



KPI GREEN ENERGY LIMITED
NSE : KPIGREEN

**Sector : Utilities | Industry : Renewable Energy- Independent Power
Producer(IPP)**

In Dept Business and financial Analysis-FY 2025
Report Date: 20 August,2025

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1. Company Overview

About the Company

KPI Green Energy Limited, formerly known as K.P.I. Global Infrastructure Limited, is a prominent renewable power-generating company with decades of experience in the renewable energy sector. The company is part of the distinguished KP Group. KPI Green Energy develops, builds, owns, manages, and maintains renewable power facilities. It operates as an Independent Power Producer (IPP) and also provides services to Captive Power Producers (CPPs) under the "Solarism" brand. Their focus is on accelerating India's transition towards green energy by providing reliable renewable energy solutions and making a positive impact on the environment and society. They utilize a large land bank to generate and supply power, and their team of experts optimizes plants for uninterrupted renewable power supply. The company has diversified its portfolio to include hybrid renewable energy projects.

Headquarters & Incorporation

Year The company was founded in 2008 and is headquartered in Gujarat, India. The KP Group, to which KPI Green Energy Limited belongs, was founded in 1994 in Surat, Gujarat.

Promoter Background

The KP Group was founded by Dr. Farukbhai Gularnbhai Patel in 1994 in Surat, Gujarat. Dr. Faruk G. Patel is currently the Chairman and Managing Director of KPI Green Energy Limited. The Group started by providing logistical services and has since evolved into a diversified corporate entity with holdings in multiple value chains related to renewable energy, including manufacturing, technology, galvanizing, and renewable energy (solar and wind).

Key Business Evolution

The company's key business evolution includes:

2008: The company was established.

2013: Received a GEDA registration certificate for developing a 15 MW Solar plant in Bharuch and obtained Power Evacuation (PE) approval from Gujarat Energy Transmission Corporation Limited (GETCO) for the first 15 MW.

2014: Commenced construction of a 66 KV Transmission Line from the Sudi plant to GETCO's Amod Substation for power evacuation.

2015: Signed the first Power Purchase Agreement (PPA) and began construction of the solar plant. Successfully completed and charged the 66KV Transmission Line.

2016: Commissioned the first 1.5MW of the solar plant and began selling power.

2017: Received GETCO approval for the next 15 MW (Total 30 MW) evacuation and for laying a second circuit on a 66 KV Transmission line.

2018: Received a GEDA registration certificate for developing the next 25 MW solar plant. Power Finance Corporation Ltd. (PFC) approved and signed a facility agreement to part-finance the 25 MW solar plant. Launched a new business segment under the Captive Power Producer (CPP) category and commissioned the first CPP solar plant.

2019: Successfully commissioned 15 MW of capacity for Phase 1 under the Independent Power Producer (IPP) category. Successfully listed on the SME platform of BSE.

2020: Successfully commissioned an additional 25 MW of capacity, totaling 40.7 MW under the IPP category.

2021: Successfully commissioned incremental IPP capacity, aggregating to 49.2 MW. Also, charged a new 11kv transmission line for power evacuation capacity for CPP clients. Successfully migrated to the Main Board platform of BSE and NSE.

2022: Successfully achieved the milestone of 100+ MW of capacity energized under the IPP segment and 65+ MW under the CPP segment. Switched from PFC to SBI, reducing interest rates.

The company's name changed from 'K.P.I. Global Infrastructure Limited' to 'KPI Green Energy Limited' effective April 6, 2022.

2023: ICRA upgraded their credit rating from BBB+ to A-. Successfully commissioned the first 26.10 MW IPP Hybrid Project. Successfully achieved the milestone of 300+ MW of cumulative capacity energized (IPP+CPP).

2. Business Model

Key Business Interests

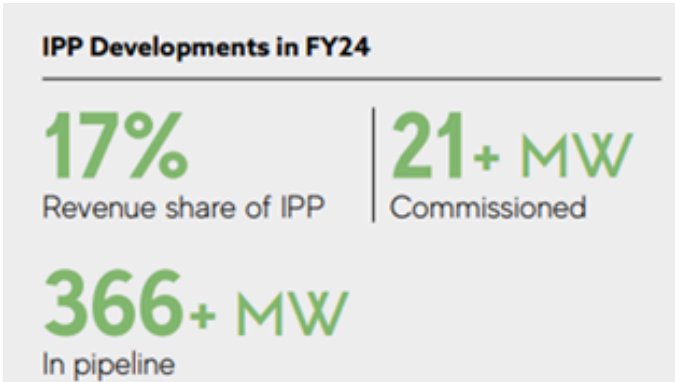
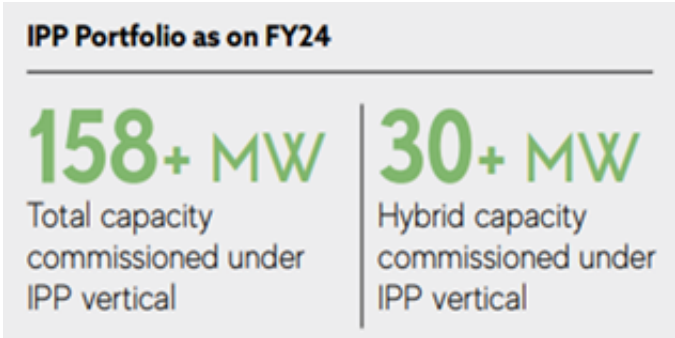
- Solar Energy
- Wind Energy
- Hybrid Energy
- Renewable Infrastructure
- Green Hydrogen
- Humanitarian Services

Their business encompasses multiple verticals, each dedicated to delivering high-quality renewable energy solutions, with offerings segmented under;

Independent Power Producer (IPP)

Within the IPP vertical, KPI Green Energy develops, builds, owns, and operates renewable energy plants, ensuring a continuous and reliable supply of clean energy. We maintain grid-connected renewable energy projects that generate revenue by selling power units to prominent business houses and industries through bilateral Power Purchase Agreements (PPAs).

Infrastructure– KPI’s IPP operations extend across multiple districts in Gujarat. To facilitate the evacuation of generated power, it has established robust infrastructure, including 66 KV and 11 KV transmission lines connected to Gujarat Energy Transmission Corporation Limited (GETCO) substations.



Captive Power Producer (CPP)

KPI Green Energy's CPP vertical offers businesses and industries a cost-effective solution to reduce electricity bills and achieve sustainability targets through clean energy utilisation. They specialise in developing, transferring, operating, and maintaining grid-connected solar power projects tailored to their customers' needs. Their turnkey agreements enable clients to establish and generate renewable power using a common pool of grid-connected land while benefiting from ready-made infrastructure for power evacuation via their transmission lines to the nearest GETCO Substation.

O&M Services- Their comprehensive O&M services, offered through separate agreements, ensure effective operations throughout the project lifecycle. These long-term O&M contracts, aligned with PPA terms, generate a steady stream of annuity revenue for them while delivering substantial value to their clients.

CPP Portfolio as on FY24

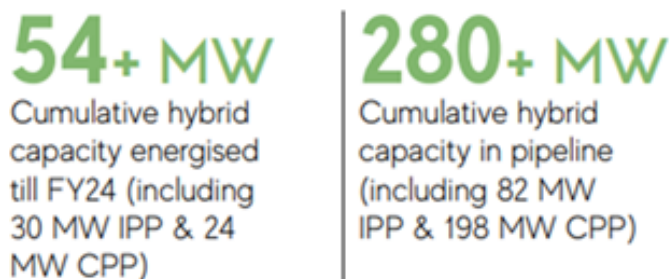


CPP Developments in FY24



Hybrid Model

KPI Green Energy's hybrid model integrates solar and wind energy, offering a more reliable, efficient, and sustainable approach to renewable energy generation. By combining the strengths of both energy sources, this model enhances grid stability and optimises the commercial aspects of transmission charges and grid capacity utilisation. This integration provides a cost-efficient and effective solution for energy generation, ensuring a continuous supply of clean energy.



Industrial Plot Sale

KPI Green Energy also offers land tracts to third parties, who subsequently lease these back to them for 25 years to build solar power facilities. Recently, they have reduced the quantum of leasing portfolio as owned land parcels make solar project finance more streamlined.



3. Product Portfolio

Main Product Categories, Capacity & Specialization

KPI Green Energy Limited primarily operates in the renewable energy sector, specializing in solar and hybrid (solar-wind) power generation. Their main product categories revolve around developing, building, owning, managing, and maintaining renewable power facilities. They serve two primary segments:-

Independent Power Producer (IPP): Under this model, the company develops and operates renewable energy power plants and sells the generated electricity to various clients.

- Captive Power Producer (CPP): Through their "Solarism" brand, they provide renewable energy solutions to commercial and industrial clients for their captive consumption.

As of the Annual Report 2022-23:

Solar Power:

-IPP Capacity: The company had successfully commissioned over 100 MW of capacity under the IPP segment as of 2022, reaching an aggregate of 49.2 MW by 2021, and further expanding to 100+ MW by 2022. By 2023, their cumulative capacity (IPP+CPP) exceeded 300 MW.

CPP Capacity: They achieved over 65 MW under the CPP segment by 2022.

Hybrid Power:

The company diversified its portfolio to include hybrid renewable energy projects, successfully commissioning its first 26.10 MW IPP Hybrid Project in 2023. This indicates a specialization in combining solar and wind energy for more consistent power generation.

Their specialization lies in their end-to-end capabilities, from project development and construction to operations and maintenance, leveraging a large land bank for their projects

Share of Revenue by Product The annual report details revenue from operations by segment. The primary sources of revenue are:

- Sale of Power (IPP Segment): Revenue generated from selling electricity to independent power consumers.
- Sale of Power (CPP Segment): Revenue generated from selling electricity to captive power consumers.
- Sale of Land: Revenue from selling land.

For the fiscal year 2022-23, the breakdown of revenue from operations was as follows:

- Revenue from Sale of Power (IPP Segment): ₹2,425.29 Lakhs
- Revenue from Sale of Power (CPP Segment): ₹12,716.49 Lakhs
- Revenue from Sale of Land: ₹25,491.59 Lakhs

4 . Order Book & Pipeline

As of FY24, KPI Green Energy's business pipeline comprises ~1,234 MW of solar and hybrid projects, reflecting substantial future growth potential. Their order book has grown significantly in recent years. They have also secured an extensive land bank of over 2,217+ acres, including owned and leased land, positioning them favourably for project expansion.

Recent acquisitions, such as the 100% equity stake in KPark Sunbeat Private Limited, have added 52+ acres to their land bank as on March 31, 2024 and secured GETCO evacuation approval for ~100 MW, further enhancing their capabilities. For commercial and industrial off takers, they build CPP projects on leased parcels, generating lease rental and O&M income over 25 years.

Their business pipeline remains robust, with a strong order book, substantial land bank and evacuation capacity. They have approximately 1.23 GW of orders in hand as on FY24, including IPP, CPP, and Hybrid projects, as well as the GUVNL & MAHAGENCO Tenders.

During the year, they secured major CPP orders from Aditya Birla Renewables Subsidiary Limited and ABREL (RJ) Projects Limited for 396.50 MWDC, and from Maharashtra State Power Generation Co. Ltd. (MAHAGENCO) for 135 MWDC. Additionally, they received a 145.20 MW Wind-Solar Hybrid Power Project order from Ayana Renewable Power Four Private Limited under the CPP Segment.

They also emerged as the winner in the Gujarat Urja Vikas Nigam Limited (GUVNL) tender for the development of a 240 MWDC Solar Power Project at Solar Park, Khavda (GSECL Stage 2). The Power Purchase Agreement (PPA) with GUVNL has been executed with the Gujarat Electricity Regulatory Commission (GERC). Furthermore, they won the GUVNL tender for the development of a 50 MW (comprising 16.80 MW wind and 50 MW solar) Wind-Solar Hybrid Power Project.

5. Capacity Expansion Plans

Current Installed Capacity (MW)

KPI Green Energy Limited had achieved a significant milestone, surpassing 300 MW of cumulative capacity energized across both its Independent Power Producer (IPP) and Captive Power Producer (CPP) segments. Specifically:

IPP Segment: Over 100 MW had been energized by 2022, with the first 26.10 MW IPP Hybrid Project also commissioned in 2023.

CPP Segment: Over 65 MW had been energized by 2022.

Expansion Timeline & Location

The company's expansion primarily focuses on its existing land bank and strategic locations in Gujarat, India. Large land bank which is utilized for generating and supplying power. The overall trend points to continued growth within Gujarat, with new projects constantly being added and commissioned. The commissioning of the first hybrid project in 2023 signifies a new phase in their expansion strategy.

Capital Expenditure & Funding

Financial Performance: The company demonstrated "Resilient financial performance" which supports its expansion initiatives.

Funding: KPI Green Energy Limited successfully switched its financial facilities from Power Finance Corporation Ltd. (PFC) to the State Bank of India (SBI) in 2022, which led to a reduction in interest rates. This move optimizes their funding costs and improves financial flexibility for future capital expenditures.

Credit Rating Upgrade: ICRA upgraded the company's credit rating from BBB+ to A- in 2023, reflecting improved financial health and access to capital for future projects.

While specific forward-looking capital expenditure figures are not provided in a consolidated manner for future projects, the report clearly indicates a strong financial position and strategic funding arrangements to support its ongoing and future capacity expansion plans.

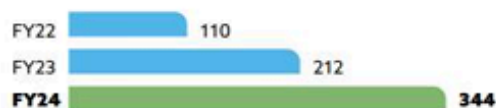
6. Financial Highlights

Revenue Trends & Ratio Changes (FY22-FY23-FY24)

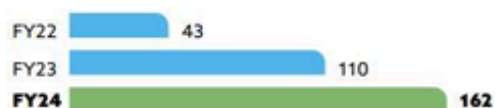
TOTAL REVENUE (₹ in crore)



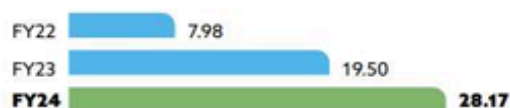
EBITDA (₹ in crore)



PROFIT AFTER TAX (₹ in crore)



EPS (In ₹)



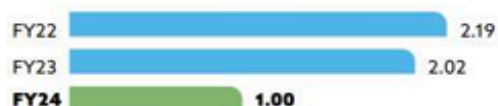
CURRENT RATIO (In times)



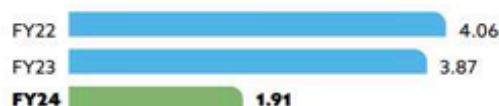
INTEREST COVERAGE RATIO (In times)



DEBT TO EQUITY (In times)



TOTAL OUTSIDE LIABILITY TO TOTAL NET WORTH (In times)



Source: KPI Green Energy Annual Report FY23-24

FY24 was an exceptional year for KPI Green Energy Limited, as they surpassed their previous year's performance across all parameters with significant gains;

- Remarkable 59% increase in Total Income, reaching Rs.1,030.8 crore from Rs.647.0 crore in FY23. This surge in revenue underscores their robust operational capabilities and effective strategies.

- Consequently, EBITDA grew from Rs.211.7 crore in FY23 to Rs.343.7 crore in FY24, registering a growth of 62% YOY.

- Their Profit After Tax (PAT) for the year stood at Rs.161.7 crore, higher by 48% over the previous year.

- Their Earnings per Share (EPS) saw a significant increase, climbing to Rs.28.17 in FY24 from Rs.19.50 in FY23, marking a stellar 44% rise.

Financial Ratios

Sr. No.	Particulars	FY24	FY23	YOY Change	Comments
1	Debtors Turnover (Days)	89.76	32.80	173.63%	Trade Receivable Turnover Ratio in days is increased due to the fact that average trade receivables is increased as compared to last year.
2	Inventory Turnover (Times)	1.95	2.88	-32.17%	Inventory Turnover Ratio is decreased due to increase in Cost of Goods sold and average inventory as compared to last year.
3	Interest Coverage Ratio (WO Lease Fin. Cost)	3.42	5.85	-41.53%	Interest Coverage Ratio is decreased due to increase in interest on debt as compared to increase in earnings.
4	Current Ratio (Times)	1.53	1.13	36.18%	Current ratio is increased due to the increase in current assets as compared to last year.
5	Debt to Equity Ratio (Times)	1.05	1.96	-46.60%	Debt Equity ratio is decreased due to the increase in equity as compared to last year.
6	Operating Profit Margin (%)	27.29%	28.09%	-2.85%	-
7	Net Profit Margin (%)	14.22%	15.97%	-11.00%	-
8	Return on Equity (%)	13.86%	34.34%	-59.63%	Return on Equity ratio is decreased due to the increase in equity as compared to last year.

Source: KPI Green Energy Annual Report FY23-24

7. Key Ratios

Key Ratios	Mar 2025	Mar 2024	Mar 2023	Mar 2022	Mar 2021
Return Ratios					
Return on Networth / Equity (%)	12.24	19.34	42.5	28.12	18.27
ROCE (%)	13.08	19.68	21.37	16.21	13.09
Return On Assets (%)	6.66	6.63	8.73	5.56	5.35
Liquidity Ratios					
Current Ratio (X)	2.76	1.49	1.2	1.43	2.56
Quick Ratio (X)	2.17	1.12	0.76	0.85	1.83
Leverage Ratios					
Debt to Equity (x)	0.43	1	2.02	2.19	1.86
Interest Coverage Ratios (X)	7.34	3.99	4.53	2.99	2.87
Valuation Ratios					
P/E (x)	25.17	18.02	3.06	2.58	0
P/B (x)	3.09	10.98	5.86	6.51	0.74
EV/EBITDA (x)	14.74	28.62	9.36	11.87	4.92
P/S (x)	4.64	8.96	2.35	4.35	0.86

8. Management & Shareholding

Dr. Faruk G. Patel – Chairman & Managing Director

He is one of the highly acclaimed entrepreneurs and visionary corporate leaders of the city. From starting his business journey of establishing a small venture engaged mainly in logistics and construction of residential buildings in the year 1994 to become the founder and promoter of 43 entities/conglomerates with the brand name of KP Group engaged into various businesses mainly Solar, Wind, Hybrid and Green Hydrogen Ammonia and Fabrication & Galvanising within a short span of time speaks volume about his business acumen and entrepreneurship.

Moh Sohil Yusufbhai Dabhoya – Whole Time Director

He is the Whole-time Director of the Company, with over 15 years of experience in the KP Group. He holds a Bachelor's degree in Commerce from Sheth C.D. Barfiwala College, Surat, and an MBA from Sikkim Manipal University.

Dr. Alok Das – Group CEO

Dr. Alok Das brings over 30 years of extensive experience in the Renewable Energy industry, specializing in wind, solar, hybrid energy systems, green hydrogen and ammonia. An alumna of IIT Kanpur and holding PhD in Renewable Energy and hands-on leadership in strategic planning, project management, and business growth, Dr. Das is poised to lead KP Group to new heights in renewable energy innovation and operational excellence.

Mr. Surinder Kumar Negi – COO

Mr. Surinder Kumar Negi is a distinguished power sector professional with over four decades of experience in transmission, engineering, and project management. A graduate in Electrical Engineering from G.B. Pant University, Pantnagar, he has played a pivotal role in power transmission, grid modernization, and infrastructure development.

Venu Birappa - Non-Executive Independent Director

Mrs. Venu Birappa brings nearly four decades of experience in the Power Sector to our Board. She holds a Bachelor's Degree in Electrical Engineering from Maharaja Sayajirao University Baroda, a Diploma in Management from Indira Gandhi National Open University, and a Bachelor of Laws (General) from Saurashtra University.

Bhadrabala Dhimant Joshi - Non-Executive Non-Independent Director

She is the Non-Executive Non-Independent Director of our Company, enriches the Board with her multifaceted expertise. She holds a B.Pharm. degree from Gujarat University and a Bachelor of Laws degree from South Gujarat University.

Mohamed Habib Dalchawal - Non-Executive Independent Director

He is a Non-Executive Independent Director of our company. He completed his B.E. in Electrical Engineering (First Class) in 1981, specializing in Power Electronics. With over 40 years of rich experience in teaching and mentoring in the field of Power Electronics, his deep industry insights and expertise have been invaluable in guiding our company's strategic direction.

Sharadchandra Babhutabhai Patil - Non-Executive Independent Director

He is having more than 35 years of rich and well versed work experience in the field of power sector and popularization of renewable sources of energy and energy conservation, in various capacities of Project Executive, Assistant Director and retired as Deputy Director as overall in-charge of Technical Wing of the Agency in the year 2016.

Shanker Baheria - Non-Executive Independent Director

Mr. Shanker Baheria is a qualified Chartered Accountant from Institute of the Chartered Accountant of India (ICAI) and qualified Company Secretary from the Institute of Company Secretaries of India (ICSI). He completed his Commerce Graduation from the University of Rajasthan in the year 1984.

Tejpal Singh Jagatsingh Bisht - Non-Executive Independent Director

Dr. Tejpal Singh Bisht, a member of Indian Police Service from 1985 batch of Gujarat Cadre, holds a diverse academic background with a Gold Medal in M.A.(Economics) from Allahabad University and Ph.D. in Environmental Economics from Saurashtra University.

Amitkumar Khandelwal - Non-Executive Non-Independent Director

He is a seasoned professional with a wealth of knowledge and experience. He holds a Bachelor of Engineering degree in Production from Sardar Vallabhbhai National Institute of Technology, Surat, and a Post Graduate Diploma in Finance Management from The Maharaja Sayajirao University, Vadodara.

Shri. Satya Gopal - Non-Executive Independent Director

Shri Satya Gopal, a retired officer of the IAS from the 1988 batch of the AGMUT cadre, has had an extensive career in public administration spanning over three and a half decades. He holds a Bachelor's degree in Economics (Hons.) from St. Stephen's College, University of Delhi, a Master's degree in Economics from the Delhi School of Economics, and an MBA in Financial Management from Lalit Narayan Mishra Institute of Economic Development and Social Change, Patna.

Mr. Salim Suleman Yahoo – CFO

Mr. Salim Yahoo is a Seasoned Finance Professional having rich and varied experience of more than 27 years in the field of finance, credit analysis, financial modelling, Client relationship management & business development. He is a B. Com (Accounting) graduate from Parle College of Commerce, Arts & Science, Mumbai and holds Post Graduate Diploma in Business Analytics from Symbiosis Institute of Business Management, Pune.

Category-wise Shareholding Pattern as on March 31, 2024

Category	No. of shares held		Total No. of Shares	% of Holding
	Physical	Electronic		
Promoter and Promoter Group	-	3,19,97,523	3,19,97,523	53.08
Relatives of Promoters (Non-Promoter)	-	0	0	0
Directors and their relatives (Non-Promoter)	-	14,78,726	14,78,726	2.45
Key Managerial Personnel	-	6,792	6,792	0.01
Public	22	2,04,78,381	2,04,78,403	33.96
Proprietary Firm	-	66	66	0.00
Non-resident Indian	-	6,27,962	6,27,962	1.04
Foreign Portfolio Investor (corporate)-Category i	-	19,08,435	19,08,435	3.17
Foreign Portfolio Investor (corporate)-Category ii	-	1,71,958	1,71,958	0.29
Foreign Inst. Investor	-	12,90,600	12,90,600	2.14
Clearing member	-	34,302	34,302	0.06
Corporate bodies	-	19,08,793	19,08,793	3.17
Alternate Investment Fund	-	7,088	7,088	0.01
Insurance Companies	-	2,03,226	2,03,226	0.34
Mutual Fund	-	1,68,514	1,68,514	0.28
Escrow Account	-	220	220	0.00
TOTAL	22	6,02,82,586	6,02,82,608	100.00

Source: KPI Green Energy Annual Report FY23-24

9. Growth Drivers

Capacity expansion is a primary growth driver for KPI Green Energy Limited. The company is continuously focused on increasing its renewable energy generation capacity.

Significant Growth in Installed Capacity: The company has demonstrated consistent growth, reaching over 300 MW of cumulative energized capacity (IPP + CPP) as of the fiscal year 2022-23. This aggressive expansion in installed capacity directly translates to increased revenue potential from power sales.

Strategic Land Bank: The company possesses a large land bank, which is a crucial asset for future capacity additions. This ensures that land availability is not a bottleneck for scaling up projects.

Optimized Funding: The successful transition of financial facilities from PFC to SBI in 2022, resulting in reduced interest rates, enhances the company's financial flexibility and ability to fund future capital expenditures (capex) for new projects. The upgraded ICRA credit rating (A-) further improves access to capital on favorable terms.

Commitment to Expansion: The report's recurring theme of "Expanding capacities, creating holistic value with Green energy" underscores the company's commitment to continuous capex for growth.

New Products / R&D

While the report doesn't detail a dedicated "R&D" section in terms of traditional research laboratories or new technological inventions, the company's "new product" strategy is evident through:

Diversification into Hybrid Projects: The commissioning of the first 26.10 MW IPP Hybrid Project in 2023 marks a significant "new product" offering. This strategic move to combine solar and wind energy addresses the intermittency of single renewable sources, offering a more stable and reliable power supply. This hybrid approach represents an evolution of their product portfolio, catering to evolving market needs for round-the

Strategic Tie-ups & Diversification

The company's strategic approaches for growth also include:

Integrated Value Chain: KPI Green Energy is part of the larger KP Group, which has diversified holdings across various segments of the renewable energy value chain (manufacturing, technology, galvanizing). This internal integration can lead to synergies and operational efficiencies, indirectly acting as a growth driver.

Focus on IPP and CPP Segments: The dual focus on both Independent Power Producer (IPP) and Captive Power Producer (CPP) models allows the company to cater to a diverse customer base, from large-scale power purchasers to individual industrial clients seeking to reduce their energy costs and carbon footprint. This diversification of customer segments helps de-risk their business model.

Expanding Clientele: The success in attracting new clients in the CPP segment, driven by industries' increasing focus on decarbonization and sustainable operations, is a key strategic diversification.

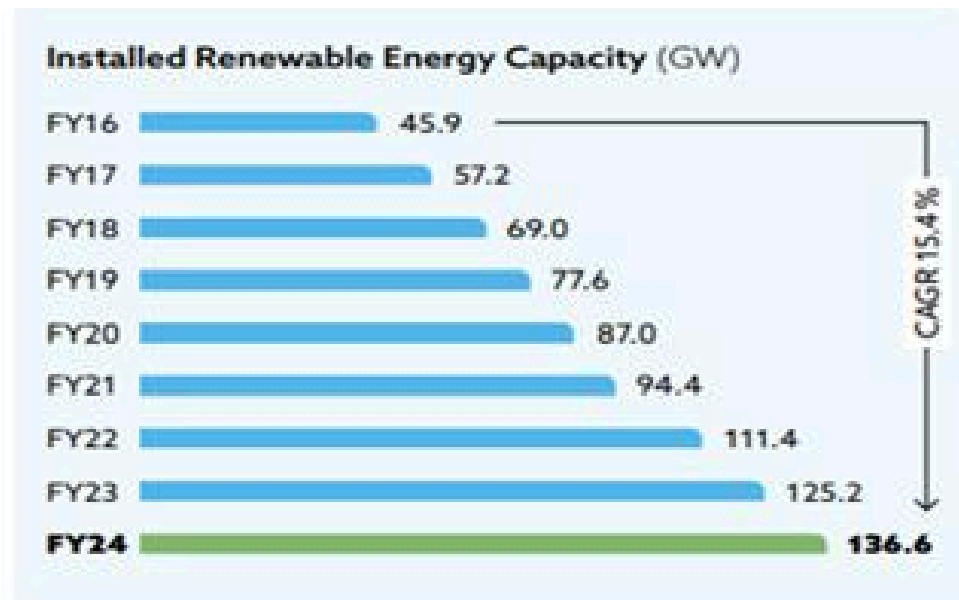
Geographic Concentration (Gujarat): While not a diversification in terms of geography, the deep understanding and strong presence within Gujarat likely allow for efficient project execution and local market penetration.

In summary, KPI Green Energy Limited's growth is primarily fueled by aggressive capacity expansion, strategic diversification into hybrid energy solutions, and a strong financial foundation supporting ongoing capital investments, all within a supportive market environment for renewable energy in India.

10. Industry Outlook

India's Renewable Energy Sector

- India is the third-largest consumer of energy in the world. According to the Ministry of Power, the country's peak demand reached a record high of 223 GW in June 2023, a rise of 3.4% from the highest level in 2022, and consumption is projected to continue rising.
- Supported by industrial growth, urbanisation, government policies, and favourable geopolitics over the past decade, India has achieved an installed capacity exceeding 400 GW.
- The Indian power sector employs a wide range of fuel sources, including traditional sources such as coal, oil, and gas, alongside environmentally sustainable sources such as solar, wind, biomass, industrial waste, and both large and small hydro plants.
- With a population of approximately 1.4 billion and the world's fastest major growing economy, India's energy demand is growing rapidly.



Source: KPI Green Energy Annual Report FY23-24

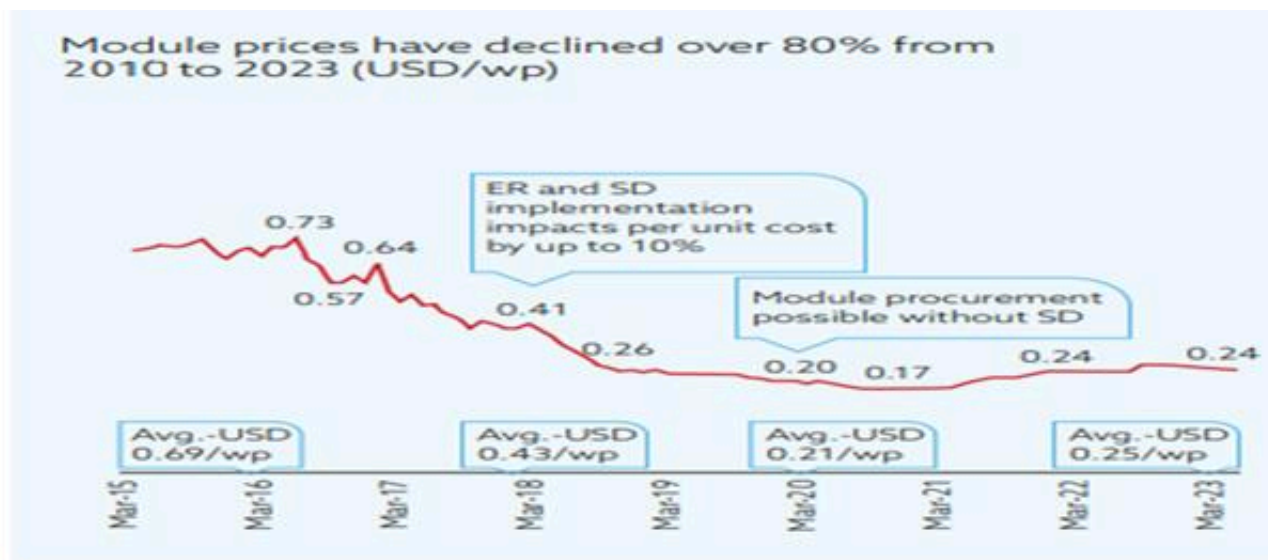
India's Solar Energy Sector - India has immense solar energy potential, with about 5,000 trillion kWh of energy incident annually, and most regions receiving 4-7 kWh per sq. m. per day.

- India's solar sector has also become a key player in grid-connected power generation, supporting sustainable growth and energy security. The National Institute of Solar Energy (NISE) estimates India's solar potential at about 748 GW, assuming 3% of wasteland is used for solar PV modules.
- Solar energy is central to India's National Action Plan on Climate Change, with the National Solar Mission (NSM) launched in January 2010 aiming to establish India as a global leader in solar energy. The mission supports India's Nationally Determined Contributions (NDCs) to achieve 50% cumulative electric power installed capacity from non-fossil fuel sources and reduce GDP emission intensity by 45% from 2005 levels by 2030.

Growth Drivers

- The India solar energy market is expected to register a CAGR of 19.80% during the forecast period (2024-2029) and is projected to reach 195.11 GW after five years. The following growth drivers collectively contribute to the rapid expansion and development of the solar energy market in India, helping the country harness its renewable energy potential and move towards a sustainable energy future.

- Declining Cost of Solar Power Technology; The cost of solar power technology has been decreasing steadily, making it more affordable and accessible. Advances in technology, economies of scale, and increased manufacturing efficiency have led to significant reductions in the price of solar modules and related components. This decline in costs lowers the entry barriers for both large-scale solar farms and individual rooftop installations, encouraging more widespread adoption of solar energy across the country.



10. Peer Competition

Company Name	Price	% Chg	MCap(Cr)	TTM PE	P/B	ROE(%)	Net Profit(Rs.)	Net Sales(Rs.)	Debt to Equity
KPIGREEN	500.8	-3.66	9,882.84	30.93	4.95	12.24	325	1,735	0.43
BHEL	236.75	-1.42	82,437.85	154.74	3.41	2.15	474	28,339	0.36
Thermax	3,722.70	-0.44	44,358.32	69.91	9.6	12.85	626	10,388	0.34
AIA Engineering	3,221.30	-1.15	30,061.29	28.34	4.7	15.31	1,048	4,287	0.07
Triveni Turbine	613	-0.49	19,485.85	54.54	17.88	29.36	358	2,005	0

12. SWOT Analysis

STRENGTHS

Proven Execution Excellence: KPI Green Energy has a strong track record in developing, constructing, and operating renewable energy projects, with 445+ MW commissioned across 33 sites in 5 districts of Gujarat as of FY24. They've completed 313+ MW under IPP and 132+ MW under CPP. Their expertise spans turnkey EPC for solar and hybrid projects, wind forecasting, land acquisition, and hybrid power implementation—highlighted by their first 26.1 MW wind-solar hybrid project. With a transmission capacity of ~1,657 MW connected to GETCO substations, they've ensured efficient power evacuation and grid integration.

Strong Project Pipeline & Land Bank: As of FY24, we have a robust pipeline of ~1,234 MW and a land bank of 2,217+ acres, strengthened by the KPark Sunbeat acquisition. With GETCO approval for ~100 MW, we're well-positioned for expansion. CPP projects on leased land generate long-term rental and O&M income, while in-house transmission approvals help cut costs and streamline execution.

Leveraging Technological Prowess for Enhanced Performance: They leverage advanced technologies to drive solar adoption and enhance efficiency.

Key innovations include:

Bi-facial solar panels– capture sunlight from both sides for higher yields.

Water-less robotic cleaning– reduces water use and manual effort.

Single-axis trackers– follow the sun to boost generation by 15%+.

Drone and thermal imagery– improve monitoring and fault detection.

SCADA and SAP systems–support real-time monitoring and centralized management.

KP NOC–cloud-based system for data capture and real-time fault response.

These technologies improve performance, lower environmental impact, and strengthen operations.

Experienced Leadership & Strong Governance: Led by Chairman and MD Dr. Faruk G. Patel, their leadership team brings deep expertise in renewable energy, finance, land, and power sectors. Supported by experienced independent directors, they uphold strong governance and an efficient organisational structure. The team's sector knowledge and regulatory insight enable smooth operations and risk management, while the KP Group's vision and resources enhance our execution and competitive edge.

Consistent Growth & Robust Financial Metrics: Focused on expansion and capital efficiency, we've achieved strong financial growth—total income rose from ₹104 crore in FY21 to ₹1,031 crore in FY24, and PAT grew from ₹22 crore to ₹162 crore. Our A- ICRA rating and strong balance sheet, supported by a recent QIP, enable effective cash flow and growth planning. Long-term PPAs, O&M contracts, and lease agreements ensure stable cash flows, with tariffs linked to DISCOM rates and ~2% annual lease escalations.

WEAKNESSES

Geographic Concentration in Gujarat: KPI Green Energy's operations are heavily centered in Gujarat, with 33 active sites spread across just five districts. This overdependence on a single region makes the company vulnerable to local regulatory changes, climatic risks, or infrastructure bottlenecks.

High Reliance on Government DISCOMs and Policies: A substantial portion of revenue comes from power purchase agreements (PPAs) with state DISCOMs, whose payment cycles and policy changes can significantly affect cash flow. Delays or unfavorable revisions in tariff policies may impact the company's financial predictability.

Moderate Credit Rating: The company holds an ICRA A- credit rating, which, while respectable, is not top tier. This can result in higher borrowing costs or limited access to competitive capital in a sector where funding is critical for expansion.

High Capital and Land Requirement for Expansion: KPI Green's growth model relies on acquiring large tracts of land and substantial capital, which may be difficult to replicate in states with complex land policies. This dependence could slow down expansion in more competitive or land-constrained regions.

Operational Dependence on Group Companies: Many critical operations, including project execution and infrastructure, are handled by other KP Group entities. This intra-group dependency could lead to coordination delays or reduce operational transparency if not carefully managed.

OPPORTUNITIES

Renewable Energy Focus: The Central Government aims to increase the share of renewable energy in the overall energy mix, supporting efforts to reduce carbon emissions and mitigate global warming.

Green Town Initiative: Plans are underway to develop 'green towns' in each state, powered by renewable energy and featuring solar rooftops.

Power Deficit: The ongoing power deficit across the country is driving increased demand in the power sector.

Supportive Regulations: The Gujarat Electricity Regulatory Commission's (GERC) tariff directive, along with solar-friendly regulations from Central and state governments, create a favourable environment for solar/hybrid energy utilisation.

Financial Incentives: The availability of financial benefits, including accelerated depreciation and tax advantages, encourages growth in the solar/hybrid energy sector.

ESG Compliance: Increased awareness and focus on Environmental, Social, and Governance (ESG) compliance has accelerated the adoption of clean energy sources, particularly among Export Oriented Units (EOUs) and other industries.

THREATS

Land Acquisition Challenges: Securing land for transmission lines to connect solar power plants to the grid presents significant obstacles.

Market Competition: Intense competition from both traditional and other renewable energy producers may pose a substantial challenge.

Strategic Implementation: Executing corporate strategies such as diversification, expansion into new territories, and adoption of new technologies proves challenging.

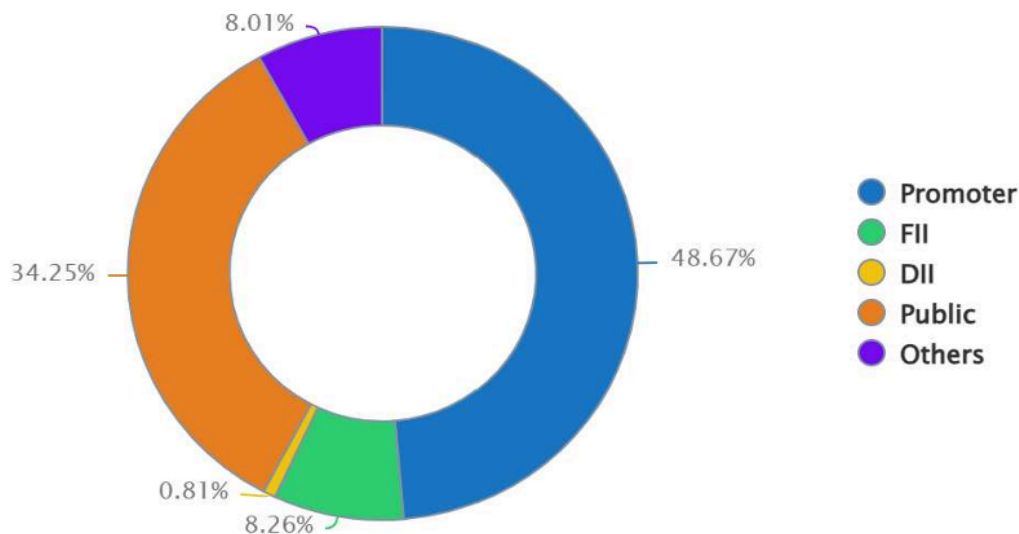
Climate Dependency: The Company's operations are subject to seasonal fluctuations and climate conditions, introducing an element of unpredictability.

Project Risks: The construction of solar power/hybrid projects involves various risks and uncertainties.

Regulatory Dynamics: Changing government policies and regulations create challenges in project execution and obtaining timely approvals for commissioning.

13. HNI / Preferential Issues & Policy Impact

Shareholding Pattern



Impact of Government Policies, Subsidies, PLI Schemes, etc.

Government policies and support mechanisms play a crucial role in driving the growth of the renewable energy sector in India, and KPI Green Energy Limited directly benefits from these. The report highlights the following impacts:

Favorable Regulatory Environment: The company operates within a supportive regulatory framework that promotes renewable energy development. This includes various policies and regulations designed to encourage investment in solar and hybrid power projects.

Support for Green Energy Transition: The Indian government's strong emphasis on accelerating the transition to green energy, including ambitious targets for renewable energy capacity addition, provides a significant tailwind for companies like KPI Green Energy.

Renewable Purchase Obligations (RPOs) and Other Incentives: The success of IPP and CPP segments is inherently linked to policies like RPOs, which mandate a certain percentage of electricity to be sourced from renewable sources. Such policies create a sustained demand for the power generated by KPI Green Energy.

Subsidies and Schemes (Implied Benefit): The overall growth of the renewable energy sector in India has often been spurred by various government subsidies, tax benefits, and schemes (such as those related to solar parks, rooftop solar, or production-linked incentive (PLI) schemes for manufacturing components). The company operates within an ecosystem where such incentives generally reduce project costs and enhance viability, thereby supporting its expansion and profitability.

Credit Rating Impact: The improved credit rating (ICRA A-) for KPI Green Energy could indirectly reflect the positive perception of the renewable energy sector's stability, partly due to government support and policy certainty, which in turn facilitates easier access to financing for future projects.

14. Insider Activity

Shareholding Promoters

Shares held by promoters as at March 31, 2024

Name of the Promoter	No. of shares	% of total shares	% Change during the year
Farukbhai Gulambhai Patel*	3,19,62,471	53.02	-3.15%
Gulammahmad Alibhai Patel*	16,500	0.03	0.00%
Vahidabanu Faruk Patel*	1,026	0.00	0.00%
Rashida Gulam Patel*	16,500	0.03	0.00%
Aayesha Farukbhai Patel*	1,026	0.00	0.00%

* The outstanding shares as on March 31, 2024 include the bonus shares allotted by Company in the ratio of 1:2.

Shares held by promoters as at March 31, 2023

Name of the Promoter	No. of shares	% of total shares	% Change during the year
Farukbhai Gulambhai Patel*	1,97,82,234	54.75	0.00%
Gulammahmad Alibhai Patel*	11,000	0.03	0.00%
Vahidabanu Faruk Patel*	684	0.00	0.00%
Rashida Gulam Patel*	11,000	0.03	0.00%
Aayesha Farukbhai Patel*	684	0.00	0.00%

* The outstanding shares as on 31/03/2023 include the bonus shares allotted by Company in the ratio of 1:1.

source: KPI Green Energy Annual Report FY23-24

The Company did not enter into any related party transactions during the year under review, which could be prejudicial to the interest of minority shareholders

15. Financial Performance

Revenue

KPI Green's revenue is projected to grow at a compound annual growth rate (CAGR) of approximately 55% over FY25–FY30, driven by strong order book execution and favorable industry tailwinds. India's push toward 500 GW of renewable energy capacity, rising demand from commercial and industrial (C&I) users, and a supportive policy framework provide a solid macro backdrop.

The company has already secured 1.76 GW in CPP orders worth over ₹3,000 crore and 1.5 GW in IPP projects, ensuring high revenue visibility for the next several years. The CPP segment provides short term revenue recognition, as projects are completed and billed under turnkey contracts.

In contrast, the IPP segment, which offers higher margins and annuity-based income, is expected to start contributing meaningfully to revenue over the next 2 years as capacity is energized. In addition, KPI Green is confident of adding significant new orders in FY2026, as it expands into newer states like Rajasthan, Odisha, and Madhya Pradesh.

Its continuous geographical expansion strategy is helping diversify risk and tap into high-demand zones. At the same time, KPI is entering adjacent high-potential segments like Battery Energy Storage Systems (BESS) and green hydrogen, which are expected to become major growth drivers in the medium to long term. These strategic moves are likely to enhance the company's revenue streams beyond its core solar and hybrid projects, helping sustain elevated growth levels.

EBITDA

On the profitability front, KPI Green's EBITDA margins are expected to improve gradually over the forecast period, driven by a higher share of revenue coming from the IPP segment. Currently, IPP contributes around 13% of total revenue and commands EBITDA margins of 80–85%, significantly higher than the 20–22% margins from the CPP segment.

The company aims to increase the IPP contribution to 25% over the next 2–3 years, which is expected to result in a blended margin improvement of approximately 300 basis points (bps) at the gross level. This improvement will be further supported by operating leverage, better execution efficiency, and cost optimization as the company scales.

In addition, the annuity-based revenue stream from IPP will enhance margin stability and long-term earnings visibility, making the overall EBITDA profile stronger and more predictable.

Capex

KPI Green is expected to incur significant capital expenditure over the next 2–3 years, primarily to build out its IPP portfolio, which involves long-term ownership of power-generating assets. The company has already laid out plans to reach 1.5 GW of IPP capacity, requiring an estimated CapEx of around ₹4,000 crore. We assume a substantial portion of the CapEx will occur in FY26 and FY27, with the remainder spread into FY28 and beyond. The investment will primarily be funded through a 75:25 debt-to-equity structure at the project level, helping the company manage its balance sheet while scaling its long-term IPP assets. (based on past trend and Management Guidance)

P&L Assumptions		2022A	2023A	2024A
Revenue Growth	%		180%	59%
COGS	%	41%	59%	52%
Gross Margin	%	59%	41%	48%
Employee Costs	%	2%	1%	1%
Other Expenses	INR Crs	22.69	45.27	136.61
EBITDA	%	47%	32%	33%
Depreciation (Dep / Op. FA Bal)	%		4%	5%
Finance Costs (FC / Op. Loan Bal)	%		14%	17%
Taxes	%	27%	23%	25%
P&I		2022A	2023A	2024A
Revenue	INR Crs	229.9411	644	1,024
Less : COGS	INR Crs	94.101	382	536
Gross Profit	INR Crs	135.8401	262	488
Less : Expenses				
Employee Costs	INR Crs	4.2611	8	14
Other Expenses	INR Crs	22.6868	45	137
Total Expenses	INR Crs	26.9479	53	151
EBITDA	INR Crs	108.8922	208	337
Other Income	INR Crs	1.5758	3	7
Depreciation	INR Crs	14.0601	23	40
Finance Costs	INR Crs	36.9332	47	86
Profit/Loss Before Exceptional, ExtraOrdinary Items & Tax	INR Crs	59.4747	142	217
Profit Before Taxes	INR Crs	59.4747	142	217
Less : Tax Expenses		16.115	32	55
Profit After Taxes		43.3597	110	162

2025A	2026E	2027E	2028E	2029E	2030E
69%	65%	60%	55%	40%	35%
53%*	52%	52%	51%	51%	50%
47%	48%	48%	49%	49%	50%
3%	3%	3%	3%	3%	23%
205.42	Balance Net Off EBITDA				
32%	33%	34%	35%	35%	36%
6% *	5%	6%	6%	7%	7%
10%	13%	13%	13%	13%	13%
26%	25.17%	25.17%	25.17%	25.17%	25.17%
2025A	2026E	2027E	2028E	2029E	2030E
1,735	2,863	4,582	7,101	9,942	13,422
914	1,494	2,368	3,635	5,039	5,369
821	1,369	2,213	3,466	4,903	8,053
52	86	137	213	298	805
205	129	129	129	129	129
257	215	267	342	427	934
564	945	1,558	2,450	3,480	4,765
20	20	20	20	20	20
61	227	347	376	402	426
79	71	71	71	71	71
		-			
444	667	1,159	2,023	3,026	4,288
444	667	1,159	2,023	3,026	4,288
116	168	292	509	762	1,079
328	499	868	1,514	2,265	3,209

VALUATION -DCF

Cost of Equity	14.26%	
Present Value	INR Crs	-796
Perpetual Growth Rate	6.00%	
Terminal Value (Part II)		
Perpetual Growth Rate	4.00%	
Terminal Value		25,844
Present Value of Terminal value (Part II)		13,021
Equity Value (Part I + Part II)		12,225
Number of Shares		19.70
Value Per share		621
Price as on Valuation Date		531
Premium / Discount		-14%

DISCOUNT RATE

SENSITIVITY ANALYSIS						
GROWTH RATE		13%	15%	17.00%	19%	21%
	3%	565.44	437.37	315.54	240.90	184.67
	4%	638.77	487.13	347.09	263.26	201.08
	5%	730.43	547.17	383.90	288.81	219.53
	6%	848.28	621.03	427.41	318.29	240.45
	7%	1,005.41	714.09	479.61	352.69	264.35

Ratio Analysis of - KPI GREEN ENERGY LTD

Years	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23
SalesGrowth	0.00%	72.41%	73.00%	124.81%	179.98%
EBITDA Growth	0.00%	76.44%	116.06%	86.44%	91.48%
EBIT Growth	0.00%	67.77%	153.80%	94.78%	140.28%
Net Profit Growth	0.00%	103.59%	246.55%	93.47%	155.83%
Dividend Growth	0.00%	0.00%	0.00%	0.00%	469.06%
Gross Margin	59.87%	58.80%	65.58%	50.90%	34.78%
EBITDA Margin	44.68%	45.72%	57.10%	47.35%	32.38%
EBIT Margin	31.64%	33.07%	44.86%	41.24%	28.87%
EBT Margin	20.36%	19.81%	29.06%	25.18%	21.61%
Net Profit Margin	8.92%	10.54%	21.11%	18.17%	16.60%
SalesExpenses%Sales	15.19%	13.08%	8.49%	3.55%	2.39%
Depreciation%Sales	13.04%	12.65%	12.24%	6.11%	3.51%
OperatingIncome%Sales	31.64%	33.07%	44.86%	41.24%	28.87%
Return on Capital Employed	7.81%	8.25%	12.74%	15.80%	19.91%
Retained Earnings%	100.00%	100.00%	100.00%	95.67%	90.36%
Return on Equity%	3.09%	6.36%	18.00%	27.17%	41.43%
Self Sustained Growth Rate	3.09%	6.36%	18.00%	25.99%	37.44%
Interest Coverage Ratio	2.80	2.49	2.84	2.57	3.97
Debtor Turnover Ratio	2.54	2.08	2.05	6.25	4.39
Creditor Turnover Ratio	1.54	0.96	2.07	1.30	2.00
Inventory Turnover	2.23	1.70	2.54	2.16	3.90
Fixed Asset Turnover	0.41	0.28	0.42	0.48	0.80
Capital Turnover Ratio	0.35	0.60	0.85	1.50	2.50

Mar-24	Mar-25	MEAN	MEDIAN
59.04%	69.49%	82.68%	72.41%
61.57%	67.37%	71.34%	76.44%
51.27%	101.42%	87.05%	94.78%
45.10%	98.76%	106.18%	98.76%
-76.34%	433.66%	118.05%	0.00%
36.41%	44.32%	50.09%	50.90%
32.90%	32.49%	41.80%	44.68%
28.95%	29.00%	33.95%	31.64%
20.55%	24.42%	23.00%	21.61%
15.14%	17.76%	15.46%	16.60%
3.51%	11.84%	8.29%	8.49%
3.94%	3.49%	7.86%	6.11%
28.95%	29.00%	33.95%	31.64%
		0.00%	
15.84%	12.32%	13.24%	12.74%
98.25%	94.89%	97.02%	98.25%
18.55%	11.81%	18.06%	18.00%
18.23%	11.21%	17.19%	18.00%
3.44	6.33	349.40%	283.91%
2.40	3.00	324.52%	254.38%
1.82	2.45	173.52%	181.62%
3.07	3.72	275.95%	253.99%
1.05	0.74	59.53%	47.75%
1.23	0.67	109.78%	85.29%

REVENUE GUIDANCE

Current Revenue	1735
CAGR	55%
Final Revenue	2689.25
PAT Margin	18%
PAT	484.065
P/E Ratio	31.7
Projected Future Market Cap	15344.8605
Current Market Cap	10305
%age Upside (Downside)	48.91%

Capacity Expansion Valuation

BY 2030

Capital Raised /Asset Expansion	3 Times
Asset Turnover Ratio	0.734858111
Extra Revenue Generated	3470
Current Year Revenue	1735
Total Revenue	5205
PAT Margin	20%
PAT After 1 Year	1041
P/E Ratio	31.7
Future Market Cap	32999.7
Current Market Cap	10305
%age Upside (Downside)	220.23%

THANK YOU!!

We appreciate your time in exploring our comprehensive analysis of KPI Green Energy Ltd. Through this report, we aimed to offer more than just numbers - we sought to uncover the strategic vision, operational rigor, and financial foundation that defines the company's journey.

At InsightKnox, we are committed to bringing clarity to complexity. Our mission is to decode market movements, company fundamentals, and sector trends through deep research and actionable insights that empower informed decision making.

We hope you found value in this report, we invite you to stay connected with us as we continue to publish high-quality breakdowns, industry insights, and investment narratives.

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