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DR. FARUK G. PATEL

Chairman and MD
KP Group

KP Group's green hydrogen and ammonia initiatives are being developed with a clear focus on phased execution and commercial readiness. The installation of the green hydrogen facility is completed, and currently live testing is underway, said **Dr. Faruk G. Patel, Chairman and MD, KP Group,** in an interview with Energetica India.

Q With a goal to scale toward a 10 GW portfolio by 2030, how does KP Group plan to balance utility-scale IPP, EPC work, and emerging segments like green hydrogen and ammonia?

Dr. Faruk G. Patel: KP Group's goal of achieving a 10 GW portfolio by 2030 is built on maintaining a balanced mix of stable assets and future-facing growth platforms. Utility-scale IPP projects remain a core pillar, providing long term visibility on revenues through power sale agreements. EPC and O&M activities, which allow the Group to monetise its execution capabilities, complement this.

At the same time, emerging segments like green hydrogen and green ammonia are being developed in a phased manner. Core power generation remains the Group's core focus, but these segments extend its renewable base, leveraging in-house solar and wind capacity, land access, and transmission planning.

The Group's diversified structure allows dynamic allocation of capital and resources based on market conditions. This ensures that near term growth is anchored in proven segments, while medium to long term value creation is driven by clean fuel platforms that are expected to gain scale in the coming years.

Q KP Group recently signed an MoU with the Government of Botswana. How will it impact the Group's global positioning and investor perception, especially in terms of exports and foreign collaborations?

Dr. Faruk G. Patel: The MoU with the Government of Botswana is an important step in KP Group's international expansion strategy and positions the Group as a credible renewable energy developer beyond India. The two sides will work together to develop utility-scale solar, wind and hybrid power plants and battery energy storage systems with a potential investment of around USD 4 billion (INR 36,000 crore) for 5 GW renewable energy projects. The collaboration reflects confidence in the Group's ability to plan, finance and execute large-scale renewable and transmission projects in emerging markets, which is increasingly important for global investors evaluating long term growth potential.

From an investor perspective, the development shows diversification of geographical risk while opening access to new demand centres for clean power. The scale of the proposed investments, combined with Botswana's ambition to become a regional clean energy exporter, creates visibility around cross-border power trade and long-term off-take opportunities.

The MoU strengthens KP Group's profile as a partner of choice for governments seeking international expertise and capital mobilisation, and reinforces its standing in global renewable markets.

Q The Company has also partnered with Delta Electronics India to boost battery storage, green hydrogen, EV charging, and solar inverter solutions. How important are such cross-sector technology alliances to your future energy ecosystem strategy?

Dr. Faruk G. Patel: Cross-sector technology alliances play a central role in KP Group's strategy to build an integrated energy ecosystem rather than operate in isolated verticals.

As renewable energy moves towards round-the-clock supply and clean mobility, partnerships with technology providers such as Delta Electronics become critical to bridge capability gaps and accelerate deployment.

Through this collaboration, KP Group combines its strengths in project development, EPC execution and market access with Delta's expertise in power electronics, energy management systems and advanced hardware. This enables faster adoption of battery storage, smart inverters, green hydrogen infrastructure and EV charging solutions at scale.

Such alliances also reduce technology risks, improve system reliability and support competitive project pricing. Importantly, they allow KP Group to respond to evolving grid requirements and customer needs across segments. In the long term, they are expected to strengthen the Group's ability to deliver integrated, future-ready energy solutions.

Q Several KP Group entities, including KP Energy and KP Green Engineering, have reported strong profit growth in FY26. How much of this performance reflects operational scale versus improved pricing or project mix?

Dr. Faruk G. Patel: For the first nine months of the year, KPI Green Energy's income increased 64 percent to INR 1,931.31 crore, while net profit was up by 60 percent to INR 353.76 crore. For KP Energy, income was up by 58.50 percent to INR 871.61 crore, and profit increased by 48 percent to INR 102.71 crore. This performance is largely driven by increased operational scale and disciplined execution. Higher installed capacity, timely project commissioning and a growing order book have resulted in better absorption of fixed costs and improved operating leverage.

Project mix has also played a role, with a higher share of utility-scale, hybrid and integrated projects contributing to more predictable margins. In the EPC and engineering segments, execution efficiency and in-house manufacturing capabilities have supported profitability even in a competitive environment.

The performance reflects the ability of the Group entities to deliver projects at scale without compromising timelines or quality. The expanding IPP portfolio has added stability through recurring revenues, while O&M and ancillary services have further diversified income streams. Overall, the results reflect structural growth and operational maturity.

Q The company has also entered the green ammonia and hydrogen space with partners like AHES and GH2 Solar. What are the expected timeline and commercial ramp-up plans for the facilities?

Dr. Faruk G. Patel: KP Group's green hydrogen and ammonia initiatives are being developed with a clear focus on phased execution and commercial readiness. The installation of the green hydrogen facility is completed, and currently, live testing is underway. The facility will enable cleaner furnace operations by blending green hydrogen with LPG and reducing fossil fuel usage, and serve as a foundation for future scale-up.

The green ammonia project, to be developed in partnership with AHES and GH2 Solar, is planned with an initial capacity of one lakh TPA. Development activities, including detailed engineering, site preparation and off-take structuring, are currently underway. The project benefits from long-term collaboration with international partners, including secured interest from export markets such as South Korea and Japan.

Rather than aggressive expansion, the focus is on ensuring stable operations, reliable off-take and cost competitiveness. Over time, these facilities are expected to scale in line with global demand for low-carbon fuels, positioning the Group as an integrated supplier in the clean energy value chain.

Q With increasing competition in the EPC and IPP segments, where do you see KP Group's key competitive advantages? Is it land bank, execution excellence, technology adoption, or diversified revenue streams?

Dr. Faruk G. Patel: KP Group's competitive position is shaped by a mix of structural strengths rather than any single factor. One key advantage lies in its early and sustained investment in land aggregation, evacuation planning and transmission readiness, which shortens project development timelines and reduces execution risk.

Equally important is the Group's integrated operating model. By combining IPP, EPC, engineering, manufacturing and O&M offerings, the Group retains control across the project lifecycle, which allows for better cost management, coordination, and adaptability in a highly competitive market.

Technology adoption is approached realistically, with a focus on proven solutions that enhance reliability and performance. Strategic partnerships further support this approach. Diversified revenue streams across power generation, EPC services and emerging clean fuel projects provide balance and reduce dependence on any single segment.

Ultimately, KP Group's advantage lies in its ability to scale projects consistently, manage complexity across multiple verticals and align growth with long term sector trends rather than short-term market cycles.

Renewables, Storage and Energy Security:

Industry Response to Budget 2026–27

The Government has laid out a comprehensive strategy to secure India's long-term energy future, accelerate the renewable energy transition, and strengthen domestic manufacturing across power and clean-tech sectors. Budget 2026-27 has introduced major fiscal measures and ambitious schemes to reduce critical import dependence and build a resilient, sustainable energy ecosystem aligned with the goal of a Viksit Bharat.

Union Finance Minister Nirmala Sitharaman presented India's 80th Union Budget in Parliament, marking her ninth consecutive budget.

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The Finance Minister has unveiled an INR 20,000 crore scheme for Carbon Capture, Utilisation and Storage (CCUS). The programme targets emissions from hard-to-abate industrial sectors, ensuring that high economic growth remains compatible with India's climate commitments.

To boost domestic renewable manufacturing and cut import reliance, the Budget has proposed key customs duty exemptions. These include extending duty exemptions on capital goods used for manufacturing lithium-ion cells to those used for Battery Energy Storage Systems (BESS), encouraging large-scale grid storage manufacturing in India.

The Budget has also exempted Basic Customs Duty (BCD) on Sodium Antimonate, a critical raw material for solar glass manufacturing, lowering costs for domestic solar module producers. Further, BCD exemption on capital goods for processing critical minerals aims to build domestic refining capacity for lithium, cobalt and rare earths used in EVs, wind turbines and clean technologies.

For stable baseload clean power, the Budget has extended BCD exemptions for nuclear power project imports until 2035 and has expanded coverage to all nuclear plants, irrespective of capacity, supporting deployment of newer reactor technologies.

In support of cleaner fossil alternatives, the entire value of biogas will be excluded from Central Excise duty on biogas-blended CNG, incentivising blending, waste-to-energy projects and lower transport emissions.

A major institutional reform includes restructuring Power Finance Corporation (PFC) and Rural Electrification Corporation (REC) to improve operational efficiency, risk management and financing capacity for large-scale power and renewable infrastructure.

Energy security measures are aligned with the broader manufacturing push through initiatives such as the Scheme for Rare Earth Permanent Magnets, India Semiconductor Mission 2.0 and new Chemical Parks. Additionally, INR 2 lakh crore support to states under the SASCI scheme and investments in Dedicated Freight Corridors and National Waterways are expected to lower logistics costs for energy equipment and materials.

Following Budget 2026–27, leaders shared their viewpoints with Energetica India:

Vinay Thadani

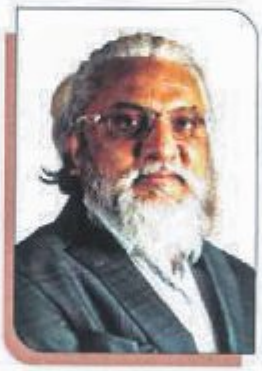
Executive Director & CEO
GREW Solar

Budget 2026 strengthens Viksit Bharat and Aatmanirbharta by prioritising energy security and domestic manufacturing. The INR 40,000 crore push for semiconductors and solar components will reduce imports and accelerate India's clean energy transition.

Sameer Gupta

Chairman
Jakson Group

Budget 2026–27 lays out a growth-focused roadmap with INR 12.2 lakh crore capex for energy, infrastructure and manufacturing. Support for carbon capture and risk guarantees will boost investor confidence and sustainable growth.



Dr. Faruk G. Patel

Founder, Chairman & MD
KP Group

Budget 2026 strengthens the clean energy value chain through support for CCUS, critical minerals and battery materials. Capital subsidies, duty reductions and rare earth corridors will boost renewables, EVs and storage.

Vineet Mittal

Chairman
Avaada Group

Budget 2026–27 balances ambition with fiscal discipline through sustained public capex. Its focus on infrastructure, MSMEs, logistics, and digital readiness builds long-term capacity and investor confidence.