



SELCO®





SELCO

- 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

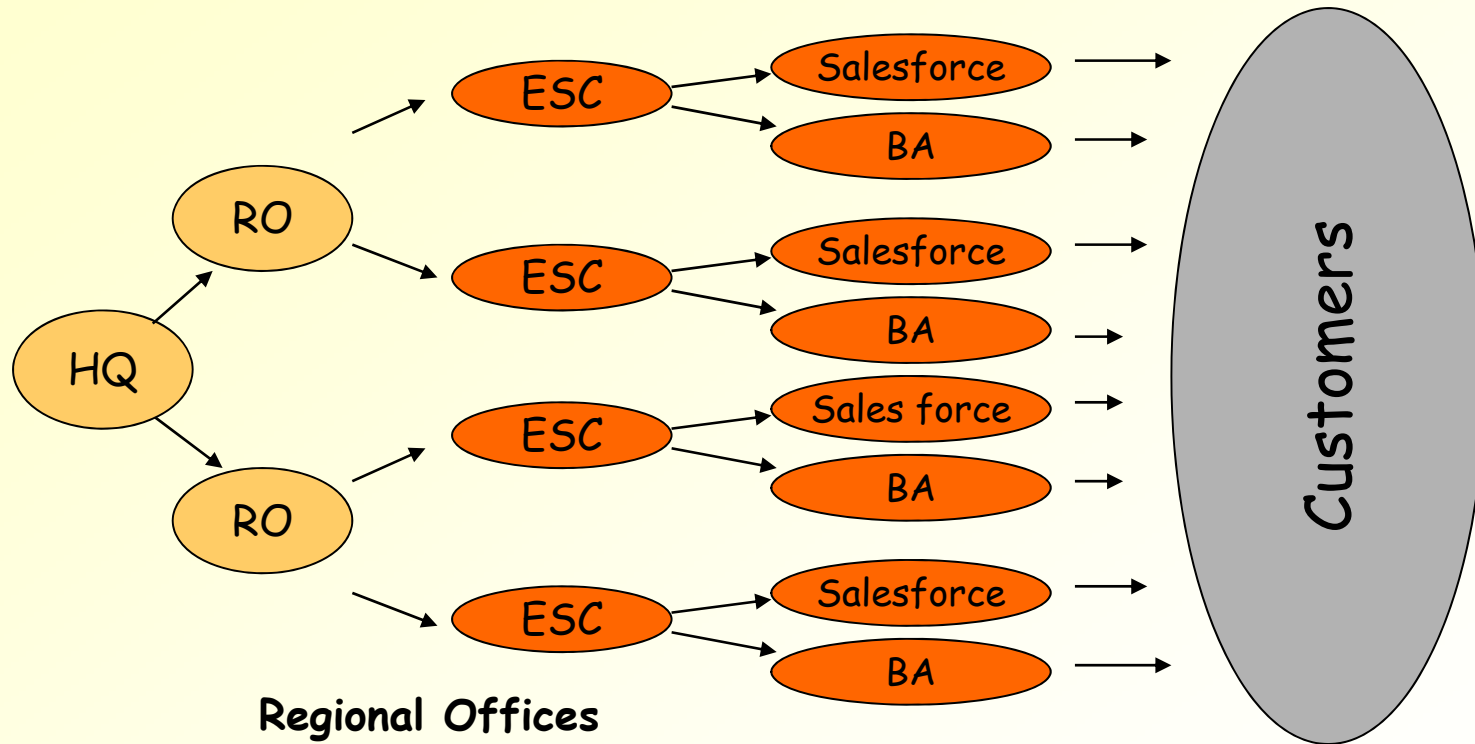
- Customised solutions - not products
 - Need based for income generation
- Link financing to investment and more importantly HH cash flow
 - Flexible Tenure and EMIs
 - Risk perception sharing with Fis
 - MFIs suitable????????????????????????????????
- Own Service Center - staff rather than dealers
- 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



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



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



Typical chain of an energy delivery services setup of SELCO.



Solar Light Point Project

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 road side 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

