

## **Closed Gap closes first financing round: back office software (SaaS) for energy distribution companies in India**

Amstelveen, 3 October 2006

A consortium of investors lead by Planet Capital Partners announced today the closing of an investment in the share capital of Closed Gap BV.

### **Back office Software as a Service (SaaS) for Indian energy companies**

Closed Gap offers a state-of-the-art back office information system for energy distribution companies to collect usage data and provide client and billing information. Closed Gap offers a fully integrated web based Meter-to-Cash product to energy distribution companies in a Software as a Service model (SaaS).

Main advantages of the SaaS model are that best practices of the branch can be made available easily to all customers. New releases are available to all customers more often than in case of traditional "packaged" software, they only need to be implemented in one install of the vendor. Furthermore the SaaS offering makes the service available without having an expensive infrastructure; only simple PC's with Internet connection are needed.

India has been identified as the prime target market: the electricity sector suffers from high financial losses on the distribution side and would benefit significantly from an improved billing and collection system. Closed Gap has entered into a joint venture with Enzen Global to market and implement the system throughout

Ronald van Oijen commented: "We are pleased that with this investment we can fund our company and roll out our system through a pilot with our first customer in India, and prove to our customers the considerable efficiency and costs advantages of our system".

Marco Pieterse of Planet Capital Partners stated: "We identified Closed Gap as one of the most innovative services in this segment of the energy industry. The software offers an efficient solution to the widespread problem of inadequate billing by energy distribution companies. Closed Gap is extremely well positioned to add value to the Indian electricity distribution system".

### **Large and growing market**

The Indian market currently has around 130 million domestic connections. There are nearly 60 individual distribution companies spread over 29 states for the supply of electricity throughout India. The Indian energy market suffers from high losses on the distribution side (typically around 50%). These high losses prevent distribution companies from attracting capital to make necessary investments. The government of India has implemented a reform program to restructure the sector.

Closed Gap 's product could significantly help achieve the reform program's goals by helping to reduce financial losses, increase customer satisfaction and improve profitability.

Closed Gap has entered into a joint venture with Enzen Global, an Indian systems integrator and business enabler founded by the former head of utilities Europe at Wipro, a global services provider delivering technology-driven business solutions. The joint venture, Closed Gap Enzen Ltd. is responsible for client and area management, project acquisition, technical support and implementation.

Closed Gap Enzen has also signed a MoU with Analogic Technomatics. Analogic is market leader for handheld data collection and spot billing solutions in India. The arrangement enables Closed Gap's software to interface with the handheld solutions of Analogic.

Closed Gap has initiated a pilot project in the State of Haryana. Based on the successful completion of this pilot the company intends to launch a nation wide roll-out. The Company also intends to explore opportunities in other countries.

Planet Capital is a venture management and corporate finance firm with a focus on early-stage, renewable energy technology and services ventures. The company is based in Driebergen, The Netherlands.

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**Note for Editors not for publication**  
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