

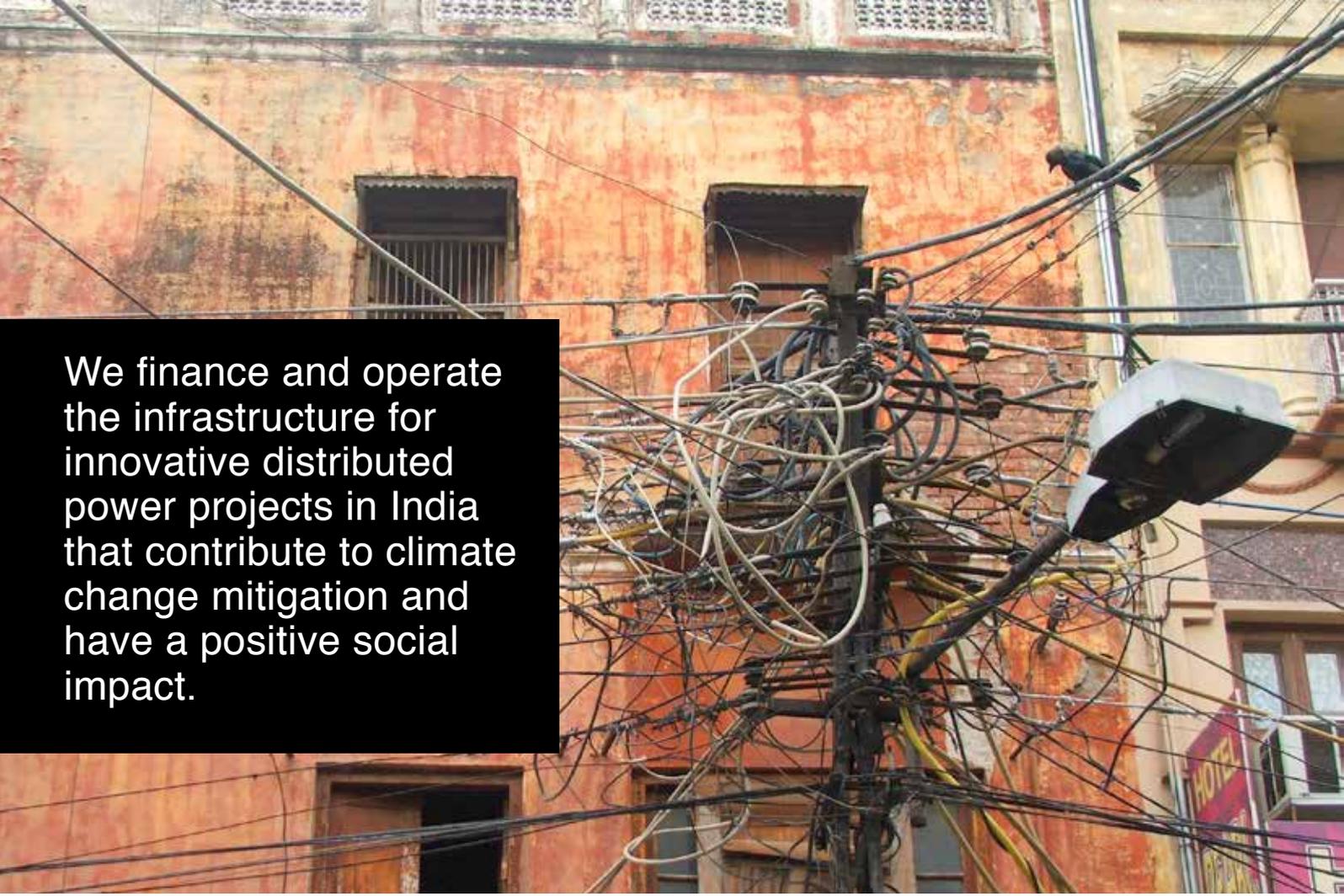


# PRM Power

power | resource | management

Owning and operating  
Distributed Renewable Energy  
Infrastructure in India





We finance and operate the infrastructure for innovative distributed power projects in India that contribute to climate change mitigation and have a positive social impact.

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## India Power – The facts.

One of the major hurdles to economic growth and social empowerment in India is access to clean reliable power.

Despite the best efforts of the Government of India, electrification targets have not been met. For the majority of those who have access to electricity, power is intermittent and unreliable. There are still over 300 million people in India with no access to electricity.

The power sector is overshadowed by a mixture of poor fuel supply, government policies which hinder capacity addition, low load factors of existing power plants, lack of investment in the grid and various forms of subsidies which have resulted in significant financial stress for state distribution companies.

The consumer, if he has access to grid power, faces power outages, in some locations of over 12 hours each day. For industrial and commercial businesses, this electricity gap has traditionally been bridged by using on-site power generation, typically via a diesel

generator. However this form of generation is expensive and has a negative environmental impact. The telecom industry alone uses 5 billion litres of diesel each year for power generation, emitting more than 10 million tonnes of CO<sub>2</sub>, the equivalent to the entire annual carbon emissions of Luxembourg. As part of the target of the Government of India to reduce the budget deficit, diesel pricing, which has traditionally been heavily subsidised, is gradually being allowed to increase towards market levels. This means the price of diesel generation has increased to INR 16 per kWh and in some places up to INR 40 per kWh – significantly higher than the cost of grid power, which averages INR 6.90.

It is estimated that the opportunity cost to the Indian economy through power shortage and outages is US\$100 billion per annum.

This provides a real opportunity at multiple levels to finance distributed power generating projects, which will improve economic activity whilst simultaneously mitigating climate change and improving energy access, in a sizeable market of at least 20,000 MW by 2030.

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## Our Business.

We promote and finance innovative business models for establishing renewable energy distributed power in India. We focus on projects which:

- provide reliable and sustainable energy to house holds, organisations and companies;
- promote capacity addition of renewable energy and improve the energy mix of renewable energy;
- contribute to reducing greenhouse gas emissions by way of replacing diesel generation with sources of renewable energy;
- assist the corporate power consumer to meet its Corporate Social Responsibility obligations; and
- provide sector-leading risk-adjusted financial returns to investors.

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## Our Team.

We have considerable experience of sourcing, implementing and managing renewable energy projects in India. We have been active in the sector since 2007 and have deep knowledge of the technology, financing and operating of renewable energy projects. The team was one of the first to develop the independent power producer model in India and successfully financed and implemented over 42 MW of renewable energy projects in the country.

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## Our Knowledge Partners.

We work with leading multilateral agencies in order to develop investment opportunities in the Indian market.

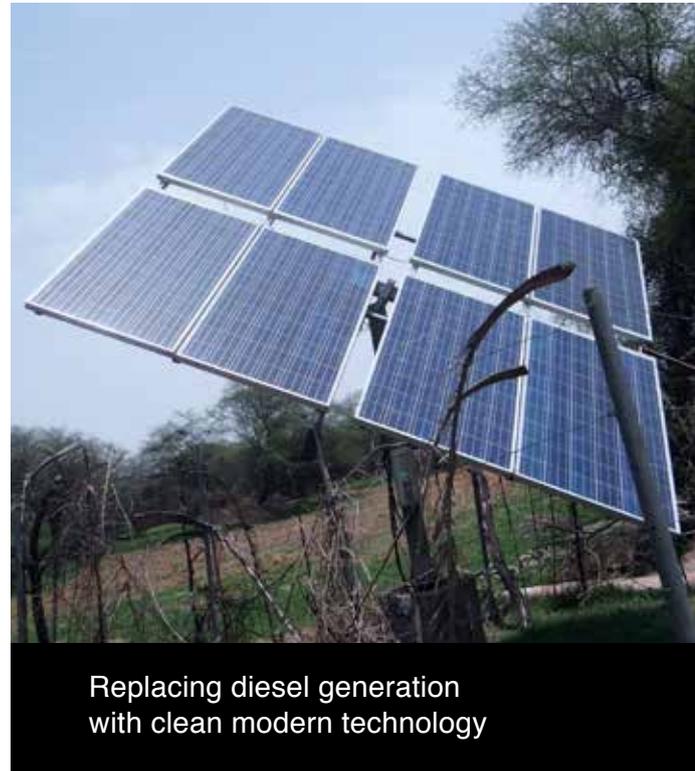
**World Bank Group** are providing technical advice and assistance for the establishment of the Fund.

We operate three distinct business lines:

**Direct Investments**, where we utilise our own capital to invest in projects.

Our **CSR IMPACT Product**, where we arrange and manage investments in projects on behalf of corporates and other investors which require our expertise in the allocation and deployment of their Corporate Social Responsibility budgets.

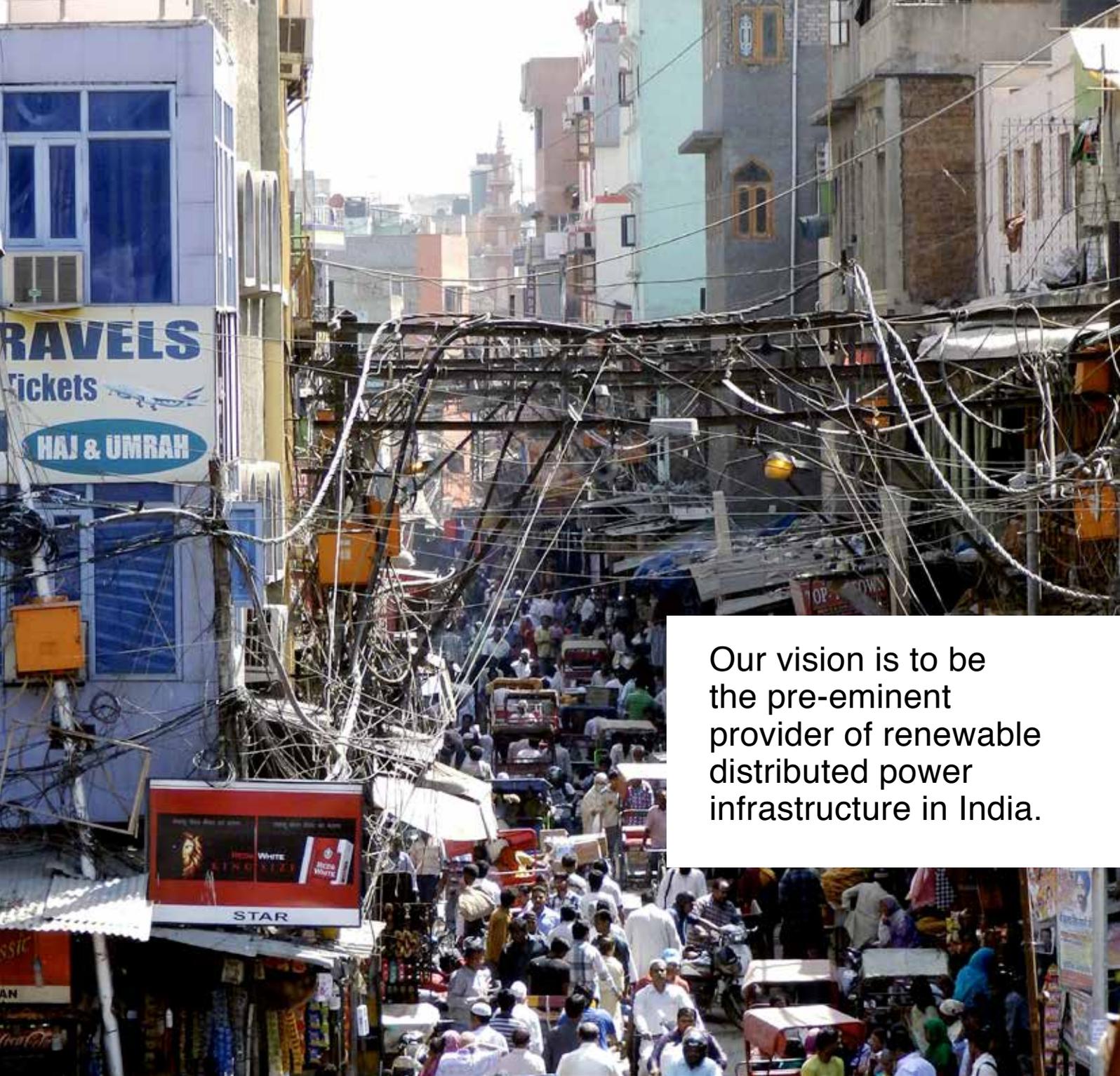
The **PRM Power IMPACT Fund**, which we are developing with our Knowledge Partners and expect to launch in 2015.



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**Indo-German Energy Forum (IGEF)**, co-operation forum between the German and India Governments, is working with PRM in the preparation of standardised technical recommendations and project contracts.

**The Climate Group** are working with PRM Power on developing and financing a pilot project and, on an on-going basis, will assist in measuring the climate mitigation impact of the projects.



Our vision is to be the pre-eminent provider of renewable distributed power infrastructure in India.



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