

CleanMax plans to raise \$100 mn

Kalpna Pathak &

Tanya Thomas

MUMBAI

CleanMaX Solar, a provider of solar power to companies through rooftop and grid-connected solar installations, plans to raise \$100 million, a top company executive said.

In the past, Warburg Pincus and International Finance Corp., the World Bank's private-sector investment arm, have invested as much as \$100 million in the company.

"We have used most of the fund we had raised in the last round. We had raised a \$100 million from both IFC and Warburg Pincus. We would look at the second round of funding of \$100 million in three-six months. However, the options from where we would raise, are all open right now," said Gajanan Nabar, CEO of Mumbai-based CleanMax Solar.

The firm was founded in 2011 and has sharply expanded capacity since then. Last fiscal, the firm saw over a three times increase in its total solar capacity additions at 336 megawatt (MW) against 93MW in 2016-17. Revenue grew four times to ₹1,200 crore against ₹298.54 crore in 2016-17.

The firm is expanding in the Middle Eastern and South-East Asian markets (Thailand and Vietnam). "Our expansion into international markets has

Expansion agenda

CleanMaX Solar to raise \$100 million over the next three-to-six months

Warburg Pincus and International Finance Corp. had invested up to \$100 million in the company in the past

Funds will be used for expanding operations in India and internationally

Last fiscal, the company saw an over three times increase in its total solar capacity additions and four times growth in revenue

The company is expanding in the Middle Eastern and South-East Asian markets (Thailand and Vietnam)

come on the back of our existing multinational clients and Indian clients with an international presence," added Nabar.

In the Indian market, the firm hopes to hold on to its position.

"We want to continue to be number one in the Indian market for years to come. And going forward, we have to do more than last year in rooftop definitely. Then, whatever opportunity we can get in open access we would take that up. We may look at brownfield expansion in Karnataka too," added Nabar.

According to *The India Solar Market's* June update by Mercom Communications India, a clean energy research and communications firm, Q1

2018 was the best quarter for solar installations in India, with 3,269MW, a 34% increase from 2,448MW installed in Q4 2017.

The surge in installations in Q1 2018 was primarily due to the completion of projects which were scheduled for commissioning the previous quarter but had experienced delays due to grid connection issue. Mercom is forecasting approximately 8-9 giga watt of solar power capacity to be installed in calendar year 2018.

Also, with the Chinese government imposing installation caps and reducing feed-in tariffs to slow down solar installations in China amid a ballooning solar subsidy deficit, it could mean a massive oversupply situation, which means an impending crash in solar module prices worldwide, including India.

"This creates an optimistic scenario for Indian solar developers who could begin to bid lower, which in turn could open the auction floodgates as states jump in to lock in low tariffs. There is a clear opening for the government right now to use this opportunity to lay the path for growth. Overall, things are looking much brighter for the Indian solar industry going into the second half of 2018," Raj Prabhu, CEO and co-founder of Mercom Capital Group, said in the report.

kalpana.p@livemint.com