

# Macquarie drives in \$1.5 bn EV fleet electrification play

SOHINI DAS

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Australia's Macquarie Group on Monday launched its electric vehicle (EV) financing and end-to-end solutions platform Vertelo in India, which will invest \$1.5 billion in electrifying fleets of buses and cars. The platform will offer financing, fleet management, and charging infrastructure solutions.

Speaking to reporters, Abhishek Poddar, India Country Head, Macquarie Group said that around 5 per cent of this investment would go towards creating charging infrastructure and other requirements. Most of the investment will be for acquiring the vehicles. Poddar added that they planned to apply to the Reserve Bank of India (RBI) for a non-banking financial company (NBFC) licence. The NBFC would engage in

lending for EV financing.

The new platform has received anchor investment from the Green Climate Fund which has committed to invest up to \$200 million. Overall, Vertelo plans to invest \$1.5 billion over 10 years with the aim of achieving a potential greenhouse gas emissions reduction of 9.5 metric tonnes of carbon dioxide-equivalent (MtCO<sub>2e</sub>).

Vertelo has signed a long-term lease agreement with Chalo Mobility Pvt Ltd, a transport technology company, to supply 44 electric buses manufactured by JBM, to operate in Mumbai. Chalo and BEST have partnered to run a luxury bus service for daily commutes.

To meet the growing demand of customers, Vertelo has also signed agreements with multiple original equipment manufacturers (OEMs)

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India country head, Macquarie Group



including JBM and Eka Mobility to buy up to 2,000 electric buses from each partner over the next three to five years, and with Tata Motors to buy up to 2,000 electric cars over the next three years.

“The transition to electric vehicles will bring significant benefits to India – increasing its energy independence and mitigating the impacts of climate

change. Vertelo aims to play a key role in accelerating this transition by making it easy for its customers to realise the benefits of going electric immediately,” Poddar said.

Henry Gonzalez, Green Climate Fund Deputy Executive Director, said that the platform was designed to speed up the adoption of electric vehicles – buses and commercial fleets – by providing affordable

leasing and financing solutions.

“This investment is the Green Climate Fund's first private-sector transport programme in the e-mobility sector, and we are excited to have provided \$200 million equity capital to support India's e-mobility transition.”

The new business will be led by Sandeep Gambhir as the CEO. Gambhir previously led the automotive leasing, mobility, and nonbank financial businesses for ORIX India for 11 years.

Gambhir said Vertelo aimed to become a larger ecosystem player in the EV mobility landscape through its comprehensive offering that covers the entire lifecycle of the underlying assets, including upfront capital solution, charging infrastructure, maintenance and energy management, which helps it to partner with large OEMs, fleet operators, and other corporates.