

Global Infrastructure Partners' India arm close to buying Rattan India Solar

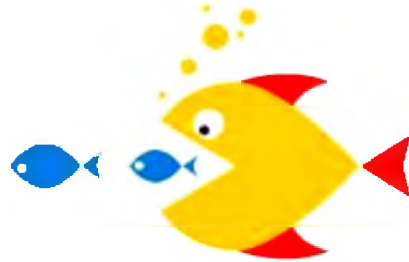
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VECTOR GREEN ENERGY, the Indian business unit of New York-based Global Infrastructure Partners (GIP), has successfully completed the negotiations to acquire the 300 mega-watt (MW) solar generation capacity of Rattan India, according to people aware of the developments. The acquisition will double Vector Green's portfolio in the country to nearly 600 MW.

Both the companies did not respond to *FE's* queries over the deal till press time. Though the financial details of the deal were not revealed, industry experts have pegged the valuation of Rattan India solar assets between ₹1,500-2,000 crore.

The development comes at a time when the renewable energy sector is turning out to be a major foreign direct investment (FDI) earner, with the government charting ambi-



tious plans to install 450 GW of such power generating capacities by 2030. The sector received \$1.5 billion of FDI in FY19, 20.1% higher than the previous fiscal. In the five-year period since FY15, FDI in the sector has been \$4.8 billion. The government had allowed 100% FDI in the sector through automatic route. India ranks fourth among 40 countries in Ernst and Young's 2019 Renewable Energy Country Attractiveness

Index report.

According to renewable research firm Mercom, the recent notable foreign investments in the sector in Q1FY19 included Japan's Mitsui acquiring a 49% stake in Mahindra's Marvel Solren unit, CleanMax Solar raising \$39 million from the United Kingdom Climate Investments, Avaada Energy receiving equity infusion of around \$143.8 million from the Asian Development Bank, German development bank, Dutch development finance company and promoters' equity. ReNew Power also got \$300 million with Goldman Sachs, Abu Dhabi Investment Authority and Canada Pension Plan Investment Board infusing \$100 million each.

According to regulatory filings in the Competition Commission of India, Abu Dhabi Future Energy Company PJSC-Masdar is also in the process of acquiring a minority stake in Hero Future Energies.