

 Early Warning System

FMO-62642

Accretive Cleantech Finance Pvt Ltd



Quick Facts

Countries	India
Financial Institutions	Netherlands Development Finance Company (FMO)
Status	Approved
Bank Risk Rating	C
Borrower	Ecofy
Sectors	Finance
Investment Type(s)	Fund
Investment Amount (USD)	\$ 5.41 million



Project Description

WHO IS OUR CUSTOMER

Ecofy is a non-banking financial institution set up in India in 2022. It aims to finance the green transition by originating loans to 'green' sectors including Retail EV's, rooftop solar and SME loans for improving energy efficiency. Ecofy is active across India and targeted customers include the retail sector and SME's. Ecofy is promoted by Eversource Capital, a climate impact investor & partner of FMO.

WHAT IS OUR FUNDING OBJECTIVE?

Ecofy's objective is to increase the adoption of environmentally friendly products at the retail level by improving access to finance for purchase of such products. The capital infused by FMO is expected to catalyze the growth of the company, which relates to increasing the number of loans disbursed, product diversification and advancing its presence across India.

WHY DO WE FUND THIS INVESTMENT?

The investment opportunity is in line with FMO's goal for climate action (SDG13) and Ecofy has received a 100 % green label as they will only finance climate positive segments/businesses. Through this vehicle FMO aims to contribute to decarbonizing energy - which is critical in a country like India with a large growing economy. FMO's funding (via MASSIF & Building Prospects) is expected to act as a catalyst to attract both commercial & blended finance in the future.

WHAT IS THE ENVIRONMENTAL AND SOCIAL CATEGORIZATION RATIONALE?

The project has been categorized as E&S Category C, in accordance with FMO's Sustainability Policy - as Ecofy is mainly a retail and SME financing company. While the direct E&S risks to this type of business largely relate to labor conditions and health and safety, the indirect risks include the E&S impact of underlying SME clients to whom Ecofy lends to. Ecofy has developed ESG policies and exclusion lists in alignment with national and international E&S safeguards to identify, manage and monitor the environmental and social risks and opportunities in their lending operations. Furthermore, Ecofy is in the process of putting in place an Environment & Social Management System (ESMS).



Investment Description

- Netherlands Development Finance Company (FMO)



Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Ecofy	Client	Energy



Contact Information

"No contacts available at the time of disclosure."

ACCESS TO INFORMATION

As part of FMO's ex-ante disclosure (disclosure of transactions before contracting), you can send requests or questions for additional information to: disclosure@fmo.nl

ACCOUNTABILITY MECHANISM OF FMO

Communities who believe they will be negatively affected by a project funded by the Dutch Development Bank (FMO) may be able to file a complaint with the Independent Complaints Mechanism, which is the joint independent accountability mechanism of the Dutch Development Bank (FMO) and the German Investment Corporation (KfW). A complaint can be filed in writing, by email, post, or online. The complaint can be filed in English or any other language of the complainant. The Independent Complaints Mechanism is comprised of a three-member Independent Expert Panel and it can provide either problem-solving, compliance review or both, in either order. Additional information about this accountability mechanism, including a guide and template for filing a complaint, can be found at: <https://www.fmo.nl/independent-complaints-mechanism>