

ESG BULLETIN



Domestic News

ArcelorMittal Invests \$900 Million In Green Power

- ArcelorMittal has announced a \$900 million investment into three new renewable energy projects in India. The strategic move adds 1 gigawatt (GW) of solar and wind capacity, effectively doubling the company's renewable footprint in the country to 2 GW. The initiative is a cornerstone of the company's global decarbonization strategy, bringing its total worldwide renewable capacity to 3.3 GW.

KKR Backed Serentica Targets Up to \$8 Billion Raise for India's Green Energy Expansion

- Serentica plans to raise \$6–8 billion over five years to expand its clean energy portfolio to 17 GW by 2029/30.
- India's pipeline includes 3–5 GW of operating and under-construction assets available for acquisition, with renewables central to the country's 2030 power targets.
- Sister company Resonia aims to invest \$1.5–2.5 billion annually to accelerate grid build-out and secure \$2–3 billion in transmission projects each year.

International News

Google Parent Company Alphabet To Buy Clean Energy Developer Intersect In \$4.75 Billion Deal

- Alphabet will acquire Intersect for \$4.75 billion in cash plus assumed debt, securing long-term clean power capacity for AI driven data centre growth across the US.
- Intersect controls a 10.8 GW pipeline of operating and in-development projects by 2028, highlighting the scale of electricity demand tied to generative AI.
- The deal reinforces Big Tech's role in reshaping US power markets as grid constraints intensify and corporate demand increasingly drives new clean energy buildout.

Green Economy to Hit \$7 Trillion by 2030

- The global green economy has crossed a significant threshold. It now surpasses \$5 trillion in annual value. The market is positioned as the world's second-fastest-growing sector. Only the technology sector shows faster expansion.
- A new report confirms this projection. The report was released by the World Economic Forum (WEF). It was produced in collaboration with the Boston Consulting Group (BCG).
- Since 2020, revenues from green business lines have grown twice as fast. They grew at a 12% compound annual growth rate (CAGR). Conventional revenues grew at only a 6% CAGR. This revenue premium exists across most major industry sectors.

Upcoming Events

International Net Zero Summit 2026

- 📅 Date : 22nd - 24th January 2026
- 📍 Location : Taj Vivanta, Goa



Quiz

The concept of a “green economy” primarily refers to

- a) An economy focused solely on agriculture
- b) Economic growth driven by environmentally harmful industries
- c) Low-carbon, resource-efficient, and socially inclusive growth
- d) Government-controlled industrial systems

Higher growth rates in green business revenues compared to conventional businesses indicate

- a) Lower market demand for sustainable products
- b) Strong investor and consumer preference for sustainable solutions
- c) Reduced innovation in green sectors
- d) Short-term speculative bubbles only

Test your ESG knowledge!

Answer the quiz questions above and send your responses by replying to this email. Let’s see how many of you get it right!

2025 ESG Recap

Regulatory & Policy Highlights

- **SEBI tightened and expanded ESG rules (BRSR / assurance / value-chain disclosure):** SEBI issued circulars during 2025 that formalised a framework for ESG-debt (beyond green bonds) and clarified/adjusted assurance vs assessment language and introduced value-chain disclosure expectations for large listed companies (value-chain coverage thresholds phased in from FY2025-26).
- **BRSR evolution and clarity for reporting/assurance:** SEBI's expert committee recommendations and subsequent guidance emphasised a phased approach to assurance, alignment with international standards (ISSB/IOSCO influences), and easier reporting for entities in the value chain. Firms are expected to operationalise extended supplier/customer disclosures.
- **India's draft Climate Finance Taxonomy – foundational for green finance:** The Ministry of Finance released a draft Climate Finance Taxonomy (May 2025) to define climate-aligned activities, reduce greenwashing risk, and steer capital toward mitigation, adaptation and transition activities. This taxonomy is intended to align with the country's carbon credit system and other policy tools.
- **RBI stepped up climate / bank disclosure & risk guidance:** In 2025 the RBI progressed from drafts to formal directions and guidance requiring banks to integrate climate-risk management, stress testing and climate-related disclosures into their frameworks – part of wider moves to make financial institutions climate-resilient. (RBI guidance / Directions circulated to banks in 2025).
- **Ministry of Corporate Affairs (MCA) / CSR changes:** MCA issued amendments to CSR rules (2025) refining registration (CSR-1) and disclosure; separately, late-2025 legislative proposals (Companies Amendment Bill) proposed lowering CSR applicability thresholds and mandating CSR-experienced board representation – signalling stronger governance expectations for corporate social spend.
- **Sovereign & sustainable debt market policy support:** Government continued to channel sovereign green bond issuance and SEBI published data / frameworks for green / ESG debt instruments – public sector issuance and new product frameworks broadened the sustainable debt market.

Market & Capital-Markets Moves in ESG

- **India's ESG/SLB market expanded under SEBI's new framework:** After SEBI's June 2025 rules governing social, sustainability and sustainability-linked bonds, Indian issuers started deploying new debt instruments tied to measurable ESG outcomes.
- **MindSpace REIT raised ₹550 cr from IFC via SLBs:** This extended its total sustainability-linked bond funding to ₹1,200 cr and marked one of the first REIT-linked SLB deals under SEBI's new regime, highlighting global institutional interest.
- **L&T listed India's first corporate ESG bond:** Larsen & Toubro issued ₹500 cr of ESG-branded bonds on the NSE under SEBI's ESG framework. These are tied to environmental and governance KPIs, setting a precedent for corporate ESG debt in India.
- **Sustainable debt market continues rapid growth:** India's cumulative green, social, sustainability and sustainability-linked (GSS+) debt issuance has surged, making India the fourth-largest emerging market for aligned sustainable debt.
- **Post-issuance green bond assurance milestone:** REC Ltd completed independent impact assurance for its USD 500 million and JPY 61.10 billion green bonds, reinforcing investor confidence and transparency in capital allocation toward climate projects.
- **Emerging municipal green bond activity:** Cities like Pimpri-Chinchwad and Ghaziabad issued green municipal bonds to fund climate-aligned infrastructure, signalling growing use of local sustainable capital markets.

Strategic Project & Financing Deals

- **ReNew Energy commits \$9.3 bn for green energy in Andhra Pradesh:** ReNew signed major agreements with the state government to build a diversified clean-energy portfolio spanning solar, wind-solar hybrids, battery storage and green ammonia plants – a major multi-billion climate investment in India.
- **Sembcorp acquires ReNew's solar unit:** Singapore's Temasek-backed Sembcorp agreed to buy a 300 MW solar plant from ReNew for about \$246 m, boosting its Indian renewables footprint and illustrating international strategic capital flowing into Indian clean energy.
- **SBI & AFD green finance pact:** State Bank of India secured a €100 million line of credit with Agence Française de Développement to scale green financing – expanding institutional green capital access and climate project funding in domestic markets.