

For Immediate Publication / Broadcast / Telecast

PR/1020

**IDBI Bank, Govt and World Bank to Implement
Chiller Energy Efficiency Project (CEEP) in India**

Mumbai, August 26, 2009: IDBI Bank Ltd today signed a Project Agreement with the World Bank for implementation of Chiller Energy Efficiency Project (CEEP) in India. The objectives of the CEEP are to reduce Greenhouse Gas (GHG) emissions and to support the phase-out of use of Chlorofluoro Carbon (CFC), an ozone depleting substance, under the Montreal Protocol. The CEEP will achieve this by stimulating the acceleration of replacement of old CFC-based centrifugal chillers, with more energy efficient non-CFC centrifugal chillers.

The project would also provide financial incentives directly to chiller owners to encourage them to overcome barriers such as up-front capital costs and perceived technology risks. The CEEP would strengthen the national capacity for carbon finance intermediation and is expected to demonstrate viability for implementing other low-cost and/or no-cost energy conservation measures in large buildings.

The Global Environment Facility (GEF) Grant Agreement for US\$ 6.30 million and the Ozone Trust Fund (OTF) Grant Agreement for US\$ 1.0 million for India's Chiller Energy Efficiency Project (CEEP) were signed at New Delhi on August 26, 2009. Dr. Anuj Pujari, Joint Secretary, Ministry of Finance, Government of India, Mr. B.K. Batra, Executive Director & Group Head-Corporate Banking, IDBI Bank and Mr. Roberto Zaghera, Country Director, India, World Bank, signed the CEEP agreements.

IDBI Bank has a long-standing relationship with the issues relating to the Montreal Protocol through the World Bank. It has been the financial agent for implementing the first two Ozone Depleting Substances phase-out (ODS Phase out) projects of the Protocol in India, which focused on the phase-out of CFCs. It is also involved in the third and fourth projects on phase-out of the production of CFCs and production and end-use of Carbon Tetra Chloride. These projects have provided India with Grant financing of about US\$173 million resulting in phase-out of over 5000 metric tonnes of ODS and reduced CFC production by over 10,000 tonnes.

IDBI Bank has been active in the area of Carbon advisory and financing and has also been associated with several projects in the area of carbon services. Within IDBI Bank, a dedicated team is engaged in providing various services viz. technical advisory services for registration of Clean Development Mechanism (CDM) projects under United Nations Framework Convention on Climate Change (UNFCCC), advisory services for the trading of carbon credits, upfront finance against carbon credit receivables and funding of the CDM projects. For this purpose, IDBI Bank has developed strong linkages with the international agencies such as WB, KfW, IFC (Washington), MGM International, Mitsubishi and Sumitomo.

About IDBI Bank

IDBI Bank Ltd. is a universal bank that rides on a cutting edge core banking Information Technology platform. This enables the Bank to offer personalized banking and financial solutions to its clients through its 580 branches and 1006 ATMs. The Bank has a balance sheet size of Rs.1,74,608 crore as on June 30, 2009. IDBI Bank's operations during the quarter ended June 30, 2009 resulted in a net profit of Rs.172 crore.

All representatives of Print, Wire and Electronic Media.



Mr. B.K. Batra, Executive Director & Group Head-Corporate Banking, IDBI Bank and Mr. Roberto Zagha, Country Director, India, World Bank, after signing the CEEP agreement..