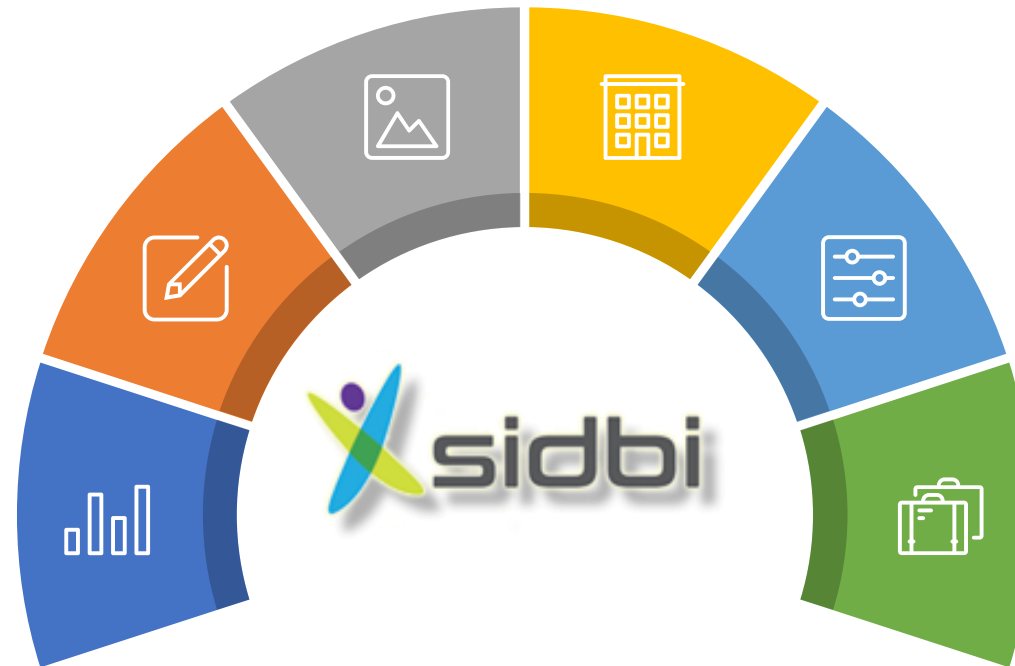
Direct lending to MSMEs through innovative lending models

## Green Enterprise

Greening Enterprise Ecosystem – sustainable finance, RSF, Green P&D

## Institutional Finance

Indirect lending through Banks, SFBs, NBFCs, MFIs and New Age Fintechs



## Fund of Funds

Fund of Funds to support start-up ecosystem

## P&D

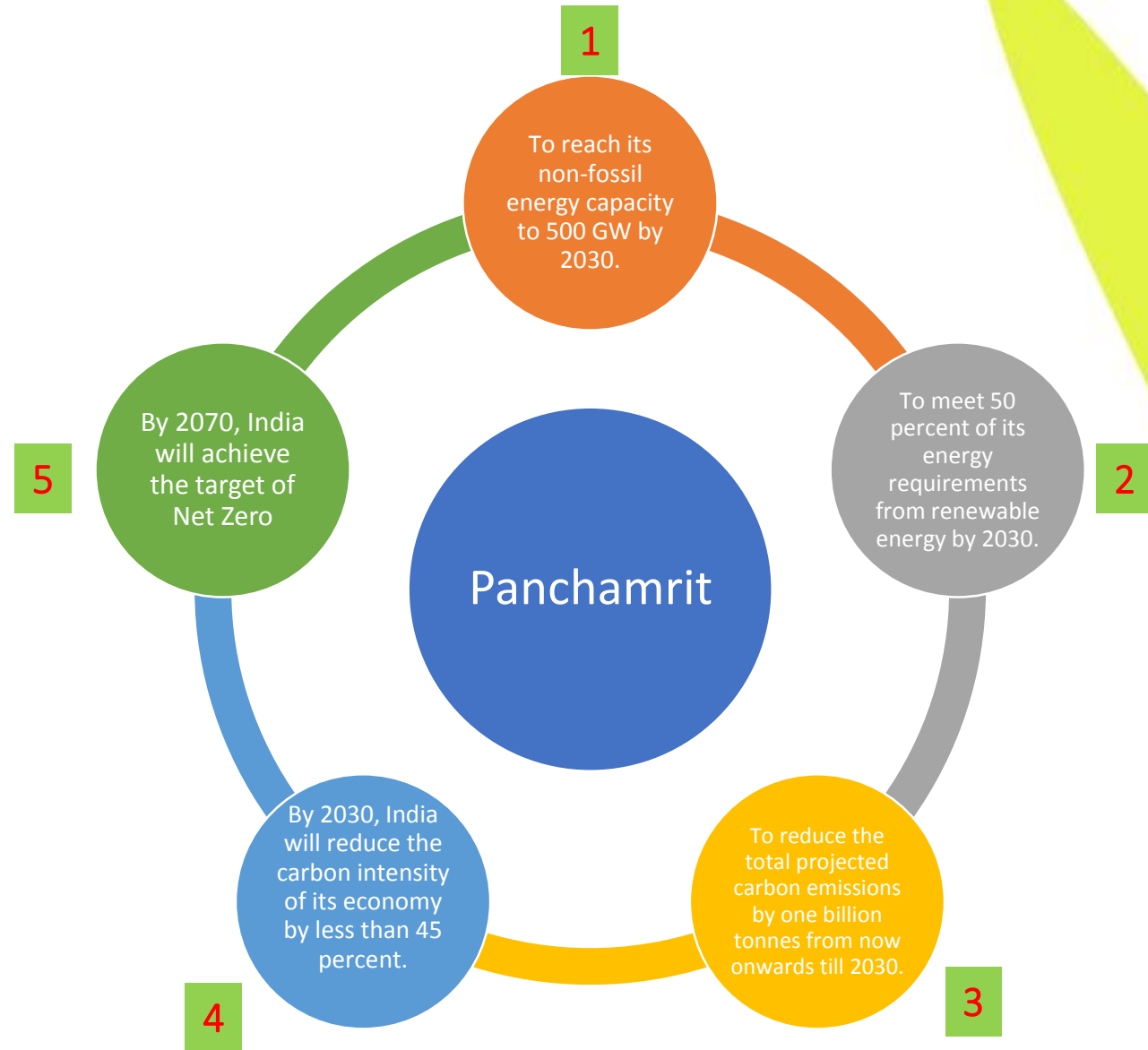
Promotional & Developmental activities to support entrepreneurs

## GoI – Nodal Agency

Trusted nodal agency for MSME oriented schemes of GoI

# Panchamrit

India has set up ambitious targets to meet the adverse impacts of the climate change. Hon'ble PM Modi has made five announcements in CoP 26. Four of these goals are to be achieved by 2030.



# Focus Areas: Mitigation & Adaptation



Energy Efficiency



Renewable Energy



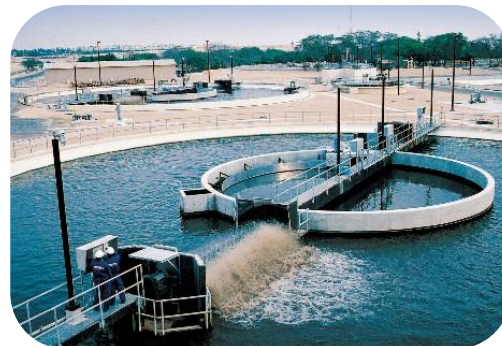
Waste- Management



E- Mobility



Green Building



Water Treatment

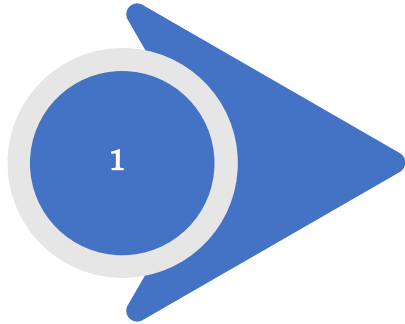


Climate Change



Any type of Green & Sustainable Solution.

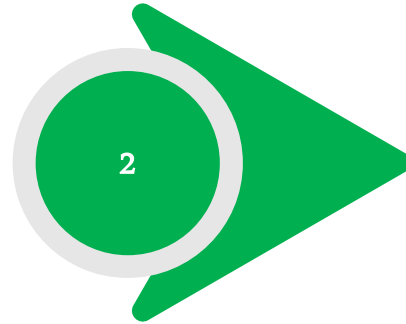
# Mission Greening the Nation



2500 Solar Rooftop



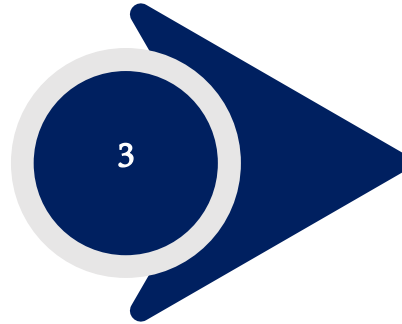
*Installation of Solar  
Rooftops in 2500  
MSMEs for captive  
consumption*



50K EV4ECO



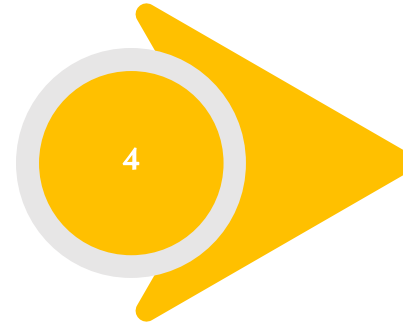
*Supporting EV market  
- aligned to GoI  
EV30@30 Mission*



2000 Cr EE



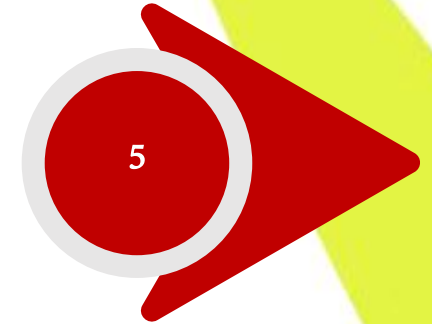
*Mobilizing EE  
investment in MSME  
sector contributing to  
GHG Emission  
reduction*



Waste 2 EnvttTaste



*Supporting  
technology  
interventions for  
transitioning Waste to  
Wealth*



Nurture   
Nature



*Nurturing the nature  
through technology  
basket, promoting  
innovative  
technologies*

# Some of the Important Schemes/initiatives of SIDBI for Green Financing



End to End Energy Efficiency (4E)



eGPS (Express Green Power for Sustainability) Loans scheme



Green Financing Scheme (GFS)

# End to End Energy Efficiency (4E)

**Quantum of assistance** –Rs. 7.5 Cr.

**Max. Repayment** – 5 Years (7 years on case to case basis)

**Interest Rates** – Floating Repo linked (7.00% - 8.10% currently)

**Types of Projects** – Energy Efficiency & Solar rooftop / ground mounted PV projects for captive consumption.

**Eligible Borrowers** – MSME in manufacturing or service sector, Education institutions, Hospitals.

**Promoter's contribution** –

- (i) Simpler dispensation: 100% Financing with cash collateral (units with 3 years profitable track record)
- (ii) Detailed appraisal for units in existence for less than 3 years and having at least one full year operations, Promoter contribution- Min. 10% of the Project Cost.

*Collateral - FD of 20% - 35% of Loan (interest bearing)*

# eGPS – Express Green Power for Sustainability

**Appraisal Process** - Quicker Appraisal & Sanction.

**Eligibility Criteria** – As per 4E Financing Scheme

**Quantum of assistance** – Rs. 5 lakh – Rs. 100 lakh: Term Loan Up to 100% of total project cost

**Overall Exposure:** Borrower can be sanctioned assistance multiple times in a financial year subject to a cap of Rs. 200 lakh.

**Promoter's contribution** – Nil

**Max. Repayment** –Max. 5 years including a moratorium of up to 6 months.

**Interest Rates** – Floating Repo linked C2 to C5 (4E Rates)

**Types of Projects** – Capex is required to transit from Diesel/ Petrol as fuel to cleaner fuel like PNG/ CNG in their operational processes including the use of boilers, furnaces, genset, etc, Solar Rooftop Projects, Other Green/ Clean initiatives aimed at reduction of Carbon Emission, Waste Management, solar heating/ drying, etc (Hospital/ Education Institutes)



## Quantum of assistance

- MSME: Rs. 20 Cr. and Service provider / aggregator: Rs. 50 Cr.

## Promoter's contribution

- Min. 10% of the Project Cost.

## Max. Repayment – 10 Years

## Interest Rates – Repo linked (at present 8.20% - 10.00%)

**Eligible Borrowers – (Both Existing & Greenfield units eligible)** RESCOs, ESCOs, EPC companies, and vendors or any MSME on either Supply or Demand side of the Green Value Chain. Risk-sharing support is available

# Risk Sharing Facility: Municipal Solid Waste in Collaboration with NAMA Facility-GIZ

## Why RSF-MSW?

**Access to finance** for circular economy/waste companies from institutional lenders:

- **are quite limited**
- **are impediment for scaling up**

## What Program Intends to?

- ✓ **Remove barriers to access credit** from Commercial Banks, NBFCs
- ✓ **Better management** of ever-increasing problem of **MSW** from Urban areas
- ✓ Abatement of **GHG Emissions of around 4.5 Mn t CO<sub>2</sub>** of lifetime emissions
- ✓ Promotion of **Circular Economy** based on the principles of **SDG – 7, 12 & 13- Clean Energy, Responsible Consumption and Climate Action**

## Contours of the RSF - MSW

- **RSF Budget: EUR 4.19 Million**
- **Credit Guarantee of upto 50% of loans.**
- **Max Guarantee Cover – Rs. 6 Cr**
- **Projects covers: Composting, Bio-methanation, Material Recovery Facility for Dry Waste, Recycling & RDF etc**
- **Guarantee cover against : Capex and Working Capital loans**
- **Duration: 8 years**

RSF can **leverage financial additionality of EUR 13.76 Mn** for financing waste management projects

**RSF for CBG in making with World Bank**



# Green Inclusivity (GRiT)

*make Artisan's life healthy, increase in income, enhance livelihood through clean operations*

## Micro Cluster Engagement Program

**FY23→10 FY24→25 FY 25→50**

### Next Level ESCO Engagement for Micro Clusters Demo. of Green Interventions through ESCO Route

#### Kota

- Stone, Textile, Engg, Food, pharma
- >1000 MEs, IAs, reached
- DEA – 75
- EE & Solar Rooftop Installation

#### Bihar

- >1000 MEs, IAs, reached
- DEA - 100
- EE Intervention & Solar Rooftop Installation

#### Tirupur

- Dyeing Cluster
- >300 MEs, IAs
- DEA- 150 target

#### Moradabad

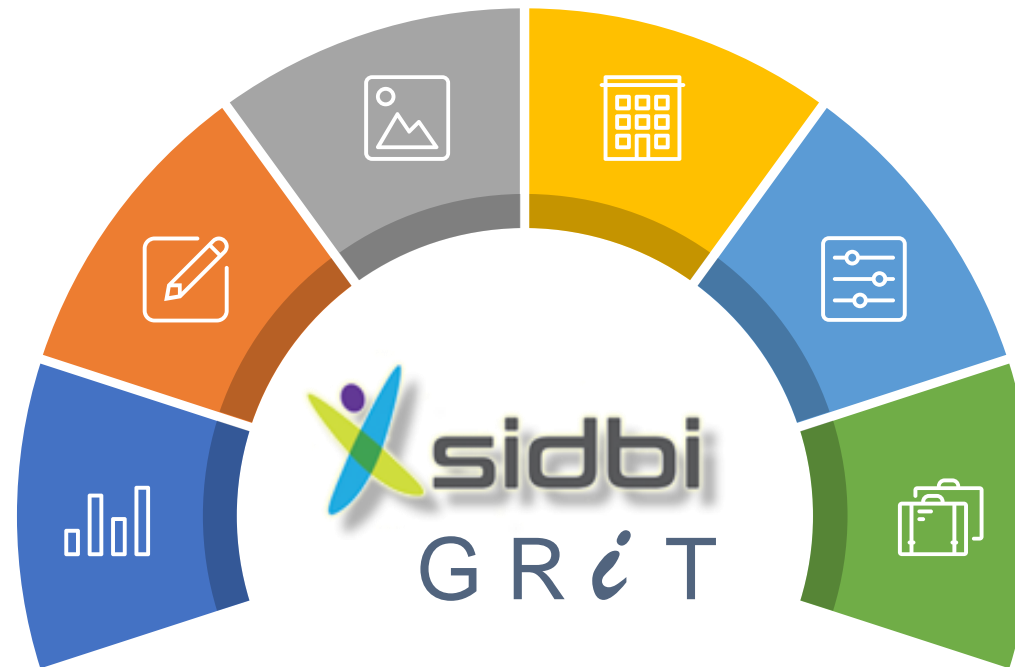
- Brass Cluster
- ESCO Engagement
- Replacing 100 CFF with GFF
- 10 Implemented

#### Jalandhar

- Handtool Cluster
- >500 MSEs
- DEA – 100 target

#### Belgaum

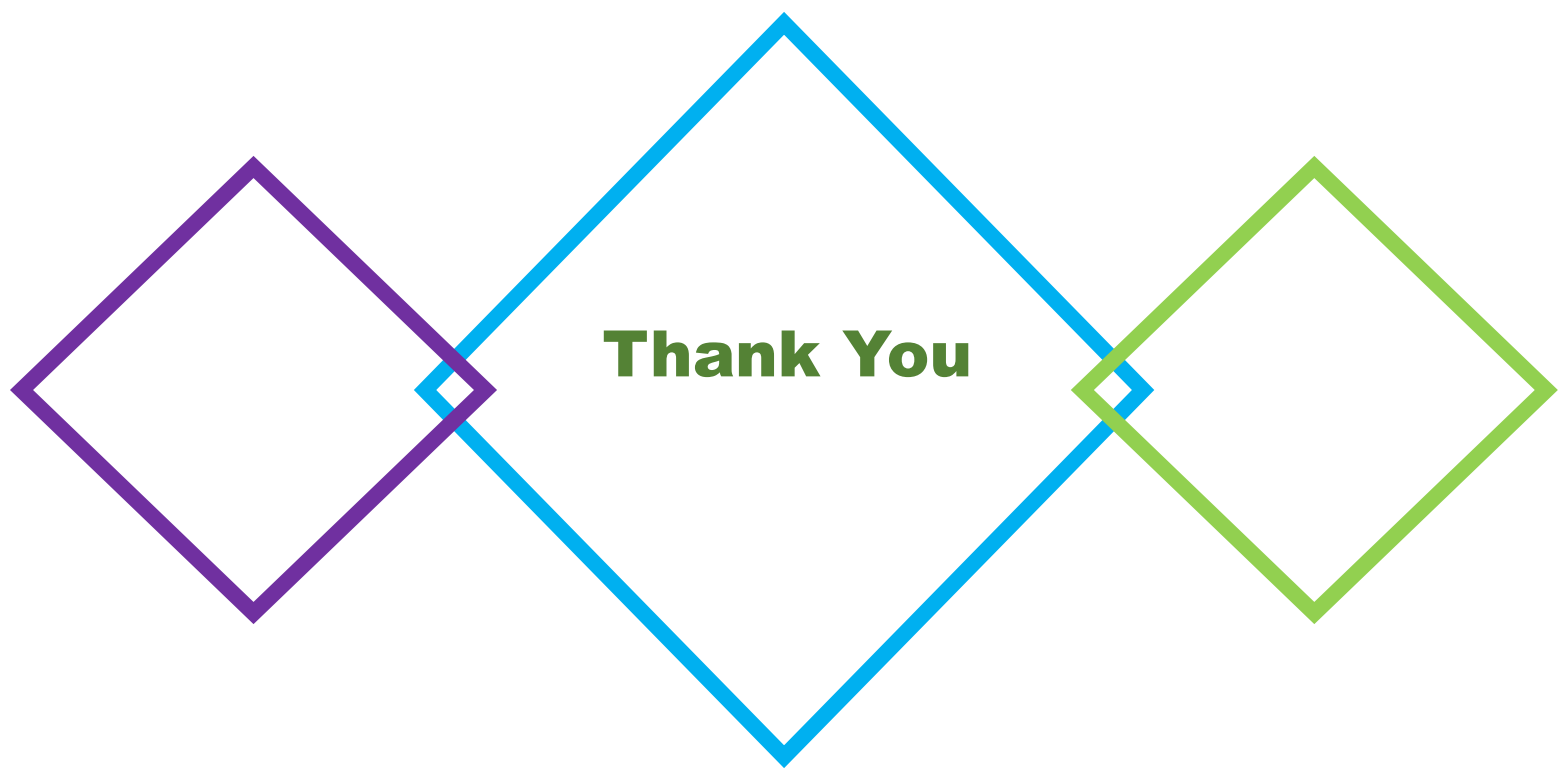
- Foundry Cluster
- >150 MSEs
- DEA – 100 target



Cluster Adoption

EE Area Identification

Implementation & Demo



**Thank You**

