



# PRM Power

power | resource | management

## Structure & Challenges of Funding Solar RESCOs

New Delhi, February 12<sup>th</sup>, 2015



# PRM Power Leadership Team

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## **Dr. Pankaj Agarwal**, Chief Executive Officer

Clean tech expert and entrepreneur with over 20 years experience in financing, business development and commercialization of new technologies in the renewable energy sector. Founder of Indian Energy Limited, an India focused renewable energy IPP which listed on the London Stock Exchange (AIM) in 2009. On the advisory board of various clean tech start-ups. PhD in Chemical engineering from University of Florida, Gainesville and MBA from Rotterdam School of Management.

## **Rupert Strachwitz**, Chief Financial Officer

Corporate finance specialist with over 30 years experience of structuring, designing and placing alternative investment products. Previously co-founder in 2007 and CFO of Indian Energy and in 2009 led company to IPO on AIM. Previously at Dresdner Kleinwort Capital and CB Equity Partners. Authorized Person by Financial Conduct Authority.

## **Dr. Stefan Ruile**, Chief Investment Officer

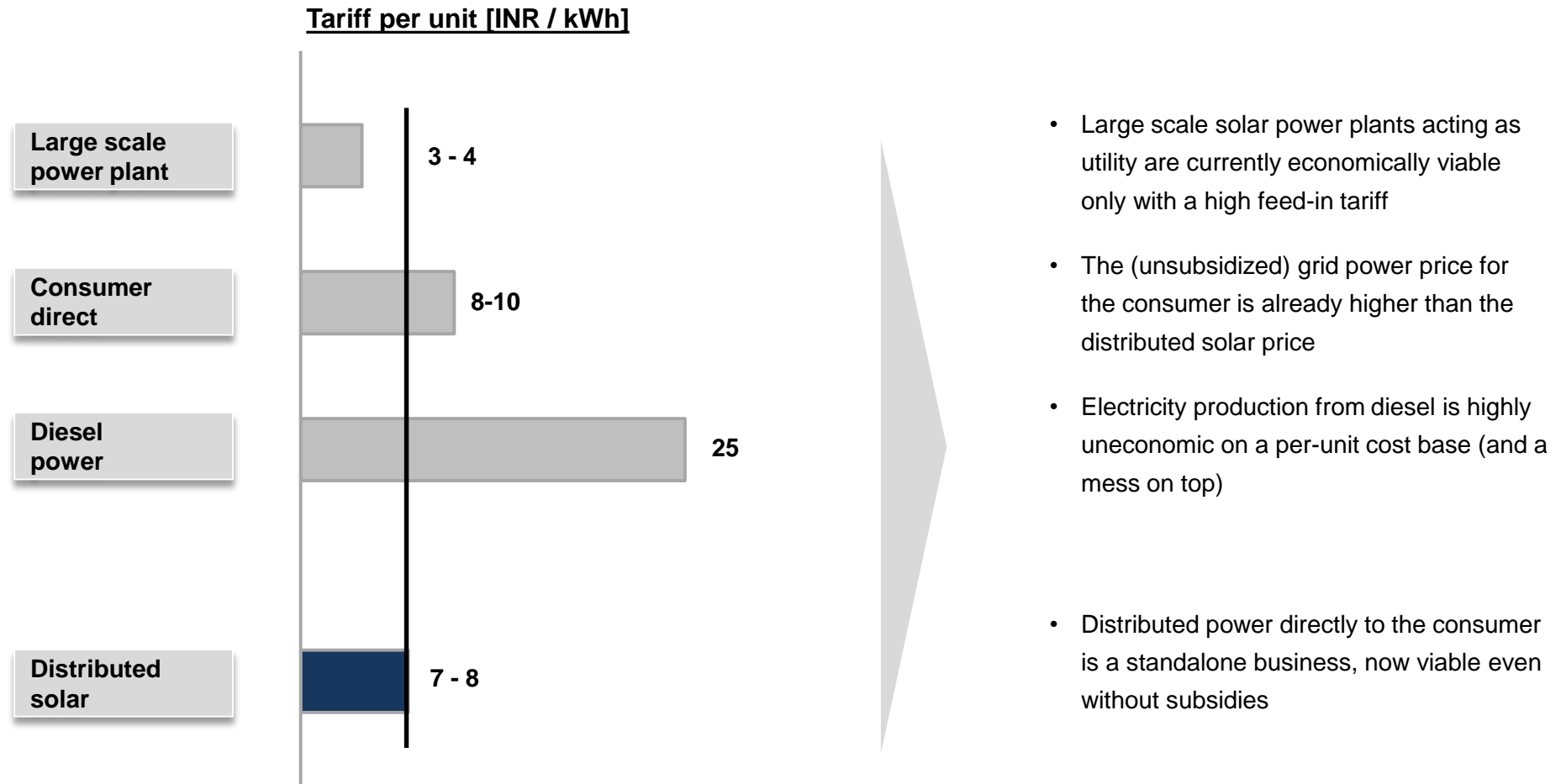
Serial entrepreneur and seasoned Private Equity investor, previously as Chief Investment Officer in a Single and a Multi Family Office. In-depth banking expertise through a broad range of responsibilities at Wealth and Asset Management with Deutsche Bank. Previously, strategy consultant with Bain & Company. Strong technology background through Ph. D. in Physical Chemistry from Swiss Federal Institute of Technology, Lausanne, Switzerland – and a deep passion for tech ever since.

## **Mark Gilchrist**, Legal Counsel

Seasoned corporate lawyer and financier with own legal practice. Involved in co-founding multiple start-ups and taking them public/exit. Experience of commercialisation strategy and roll out of businesses. Indian renewable / power market expertise as co-founder of Indian Energy Limited.

# Distributed solar power has become competitive in key market segments

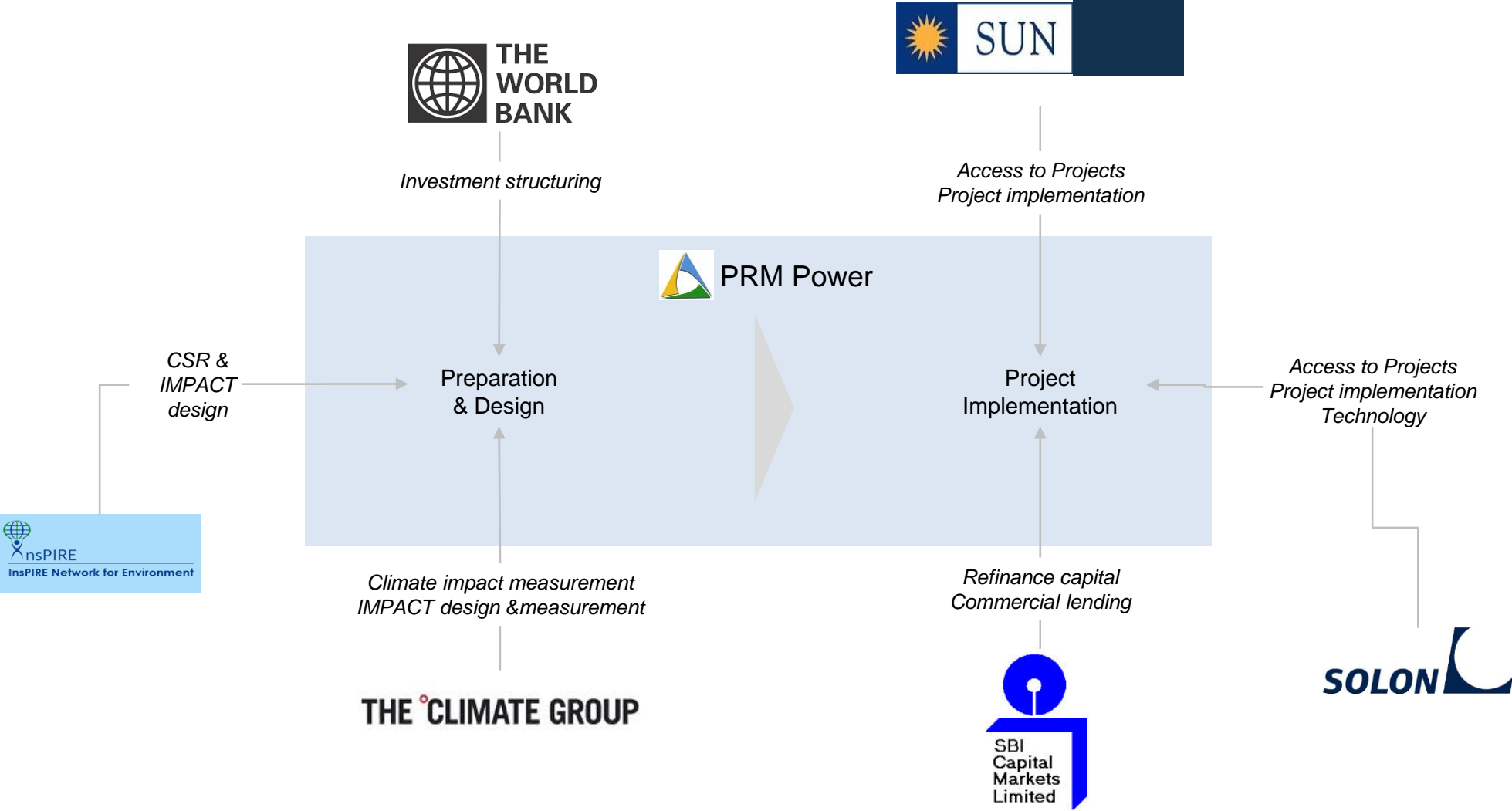
Unsubsidized distributed solar power has become competitive when sold directly to the consumer



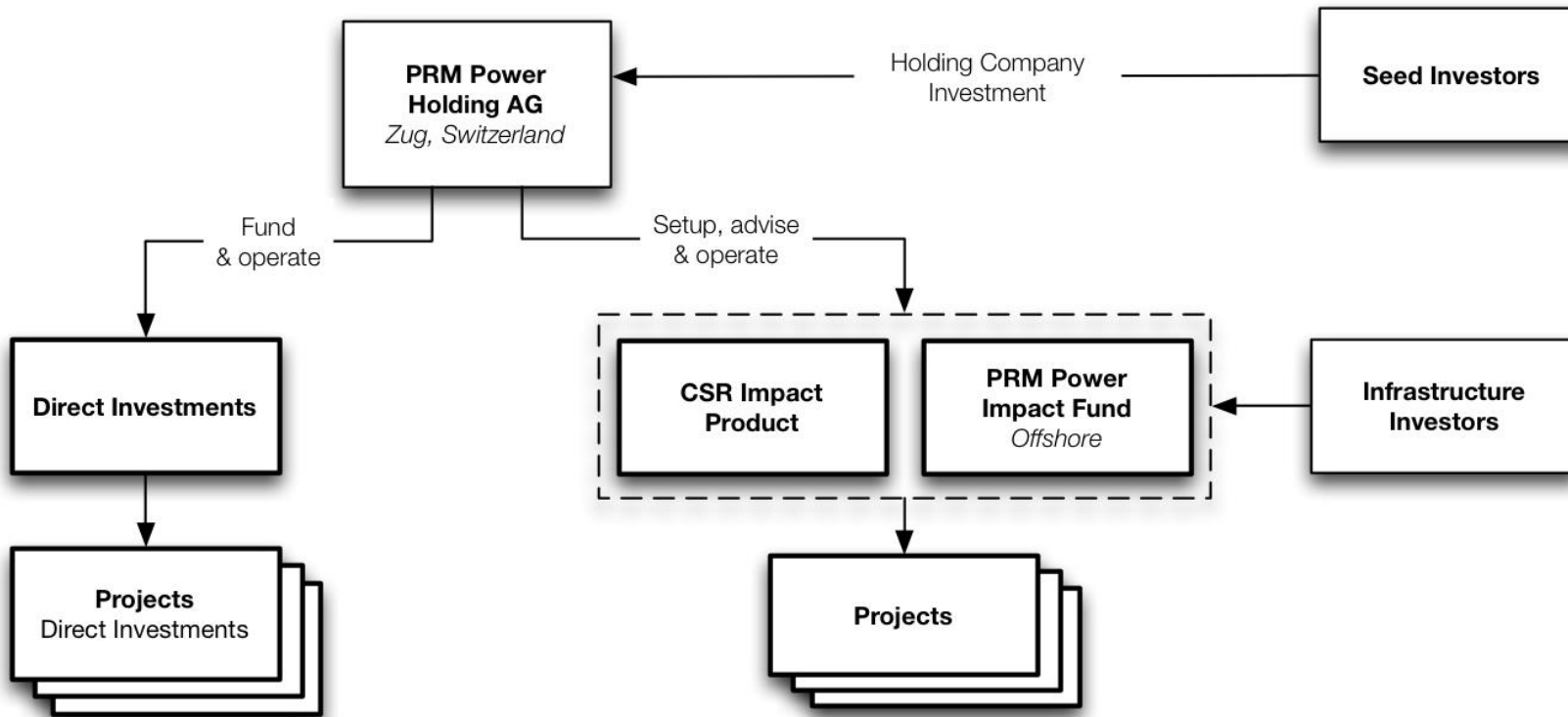
Note: consumer direct based on tariff in Delhi and Maharashtra. In other states, they might be lower but are being increased; Diesel power generation prices based on the assumption that 1 litre of diesel produces 3 units of power. Price of diesel INR 60 per litre plus overhead

Source: ieeefa briefing; internal market research

# A first-class partner network strengthens PRM's truly integrated platform



# Fund Structure



## Financials

<i>Initial Target Raise :</i>	\$25 m (equity)
<i>Debt:</i>	\$20 m
<i>Total Deployment:</i>	\$45 m
<i>Target Returns:</i>	~12% in USD
<i>Medium Term Size :</i>	> \$100m

# Challenges

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- ❑ Contract enforcement of private PPA
- ❑ Tariff driven too low by Domestic AD investor; non-viable for non-AD Domestic investor Or foreign investor
- ❑ Cost of capital is too high - need concessional financing