VIVRITI CAPITAL CLIMATE FINANCE PROJECT – VCL GREEN BOND 2028

Cumulative Disbursement Towards Climate*
INR 32.12 Bn

Outstanding Climate Portfolio*
INR 9 Bn

Average ESG Score Across Portfolio

VIVRITI SA3 (50%)

A portfolio of companies demonstrating progress in managing ESG risks through sustainability initiatives, while continuing to enhance their ESG frameworks and practices

Impact Dashboard

What

The Asian Development Bank invested USD 25 Mn (INR 2.1 Bn) in certified climate bonds issued by VCL in 2024, proceeds from which have been deployed to companies engaged in clean mobility, clean energy, and waste management. At least 30% of the funds have been earmarked for retail Electric Vehicle financing. The proceeds are playing an impactful role in supporting business segments vital to India's decarbonisation goals and is also focused on offering loans to enterprises led or owned by women.

Tenure: 4 years
(FY 2024-25 to FY 2027-28)

Who

The green bond operates within a highly coordinated ecosystem of stakeholders, ensuring that capital is responsibly deployed and monitored:

Investor

Asian Development Bank

Portfolio Companies

NBFCs offering mobility loans
Companies in the renewable energy sector
Companies in the waste management sector

End Beneficiaries

Retail borrowers of EV loans through co-lending facilities within Tier 2/3/4 cities

Indian farmers opting for solar microgrids, through PM KUSUM Scheme

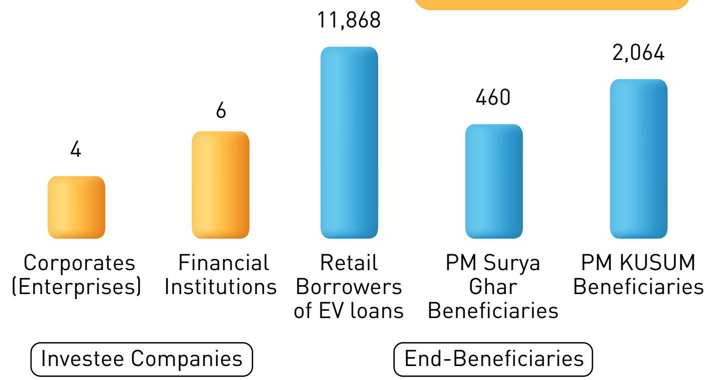
Indian residents opting for rooftop solar installations, beneficiaries of PM Surya Ghar Muft Bijli Yojana

Urban households and commercial establishments in municipalities served by Antony Waste Handling Cell Limited

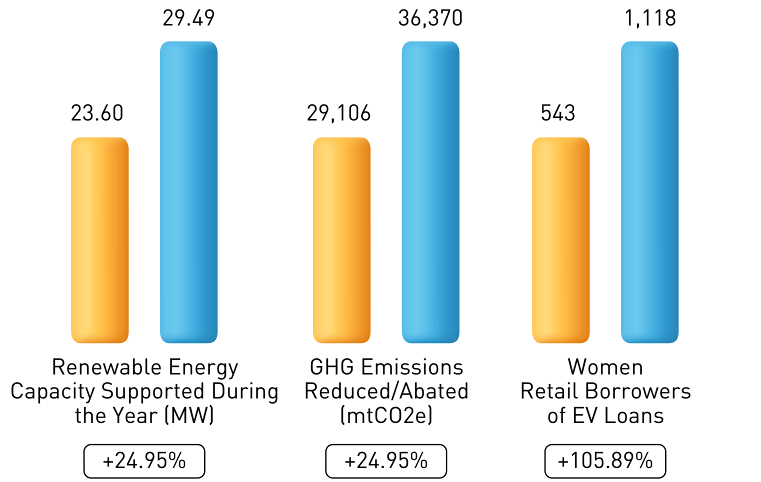
How Much

Invested Capital
INR 2.09 Bn

Facility Scale



Depth of Impact



*At Group Level. Cumulative disbursements and outstanding as of March 31 2026.

Risks

Risk Category	Identified Risk	Risk Description	Vivriti's Mitigation Strategy
Execution	Supply chain and project delivery disruption	Delays in project execution or disruptions in the supply chain due to geopolitical tensions between India and other countries (especially China, from where components for solar energy are procured) could impact the timely delivery of activities in FY 25-26, leading to slower-than-expected progress and reduced outcomes. Such setbacks may hinder the overall impact of the facility during the reporting year.	VCL's credit assessments includes a diligence of borrowers' supplier diversification and component sourcing prior to disbursement, while monitoring execution timelines through periodic borrower monitoring Where required, disbursement is structured in tranches linked to project milestones, allowing early identification of delays and timely corrective engagement with borrowers.
External	Policy and subsidy transition risk	FY 25-26 was a transition year for both schemes underpinning borrower demand. PM Surya Ghar: Muft Bijli Yojana continues with an enhanced FY 25-26 allocation and a target of 35 lakh household installations for the year, but continued growth in disbursements depends on sustained budgetary support. PM-KUSUM's original implementation timeline was set to conclude by March 2026 (end of FY 25-26), with the scheme now transitioning into a successor framework (PM-KUSUM 2.0); this creates near-term uncertainty for borrowers awaiting scheme continuity, revised guidelines, and fresh sanctions. Any disruption, delay, or change in subsidy/incentive structure under either scheme could affect borrower demand, delay projects, or impact repayment capacity, posing potential risk to the impact and returns of the Green Bond facility.	VCL tracks scheme-level developments (budgetary allocations, guideline changes, and transition timelines) affecting the solar and renewable energy ecosystem through the credit and ESG monitoring, factors scheme-dependency into credit and impact assessments.

Contribution

Financial Contribution

The ADB investment provided VCL with certified climate capital and a verified green use-of-proceeds framework, strengthening our capacity to raise climate-aligned funding. Proceeds supported clean mobility, clean energy and waste management companies. Additionality varies by borrower, for established renewable-energy developers, the contribution is mainly through tenor and pricing, while for earlier-stage enterprises and first-time retail EV borrowers, it more often provides access otherwise unavailable. We intend to assess contribution by segment as borrower-level data matures.

Non-financial Contribution

Through the facility, ADB supported Vivriti in strengthening its Sustainable Finance Framework, while the CBI provided a verified basis for green use of proceeds. Together, these initiatives enabled Vivriti to extend GHG accounting to its portfolio for the first time, strengthening our ability to measure and manage portfolio-level emissions.

At the portfolio level, Vivriti creates additional value through ESG advisory and stewardship engagements, particularly for mid-market borrowers. Through ESAPs, we help borrowers identify ESG gaps, drive time-bound improvements, and build foundational ESG capabilities, including GHG emissions inventories using relevant templates and guidance.

11%	23%	23%	2%	40%
7 Affordable and Clean Energy	10 Reduced Inequalities	11 Sustainable Cities and Communities	12 Responsible Consumption and Production	13 Climate Action

Building ESG Foundations for a Surya International Enterprise Private Limited

GROUP SURYA

Vivriti partnered with Surya International Enterprise Private Limited (SIEPL) to strengthen its ESG framework and align its operations with global investor expectations on sustainability. The engagement was designed to assess organisational readiness, build a foundational ESG framework, and communicate industrial best practices across day-to-day operations, helping position the company for the next stage of its growth and maximise its societal impact.

Diagnosing the key areas for improvement: A detailed ESG diagnostic was conducted through extensive stakeholder consultations one-on-one discussions with business and functional leaders across business and operations, HR, finance, and compliance. A dedicated site visit to the solar module manufacturing facility allowed our team to assess plant-level risks, existing occupational health and safety systems, labour practices, and quality management first-hand. The exercise surfaced areas for improvement, implementation priorities, and clear opportunities to strengthen ESG performance.

Setting up the Framework and institutionalising policy: We developed a foundational Environmental and Social Management Framework tailored to the Indian solar sector, providing a structured approach to identifying and managing ESG risks. The framework was complemented by relevant process mapping and governance mechanisms designed to strengthen ESG integration across the organisation.
Building on the diagnostic findings, we developed and supported the institutionalisation of a core suite of policies, including the ESG Policy, Employee Handbook, Prevention of Sexual Harassment (PoSH) Policy, Whistleblower Policy, and Code of Business Ethics and Conduct.

Equipping leadership: To carry the work forward, we communicated with the company's leadership team and key functional heads, covering ESG governance, policy implementation, integrating ESG into daily operations, alignment with international best practice, and a practical implementation roadmap—supported by toolkits and guidance material for long-term adoption.

The Outcome: The engagement drove a measurable step-up in the company's ESG maturity, lifting its VSAM score from SA2 to SA3. Just as importantly, it helped shift the organisation's mindset – building sharper awareness of ESG risks and opportunities, and instilling more disciplined policy implementation, process documentation, and evidence management. As the company advances toward its next phase of growth, including its IPO journey, its strengthened ESG framework has significantly improved its readiness to meet the expectations of investors, regulators, and other key stakeholders.

A solar EPC and module manufacturer based in Eastern India, having an annual topline of

INR 4.50 Bn

> Partnering with Vivriti gave us more than a compliance checklist – it gave us a real framework for thinking about ESG. Their team took the time to understand our operations from the ground up, engaging with our people cross-functionally, and walking our manufacturing floors and project sites. What came out of that process is our foundational ESG framework, a clearer governance structure around how we look at material ESG issues, and a leadership team that is far more sensitised towards these issues. A key outcome is that we are now better prepared for the scrutiny that comes with our next phase of growth. Along with the timely growth-stage debt capital, Vivriti has been a genuine partner in that transformation.