

India Shines in Climate Tech with \$2.4 Billion Q3 Deals

India has overtaken China as a premier destination for clean technology funding, securing deals worth \$2.4 billion in the third quarter of 2024. This achievement, over four times China's investment during the same period, cements India's position as the second-largest market for green investments globally, behind the United States.

The surge in investments is attributed to Indian Government's policy initiatives aimed at bolstering domestic green manufacturing and reducing reliance on Chinese imports.

India's ambitions to emerge as a global exporter of renewable energy technologies have further fueled investor interest.

Key players in the renewable energy and electric vehicle sectors, such as Waaree Energies Ltd. and Ola Electric Mobility Ltd., have witnessed significant success. Shares of NTPC Green Energy Ltd., which recently debuted on the stock exchange, have surged by over 30%.

"Climate is the hottest topic for venture capital right now," said Abhinav Sinha, head of technology and telecoms at British International Investment Plc (BII). The UK's development finance arm has pledged to deploy \$1 billion in India by 2026 for climate-related projects.

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Experts warn that achieving India's net-zero target by 2070—or accelerating it by two decades—requires investments totaling \$12.4 trillion. Dhanpal Jhaveri, CEO of Eversource Capital, emphasized the need for an "ocean of capital" to scale green technologies effectively.

Among India's roughly 800 climate-focused startups, only a quarter have raised capital in the past decade, and the total of about \$3.6 billion is far below the more than \$19 billion attracted by fintech firms over the same period, IIMA Ventures and Mitsubishi UFJ Financial Group Inc. said in a September report.

Despite challenges, India's green technology market is expected to expand rapidly as startups develop solutions to curb emissions in the world's third-largest greenhouse gas emitter. Firms like Avaana Capital and Eversource Capital are actively backing sectors including electric mobility, solar energy, and sustainable agriculture, signaling a robust future for India's green innovation ecosystem.



BII Commits \$33.5 Million to Boost India's EV Ecosystem and Combat Air Pollution

British International Investment (BII), the UK's development finance institution, has committed \$33.5 million to support the development of India's electric vehicle (EV) ecosystem. This funding will benefit Everest Fleet, TI Clean Mobility, and Vecmocon, aiming to accelerate sustainable mobility, create jobs, and address key challenges in EV adoption.



LESLIE MAASDORP
CHIEF EXECUTIVE OFFICER,
BRITISH INTERNATIONAL INVESTMENT

Everest Fleet, a leading fleet management company, has secured \$15 million in debt financing to expand its electric vehicle portfolio. This will add 1,300 new EVs to its fleet, creating employment opportunities for drivers in six major cities, including Mumbai, Bengaluru, and Delhi.

TI Clean Mobility received \$15 million in equity funding to scale the manufacturing of low-carbon vehicles, including three-wheelers, trucks, and small commercial vehicles. Vecmocon, a Delhi-based startup specializing in critical EV components such as battery management systems and motor controllers, secured \$3.5 million to enhance research and development capabilities and expand into the commercial EV market.

India is targeting 30 percent EV penetration by 2030 under the EV30@30 initiative to combat severe air pollution and reduce greenhouse gas emissions. However, the sector faces challenges, including high upfront costs, limited charging infrastructure, and a lack of affordable financing options. Currently, EVs account for only 6.4 percent of vehicle sales in India.

Sally Taylor, Director of Development, Climate, Science, and Tech at the British High Commission, highlighted the collaborative efforts between the UK and India to tackle climate change, emphasizing the shared vision for cleaner air and a sustainable future. Abhinav Sinha, Managing Director at BII, stated that the institution's investments go beyond manufacturing and aim to enable affordable EV ownership and create sustainable jobs.

In addition to the recent commitments, BII has supported other players in India's EV sector, including Euler Motors, Battery Smart, and ChargeZone, fostering growth in manufacturing, battery-swapping networks, and charging infrastructure. These investments are part of BII's broader commitment to invest \$1 billion in climate-focused initiatives in India by 2026, underscoring the institution's dedication to advancing green technologies and supporting the nation's transition to a low-carbon economy.

Serentica to Invest Rs 50,000 (\$5.7Bn) Crore in Rajasthan's Renewables



PRATIK AGARWAL
CHAIRMAN,
SERENTICA RENEWABLES

Serentica Renewables has announced a significant investment of Rs 50,000 crore to develop 10,000 MW of renewable energy capacity in Rajasthan. The announcement, made during the Rising Rajasthan 2024 event, highlights the state's growing potential as a leading renewable energy hub in India.

Currently, Serentica is constructing 3,000 MWp of renewable energy capacity in Rajasthan, which is aimed at meeting the power requirements of commercial and industrial sectors. In addition to this, the company already has more than 400 MWp of renewable energy capacity operational in the state, showcasing its commitment to sustainable energy solutions and reliable execution.

This new investment will further accelerate Rajasthan's clean energy transition, supporting the state's goal of becoming a key player in India's renewable energy landscape. The renewable energy projects will focus on advanced technologies and the development of sustainable power solutions, aimed at reducing carbon emissions and increasing energy efficiency.

Akshay Hiranandani, CEO of Serentica Renewables, expressed his confidence in Rajasthan's potential to emerge as a renewable energy powerhouse. "Our Rs 50,000 crore (\$5.7Bn) investment reflects the immense potential of this state as a renewable energy hub. Through advanced technologies and strong partnerships, we aim to empower businesses, lower carbon emissions, and significantly contribute to Rajasthan's economic and industrial progress," he said in the statement.

Rajasthan's strategic location and abundant natural resources make it an ideal region for large-scale renewable energy projects, including solar and wind power. This investment is expected to generate substantial economic growth, create job opportunities, and contribute to the overall development of the state's energy infrastructure.

Serentica Renewables' continued focus on expanding its renewable energy capacity plays a critical role in advancing India's transition to sustainable energy. The company's initiatives align with the government's ambitious renewable energy targets and will help position Rajasthan as one of the country's key clean energy hubs.

NTPC Green Energy IPO

Green energy is now more than just a catchphrase; it is essential. The world is moving quickly toward renewable solutions as a result of the pressing issues of climate change and increasing pollution. The IPO of NTPC Green Energy comes into play here.

The entire issue worth Rs 10,000 crore is 2024's third-largest initial public offering. The price band is set between Rs 102 and 108 per share. Unlike many IPOs, this one is fully a fresh issue, meaning all the funds will go directly into the company's growth, not into the pockets of existing shareholders.



MR. GURDEEP SINGH
CHAIRMAN
NTPC GREEN

The renewable energy division carved out of India's largest power company, NTPC, is called NTPC Green Energy. It was established in 2022 with the goal of combining NTPC's wind and solar projects into a single organization.

The forthcoming IPO carries great potential because of various strong reasons. To begin with, its robust parentage, supported by NTPC, provides significant credibility and access to essential resources, further enhanced by NTPC's vast experience in the energy industry. Moreover, the expanding green energy sector places NTPC Green in a advantageous position, as solar and wind capacities are expected to increase, presenting opportunities for long-term growth.

NTPC Green Energy, similar to any investment option, has its own set of challenges and risks that prospective investors need to take into account. A significant point is the firm's short history, being fairly recent in the market, which brings up concerns regarding its capacity to sustain and grow its activities over time. Moreover, although some of the IPO proceeds are earmarked for debt reduction, the capital-intensive character of NTPC Green Energy indicates that debt levels might still be elevated, presenting a financial risk.

The NTPC Green Energy IPO provides an opportunity to participate in India's renewable energy transformation. If one's open to taking a measured risk with a focus on the long term, this IPO could be worth considering. However, if the main concerns are safety and quick returns, one may want to skip this opportunity.

ReNew Energy Announces Buyback Plan to Delist from Nasdaq at 11.5% Premium



**SUMANT SINHA,
FOUNDER, CHAIRMAN
RENEW**

ReNew Energy Global Plc, a leading Indian renewable energy company, has announced plans for a buyback offer to delist its shares from the Nasdaq.

The company's major shareholders, including Abu Dhabi Future Energy Company PJSC-Masdar, Canada Pension Plan Investment Board, Platinum Hawk C 2019 RSC Limited, and ReNew Energy CEO Sumant Sinha, have launched a non-binding offer to acquire the remaining shares at an 11.5% premium to the last closing price. The offer price is set at \$7.07 per share.

Since its Nasdaq listing in 2021, ReNew Energy has experienced fluctuating share prices, with its stock trading well below its peak of around \$12 in February 2021. The buyback of these shares, which are currently priced lower, could present an opportunity for the company as it focuses its investments on India, where the renewable energy market is expanding rapidly.

The company, with 10.4 gigawatts of operational wind and solar capacity, is one of the leading renewable energy firms in India. It is targeting a broad spectrum of the clean energy supply chain, including transmission and decarbonization strategies for corporates, as well as expanding its photovoltaic manufacturing capacity.

Earlier this year, Sumant Sinha, the CEO, emphasized that ReNew Energy's investment strategy would be refocused on India, given the country's ambitious renewable energy goals. "Our focus is entirely on India at this time," he stated during a Bloomberg Television interview.

The proposed buyback and potential privatization of the company may impact its transparency, according to Bloomberg Intelligence analyst Sharon Chen. She noted that the support from the company's sponsors and the resulting ownership structure would be crucial factors to watch as the plan unfolds.

The move to delist could align with ReNew Energy's long-term vision of capitalizing on India's growing renewable energy sector and further consolidating its position as a leader in the market.

Elevation Capital, Rainmatter & Lightrock Investment in SolarSquare



NEERAJ JAIN
CO-FOUNDER
SOLAR SQUARE

SolarSquare, a leading rooftop solar startup, has successfully raised \$40 million in a Series B funding round led by Lightspeed, with participation from Lightrock. Existing investors, including Elevation Capital, Chris Sacca's Lowercarbon, Nithin Kamath's Rainmatter, and Gruhas PropTech, also contributed to the round.

The company plans to use the funds to scale its operations, with a primary focus on expanding to 50 cities, up from the 20 cities it currently operates in.

SolarSquare will also invest significantly in technology, talent acquisition, and brand development to solidify its market position. The company intends to double its workforce, which currently stands at 800 employees, with a majority of the new hires being focused on sales, customer service, and operations.

Additionally, SolarSquare aims to develop a state-of-the-art asset management tech stack for remote monitoring and diagnostics of residential solar systems, ensuring high-quality customer service and efficient system performance.

Founded in 2015 by Shreya Mishra, Neeraj Jain, and Nikhil Nahar, SolarSquare offers a full-stack residential solar service, managing everything from design and installation to government permits and financing. The company has already installed solar systems in over 20,000 homes and more than 200 cooperative housing societies across India.

Lightspeed Partner Rahul Taneja expressed enthusiasm about SolarSquare's growth, stating, "The clean energy transition has moved from ESG PowerPoint decks to consumers' homes, and SolarSquare is on its way to making #hargharsolar a reality." Mukul Arora, Partner at Elevation Capital, highlighted the company's unique approach to simplifying the solar adoption process, which has set it apart in the Indian market.

In FY23, SolarSquare reported a revenue of Rs 107 crore, a significant increase from Rs 81 crore in FY22. With the funding and plans for further expansion, the company expects its revenue to double in FY25.