



*Press Release: For immediate publication.*

## **PXIL attracts the ‘First Sell bid of Solar REC’**

*M and B Switchgears Ltd. becomes the first solar power producer to be issued Solar RECs*

**Mumbai, May 30, 2012:** Today, PXIL is privileged to have the first Sell bid of Solar Renewable Energy Certificate. The trading of RECs makes it easy for several obligated entities that may be required to purchase a certain quantum in either green power or RECs. M and B Switchgears Ltd. has become the first solar power producer in India to be issued 249 Solar RECs by the National Load Dispatch Centre in New Delhi.

These certificates are tradable on the power exchanges and are bought by ‘obligated entities’ which are either specified consumers or electricity distribution companies (under RPO - Renewable Purchase Obligation). The Electricity Act 2003 mandates the state commissioning to specify a percentage of the total consumption of electricity in the area of distribution licensee, for purchase of electricity from renewable sources –renewable purchase obligation (RPO).

**On this occasion Rupa Devi Singh, Managing Director, PXIL** says, “We welcome the first sell bid by M and B Switchgear on our exchange. REC was conceived to overcome the limitation of uneven distribution of RE sources. These certificates will help our participants to meet their obligations. This also gives RE generators an alternate option to sell the renewal component at a secured market determined price. The first Solar Certificate to be issued marks the evolution of the solar market to the next stage. We are proud to be a part of the history being created in the renewal energy space.”

According to **Mr. Vikalp Mundra, Director, M and B Switchgears Ltd.**, “The Company is expected to generate close to 3,200 RECs in 2012-13. The project will be generating approximately 32 lakh units of electricity per annum and saving carbon emission equivalent to 3360 tonnes annually. For M and B Switchgears Ltd., the trading of RECs is expected to cause additional revenue of approximately Rs. 4.0 crore”.

Sharing information about company's future plans, Mr. Mundra further added, "We are currently planning to set up a 20 MW solar power project under the REC scheme. Along-with we had devised a product named as 'UJAAS<sup>tm</sup>', in which we provide complete plug & play solution to an investor for putting up a solar power plant. Ujaas gives a very good annuity based IRR for investors with benefits of 80-I(A) & super normal IRR if 100% depreciation benefits can be utilised".

The Indore based Company commissioned India’s first Grid Connected solar power plant (2MWp) - under REC Mechanism at Rajgarh (Biora) district of Madhya Pradesh, in March 2012. The project may also generate carbon revenues as it is currently undergoing validation in the Clean Development Mechanism (CDM).



Renewable Energy Certificate (REC) mechanism has been promoted by Ministry of New and Renewable energy (MNRE) in order to encourage non-conventional energy sources. Central Energy Regulatory Commission has launched detailed procedures of this mechanism in June 2010.

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### **About PXIL**

Power Exchange India Limited (PXIL) is India's first institutionally promoted Power Exchange that provides innovative and credible solutions to transform the Indian Power Markets. It is a joint venture of National Stock Exchange (NSE) and National Commodity & Derivatives Exchange (NCDEX). PXIL's unique combination of local insights and global perspectives helps its stakeholders make better informed business and investment decisions. The Exchange is currently operating in Day Ahead, Week Ahead and a Contingency Market as well.

### **About M and B Switchgears Ltd.**

M and B Switchgears Ltd. has been one of the most trusted names, in the business of transformer manufacturing of India over last 3 decades. Under the stewardship of its Chairman, Mr. S. S. Mundra, the Company has grown from being small scale transformer manufacturers to a publicly listed entity. The Company's diverse activity ranges from manufacturing of transformers (distribution of power) to exploiting of Renewable sources of energy (generation of power). The Chairman is now ably assisted by young directors Mr Vikalp Mundra and Mr. Anurag Mundra in steering the Company to its future vision. M and B Switchgears Ltd. is also coming up with another project of 20 MWp under REC mechanism, at the locations in the vicinity of the existing site by 2013. The Company has devised an innovative offering called as 'UJAAS<sup>tm</sup>', which provides complete plug & play solution to the investor for putting up a solar power plant. For details, please visit: [www.ujaas.com](http://www.ujaas.com).

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