

KP Group has played a significant role in India's renewable energy landscape: Dr Faruk G Patel, CMD, KP Group of Companies

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Dr Faruk G Patel, Chairman & Managing Director, KP Group of Companies

What was the story behind the genesis of the KP Group and its transformation into a giant in the renewable energy space?

The KP Group's journey began in 1994 in Surat, Gujarat, with the establishment of a small logistics business by Dr. Faruk G. Patel. Coming from a humble background—his father was a bus conductor—Dr. Patel started KP Transport, leveraging a fleet of trucks to transport materials between Surat, Hajira, Bharuch, and Jamnagar. Despite initial financial challenges, he built a reputation for reliability, developing strong relationships with major industrial players like L&T, Reliance, and Birla Copper.

Seeing opportunities beyond logistics, Dr. Patel ventured into construction with KP Buildcon, which is now known as KP Green Engineering, in 1999, moving back to Surat he incorporated KP Buildcon in 2001. KP Buildcon's notable success in building telecom towers for major networks like Vodafone and Airtel helped it establish a national presence. This diversification set the stage for further expansions, including the creation of KP Engineering, focused on manufacturing mobile towers.

The shift into renewable energy began in 2008 when the telecom industry faced a slowdown. Dr. Patel recognized the long-term potential of renewable energy, particularly in solar power, due to the industry's focus on sustainable energy generation and 25-year project horizons. He launched KPI Green Energy Ltd. (initially known as KPI Global Infrastructure Ltd.) which is now NSE as well as BSE listed company and, shortly thereafter, KP Energy Ltd. for wind power, which is today BSE Listed company. These moves positioned KP Group as a significant player in India's green energy transition.

The KP Group's role in large projects, such as the Charanka Solar Park (Gujarat's first large-scale solar project), further established its reputation in the sector. The group's innovative approach, including integrated solar-wind hybrid solutions and the development of private solar parks, has been key to its rise. Today, KP Group, is a conglomerate of 35 companies which manages a diversified renewable energy portfolio of 4.6+GW and is expanding into green hydrogen, aiming to become a global leader in sustainable energy.

What are the solutions and services in the renewable energy domain available in KP Group's Indian portfolio?

KP Group offers a comprehensive range of solutions in the renewable energy sector, tailored for different customer needs:

Solar Power Solutions:

- **Captive Power Producer (CPP):** Provides solar energy solutions to industries for their own consumption, offering dedicated solar power plants that reduce reliance on conventional energy sources.
- **Independent Power Producer (IPP):** Builds and operates solar power plants that generate electricity sold directly to third parties or the grid.
- **Solar Park Development:** Through its flagship project "Solarism," KPI Green Energy operates Gujarat's largest private solar park in Sudi, Bharuch. The park provides shared infrastructure for companies looking to harness solar power without building their own plants.

Wind Power Solutions:

- **Turnkey Wind Energy Projects:** KP Energy, which is Gujarat's No. 1 Wind BOP solutions provider, offers end-to-end solutions, including site development, infrastructure construction, and turbine installation. They have expertise in developing wind projects in regions traditionally not considered viable, such as South Gujarat.
- **Hybrid Renewable Energy:** KP Group's hybrid projects combine solar and wind power generation, maximizing energy output and offering clients a more stable and continuous power supply.

Green Hydrogen:

The group is developing a 1 MW green hydrogen pilot project in Bharuch, aiming to explore sustainable hydrogen production that can eventually support industrial decarbonization efforts. This represents a strategic move into emerging renewable technologies.

What is the current status of the solar power projects under KPI Green Energy and what are the capacity targets that have been set?

KPI Green Energy Ltd. has made significant strides in expanding its solar energy capacity is more than 38 sites of Gujarat:

- **Energized Projects:** As of Q12025, the company has energized over 473+ MW of solar projects. In which 171+MW is under IPP and 302+MW is under CPP.
- **Orders and Pipeline:** KPI Green Energy has confirmed orders for an additional 2.3+ GW (1.26+GW in IPP and 1.06+GW in CPP), reflecting a robust demand from both private and government sectors. One of the key projects is a 917 MWp & 240 MWp order from Gujarat Urja Vikas Nigam (GUVNL), which has already commenced. The company has a huge portfolio comprising of almost 250+ brands.
- **Long-Term Targets:** The group has set ambitious capacity targets, aiming for over 10 GW by 2030. This includes a mix of captive and third-party solar projects, leveraging its large solar parks and independent development capabilities. The group has also targeted 1000MW of solar power capacity energization by 2025.

What is the update on the wind energy projects under KP Energy and what are its future prospects?

KP Energy Ltd. has focused on delivering efficient wind energy solutions:

- **Current Installations:** The company has successfully new areas for the installation of wind turbines, even in areas like Kora in South Gujarat, where wind energy was previously considered unfeasible. This was achieved through years of scientific research. Apart from Bharuch (Kora & Vagro), the energy has installed wind turbines in districts of Bhavnagar, Dwarka, Porbandar, and many more.
- **Hybrid Projects:** The combination of wind & solar projects has allowed KP Energy to optimize the energy production capabilities of its sites, contributing to the overall resilience and efficiency of its renewable portfolio.
- **Future Outlook:** The company plans to continue expanding its wind capacity alongside solar, particularly in regions with high wind potential like Kutch, Saurashtra, Gujarat. It is also exploring offshore wind opportunities, which could significantly increase its capacity.

What is the current status of KP Buildcon and what has been its contribution in the first solar park in Charanka?

KP Buildcon, now rebranded as KP Green Engineering, has evolved from a regional construction company into a key player in the renewable energy infrastructure space:

- **Charanka Solar Park Contribution:** KP Buildcon served as an EPC (Engineering, Procurement, and Construction) developer for the Charanka Solar Park, contributing to 105 MW of the park's 968 MW capacity. This project marked the company's entry into large-scale solar installations and positioned it as a trusted partner for major clients like L&T, GMR, and Tata.
- **Ongoing Projects:** Today, KP Green Engineering supports other group companies by providing solar mounting structures, wind turbine structures, crash barriers, substation installations and transmission tower installations.

The company is right now having manufacturing facilities at three locations of Vadodra – Dabhasa, Kural and Por. While a new manufacturing facility at Matar, Bharuch, is set to enhance production capabilities to approximately 3 Lakh Mts. It will also house Asia's largest galvanization kettle.

How would you assess KP Group's overall contributions in India's green energy transition?

KP Group has played a significant role in India's renewable energy landscape:

- **Leadership in Solar and Wind:** The group's development of large-scale solar parks, wind farms, and hybrid solutions aligns with India's target of achieving 500 GW of renewable energy capacity by 2030. The innovative use of hybrid models ensures a more consistent energy supply, crucial for industries that require round-the-clock power.
- **Carbon Emissions Saved:** All these projects of KP Group has resulted in saving of 40+Lakhs of carbon emissions as on 19th October 2024.
- **Economic Impact:** By providing cost-effective renewable power solutions to industries like chemicals, textiles, and diamond processing, KP Group has helped reduce their dependence on conventional energy sources, thus supporting economic growth.
- **Employment and R&D:** KP Group's projects have generated employment opportunities and fostered local expertise. Their investment in R&D, such as dry robots for solar panel cleaning, demonstrates a commitment to innovation and operational excellence. This has resulted to saving of approximately 1.5 lakh kilo litres of water annually.

The group has also invested in the formation of Network Operation Centre (NOC) which is helping to harness the power of central monitoring and resource allocation, which provide them an edge over their competitors. Rather one can call it 1st company in the country to provide such access to the clients to have round the clock access to their plant.

What are the unique differentiators of the KP Group over other competitors in the renewable energy sector?

- **Holistic Energy Solutions:** Unlike many peers, KP Group offers a complete suite of services, covering solar, wind, and green hydrogen projects. This versatility enables them to meet diverse energy needs.
- **In-House Capabilities:** The group benefits from vertical integration, with in-house companies handling critical aspects like engineering (KP Green Engineering) and wind installations (KP Energy). This allows for faster project execution—wind projects in about a year and solar in 6-9 months.
- **Quality Control:** KP Group maintains strict quality control standards, using only high-grade Indian sourced materials for their solar panels and wind turbines, ensuring longevity and reliable performance.

Which are some of the marquee clients of KP Group today and what are the brief use cases of these projects?

KP Group serves a range of high-profile clients, including:

Larsen & Toubro (L&T), Aditya Birla Group, Meghmani Organics, Anupam Rasoyan India Ltd. Polycab, UPL, Alembic, Tata Motors, Mono Steel, Zydu Lifesciences, Colourtex Industries, German TMX, Aether Industries and many more. These companies have benefitted from KP Group's large-scale solar and wind solutions, reducing their carbon footprint.

- **Surat's Diamond Industry:** The group powers facilities that produce "green diamonds," significantly cutting down the industry's reliance on coal-based power. A notable project involves a 25 MW solar and 9.4 MW hybrid setup, ensuring sustainable operations.
- **Companies like Green Lab Diamonds, Nouveau Jewellery, and others** have benefited with renewable energy. The Green Diamond gifted by Hon. Prime Minister of India to the 1st Lady of USA was made in the diamond labs powered by renewable energy plant made by KP Group.
- **Government Contracts:** Orders from entities like GUVNL, NTPC, MahaGenco reflect the group's trusted position as a supplier of clean energy to public utilities.

What are going to be the key focus areas for KP Group both from a business and technology perspective in the next 5 years?

Capacity Expansion: KP Group plans to increase its renewable energy capacity to 5 GW by 2028 and 10 GW by 2030, with a focus on both solar and hybrid projects.

Green Hydrogen and Ammonia: The group aims to lead in the production of green hydrogen, including bidding for large tenders and scaling its pilot plant. This is seen as a future-proof solution to meet India's industrial energy needs.

Technology Development: Investments in R&D, such as automated cleaning robots and efficiency enhancing technologies for wind and solar plants, are crucial to maintaining their competitive edge.

Geographical Growth: Expanding beyond Gujarat, KP Group is targeting states like Telangana, Madhya Pradesh, Rajasthan, Andhra Pradesh, and Maharashtra, as well as international markets starting with Saudi Arabia.

This detailed analysis outlines KP Group's strategic vision and its growing influence in India's renewable energy sector, driven by a combination of innovation, resilience, and commitment to sustainability.

Nikhil Lakhera & Rajneesh De, APAC News Network