

ECOFY, INDIA'S CLIMATE FOCUSED NBFC SECURES USD 12.5 MILLION FROM IFU TO ACCELERATE INDIA'S GREEN TRANSITION

~Ecofy will leverage IFU's long-term loan facility to expand its rapidly growing loan portfolio for electric vehicles and rooftop solar systems in India~

Mumbai/New Delhi, 25th March 2025: Ecofy Finance Private Limited, India's green-transition-focused NBFC, today announced it has secured a USD 12.5 million long-term loan facility from the Investment Fund for Developing Countries (IFU), a development finance institution owned by the Government of Denmark.

Ecofy aims to address the critical last-mile climate finance gap in India's consumer, transportation and small business sectors. With ambitious targets, the NBFC plans to finance over 1 million electric vehicles and more than 1.5 GW of rooftop solar within the next 6-7 years.

This will support decarbonisation of the transportation sector and power consumption of households and small businesses in India. The electric vehicles financed through Ecofy will reduce a range of harmful air pollutants caused by fossil fuel vehicles-

A part of the financing provided by IFU would be directed towards individuals and SMEs, who typically find traditional financing channels less accessible and therefore to a large extent are excluded from acting as green consumers.

Vivek Khandelwal, Treasury Head at Ecofy, said, "This investment is a pivotal moment for both, Ecofy and the green finance ecosystem in India. The long-term capital provided by IFU empowers us to scale our climate-focused lending solutions while breaking down barriers for underserved borrowers. By combining innovative financing models with a strong commitment to sustainability, we aim to enable access to electric vehicles and rooftop solar, and to drive systemic change toward a cleaner, more inclusive economy."

Vibhor Singhal, Investment Manager at IFU, said "IFU is very pleased to support Ecofy in its pursuit to provide accessible climate finance to the masses. This investment aligns well with IFU's strategy, as India is a core focus country and climate mitigation and access to finance are key impact priorities for IFU."

The financing from IFU, structured as long-term debt capital, is part of the green strategic partnership between India and Denmark, which was established in 2020 when the prime ministers of both nations signed the agreement.

Axis Bank acted as the exclusive financial advisor to Ecofy for the transaction.

About Ecofy:

Ecofy is a pioneering NBFC created to finance India's green transition. Ecofy's vision is to be a catalyst in accelerating the transition towards a net zero-carbon world. It partners with individuals and small businesses who want to reduce their carbon footprint and restore balance to the planet. Ecofy offers loans for electric vehicles (two and three-wheelers), rooftop solar, and small-medium enterprises providing E2E digital experience. Ecofy is promoted by Eversource Capital and financial services sector veterans, Rajashree Nambiar and Govind Sankaranarayanan.

To learn more, visit www.ecofy.co.in

LinkedIn: <https://www.linkedin.com/company/ecofyfinance/>

About IFU:

IFU – the Investment Fund for Developing Countries is a Danish impact investor contributing to green, just and inclusive societies as well as supporting the Sustainable Development Goals. IFU provides risk capital to companies operating in developing countries and emerging markets across Africa, Asia, Latin America and parts of Europe. Investments are made on commercial terms in the form of equity, loans and guarantees. IFU has co-invested in over 1,300 companies in more than 100 countries. Capital under management will be growing from EUR 2.1 billion to EUR 5.0 billion over the next few years.

To learn more, visit www.ifu.dk