

Since 1994



K.P. ENERGY LIMITED

CIN: L40100GJ2010PLC059169

E-mail : info@kpenergy.in
Website : www.kpenergy.in

KPEL/BSE-MAT/MAR/2020/201

March 14, 2020

To,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

Ref: **Scrip Code: 539686**

Sub: **Company Update: Investor Presentation – March 2020**

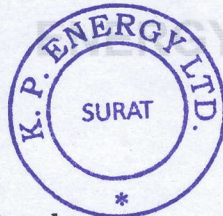
Dear Sir(s),

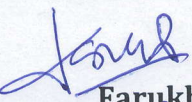
Apropos the captioned subject and pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit the Investor presentation – March 2020.

Kindly take the same on your records.

Thanking You,

Yours faithfully,
For K.P. Energy Limited




Farukbhai Gulambhai Patel
Managing Director
DIN: 00414045

Encl.: a/a

Reg. Office:

'KP House', Opp. Ishwar Farm Junction BRTS, Near Bliss IVF Circle,
Canal Road, Bhatar, Surat- 395017, Gujarat, India.

Phone: +91-261-2234757, **Fax:** +91-261-2234757

E-mail: info@kpenergy.in, **Website:** www.kpenergy.in

ISO 14001:2015, ISO 9001:2015 and BS OHSAS 18001:2007 Certified Company

BSE Listed Company



www.kpgroup.co

KP ENERGY
Energy is here!

KP ENERGY LIMITED

Investor Presentation March 2020

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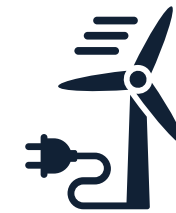
EXECUTIVE SUMMARY

KP Energy Limited is engaged in the business of providing complete balance of plants solutions, from concept till completion of a wind energy project.

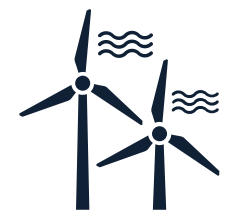
KP Energy Limited has an order book of 1180.8 MW, all to be executed in the state of Gujarat in the coming 3 years.

This order books possesses a huge opportunity for KP Energy Limited. We are perfectly placed to capitalize on the growth of Indian Wind Energy space, especially in the state of Gujarat. Gujarat also holds 50%+ share in the recently auctioned (SECI + State) capacity, post FiT regime.

KP Energy Limited is an ISO 9001:2015, ISO 14001:2015 and OHSAS 18001:2007 certified company.



1,180.8 MW
order book

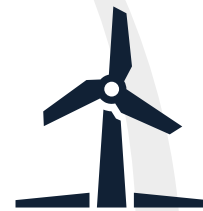


GUJARAT
holds 50% +
share in the
recently auctioned
capacity

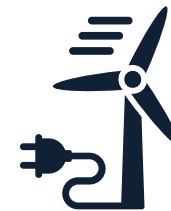


All additional
order book to be
executed in the
state of
GUJARAT
in the coming
3 years

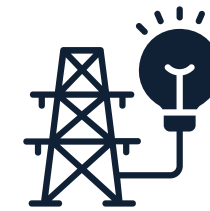
COMPANY SNAPSHOT



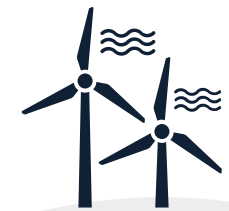
BOP solution
for Wind Farms



200 MW+
capacity
energised till date
with end to end
solutions



Power Evacuation
Capacity of
~214 MW



Wind Generation
Assets of
8.4 MW
capacity



Order Book and
Business Pipeline
of **~1180.8 MW**
for coming 3 years



Team strength
of about
150+
members



GUJARAT
focused player



~ 200 MW
O&M portfolio for
BoP of developed
sites SME to Main
Board

PROMOTER TEAM



Mr. Farukbhai Patel

Managing Director

- Mr. Patel started his career in 1994 with a venture in logistics and constructions. Under his leadership, KP Group has demonstrated success in variety of business.
- Mr. Patel is a founding promoter of the Company. He has completed Matriculation from Gujarat secondary and higher secondary education board. He has vast business experience .
- Mr. Patel has been actively working in the power sector for a decade now.



Mr. Ashish A Mithani

Chief Executive Officer and Whole Time Director

- BBA from Shri N.R. Vekaria Institute of Business Studies.
- Mr. Mithani began his professional career in 1994 as an executive at Reliance Industries. Post that, he worked in various industries such as logistics, LPG infrastructure and then finally in Wind Energy in the year 2010.
- Mr. Mithani is a co-promoter, CEO and a Director of KP Energy. He has been instrumental in ushering the growth in the operations of the company. He has been actively working in the power sector for a decade now.

CORE MANAGEMENT TEAM



Mr. Pankaj Shah

Sr. Vice President of Projects

- BE, Electricals from The Maharaja Sayagirao University of Baroda.
- Mr. Shah started his career with Paschim Vij Co. as junior engineer. He has 40+ years in the energy space.
- Supervising technical matters of all wind farm projects.



Mr. Umesh Bhatt

Vice President of Projects

- ME, Mechanical
- Mr. Bhatt was a Major in Indian Army from 1986 to 1993. Post which he worked as factory in-charge of Naveen Engineering Works for 10 years and then joined KP Group.
- Supervising technical matters of all wind farm projects



Mr. Dharampal Singh

Senior Vice President

- BE - Civil - 1974 (MNREC) / (MNIT) - Allahabad
- Started his career from All India Radio in 1975 as a Construction Superintendent.
- Mr. Singh has worked with Bharat Electronics Ltd. , Ghaziabad from June'77 to May'80, NTPC (1980-2009) as an additional GM and with Torrent Power Ltd (4th Dec 2014 to 31st Mar, 2019). He has most recently started working with KP Energy Limited

CORE MANAGEMENT TEAM



Mrs. Nilam Desai

Sr. Manager Planning & Coordination

- Diploma in Civil Engineering.
- Mrs. Desai has more than 24 years of work experience. She has previously worked in Shilpa Seva Architect and Bathani Architect firms.
- She looks after planning & coordination of business activities.



Mr. Chatrabhuj Rajpura

General Manager & Corporate Affairs

- Ph.D in Gandhi Vichar.
- Mr. Rajpara is one of the most experienced person in KP Energy Limited, he has extensive work experience of over 39 years.
- He looks after liasoning and relationship management at the project sites.



Mr. Karmit Sheth

Company Secretary & Compliance Officer

- Qualified Company Secretary from the Institute of Company Secretaries of India, Bachelor degree in Law and commerce (LLB and B.com) from Gujarat University.
- Mr. Sheth has 5 years of experience in secretarial and legal field.
- He looks after corporate law compliances, Listing Obligations and SEBI compliances, Legal drafting, Project Contracts and legal functioning.

CORE MANAGEMENT TEAM



Mr. Ujjayanta Chowdhury

General Manager

- B. E. (Mechanical) - Dr. B.A.M. University, Maharashtra (INDIA)
- Total 17+ years' experience in EPC project management, Supply chain management, Engg. Design and business development. Mr. Ujjayanta was previously associated with Coastal Group, Mumbai & Reliance Naval.
- He looks after specific projects sites allocated to him.



Mr. Manoj Mishra

General Manager

- Diploma in Mechanical, Diploma in Draughtsman Mechanical, Diploma in AutoCAD.I
- Mr. Mishra has 15 years of experience in Project Management, Fabrication Operations, Erection, Construction & Commissioning.
- He looks after specific projects sites allocated to him.



Mr. Pravin Singh

Chief Financial Officer (CFO)

- He completed his B.Com in 2001 from Navyug College and M.Com in 2003 from S.B. Garda Arts & P.K. Patel Commerce College, Navsari
- Mr. Singh has been associated with KP Group since 2004, where earlier he was working in KP Buildcon and later in KPI Global Infrastructure. Currently he functions as the Chief Financial Officer of KP Energy Limited.

CORPORATE HISTORY



2010

Incorporation as KP Energy Private Limited

2012

Alloted on a total of 56 lease spots at Ratdi, Baradia, Matalpar and Odedar

2013

Alloted lease spots at Kuchdi, Gujarat

2014

Executed 30 MW Joint Development Agreement with Suzlon Energy at Ratdi

2015

Executed 31.50 MW and 30 MW Joint Development Agreement with Suzlon Energy at Kuchdi and Matalpar respectively

CORPORATE HISTORY



2015

Commissioned **27.30 MW Wind Power Projects** from Ratdi and Baradia Wind Farm at Porbandar

2016

Initiated business of **IPP** with first **WTG of 2.1 MW**
Initial Public Offering through BSE SME Platform

2017

Commissioned **81.90 MW** nearly 3X of it's last year's performance

2018

Tied up with **GE Renewables India** for developing a **300 MW** wind power project at Kutch, Gujarat

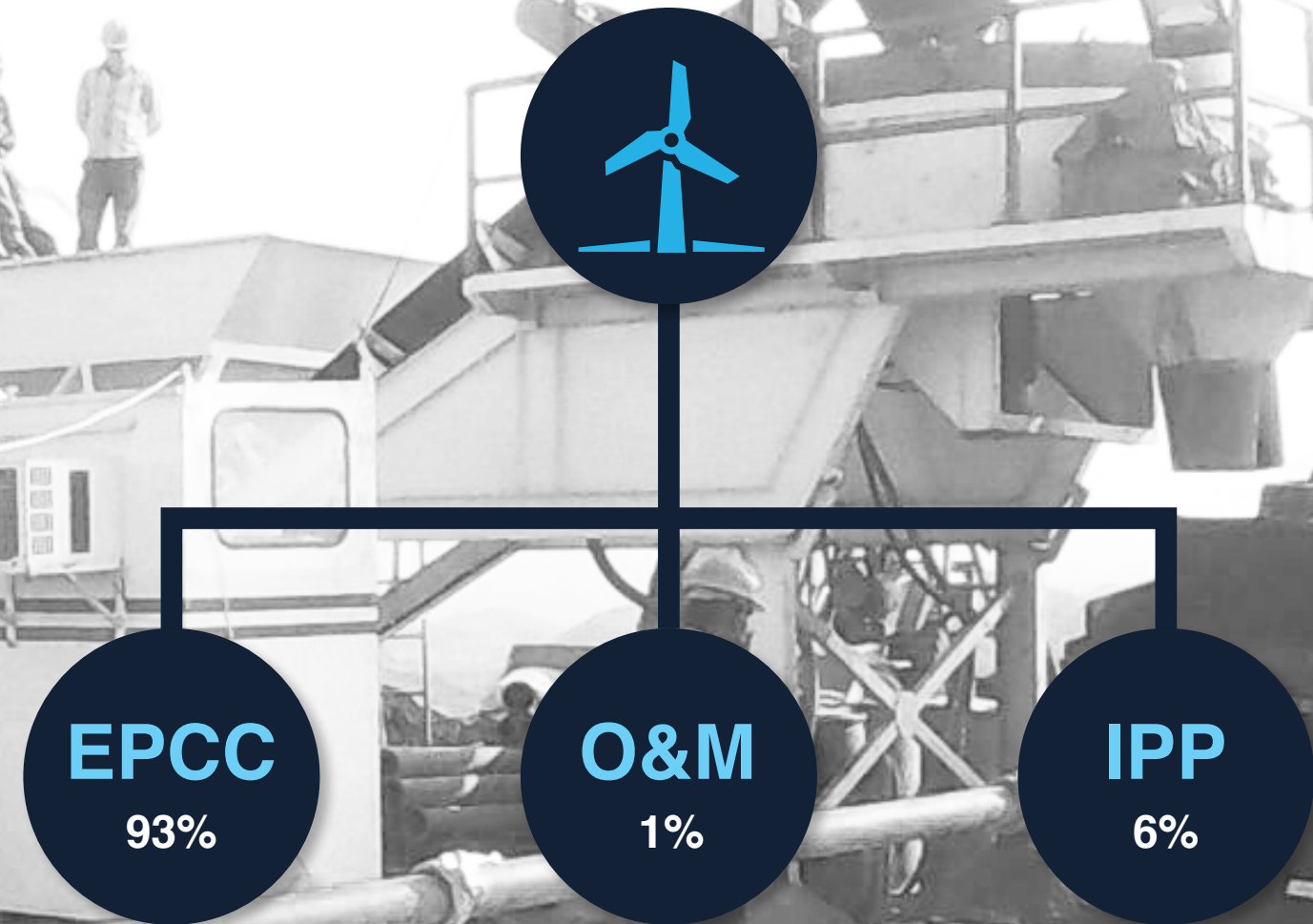
2019

KP Energy aligns with **CLP India Private Limited** for developing a **250.8 MW** wind site at Dwarka for SECI tranche-VIII bid.

BUSINESS OVERVIEW

KP Energy provides complete solution, from concept till completion, in the life-cycle of a Wind Project.

Our goal is to bring together all key shareholders of a wind project and ensure efficiencies of time, cost, quality and resources.



*revenue contribution as per FY2019 (Audited)

EPCC BUSINESS MODEL

KP Energy provides one roof solutions for entire gamut of services for wind farm development. KP Energy develops utility scale wind power projects, providing complete end-to-end services.

Site Identification

Our key competence is identification of sites which is self sustainable

Power Evacuation

EHV lines & sub stations design and development up to 220 kv.

Site Development

We have executed projects in almost all types of terrain

WTG Handling

We engage in WTG storing, unloading and erection.

Construction & Erection

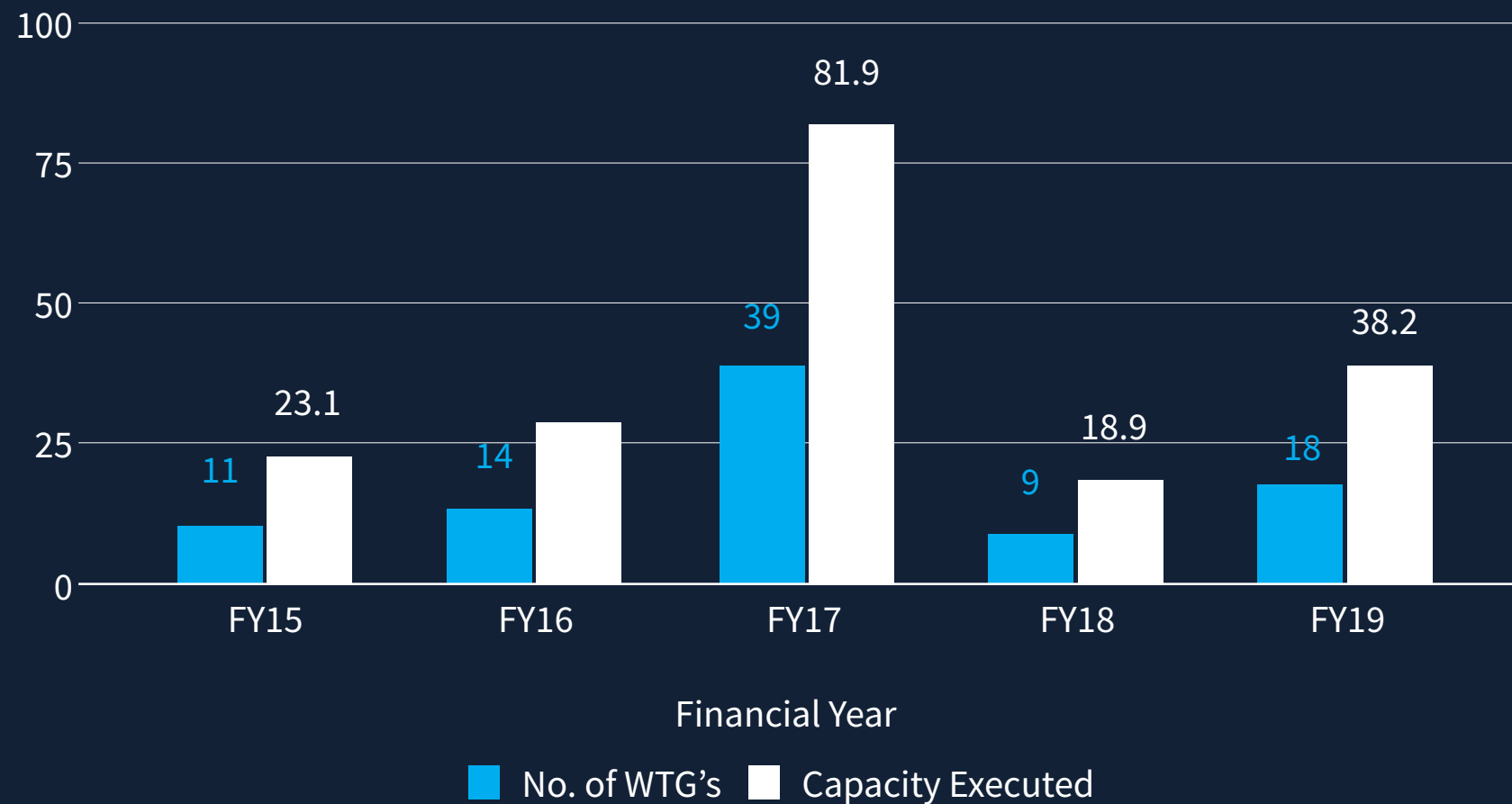
From idea generation to commissioning the final project

Operations & Maintenance

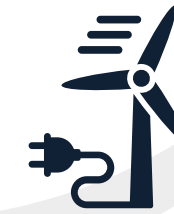
~200 MW O&M portfolio of BoP of sites under purview

EXECUTION TRACK RECORD

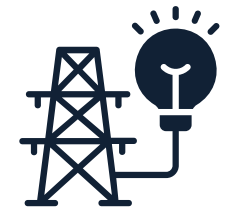
No. of WTG's and Capacity Executed



Key Execution figures for EPCC



200 MW+
capacity
energised till date
with an O&M
under preview



Power Evacuation
Capacity of
~214 MW



10 years
of operating
history

GEOGRAPHICAL PRESENCE



NAME OF THE PROJECT

COMMISSIONED CAPACITY

YEAR OF COMPLETION

Executed Projects

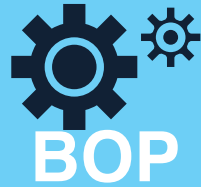
Ratdi	33.60	2016
Matalpar	33.60	2016
Kuchhadi	69.30	2017
Mahuva	34.00	2018

Under Execution Projects

Gadshisha, Mandvi- Kutch	300	Jun-20
Sidhpur - II (Dhwarka)	250.8	2021-22
Sidhpur - I	300	2022-23
Mahuva - V	30	2021-22
Vanki - Kutch	300	2021-22

O&M

OPERATIONS & MAINTENANCE (O&M)



Provides O&M services for Balance of Plant portion of Wind Turbines

~200
MW

As of date, KP Energy has an O&M portfolio of ~200 MW

EP
CC

EPCC directly drives the growth of this stream. However, the existing portfolio creates an annuity based income

RATIONALE

- Operations and Maintenance services for BoP portion of wind turbines add value to the core offering of KEPL i.e., EPCC.
- It assures client of uninterrupted service.
- Provides an annuity based revenue stream to KPEL.

O&M (Track Record)

Sr. No.	Site Name & PSS Details	Capacity in MW	Scope of Work	Start Year of O&M	Overall Availability
1	Matalpur Site: Shevdivadar 66/33kV SS	33.6 MW	Entire BoP OMS from x'mer to metering point at PSS	Since Jun'12	99.62%
2	Ratdi Site: Baradiya 66/33kV SS	33.6 MW	Entire BoP OMS from x'mer to metering point at PSS	Since Apr'14	99.55%
3	Kuchhdi Site: Degam 66/33kV SS	70 MW	Entire BoP OMS from x'mer to metering point at PSS	Since Nov'16	99.52%
4	Mahuva-1 Site: Vaghnagar 66/33kV SS	70 MW	Entire BoP OMS from x'mer to metering point at PSS	Since Mar'17	99.65%
	Total	207.2 MW			

IPP

INDEPENDENT POWER PRODUCERS (IPP)

8.4
MW

KP Energy has its own power generation assets of 8.4 MW (4*2.1 MW) capacity at its own wind farms

Dual Objectives of becoming an IPP:

1. Strategy set-up: Providing assurance to clients
2. Annuity based income

RATIONALE

- Having KPEL's own power generation assets at the same wind farms developed by us, assures clients regarding the merits of the site.
- It also provides an annuity based revenue stream to KPEL.
- KPE earns huge income from BoP/EPCC as we have EBDITA 21.01 %. To avail Tax Break, we own Wind Turbine on which the Depreciation @ 40% p.a. offers us Tax Break.
- Typically Banks fund 75% of the Wind Turbine Cost. Hence 25% Internal Accrual that KPE deploys fetches best Efficiency of Capital.

CLIENTELE

Business model of company is designed to bring scalability in wind sector by serving clients in various domains, categorized as follows:

CAPTIVE USERS

- Colourtex Industries Pvt Ltd
- Surat Municipal Corporation
- M/s KPL International Ltd

INSTITUTIONAL INVESTMENT PROGRAMS

IPPs

- Gujarat Industries Power Company Ltd (GIPCL)
- Gujarat Alkalies and Chemicals Ltd (GACL)
- Torrent Power & ReNew Power Limited

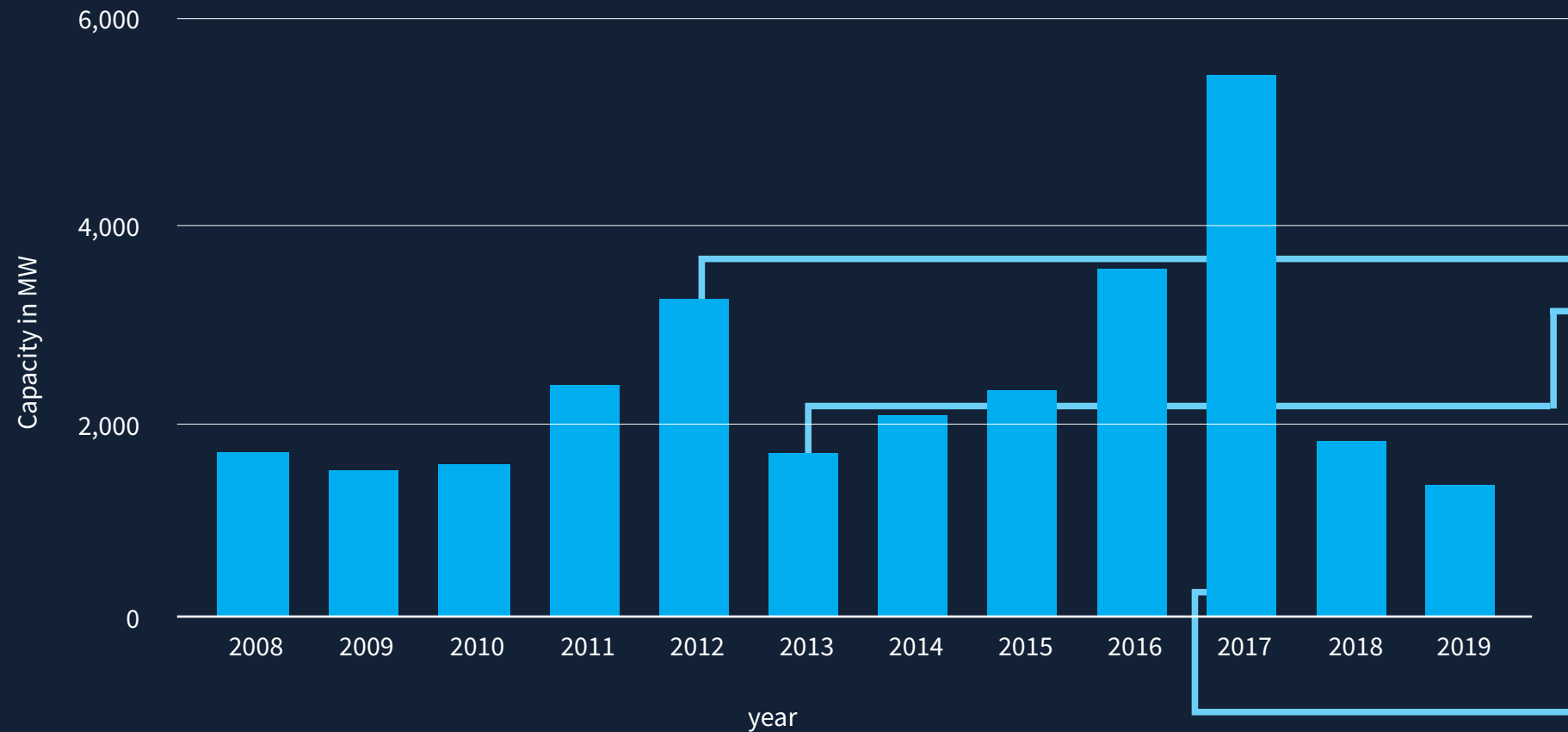
OEMs

- Suzlon Energy Limited
- GE India Industrial Private Limited

INDUSTRY

Indian Wind Energy

Indian Annual Installed Wind Capacity (MW) 2008 -19



- Wind Power constitutes over 10% of the total power generation installed capacity in India as of FY18.
- While contributing 49% to the renewable energy capacity for over 10.3% of the total power generated in India in FY18.

FY12- Withdrawal of Accelerated Depreciation & Generation Based Incentives.

FY13- Reintroduction of Accelerated Depreciation & Generation Based Incentives.

FY17- Feed-in-Tariff to Auction based regime.

FY20 - In the latest positive development, in February 2020, MNRE & SECI has stopped imposing ceiling tariffs on wind tenders, which has been a long-standing demand of the industry incumbents. Erstwhile ceiling tariffs were very low which in turn was restricting auction participation, this move has the potential to revive auction participation in a big way.

AUCTION REGIME

AUCTION	MONTH	VOLUME (MW)
SECI 1	Feb' 2017	1,050
Tamil Nadu	Aug' 2017	500
SECI 2	Oct' 2017	1,000
Gujarat	Dec' 2017	500
SECI 3	Feb' 2018	2,000
Maharashtra	Mar' 2018	500
SECI 4	Apr' 2018	2,000
NTPC	Aug' 2018	1,200
Hybrid 1	Dec' 2018	800
Total		10,750

AUCTION	MONTH	VOLUME (MW)
SECI 6	Feb' 2019	1,200
Hybrid 2	Jan' 2019	1,200
SECI 7	Feb' 2019	1,200
SECI 8	Jun' 2019	1,800

~ 5,500 MW (50%+) of auctioned capacity coming up in Gujarat alone.*

** from Feb 2017 to Dec 2018*

INDUSTRY OPPORTUNITY

QUANTUM OF AUCTIONS TO QUANTUM OF BUSINESS

YEAR	MW E*	NUMBER OF WTGs (@ 2.5/ WTG)	BoP REVENUE	BoP REVENUE FOR GUJARAT (AT 40% M SHARE)
FY19E	2,000	800	2,400	960
FY20E	8,000	3,200	9,600	3,840
FY21E	11,000	4,400	13,200	5,280

AUCTIONED CAPACITY POST FIT	GJ's SHARE	NUMBER OF WTGs (@ 2.5/ WTG)	BoP REVENUE E* GUJARAT
10,750	~5,500	2,200	6,600

INDIAN WIND ENERGY VISIBILITY FOR FY 2022- 33GW

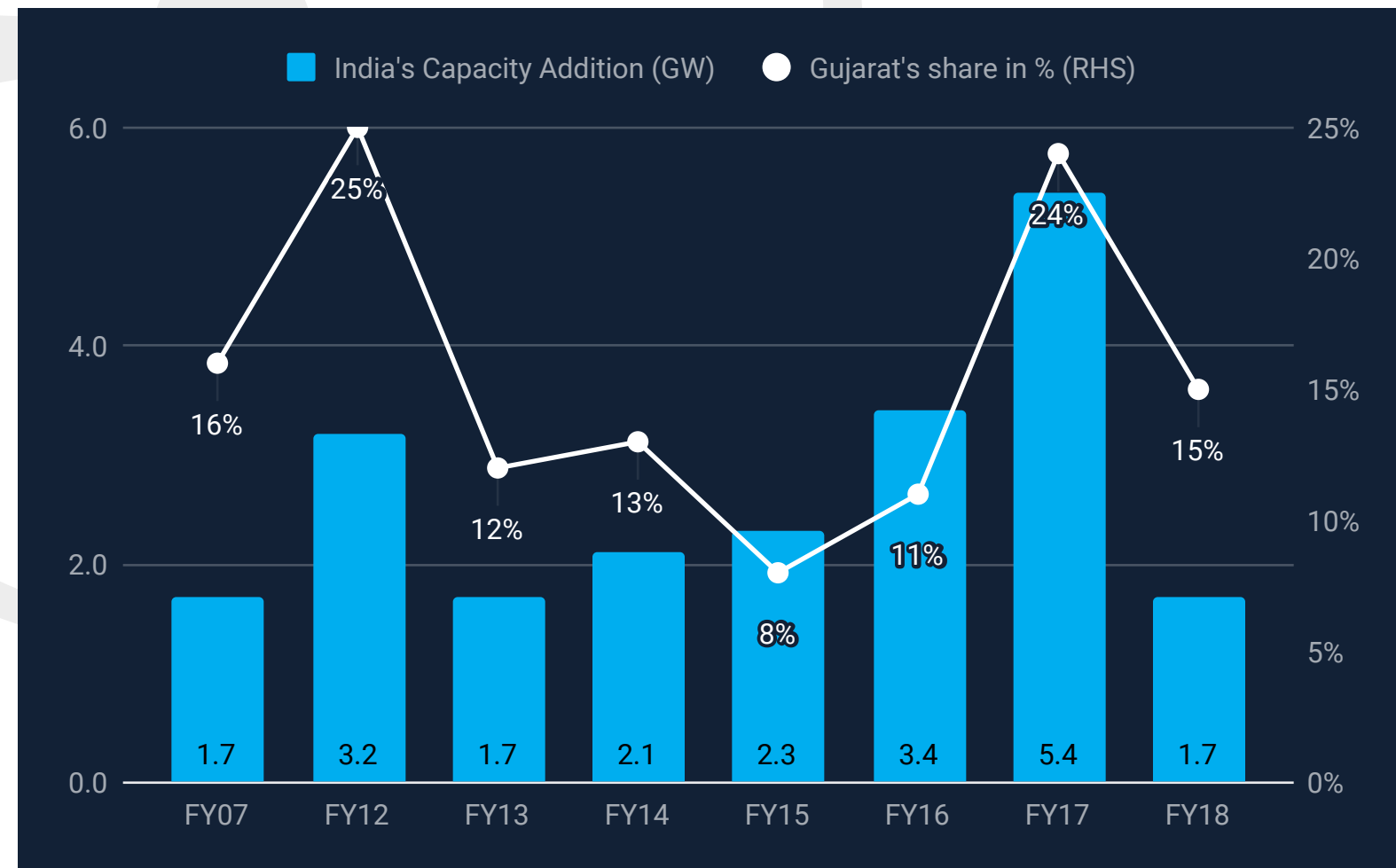
Indian Wind Energy Visibility for FY 2022- 33GW

MW	Per/WTG	No. of WTG	Break Up	Revenue Rs. Crs/WTG	Rs. Crs
33,000	2.5	13,200	WTG	12	1,58,400
		13,200	BoP	3	39,600
			Total	15	1,98,000

* Balance of plant (BoP) represents the size of revenue pie available to KP

GUJARAT'S RISING SHARE IN WIND

Gujarat's rising share in wind energy



* Source- CRISIL Research

- Factors like: healthy DISCOMS, vast potential sites makes Gujarat one of the most attractive states for wind energy in India.
- This has led to rise in Gujarat's share of the total installed capacity in India.

Q3FY20 BALANCE SHEET SUMMARY (consolidated)

(Rs. in Crores)

PARTICULARS	Q3FY20	FY19	% CHANGE
Shareholders Fund	89.83	59.82	50%
Non Current Liabilities	66.08	40.35	64%
Current Liabilities	50.67	79.02	-36%
Total	206.59	179.21	15%
Non Current Assets	148.54	93.75	58%
CWIP	59.87	10.37	477%
Current Assets	58.04	85.45	-32%
Total	206.59	179.21	15%

Remarks

- **CWIP** - The investment in the second circuit of 220 EHV line (in Kutch) is under construction, 24.60 Crores has been invested towards the same, under the capital work-in-progress line item in the balance sheet. This asset will be completed and monetized soon, offering a significant one-time gain to the company.
- **Cash and Cash Equivalents** including other bank balances have increased from 7.46 Crore in FY19 to 10.10 Crore in Q3FY20, depicting a healthy & improved liquidity position.

* CWIP - Capital Work in Progress

Q3FY20 PROFIT & LOSS SUMMARY (consolidated)

(Rs. in Crores)

PARTICULARS	Q3FY20	Q2FY20	Q3FY19	Y-O-Y %
Revenue from Operations	4.96	27.82	39.23	-87%
Total Income	5.09	28.01	39.25	-87%
Total Operating Expenses	4.22	22.68	29.59	-86%
EBIDTA (Excluding OI)	0.73	5.14	9.63	-92%
EBIDTA (Excluding OI) %	14.8%	18.5%	24.6%	-40%
Interest Cost	0.81	1.02	1.03	-21%
Depreciation & Ammortisation	0.99	0.98	0.87	14%
Profit Before Taxes	-0.93	3.33	7.76	-112%
Profit After Taxes	-0.69	2.39	5.6	-88%

Remarks

- Total Revenue from Operations have been low in Q3FY20 due to lower revenue recognition in this particular quarter (based on project milestone completion), this revenue will be recognized in the upcoming quarters.
- Revenue from Sale of Power has increased by 61%, from 1.75 Crore in Q3FY19 to 2.81 Crore in Q3FY20, depicting improved efficiency of power generation assets.

BALANCE SHEET SUMMARY (consolidated)

(Rs. in Lakhs)

PARTICULARS	2014	2015	2016	2017	2018	2019
Total Non-Current Assets	88.02	985.19	2,558.78	6,831.93	9,929.42	9,375.29
Total Current Assets	956.20	918.67	1,743.16	3,575.99	4,511.65	8,545.74
Total Non-Current Liabilities	353.04	471.20	1,232.64	3,939.86	5,380.93	4,035.66
Total Current Liabilities	590.82	938.03	1,408.99	3,180.02	4,953.75	7,902.55
Total Shareholder Fund	100.35	494.60	1,658.83	3,286.53	3,474.35	5,982.82

INCOME STATEMENT SUMMARY (consolidated)

(Rs. in Lakhs)

PARTICULARS	2014	2015	2016	2017	2018	2019
Total Revenue	947.06	2,703.35	4,150.26	11,302.52	6,023.75	15,888.36
Total Expenses	903.73	2,266.87	3,362.02	8,702.94	5,645.38	13,397.46
EBITDA	70.23	491.08	964.73	2,932.99	1,008.69	3,338.77
Profit Before Tax	43.33	436.49	788.23	2,609.68	378.15	2,490.90
Profit After Tax	29.86	294.25	520.23	1,689.44	187.82	1,943.68

CASHFLOW STATEMENT SUMMARY (consolidated)

(Rs. in Lakhs)

PARTICULARS	2014	2015	2016	2017	2018	2019
Cash Flow from Operations	7.96	784.93	395.86	3,601.09	1,222.50	202.78
Cash Flow from Investing Activities	(44.43)	(902.98)	(1,631.31)	(4,384.97)	(2,742.00)	(382.71)
Cash Flow from Financing Activities	(40.56)	196.01	1,295	830.28	2,176.08	73.45
Net (decrease)/increase in Cash & Cash Equivalents	(77.03)	77.97	59.56	46.4	656.57	(106.49)
Cash & Cash Equivalents at the end of the year	12.75	90.71	150.26	196.66	853.22	746.74

BUSINESS PIPELINE

Date	Name of the Project	Project Partner	Total Capacity (Planned)	Tentative year of Completion	Grid
10-04-2018	Gadshisha, Mandvi- Kutch	GE India Industrial Pvt. Ltd.	300	Jun- 20	ISTS
	Sidhpur- II (Dwarka)	CLP India Pvt LTd.	250.8	2021-22	ISTS
	Sidhpur -I	IPP (Under Confidential due diligence)	300	2022-23	ISTS
	Vanki- Kutch	IPP (Under Confidential due diligence)	300	2021-22	ISTS
	Mahuva -V	Retail Project	30	2021-22	-
			1,180.8		

CONTACT US



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