

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA

UNSTARRED QUESTION NO. 2244

TO BE ANSWERED ON THE 2ND AUGUST 2021/ SRAVANA 11, 1943 (SAKA)

ESG loans

2244. SHRI JASBIR SINGH GILL:

Will the Minister of FINANCE be pleased to state:

- (a) whether the State Bank of India(SBI) advanced ESG loans to corporations that have pegged the interest rate to performance on certain sustainability criteria;
- (b) if so, the details thereof and if not, the reasons therefor;
- (c) the number of green bonds issued by SBI over the past two years and whether SBI has exposure to any coal projects through these green bonds and if so, the details thereof; and
- (d) the details and number of shares which projects in renewable energy, energy efficiency, sustainable transportation, waste and pollution control have out of total green bonds financed, percentage-wise?

ANSWER

THE MINISTER OF STATE FOR FINANCE
(DR. BHAGWAT KARAD)

(a) and (b): As per inputs received from the State Bank of India, interest rate on loans advanced by the bank is pegged to the total risk profile of the loan, with Environmental, Social and Governance (ESG) being one of the factors, and is not based on ESG factor alone.

(c): The bank has informed that in the past two years, it has issued one Green Bond of USD 100 million and does not have any exposure to coal projects through Green Bonds.

(d): The bank has informed that there is no equity investment in the form of shares for projects identified under the Green Bond programme, and that the bank has a loan portfolio of Rs. 8,357.15 crore, as on 30.6.2021, in renewable energy and sustainable transportation sector projects identified for Green Bond proceeds with respective shares of 47 per cent and 53 per cent.
