

K.P. ENERGY LIMITED

CIN: L40100GJ2010PLC059169



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KPEL/INV/PPT/Q3FY23/386

January 31, 2023

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400001

Ref: Scrip Code: 539686

Sub: Investor Presentation/Key highlights of Q3FY23 performance

Dear Sir,

Apropos the captioned subject, please find attached herewith the Investor Presentation along with the key highlights of the quarter and nine months ended December 31, 2022 performance.

This is for your information and records.

Thanking You,

Yours faithfully,

For K.P. Energy Limited



Karmit Sheth
Company Secretary & Compliance Officer

Encl.: a/a

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ISO 14001:2015, ISO 9001:2015 and ISO 45001: 2018 Certified Company

BSE Listed Company



KP ENERGY LIMITED

Earnings Presentation Q3FY23

JANUARY, 2023



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Glossary

BOP	Balance of Plant
O&M	Operations & Maintenance
WTG	Wind Turbine Generators
EPCC	Engineering, Procurement, Construction and Commissioning
IPP	Independent Power Producers
MW	Mega Watt
GW	Giga Watt
KV	Kilovolt
BSE	Bombay Stock Exchange
ROW	Right of Way
CPP	Captive Power Consumers



Company Snapshot



KP Energy Limited is **Gujarat's** prominent balance of plant solution provider in Wind Industry engaged, from conceptualization till the commissioning of a wind power project & wind-solar hybrid power project.

#1
Gujarat's #1 BOP solutions provider for Wind Farms



1,350.8 MW

Projects Under Execution totaling 450.8 MW at various sites (Sidhpur-II, Bhungar and Fulsar) and balance Business Pipeline of 900 MW

200+ MW

200+ MW capacity energized till date with 100% O&M under purview

8.4 MW

Operational 4 wind energy assets having capacity of 2.1 MW each, owned by the Company

₹ 435 CR

Market Capitalization as of 30th January 2023

227

Qualified and experienced team of 227 people, across technical, commercial and corporate functions

Diversified

Diversified revenue streams across EPCC, IPP and O&M segments

BSE Listed

Scrip Code: 539686

Hybrid

Delivering EPCC solutions for Wind-Solar Hybrid Projects

₹ 291 CR

YTD Nine months FY23 Revenue

₹ 42 CR

YTD Nine months FY23 Profit Before Tax

Note – Consolidated Team Strength, Revenue and PBT

Business Model



EPCC

KPEL offers a unique value proposition that has been designed to address all the issues that WTG manufacturers, IPPs, and CPPs face when setting up a wind farm. We provide end-to-end BOP solutions for WTGs, from idea to commissioning.

VALUE DELIVERED

KPEL acts as a one-stop solution provider for its client, the entire responsibility and accountability for execution of a utility-scale wind farm is transferred to the Company.

OUTCOME

Projects are executed on-time and at desired costs.

O&M

For the BOP section of the project, KPEL through its wholly owned subsidiary KP Energy OMS Limited provides comprehensive operations and maintenance services.

VALUE DELIVERED

KPEL undertakes O&M services for the BOP portion, for its projects, so that its clients don't have to engage in the same.

OUTCOME

Energised wind assets are maintained for smooth functioning over their lifecycle.

IPP

At wind farms developed by KPEL, the company owns power generation assets with a total capacity of 8.4 MW.

VALUE DELIVERED

Recurring, annuity revenue stream for the Company.

OUTCOME

Stability of cash flows, in periods with lower capacity additions.

EPCC Scope of Services



SITE IDENTIFICATION & ACQUISITION

Our key competence is identifying and acquiring good windy sites for utility scale wind farms



SITE PREPARATION

We construct access roads and fetch ROWs in tough and challenging situations



CONSTRUCTION & ERECTION

WTG civil foundation, 33kv USS & internal network as well as logistics, installation & erection of WTG



POWER EVACUATION

We undertake EPCC of 33/66 & 33/220 kv windfarm pooling substation and EHV lines



PERMITS & APPROVALS

We obtain all requisite permits & approvals from government authorities for the project execution and its operational life thereof



OPERATIONS & MAINTENANCE

O&M services for the entire BOP portion of wind farm for its operational life



Supplementing Verticals



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

- Strategic set-up: providing assurance to clients about the quality of assets
- Annuity based income

OPERATIONS & MAINTENANCE (O&M)



O&M services

Provides O&M services for Balance of Plant portion of windfarms through its wholly owned subsidiary KP Energy OMS Limited



Over 200 MW

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



EPCC directly drives the growth of this segment.

EPCC directly drives the growth of this segment. However, the existing portfolio creates an annuity-based revenue stream for the Company


Income Statement Summary


(Standalone)




(₹ In Crores)

Particulars	Q3 FY23	Q2 FY23	Q3 FY22	YOY% change	9M FY23 (YTD)	9M FY22 (YTD)	YTD% change
	Unaudited	Unaudited	Unaudited		Unaudited	Unaudited	
REVENUE FROM OPERATIONS	107.4	55.3	71.1	51%	286.6	142.8	101%
TOTAL INCOME	107.6	56.8	71.3	51%	288.5	143.4	101%
TOTAL OPERATING EXPENSE	88.1	44.9	57.8	53%	240.2	115.8	107%
EBITDA (EXCLUDING EI)	19.4	12.0	13.5	43%	48.3	27.6	75%
EBITDA MARGINS %	18.1%	21.6%	19.0%	-5%	16.8%	19.3%	-13%
INTEREST COST	1.6	1.0	1.2	27%	3.6	3.2	14%
DEPRECIATION AND AMORTISATION	1.3	1.2	1.1	19%	3.8	3.3	15%
PROFIT BEFORE TAXES	16.5	9.7	11.2	48%	40.8	21.1	94%
PROFIT AFTER TAXES	11.7	6.5	7.7	52%	28.1	14.9	89%
EPS	10.51	6.33	8.15	29%	25.3	15.9	59%

101% 
 9MFY23 Revenue from Operations at ₹286.6 Crore as compared to ₹142.8 Crore in 9MFY22

75% 
 9MFY23 EBITDA at ₹48.3 Crore as compared to ₹27.6 Crore in 9MFY22

89% 
 9MFY23 PAT at ₹28.1 Crore as compared to ₹14.9 Crore in 9MFY22

Balance Sheet Summary

(Standalone)



(₹ In Crores)

Particulars	Q3 FY23	Q2 FY23
	Unaudited	Unaudited
SHAREHOLDERS FUND	109.0	98.0
NON CURRENT LIABILITIES	78.2	79.2
CURRENT LIABILITIES	109.2	81.1
TOTAL	296.3	258.3
NON CURRENT ASSETS	140.4	130.1
CURRENT ASSETS	155.9	128.2
TOTAL	296.3	258.3

Segment Results

(Standalone)



(₹ In Crores)

Particulars	Q3 FY23	Q2 FY23	Q3 FY22
REVENUES			
EPCC	106.2	52.6	68.3
IPP	1.1	2.7	1.9
O&M	-	-	0.9
PROFIT BEFORE TAX			
EPCC	17.9	8.8	10.3
IPP	0.2	1.9	1.3
O&M	-	-	0.8
CAPITAL EMPLOYED			
EPCC	81.6	71.6	57.8
IPP	27.4	26.4	20.8
O&M	-	-	0.1

Note – FY23 onwards O&M business has been transferred to Wholly-Owned Subsidiary i.e. KP Energy OMS Limited.


Income Statement Summary


(Consolidated)




(₹ In Crores)

Particulars	Q3 FY23	Q2 FY23	Q3 FY22	YOY% change	9M FY23 (YTD)	9M FY22 (YTD)	YTD% change
	Unaudited	Unaudited	Unaudited		Unaudited	Unaudited	
REVENUE FROM OPERATIONS	108.2	56.4	71.1	52%	289.4	142.8	103%
TOTAL INCOME	108.5	57.9	71.3	52%	291.3	143.4	103%
TOTAL OPERATING EXPENSE	88.6	45.2	57.9	53%	241.4	116.0	108%
EBITDA (EXCLUDING EI)	19.9	12.6	13.4	49%	49.9	27.4	82%
EBITDA MARGINS %	18.4%	22.4%	18.8%	-2%	17.2%	19.2%	-10%
INTEREST COST	1.6	1.0	1.2	26%	3.6	3.2	14%
DEPRECIATION AND AMORTISATION	1.5	1.4	1.4	5%	4.3	4.2	2%
PROFIT BEFORE TAXES	16.8	10.2	10.7	57%	42.0	19.9	110%
PROFIT AFTER TAXES	11.7	6.7	6.9	69%	28.4	12.8	121%
EPS (₹)	10.56	6.50	7.47	41%	25.3	13.9	82%

103% 
 9MFY23 Revenue from Operations at ₹289.4 Crore as compared to ₹142.8 Crore in 9MFY22

82% 
 9MFY23 EBITDA at ₹49.9 Crore as compared to ₹27.4 Crore in 9MFY22

121% 
 9MFY23 PAT at ₹28.4 Crore as compared to ₹12.8 Crore in 9MFY22

Balance Sheet Summary

(Consolidated)



(₹ In Crores)

Particulars	Q3 FY23	Q2 FY23
	Unaudited	Unaudited
SHAREHOLDERS FUND	112.2	102.3
NON CURRENT LIABILITIES	83.5	84.6
CURRENT LIABILITIES	107.6	81.7
TOTAL	303.3	268.6
NON CURRENT ASSETS	140.1	131.2
CURRENT ASSETS	163.2	137.5
TOTAL	303.3	268.6

Segment Results

(Consolidated)



(₹ In Crores)

Particulars	Q3 FY23	Q2 FY23	Q3 FY22
REVENUES			
EPCC	106.2	52.6	68.3
IPP	1.1	2.7	1.9
O&M	0.9	1.0	0.9
PROFIT BEFORE TAX			
EPCC	17.8	8.7	9.9
IPP	0.2	1.9	1.3
O&M	0.5	0.6	0.8
CAPITAL EMPLOYED			
EPCC	80.8	72.5	75.5
IPP	27.4	26.4	23.3
O&M	4.0	3.4	0.2

Result Discussion



The Company has achieved highest ever quarterly turnover under the Balance of Plant (BoP) activities in Q3FY23. Revenue from infrastructure development has shown a 101% growth as compared to Q2FY23.

NUMBERS ON BOARD ITSELF SIGNIFY THE PRESENT-DAY STATISTICS FOR THE COMPANY

₹ 11.74 Cr Q3FY23 Net Profit

The consolidated net profit for the current quarter is reported at ₹ 11.74 Cr as against that of ₹ 7.23 Cr as in Q2FY23 which reports an increase of 62.37%.

₹ 28.42 Cr YTD Net Profit

Nine months ended December 31, 2022 Consolidated Net Profit stands at ₹ 28.42 Cr, registering a growth of 121% compared to the corresponding nine months ended December 31, 2021, while also standing higher than the annual PAT of FY22.

EPS at ₹ 10.45 for Q3FY23

The Company has recorded a diluted EPS of ₹ 10.45 in Q3FY23 as against that of ₹ 6.44 in Q2FY23

YTD EPS at ₹ 25.32

As a result of growth in net profit, the diluted EPS for nine months FY23 stood at ₹ 25.32

EBITDA margin at 18.4%

EBITDA margins for the quarter stood at 18.4%, resulting in EBITDA (excluding EI) of ₹ 19.9 Cr

One-off decrease in Sale of Power

The revenue from the sale of power has shown a decline as compared to Q2FY23 due to a force majeure event of lightning and blade damage at one location in the Kuchhdi site in Porbandar, Gujarat.

Insurance Claim in Process

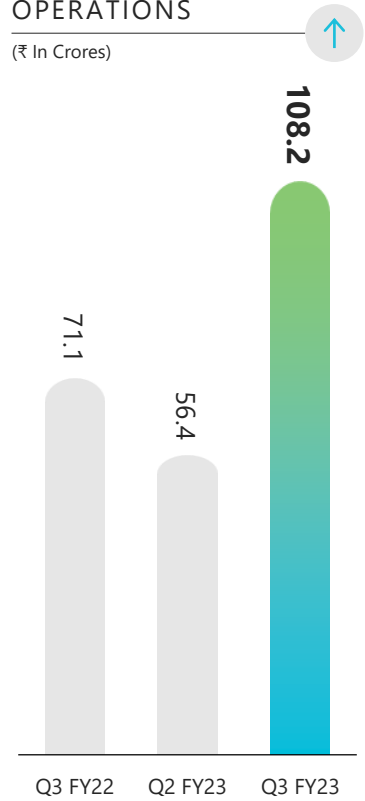
The Company has taken the necessary steps for claiming insurance under the Machine Brake Down (MBD) Policy and Machine Loss of Profit (MLOP) Policy.

Q3FY23 Financial Highlights



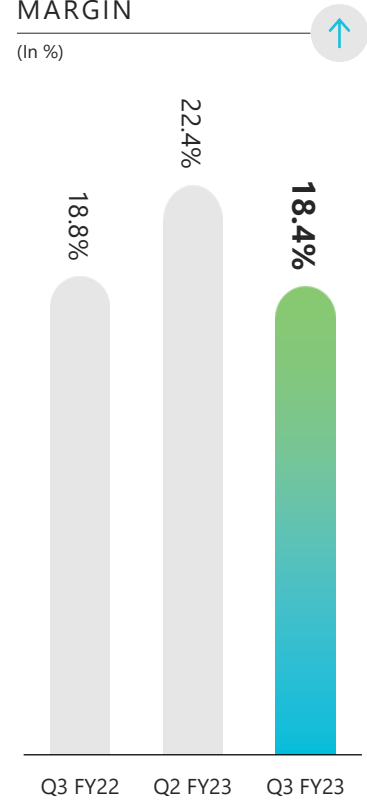
REVENUE FROM OPERATIONS

(₹ In Crores)



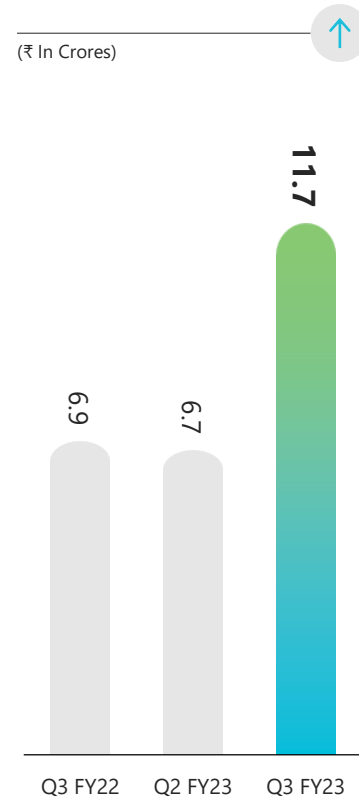
EBIDTA MARGIN

(In %)



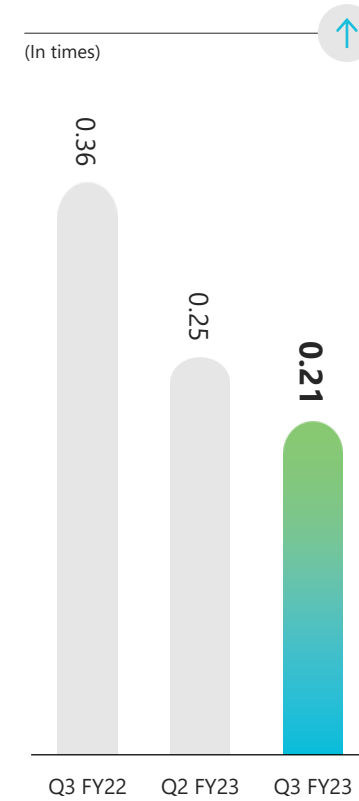
PAT

(₹ In Crores)



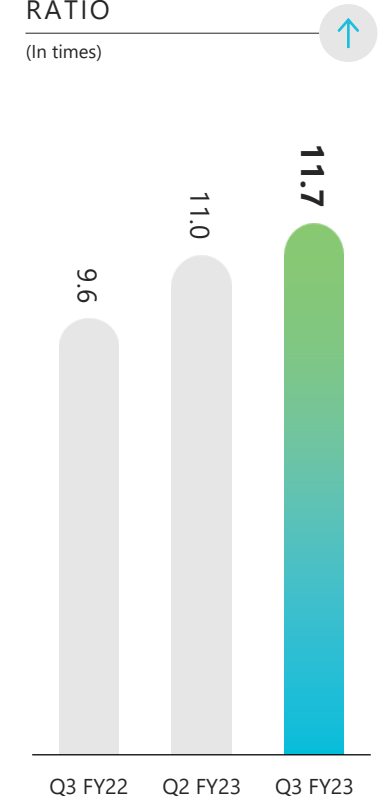
DEBT TO EQUITY

(In times)



INTEREST COVERAGE RATIO

(In times)



Note – Consolidated figures

Execution Performance Highlights

(1/3)



Sidhpur Project of 252MW for Apraava Energy (erstwhile CLP India) at Devbhoomi Dwarka, Gujarat

Project status as of the quarter ended December 31, 2022, is as below:



220Kv EHV LINE

- 100% EHV Line is completed for the Project and is scheduled to be commissioned in Q4FY23



300 MW WINDFARM POOLING SUBSTATION

All the construction activities of the Pooling Substation have been completed and is scheduled to be commissioned in Q4FY23



33 KV INTERNAL NETWORK

- 64% Pole Erection work completed
- 52% Stringing work completed
- All critical material including the RSJ Pole received at site



ACCESS ROADS

- Civil Road work completed for 100% of locations and Mechanical Roads already completed for first phase of locations where erection activities are initiated



WTG FOUNDATION AND ERECTION

- WTG foundation works for 81% locations have been completed
- 60% WTG erection work is completed

Execution Performance Highlights

(2/3)

Mahuva-Bhungar Site, 60MW Wind-Solar Hybrid Project at Bhavnagar, Gujarat

The Company has 60MW hybrid power evacuation permission at Mahuva-Bhungar Site. It has initiated development activities and executed contracts with customers. The status of the Project is as below:



66Kv EHV LINE

- 67% Tower foundation work has been completed
- 54% Tower erection work has been completed
- 21% stringing work has been completed



60 MW HYBRID POOLING SUBSTATION

- PSS land acquisition is completed
- Designing of the Project has been concluded
- Power Transformer order has been erected
- All Major equipment order has been placed
- 100% of the Control room building civil works completed
- 100% switch yard works completed
- Testing and miscellaneous activities are in process



33 KV INTERNAL NETWORK

- 76% Pole Erection work completed
- 35% Stringing work completed
- 100% RSJ Pole received at site



ACCESS ROADS

- Civil Road work completed for 86% of locations
- Mechanical Roads completed for 57% locations.



WTG FOUNDATION AND ERECTION

- WTG foundation works for 86% locations have been completed
- 57% WTG erection is completed

Execution Performance Highlights

(3/3)

Mahuva-Fulsar Site, 140MW Wind-Solar Hybrid Project at Bhavnagar, Gujarat

The Company has 140MW hybrid power evacuation permission at Mahuva Fulsar Site. It has initiated development activities and executed contract with customer. The status of the Project is as below:



66Kv EHV LINE

- 62% Tower foundation work has been completed
- 50% Tower erection work has been completed
- 31% Stringing work has been completed



140 MW WINDFARM POOLING SUBSTATION

- PSS land acquisition is completed
- Designing of the Project has been concluded
- Power Transformer ready for dispatch
- 60% of the Control room building civil works completed
- 49% switch yard works completed



33 KV INTERNAL NETWORK

- 100% RSJ Pole received at site
- 21% Pole erection work completed



ACCESS ROADS

- Civil Road work completed for 60% of locations for phase-I
- Mechanical Roads work in progress



WTG FOUNDATION AND ERECTION

- Foundation works for 10% locations have been completed
- Logistics mobilization for erection activities is under progress

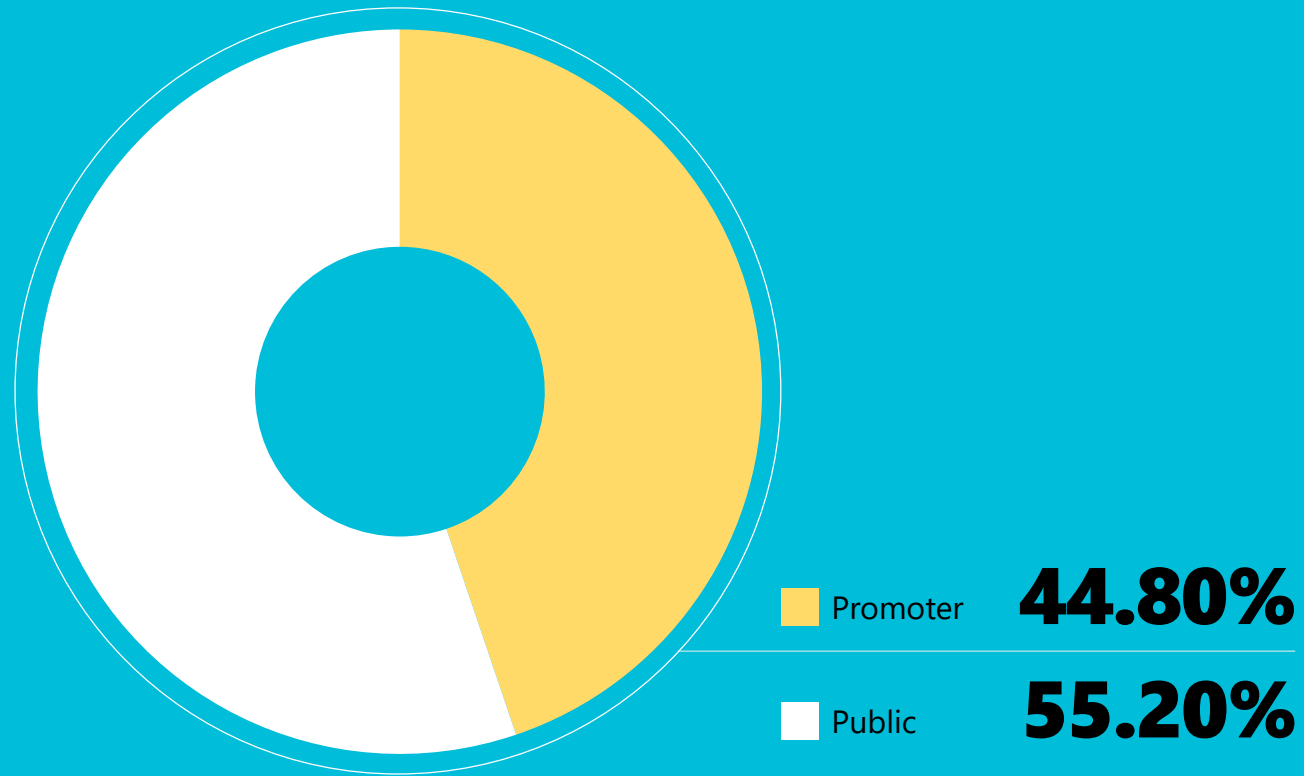
SONVADIYA SITE, 2.1MW WIND PROJECT FOR ANANTH URJA AT SONVADIYA, GUJARAT

WTG foundation and lattice assembly for the WTG has been completed and the WTG is ready for erection.

Market Statistics



SHAREHOLDING SUMMARY FOR KP ENERGY LIMITED



Shareholding Data as on 31st December 2022

CURRENT MARKET PRICE	₹ 392
52 WEEK HIGH/LOW	₹ 489/141
MARKET CAPITALIZATION	₹ 435 Cr
SHARES OUTSTANDING	1.11 Cr
BSE SCRIP CODE	539686

Market Price Data as on 30th January 2023

Contact Us



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Note - All figures in the presentation rounded-off to first decimal.