



**WELCOME
From**

KK NESAR Projects Pvt Ltd
 (CIN NO: U74200GJ2009PTC058267)
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PROPOSAL : Harnessing The Affordable and Low Cost Renewable Energy generation through "RETAIL participation"

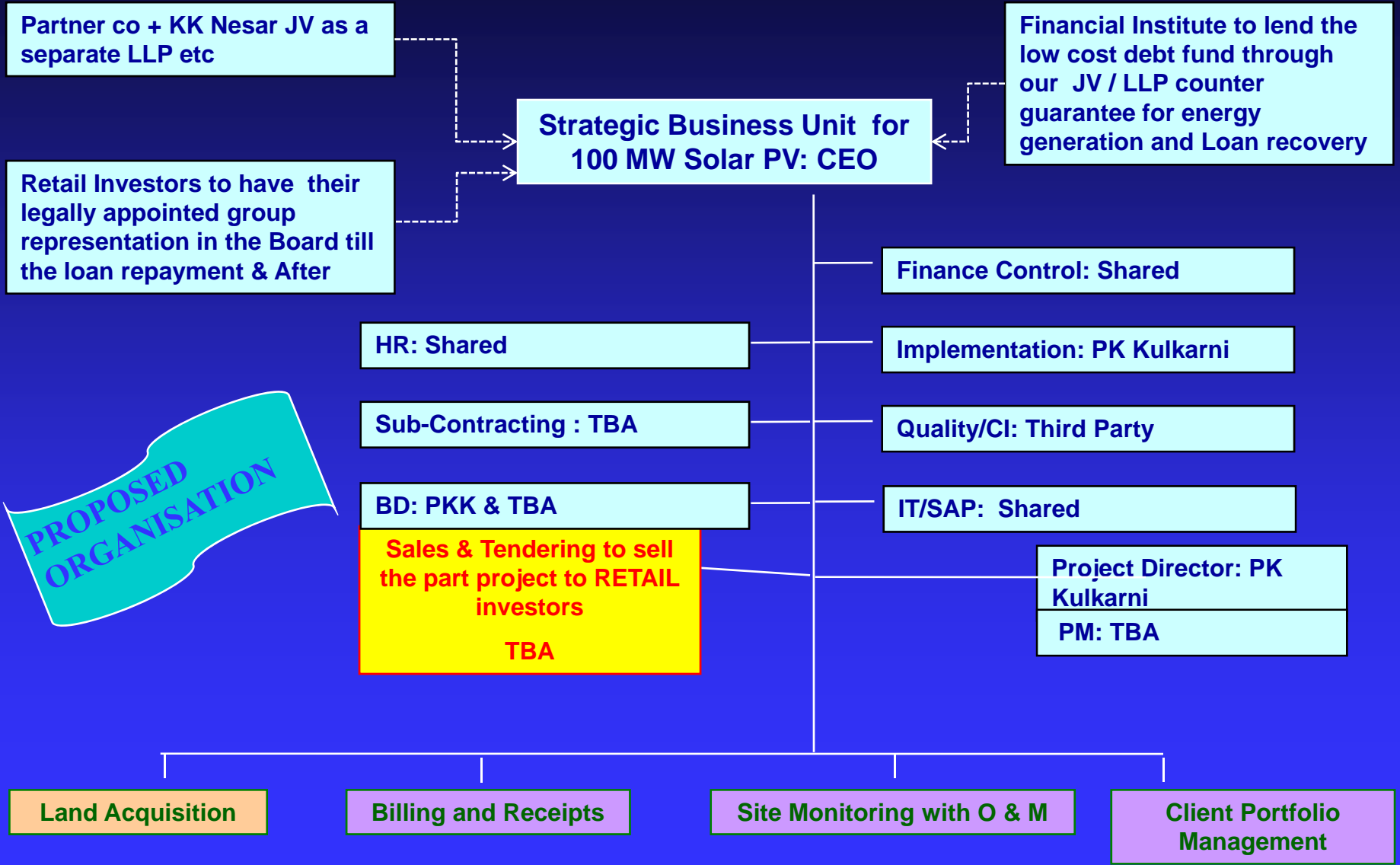
Client : Venture Capitalist / Project Partner / Retail Investors

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I. Key Objectives :

- 1). Development of 50 to 100 MW Solar PV Power project with Retail investors with maintenance per single location per Taluka or Revenue District of a State with decentralised low cost & affordable renewable energy generation with grid stability.**
- 2). Deployment of world class technology with low cost debt fund to WOO Retail Investors.**
- 3). Maintenance of Project to ensure a low cost business model of Solar PV project Development with a modest revenue generation scheme at an affordable fee chargeable to Retail investors with reduced tariff. Efficient design with less land usage / MW.**
- 4). Concept of " Let Experts Manage your Finance while contributing to the growth of Infrastructure Industry with " Stake Holding Capitalism" with skilled employment generation in India. Good quality national asset generation under sustainable development actions with more transparency.**
- 5). Extend all the fiscal benefits to RETAIL Investors through our organisation / team work.**



PROPOSED ORGANISATION



The key advantages will be as given below:

- a). Cluster development by world renowned EPC co with maintenance support till plant life with a good provision for small investors who can access low cost debt fund.
- b). Professionals will manage the site. The investor has to invest equity rest will be managed by our team. The project numbers are calculated and signed before hand, hence, a great degree of transparency.
- c). No hassles to run around to get sanction / various approvals for 1 MW from various ministries or department. Thus, time and overheads will be reduced. Land acquisition related issues will be greatly reduced due to large area acquisition at low cost.
- d). Assured power generation, smooth energy bill realisation, debt repayment including interest and then portfolio management with clarity, skilled professionals managing the site, hence, no need to create duplicate teams or no worry of employee turnaround for small investors, which may increase the maintenance costs at later date. If cluster power project development, the maintenance costs will be less and the spares management will be far superior with less down time.
- e). Single point power evacuation with good load, instead, if 50 PPAs of each MW would create administrative overheads which may become difficult to manage 10 years down the line with fluctuating demand. Thus it is advantageous for both small investor and the Government too.
- f). Tax administration, other FISCAL benefits will be uniform and transparent.
- g). Low cost project development with good maintenance by credible organisation.
- h). Wealth creation and distribution to small investors who can even be small factory owners and can avail the CAPTIVE POWER BENEFITS too, which need a small government notification, which in our opinion shall not be a hurdle as it exists with small wind mill owners or such similar cases.

KK NESAR PROJECTS Pvt Ltd

Cell No: 0091 9898296247

IRR and Cashflow : Sample Calculations

Typical / Draft IRR Calculations per MW in Rupees which will be ensured to Retail Investors :

Note: Detailed IRR calculations shall be dependent on PPA tariff per kwh, Net interest rate and the EPC costs prevailing during the Project Execution

- O & M Expenses, Interest on Term Loan, Insurance fee, Interest on WC, Repayment of Loan + incidentals as declared in the beginning of every year will be deducted by us before depositing the remaining earning to the respective bank accounts of Retail Investors as the Collateral Security is provided by our JV / SPV / LLP
- Tax administration shall be the responsibility of the Retail Investors depending upon their other business activities / income i.e their individual total profit and loss accounts.

Determination of IRR and CASHFLOW

Cost / MW	900	Total Cost of Project	900
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Solar Power Project

Units Generation	Unit	Year-->	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Installed Capacity	MW		1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Gross Generation (per MW)	MU		1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
Net Generation	MU		1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50

Incomes Cash In	Year-->	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Tariff with 2% Escalation / yr	Rs / kwh	8.78	12.50	12.50	12.50	12.50	8.50	8.50	8.50	8.50	8.50	8.50	7.50	7.50	7.50	7.50
Incomes Cash In	Rs. Lakh	187.50	187.50	187.50	187.50	187.50	127.50	127.50	127.50	127.50	127.50	127.50	127.50	112.50	112.50	112.50

Fixed Cost (Cash OUT)	Unit	Year-->	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
O & M Expenses	Rs. Lakh	0.0572	11	11.63	12.29	13.00	13.74	14.53	15.36	16.24	17.17	18.15	19.19	20.28	21.44	22.67	23.97
Interest on Term Loan	Rs. Lakh		50.40	45.36	40.32	35.28	30.24	25.20	20.16	15.12	10.08	5.04	0.00	0.00	0.00	0.00	0.00
Insurance fee	Rs. Lakh		1.00	1.02	1.03	1.05	1.06	1.08	1.09	1.11	1.13	1.14	1.16	1.18	1.20	1.21	1.23
Interest on Working Capital	Rs. Lakh		1.19	1.24	1.30	1.36	1.42	1.48	1.55	1.62	1.70	1.78	1.86	1.95	2.04	2.14	2.24
Repayment of Loan	Rs. Lakh		63.00	63.00	63.00	63.00	63.00	63.00	63.00	63.00	63.00	63.00	0.00	0.00	0.00	0.00	0.00
Total Fixed Cost	Rs. Lakh		126.59	122.25	117.94	113.68	109.46	105.29	101.16	97.09	93.07	89.11	22.21	23.41	24.68	26.02	27.44

Project Equity cash Out		-270.00															100
Cash FLOW	Rs. Lakh		60.91	65.25	69.56	73.82	78.04	22.21	26.34	30.41	34.43	38.39	105.29	104.09	87.82	86.48	-14.94
Accrued Income (Cumulative Income)	Rs. Lakh	-270.00	-209.09	-143.83	-74.27	-0.45	77.58	99.80	126.13	156.54	190.97	229.36	334.65	438.74	526.56	613.04	598.10
Project IRR based on yrly Incomes		-900.00	187.50	187.50	187.50	187.50	187.50	127.50	127.50	127.50	127.50	127.50	127.50	127.50	112.50	112.50	112.50
Project IRR based on yearly INCOMES	17.37%																

Project IRR based on Cumulative Income	50.1%
Total Investment	900
Debt	630
Equity	270
Total Accrued INCOME	1351

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Total Interest paid on Term loan	277	Rs. Lakhs	Interest %	8
Total interest paid on WC for 25 years	54		Interest %	13

Introduction of The Promoter, Mr. Praveen Kumar Kulkarni., BE (MECH),MIE

Cell No: 0091 9898296247

- Gold Medalist from SLN College of Engineering, Gulbarga University, Industrial work experience over 23 years with PSU, MNCs.
- Industrial Career Started with a PSU, Tungabharda Steel Products Ltd, Hospet from 1988 to 1995. Executed engineering of 21 Hydro Mechanical Equipment projects (RG, VG, LB, EOT and Gantry Cranes) apart from Malpe Slipway machinery and Steel Plant equipments. Deputed to Japan for 5 months as part of UNIDO program to become JICA participant-1994. Introduced CAD in TSPL with software programs for design of Gates, Hoists and Cranes. Deputed to TSPL Hyderabad branch to assist business development of Steel Plant Equipments
- With SMS Demag India Ltd, German MNC) engineered Steel Melt Shop equipments of Jindal Vijay Nagar Steel Plant.
 - ◆ Apart from Head of Secondary refining equipments viz VD, VOD, RH, RHOB, SMS equipments, supported the pre-bid and business development activities thru ICB of SMS Demag Secondary refining equipments. Visited SMS Demag, Duisburg on company assignments
- ALSTOM Portugal / India (French MNC) hired as Consultant and Part of Management team to launch Hydro Mechanical Equipment in India in their Baroda factory. Prepared Business plans, Export support (1ME, Owenfalls, Uganda), tendering support to realize and launch Omkareshwar Project. Visited ALSTOM Lisbon, France, Grenoble on assignments and important missions
 - ◆ Project Manager of Omkareshwar HME (24 ME)
 - ◆ Implementation Manager to rebuild (15ME) Alstom Baroda factory to manufacture Hydro turbines, Generators and HME to cater to their Indian and Export Markets. Visited USA, Russia for special equipment evaluations, purchase and installations.
 - ◆ Project Director of Nam Ngum, Laos HME project (10ME)
- Established KK NESAR PROJECT PRIVATE LIMITED to execute RENEWABLE ENERGY projects on EPC basis with a Collaborative business approach WITH INDIA SPECIFIC NEEDS. (www.kknesar.com)

