• Established in 1995
  - Solar Home Lighting Solutions (Rural underserved)
  - Subsequently Energy Services
    • Solar Thermal (semi urban and lower middle class)
    • Urban (Slum Dwellers & Street Hawkers)
    • Cookstoves (Not so successful)
    • Hybrid Dryer (To be launched)
Key Structural Differentiations

- Enterprise - Company rather than NGO
- Equity/ Long Term Debt rather than grants
  - Investors all NOT FOR PROFIT foundations
- Service rather than product focused
- System Integrator rather than manufacturer
  - Flexibility to choose the best value
- Marketed as an utility investment rather than consumption/ direct income expenditure
Key Operational Differentiations

- Customised solutions - not products
  - Need based for income generation

- Link financing to investment and more importantly HH cash flow
  - Flexible Tenure and EMIs
  - Risk perception sharing with FIs
  - MFIs suitable????????????????????

- Own Service Center - staff rather than dealers

- Door step service and financing
  - Third Party piggy backing on local financial infrastructure
SELCO's Supply Chain

**Distribution Network**

- **HQ**: SELCO INDIA headquarters located in Banaglore.
- **Regional Offices**: Located strategically throughout service territories, each office directly manages about 5 ESCs.
- **ESCs**: SELCO's Energy Service Centers, base of sales, service, and inventory. Located in central rural towns.
- **Salesforce & Business Associates**: SELCO's direct sales force and BAs market SELCO's products to potential customers.
**User’s Reasons**

- Lighting for Study
- Powering small motors
- For Income Generating activities
- Cleaner
- Safer
- No maintenance

**SELCO’s Role**

- Demo of Technology
- Accessing the needs
- Developing the need-based product
- Partnering with local financial institutions
- Installation of the system
- After Sales Service

**Financial Institution’s Role**

- Accessing the credit worthiness of the client
- Creating the appropriate financial product
- Partnering with SELCO to meet the needs.
- Collection of loan installments

**Typical chain of an energy delivery services setup of SELCO.**
The project of renting solar lights (Solar Light Point Project) involves following participants -

1. Roadside vendors, beneficiaries of the Solar Light Point Project.
2. An Entrepreneur, who owns the solar lights and rents to roadside vendors.
3. SELCO, the technology provider - Installs and Maintains the Solar Lighting System.
4. The local financial institution - provides loan to the entrepreneur to purchase the Solar Lighting System.
5. A NGO may be involved to ensure success of the project - with concern for the roadside vendors and the entrepreneur.
Light for Education Programme

- Inspired by Mid Day Meal Scheme
- Central Solar Charging Station at School
- Lamp at Home and Portable Battery (size of a mobile phone)
- Kids need to come to school to charge the battery so that there is light at home (including for study)
- Mostly Donor Driven, but could be sustainable
Women Centric Energy Programme

- By default
  - Increase incomes (Beedi workers/ Basket weavers/ Silk worm rearing)
  - Education (e.g.) and Health
- By design
  - Insist on Kitchen light
    - Dig a hole in the common wall
    - Independent LED light
  - Programme with SEWA
    - Informal Workers
      - Midwives light
    - Cook stoves training
    - Energy Auditors - technology neutral
  - Women SHG owner of Hawker’s model
  - Service Extension - Cookstoves Programme
Snapshot till date

- More than 120,000 households as clients
- More than 2000 institutions as clients
- 170+ employees
- 25 Energy Service Centers
- 9 partnerships with Financial Institutions.
Scaling Up & Challenges

• Is it about numbers in Decentralised energy?
  - Lateral or vertical
  - Customization vs. commoditization

• Deeper into the socio economic strata
  - Technology as well as financing

• Big SELCO or numerous SELCOs