



Agenda

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- Our Business Models
- Our Clients
- Social & Environmental Impact
- Financial Performance
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- Fund Requirement
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Fourth Partner Energy – An Introduction

Our Vision

- Our objective is to Partner for sustainable change We aim to be India's Lowest Cost Distributed Solar RESCO
- Our 'Fourth Partner'
 - Our customer, our supplier, our employee, our investor or any stakeholder.

Corporate Profile

- Focused on distributed solar projects, primarily for corporate clients
 - Over 450 projects pan-India; 50+ corporate clients
- End-to-end solutions for clients Evaluation, Design, Execution, <u>Financing</u> and Maintenance
- Team of 78 motivated 'Partners' across 6 offices across India strong in-house execution and O&M capabilities
- Initially self funded, completed 2 rounds of equity funding from The Chennai Angels (July 2014) and Output (July 2015). Received US\$130k from ADB through SCAF grant
- Technically approved/ registered with all key agencies in the solar industry
- SME Rating of 2A by CRISIL (a S&P Company) indicating 'High Performance Capability and High Financial Strength'

Strong working relationships with leading equipment suppliers and financial institutions/ equity FOUNTVESTORS such as Oiko credit and HDFC Bank 3 ENERGY

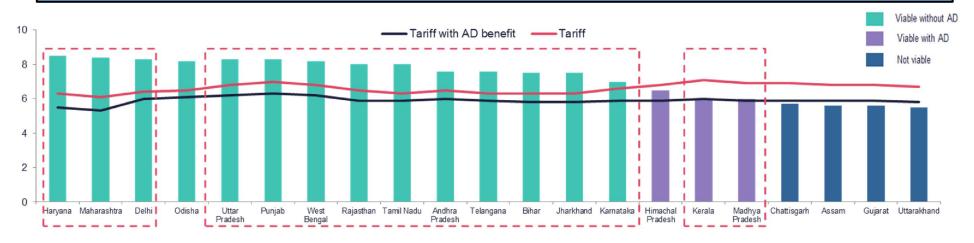
The Distributed Solar Opportunity in India

- India enjoys plenty of sunlight. We have power shortages. Distribution of power is inefficient.
 - Solar energy is a **technically** and **commercially** viable alternative
- Ambitious plan announced by Government of India to increase the solar energy installed base from 3GWp to 100GWp in the next 5-7 years
 - USD 100bn of investments to be mobilised
 - Distributed (rooftop) solar is expected to catapult from 0.6 GWp to 40GWp
 - Target based implementation plan for every State in India announced to increase the penetration of rooftop solar
 - India taking a global lead in this industry
- Amortised cost of solar power cheaper than variable cost of industrial and commercial power in more than 7 states in India
 - In the other States, availability of power is poorer, and hence cost of Diesel generation incurred by clients.
 - So, rooftop solar selling as a cost reduction mechanism
 - Solar for homes (B2C) and solar pumps for rural India are large opportunities

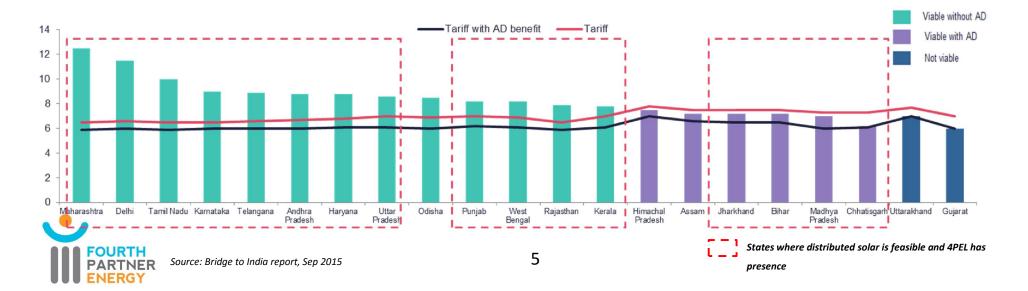


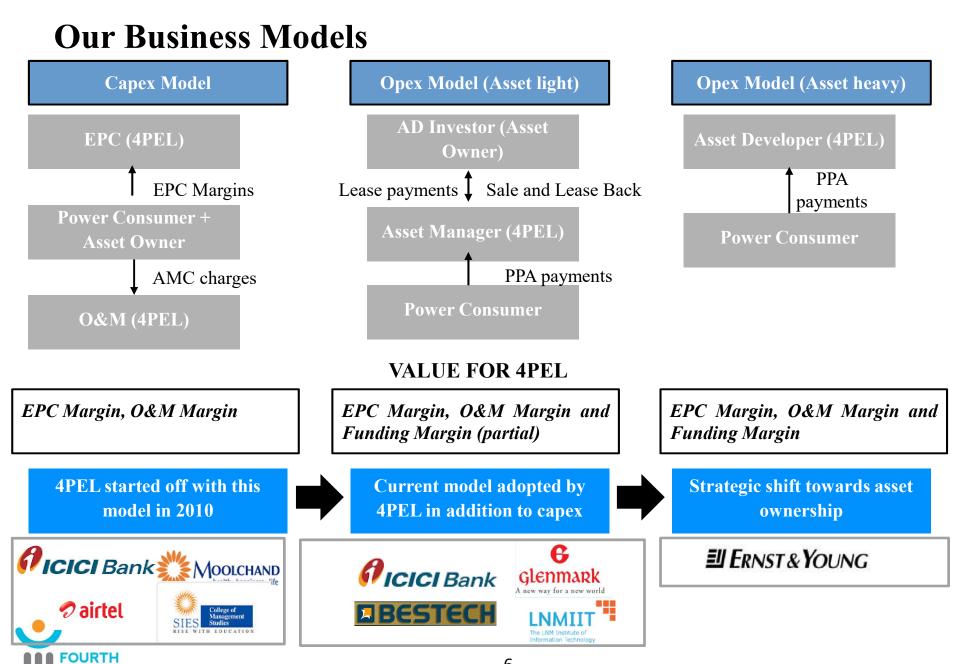
Distributed Solar Viability – Commercial & Industrial

Industrial : Distributed solar tariff is cheaper than HT tariffs charged by utilities in 17 states



Commercial: Distributed solar tariff is cheaper than HT tariffs charged by utilities in 19 states





Marquee Clientele Across Sectors

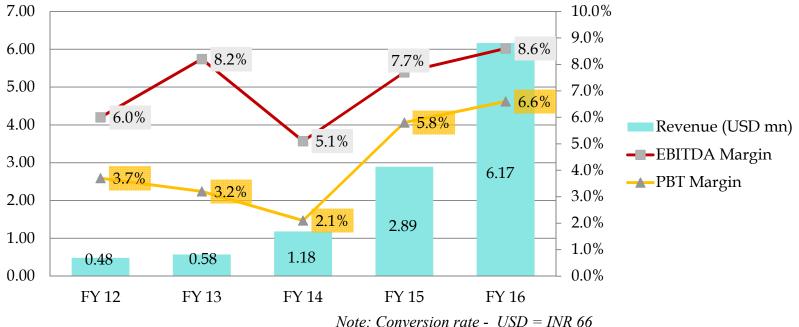


Social & Environmental Impact

- At Fourth Partner Energy (4PEL), we closely monitor the positive social impact made by our Company: while pursuing its economic objectives
- Contribution to the Local Economy and Community
 - Positively impacted the lives of over 119,000 **rural Indians** through our products.
 - Our lighting products (solar lanterns, street lights, luminaries) have helped around 66,600 people.
 - Installed 350 solar retrofit systems in ICICI and Axis Bank's rural branches, thereby facilitating rural banking and financial inclusion. Our solar systems have impacted 52,000 rural people
 - Implemented solar heating systems in difficult hilly terrains which are closed to public for over 6-8 months due to cold weather. Villagers there now have access to hot water for their daily needs.
 - As part of Andhra Banks' Corporate Social Responsibility Program, we installed LED street lights in 20 tribal villages, some of which had no access to power
- Environmental Impact
 - Through our solar installations have improved the environment by reducing the emission of greenhouse gases and saving water and reduced usage of coal.
 - These equal planting more than 500,000 trees
- Creating Awareness
 - Educational institutions are a big segment for 4PEL
 - Rooftop Solar projects in their premises act as live case studies on clean energy for the students in those campuses



Financial Performance



- Strong growth with profitability
 - $\sim 10~MW$ of distributed solar projects delivered to clients till date
 - Revenues have grown >5x in last 2 years and >10x in last 3 years
 - Net profit positive since inception (5 years)
- Asset light model so far
 - Signed 13 PPAs in FY16 with back-to-back financing
 - Only working capital debt on books
- FOURTH PARTNE ENERGY
 - Plan to move into strategic asset ownership going forward

A Seasoned Leadership Team

Highly Experienced Team with Extensive Knowledge of the Sector



Vikas Saluguti

Co-Founder

- Serial entrepreneur / investor in ventures across healthcare, education, water and IT
- Extensive experience in setting and scaling-up of businesses
- Was earlier an Investment Banker with ABN Amro in Europe for over 10 years
- He holds an MBA from INSEAD and a BE in Civil Engineering



ENERGY

Brajesh Kumar Sinha Head – Business Development

- Over 20 years of experience in the solar and defence industries
- Was earliest at HBL Power Systems where he developed off-grid solar PV business and was responsible for North India operations
- Oversees North India operations at 4PEL
- He holds an MBA and a BE in Electronics



Vivek Subramanian *Co-Founder*

- Experience of strategy, fund raising, operations and financial management
- Avigo Capital, Founding Partner: an Indian SME focused PE fund (AUM \$375mn).
- Oversees Finance, Sales and Corporate Development functions at 4PEL
- He holds an MBA from INSEAD and a BE in Mechanical Engineering



Gautam Handa

Head – Corporate Development

- 12 years experience in M&A, fundraising, financial advisory and business development; was earlier a Banker at Kotak Mahindra and ABN Amro
- Previous stints include Standard Chartered and GE Capital
- He holds a PGDM from IIM Calcutta and a BBS in Finance



Saif Dhorajiwala *Co-Founder*

- Over 12 years experience in operations and marketing
- At Avigo responsible for investments & mentoring portfolio companies
- Oversees Operations, Client Servicing and Technology at 4PEL
- He holds a PGDM from IIM Calcutta and a BE in Civil Engineering



Srinivasa Reddy *Head - Operations*

- Over 10 years experience in product development with Innovative Electronic Ideas
- Rich experience in solar projects and product electronics
- Besides operations, he is responsible for R&D and product development at 4PEL
- He holds an MSc in Electronics

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		Growth Pillars	
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C&I Market + Corporate CSR	Residential Market	Government Tenders	Rural and Overseas Markets
 Huge headroom to grow <u>Driven largely by cost reduction imperatives</u> SME segment is expected to drive growth and margins. Sustainability targets and compulsory CSR obligations leading to wider adoption of distributed solar 	 Huge potential (est. at 130GWp) Developments in storage technology to be key driver Value fillip (not just infrastructure play) by building Brand Aligning with distribution companies 	 Government is the largest customer Issuance of tenders has gained significant traction <u>Both Capex and Opex requirements</u> Our team understands the detail in government processes 4PEL is accredited by relevant government bodies 	 Rural Markets Learning the rural sector - implemented projects for over 300 bank rural branches and petrol pumps Worked as 3rd party EPC contractor for large orders for solar pumps (e.g.: 62 solar pumps installed for HBL) Manufacturing and selling off-grid products for 5 years Overseas Market Executed projects in Yemen, Middle East, Africa and Nepal – to leverage existing relationships to tap the markets opportunistically

The Road Ahead - Key Growth Drivers



Fund Requirement

- We aim to raise US\$ 10 mn of equity to expand our scope from being a service provider to a comprehensive end-to-end solar project operating company in the distributed solar space
- Initiatives include moving into asset ownership for strategic assets, asset warehousing,

building corporate brand and scaling up the platform.



Summary

- Founded by a team of 3 professionals with vast experience in Investment management
 - Strong supply chain and engineering capabilities in the team
 - In-house execution and O&M teams
- Over 50 corporate customers across PSUs, banking companies, education institutes, oil companies and hospitals
- Repeat business from several marquee names like ICICI Bank, Axis Bank and IOC
- 4PEL is an pan-India platform with 6 offices & projects executed in 17 states
- Leverages on its strong execution skills, innovative financing models and O&M services
- Remains focused on the C&I segment while developing capabilities to target the SME and Retail segment

- Market expected to grow at CAGR of 97% to reach 40 GW by FY2022
- Drivers include Rising Energy costs, Declining solar capex costs, Unreliable grid system and Govt. incentives
 - Ambitious target of 40GW backed by yearly capacity targets set for states as part of State Action Plan 2022
 - Net metering policies being adopted by over 21 states
 - Commitment to Climate Control
 - RESCO (Opex) Model is fast gaining traction, driven by
 - Client preference to outsource non core power generation activity
 - Availability of capital resulting in faster client conversion and larger project sizes

Favourable

Industry

Dynamics

RESCO Model

Gaining Traction in

Industry

Key Focus

Area for

Govt

Highly Experienced

And Motivated Team

4PEL - Exciting

Business

Proposition

Strong and

Growing

Clientele

-- THANK YOU --



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