



**KALPA-TARU®**

**KALPATARU POWER TRANSMISSION LIMITED**

Factory & Registered Office :  
Plot No. 101, Part-III, G.I.D.C. Estate, Sector-28,  
Gandhinagar-382 028, Gujarat. India.

Tel. : +91 79 232 14000

Fax : +91 79 232 11951/52/66/71

E-mail : mktg@kalpatarupower.com

CIN : L40100GJ1981PLC004281

**KPTL/20-21**  
**5<sup>th</sup> February, 2021**

<p><b>BSE Limited</b> Corporate Relationship Department Phiroze Jeejeebhoy Towers Dalal Street, Fort MUMBAI - 400 001.</p> <p><b>Script Code: 522287</b></p> <p>Listing: <a href="http://listing.bseindia.com">http://listing.bseindia.com</a></p>	<p><b>National Stock Exchange of India Ltd.</b> 'Exchange Plaza', C-1, Block 'G', Bandra-Kurla Complex Bandra (E) MUMBAI – 400 051.</p> <p><b>Script Code: KALPATPOWR</b></p> <p>Listing: <a href="https://www.connect2nse.com/LISTING/">https://www.connect2nse.com/LISTING/</a></p>
--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

**Sub.: Investor's / Analyst Presentation – Acquisition of Fasttel Engenharia Ltda, Brazil**

Respected Sir/ Madam,

In terms of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are pleased to forward herewith Investor's / Analyst Presentation on the subject matter.

Kindly take note of the same on your records and oblige.

Thanking you,

Yours faithfully,  
For **Kalpataru Power Transmission Limited**

  
**Rajeev Kumar**  
**Company Secretary**



Encl.: As above

**ISO 9001 CERTIFIED COMPANY**

Corporate Office : 81, Kalpataru Synergy, Opp. Grand Hyatt, Santacruz (E), Mumbai-400 055. India.

Tel. : +91 22 3064 2100 ■ Fax : +91 22 3064 2500 ■ [www.kalpatarupower.com](http://www.kalpatarupower.com)



**Kalpataru Power Transmission Limited**

**Acquisition of Fasttel Engenharia Ltda, Brazil**



This presentation may include statements which may constitute forward-looking statements. All statements that address expectations or projections about the future, including, but not limited to, statements about the strategy for growth, business development, market position, expenditures and financial results are forward looking statements. Forward looking statements are based on certain assumptions and expectations of future events. The company cannot guarantee that these assumptions and expectations are accurate or will be realised. The actual results, performance or achievements, could thus differ materially from those projected in any such forward looking statements.

The information contained in these materials has not been independently verified. None of the companies, its Directors, Promoters or affiliates, nor any of its or their respective employees, advisors or representatives or any other person accepts any responsibility or liability whatsoever, whether arising in tort, contract or otherwise, for any errors, omissions or inaccuracies in such information or opinions or for any loss, cost or damage suffered or incurred howsoever arising, directly or indirectly, from any use of this document or its contents or otherwise in connection with this document and makes no representation or warranty, express or implied for the contents of this document including its accuracy, fairness, completeness or verification or for any other statement made or purported to be made by any of them or on behalf of them and nothing in this document or at this presentation shall be relied upon as a promise or representation in this respect, whether as to the past or the future. The information and opinions contained in this presentation are current and if not stated otherwise as of the date of this presentation. The company undertakes no obligation to update or revise any information or the opinions expressed in this presentation as a result of new information, future events or otherwise. Any opinions or information expressed in this presentation are subject to change without notice.

This presentation does not constitute or form part of any offer or invitation or inducement to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities of Kalpataru Power Transmission Ltd (the "Company"), nor shall it, or any part of it or the fact of its distribution form the basis of, or be relied on in connection with, any contract or commitment therefore. Any person/party intending to provide finance/invest in the shares/business of the company should do so after seeking their own professional advice and after carrying out their own due diligence procedure to ensure that they are making an informed decision. This presentation is strictly confidential and may not be copied or disseminated, in whole or in part, and in any manner or for any purpose. No person is authorized to give any information or to make any representation not contained in or inconsistent with this presentation and if given or made, such information or representation must not be relied upon as having been authorized by any person. Failure to comply with this restriction may constitute a violation of the applicable securities laws. The distribution of this document in certain jurisdictions may be restricted by law and persons into whose possession this presentation comes should inform themselves about and observe any such restrictions. By participating in this presentation or by accepting any copy of the slides presented, you agree to be bound by the foregoing limitations.

- ❖ **Kalpataru Power Transmission Limited (KPTL) through its wholly owned subsidiary Kalpataru Power Do Brasil Participacoes Ltda (Kalpataru Brazil) signed definitive agreements to acquire controlling stake of 51% in Fasttel Engenharia Ltda., Brazil (Fasttel) for around USD 8.80 Million**
- ❖ **Out of total investment by Kalpataru Brazil, USD 4.70 Million will be paid for acquiring shares from existing shareholders and USD 4.10 Million will be infused into Fasttel for issuance of new equity shares to Kalpataru Brazil**
- ❖ **Upon infusion of USD 4.10 Million as new equity, Fasttel will be Minimal Net Debt Company**
- ❖ **Fasttel has achieved revenue growth of over 25% CAGR for last 5 years and has track record of consistent profitability**
- ❖ **Kalpataru Brazil shall have option to buy additional 29% shares after 3 years**
- ❖ **Transaction will be funded through KPTL's internal accruals and expected to close by end of Q1FY22**
- ❖ **Key Advantages for KPTL:**
  - ❖ **Brazil is potentially a very large market for power transmission and distribution**
  - ❖ **Due to distance, time zone and language barriers, Brazil operations are difficult to be managed from India hence it was important to have local presence with experienced management team and local expertise**
  - ❖ **Fasttel is a family run enterprise with technical expertise and experienced manpower**
  - ❖ **Fasttel will provide pre-qualifications for Brazil and larger Latin American Market**
  - ❖ **KPTL's global procurement strength and India manufacturing base will be leveraged for efficient operations and to scale-up market penetration**

# About Fasttel

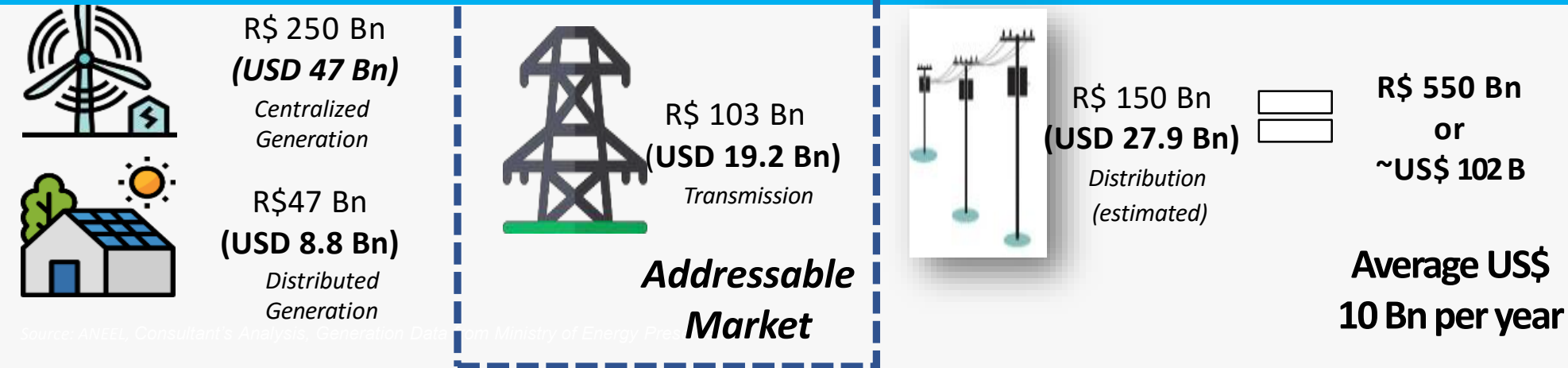
- ❖ Incorporated in 1988 and headquartered in Curitiba city of Parana State in South of Brazil.
- ❖ The Company mainly operates into three main business areas, comprising of EPC of substation, transmission lines and power distribution services
- ❖ Footprints in more than 20 states across Brazil.
- ❖ The company has built over 2,000 Kms of Transmission Line and over 50 substations for various voltage range up to 750 kV
- ❖ Fasttel has achieved top Line growth of CAGR 25% plus in the past 5 years
- ❖ Profitable Operations – EBITDA around 10% and ROI over 30% consistently for past 5 years
- ❖ Minimal Net Debt Company
- ❖ Strong Order Book of around USD 95 Million
- ❖ Experienced manpower of ~ 1000 engineers, staff and workmen capable of doing in-house Engineering, Procurement, Land Survey and Planning, Environment Clearances and Construction.
- ❖ Fasttel’s customers include all major utilities and leading BOOT developers in Brazil



## Investment In Power Sector in last 10 years between (2010-2019)



## Investment Forecast In Power Sector in next 10 years between (2020-2029)



Source: ANEEL, Consultant's Analysis, Generation Data from Ministry of Energy Presentation

Particulars	CY2018	CY2019	CY2020 (Estimate)
Gross Revenue (Brazilian Real Million)	74	213	244
Order Book (Brazilian Real Million)			506
Avg. Exchange Rate (USD / BRL)	3.65	3.94	5.15
<b><u>(Amount in US\$ Million)</u></b>			
Gross Revenue	20.2	53.9	47.4
Adjusted EBITDA*	2.3	4.7	4.7
Adjusted EBITDA Margin (%)	11.5%	8.8%	10.0%

\* Includes EBITDA of EPC business only and excluding one-off transactions

# Acquisition Rationale - Perfect Match with Powerful Synergies



- ❖ Strong Geographies – India, SAARC, Africa, Middle East, CIS and Europe
- ❖ Industry leading manufacturing & EPC capabilities in T&D business
- ❖ Well diversified portfolio across various EPC businesses
- ❖ Strong business development and tendering to speed up market penetration
- ❖ Robust balance sheet, strong financials and track record of successful acquisitions (Linjemontage (Sweden), JMC Projects Ltd. & Shree Shubham Logistics Ltd.)

- ❖ Strong Geographies - Brazil
- ❖ Asset light model and high ROCE business model
- ❖ Exposure to high potential growing T&D market in Brazil
- ❖ Differentiated EPC and technology capabilities
- ❖ Consistently Growing with strong financial performance
- ❖ Talented & experienced management team and employee base
- ❖ Historical ROCE over 30% for past 5 years

- ❖ Transaction provides a compelling value proposition and highlights KPTL vision to be local player in the global environment
- ❖ Access to Brazilian and Latin American markets to pursue growth in core T&D business; Capabilities to execute up to 750 kV substation & Transmission Line Projects.
- ❖ Large Addressable market for KPTL in Brazil for next 10 years
- ❖ Consolidated top line to grow from first year itself
- ❖ Business Synergies: Fasttel's EPC & Technology Expertise; KPTL's financial strength, strong project management skills, global procurement synergy, Low Cost Indian Manufacturing Base and EPC Capabilities for Large T&D Projects





**KALPATARU**<sup>®</sup>

**POWER TRANSMISSION LIMITED**

**Thank You**

## Contact

**Registered:** Plot No. 101, Part-III, GIDC Estate,  
Sector -28, Gandhinagar-382028,  
Gujarat, India.

**Corporate Office:** 7<sup>th</sup> Floor, Kalpataru Synergy, Opp.  
Grand Hyatt, Vakola, Santacruz (E), Mumbai 400055.  
India

**Phone:** +91 22 3064 3000

**Email:** [investorrelations@kalpatarupower.com](mailto:investorrelations@kalpatarupower.com)