Since 1994

K.P. ENERGY LIMITED

CIN: L40100GJ2010PLC059169

GROUP

E-mail : info@kpenergy.in
Website : www.kpenergy.in

KPEL/AR-21/SEP/2021/283

September 04, 2021

To

BSE Limited
P J Towers
Dalal Street
Mumbai - 400001

Scrip Code: 539686

Sub: Submission of Annual Report of the Company for the financial year 2020-21

Dear Sir(s),

Pursuant to Regulation 34(1) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), we are submitting herewith the Annual Report of the Company for the financial year 2020-21 which is being sent through electronic mode to the Members.

The Annual Report containing the Notice of 12th Annual General Meeting is also uploaded on the Company's website www.kpenergy.in

Kindly take the same on record.

Thanking you,

For K.P. Energy Limited

K.P. ENERGY LTD. SURAT

Karmit Sheth
Company Secretary and Compliance Officer

Encl.: a/a

Reg. Office:
'KP House', Opp. Ishwar Farm Junction BRTS, Near Bliss IVF Circle, Canal Road, Bhatar, Surat- 395017, Gujarat, India.
Phone: +91-261-2234757, **Fax:** +91-261-2234757
E-mail: info@kpenergy.in, **Website:** www.kpenergy.in
ISO 14001:2015, ISO 9001:2015 and BS OHSAS 18001:2007 Certified Company

BSE Listed Company

KP ENERGY LIMITED

A New **Dawn**

ANNUAL REPORT **2020-21**

Since 1994

www.kpgroup.co

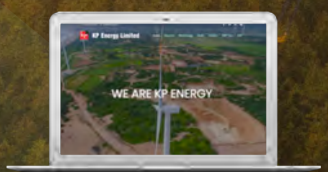
FY21 HIGHLIGHTS

Revenue from Operations
(₹ in Crores)
69.0

EBITDA
(₹ in Crores)
17.8

Market Capitalisation*
(₹ in Crores)
94.5

*As on March 31, 2021.



Find out more online:
www.kpenergy.in

Forward Looking Message
This document contains statements about expected future events, financial and operating results of KP Energy Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. Therefore, there is a significant risk that the assumptions, predictions, and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results, and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications, and risk factors referred to in the management's discussion and analysis of KP Energy Limited's Annual Report, FY2021.

A New **Dawn**

Business must continually recalibrate their plans in order to survive and grow in a dynamic and uncertain world. Perhaps the Indian wind energy industry is possibly under more strain from the constant change, where the regulatory landscape, competition, technological advancements are driving industry players to think afresh.

KP Energy, as a company, has faced several crises and challenges before and has emerged stronger from each. This time too, it retained its firm footing and strengthened itself in an uncertain time while keeping an eye on the opportunities ahead. With all our learnings in these challenging times, we are building a more agile and execution-driven enterprise with an aggressive growth approach that can respond faster to changing market dynamics. Our ability to offer turnkey solutions, by participating in every step of the value chain gives us a competitive edge in the marketplace. Over the years, we have reinforced our position by having excellent project execution skills and a solid reputation for providing top-notch service. Today, a strong Business Pipeline of 1,035+ MW has strengthened our prospects and positioned us as a market leader with a niche placement in the infrastructure segment of the Renewable Industry.

It is the right time and perfect time to capitalize on our decade of experience and exposure to leverage opportunities through our already laid foundation. Moving ahead, we believe that with the seasoned and well-organised team with a culture of Quality, Health, Safety, and Environment (QHSE) built, the pace of development and growth shall remain unchallenged. We want to deliver the best of fruits to our stakeholders.

We will continue to see a sustainable and consistent upward movement on topline, bottomline, and reserves to usher in our commitment to being the numero uno in the renewable infrastructure map of India.

INSIDE THE REPORT

An emerging force

in India's renewable energy landscape

The KP Group, founded in 1994 by Mr. Farukbhai Gulambhai Patel, is a diverse business organisation headquartered in Surat, Gujarat.

The Group originated as a logistics service provider and today has grown to have interests across renewable energy value chains. It has decades-old entrepreneurial exposure to critical ancillary skills of quality tower manufacturing, solar structures design, and installation through highly skilled and trained human resources. The Group has emerged as a force in the renewable energy sector with its expansion and growth during the past decade. KP Group has also founded and structured its concern towards the cause of social wellbeing by incorporating and funding its Non-Profit Organisation - KP Human Development Foundation, which is actively engaged in health, education, and social upliftment of residents in the vicinity of the Group's projects, in addition to other Group CSR activities.

KEY ENTITIES

KP Energy Limited

WIND ENERGY

~200 MW
Capacity energised as EPCC service provider

~1,035 MW
Business pipeline

~514 MW
Power evacuation capacity

(As of March, 2021)

KP Energy Limited is a leading provider of Balance of Plant (BoP) solutions for the wind energy industry. The company is involved in the entire wind farm development value chain, right from conceptualisation to the commissioning of a project. KP Energy plays a critical role in coordinating a wide range of activities related to utility-scale wind farm development.

KPI Global Infrastructure Limited

SOLAR ENERGY

~49 MW
Of cumulative assets (IPP)

~9 MW
Of capacity energised for CPPs

~20 MW
CPP capacity under Development

~37 MW
IPP assets under development

(As of March, 2021)

KPI Global Infrastructure (KPI) is a multi-dimensional solar energy company with interests in power generation as an Independent Power Producer (IPP), turnkey solution provider for Captive Power Producers (CPP) clients, and selling Industrial plots, which are leased back for foraying into solar power generation. The company functions in all of these areas under the brand name 'Solarism.' KPI Global Infrastructure is the Solar Energy arm of the KP Group.

KP Buildcon Private Limited

GALVANISATION AND FABRICATION

1.2 LAKH SQUARE FEET
Plant area

24 THOUSAND METERS
Annual manufacturing capacity

150 MW
Solar projects at Charanka in Gujarat as an EPC Contractor

KP Group's flagship company, KP Buildcon Private Limited, an ISO 9001:2008 organization, enjoys the status of one of India's largest Telecom Infrastructure Providers since 2009 for the World's Largest Telecom Towers Company.

KP Human Development Foundation

NON-PROFIT ORGANISATION

1,000+
Students facilitated for education

500+
Education kits distributed

500+
Books & stationery kits distributed

The KP Human Development Foundation has embarked on its journey towards giving quality education to the underprivileged students of society. The Foundation has adopted a Government school with about 1,000 students, named Nagar Prathmik Shikshan Samiti, located in a backward slum & undeveloped area of Surat.

IN THE FUTURE

In the coming years, the Foundation has plans to carry out academic transformation through digital technology access, improving physical infrastructure, and using the latest educational tools. The Foundation aims to install Smart Classes, Computer Labs, CCTV Cameras, Hi-tech Science Laboratory, and various extra-curricular activities like Vedic Mathematics, Calligraphy, and Self-Defense.

ABOUT US

KP Energy **at a glance**

India's prominent Balance of Plant solution provider for the wind energy industry.

KP Energy Limited is a leading provider of Balance of Plant (BoP) solutions for the wind energy industry. The Company is involved in the entire wind farm development value chain, right from conceptualisation to the commissioning of a project. The Company predominantly works on projects in Gujarat, India. For the BoP component of the project, KP Energy's end-to-end solution for wind farm development comprises services such as site identification, site preparation, construction & erection, power evacuation, and operations & maintenance. In addition, KP Energy plays a critical role in coordinating a wide range of activities related to utility-scale wind farm development. Since its inception in 2010, the Company has completed many projects with a cumulative installed capacity of over 200 MW and an additional 300 MW energised with KP Energy's scope of work completed.

GUJARAT'S #1

Gujarat's #1 BoP solution provider for Wind Farms

OVER 200 MW ENERGIZED

~200 MW cumulative wind energy capacity energized by the Company since inception

ADDITIONAL 300 MW COMPLETED

~300 MW energized with the Company's scope of work completed

OVER 1,035 MW IN PIPELINE

Definitive business pipeline of 1,035.8 MW to be executed in 2.5 years

~514 MW

Power Evacuation Infrastructure & Capacity of ~514 MW

120 COMMITTED TEAM MATES

Qualified and experienced team of 120, across technical, commercial and corporate functions

DIVERSIFIED

Diversified revenue streams across EPCC, IPP and O&M segments

BSE LISTED

BSE: 539686

PART OF THE ₹2.10 BILLION KP GROUP

JOURNEY & EVOLUTION

A journey of **rapid transformation**

Our journey has taken us through extremes of euphoria and despair, severe disruption and yet we have endured all of this. We are optimistic about the future of wind energy and the role it will play in meeting the energy needs of India.

2010-13

Establishing a foundation.

2010
- Incorporation of KP Energy Private Limited

2012
- Allotment on a total of 56 lease spots for potential wind farms at various locations like Ratdi, Baradia, Matalpar and Odedar

2013
- Allotment of lease spots at Kuchdi, Gujarat

2014-16

Early small-scale projects with Indian wind technology major - Suzlon.

2014
- Executed a 30MW Joint Development agreement with Suzlon Energy Limited for a wind farm at Ratdi

2015
- Executed a 31.50 MW and 30 MW Joint Development agreement with Suzlon Energy Limited for wind farms at Khuchdi and Matalpar respectively
- Commissioned a 27.30 MW wind farm project at Ratdi & Baradia, Porbandar

2016
- Came out with its Initial Public Offering on BSE SME Exchange

2017-21

Exponential scale of opportunities pursued, to the extent of 3-10X, with global majors like GE & CLP.

2017
- Commissioned record-capacity of 81.9 MW, nearly 3 times its previous year's capacity

2018
- Tied up with world's prominent wind turbine technology provider for developing wind power projects to the tune of 600 MW (300 MW X 2 projects)
- Won Bronze Award in the category of "Portfolio Performance" Wind Developer of the year by IWEF

2019
- KP Energy aligns with CLP India Private Limited for developing a 250.8 MW wind site at Dwarka for SECI tranche-VIII bid

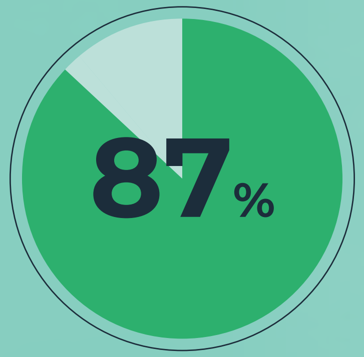
2021
- Won "Best Project Site Management Initiatives", "Project Electrical Design Innovations" and "Best Project EHS Management Initiatives" by Wind Insider Engineering Excellence Awards India 2021

VALUE CREATION MODEL

Business **Canvas**

— EPCC

ABOUT
KPEL offers a unique value proposition that has been designed to address all of the issues that WTG manufacturers, IPPs, and Captive Power Consumers face when setting up a wind farm. We provide end-to-end BoP solutions for WTGs, from idea to commissioning.

REVENUE CONTRIBUTION


VALUE DELIVERED
KPEL acts as a one-stop solution provider for its client, the entire responsibility and accountability for execution of a utility-scale wind farm is transferred to the Company.

OUTCOME
PROJECTS ARE EXECUTED ON-TIME AND AT DESIRED COSTS.

— O&M

ABOUT
For the BoP section of the project, KPEL provides comprehensive operations and maintenance services.

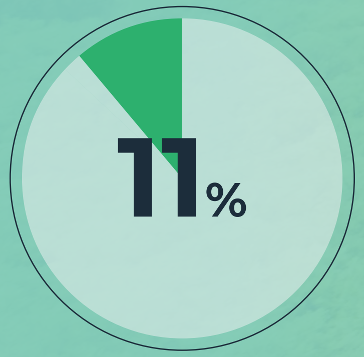
REVENUE CONTRIBUTION


VALUE DELIVERED
KPEL undertakes O&M services for the BoP portion, for its projects, so that its clients don't have to engage in the same.

OUTCOME
ENERGISED WIND-ASSETS ARE MAINTAINED FOR SMOOTH-FUNCTIONING OVER THEIR LIFECYCLE.

— IPP

ABOUT
At wind farms developed by KPEL, the company owns power generation assets with a total capacity of 8.4 MW.

REVENUE CONTRIBUTION


VALUE DELIVERED
Recurring, annuity income stream for the Company.

OUTCOME
STABILITY OF CASH FLOWS, IN PERIODS WITH LOWER CAPACITY ADDITIONS.

SCOPE OF SERVICES

Holistic solutions for **Wind Energy Industry**

Our one-stop solution is a comprehensive set of services designed and developed expressly to meet all aspects of establishing a utility-scale wind energy project. Wind Turbine Generators (WTG) manufacturers, Independent Power Producers (IPP), and Captive Power Consumers are among the company's primary stakeholders for EPCC and O&M services.

EPCC

The key services offered in this segment are as follows:

SITE IDENTIFICATION

- Our core area of expertise is locating viable wind energy sites and procuring sufficient land parcels for project development.
- To analyse and select the sites, we use critical resources and technologies such as satellite data, physical evaluation, meso-mapping, wind data analysis, LIDAR, and so on.
- Gujarat has the largest wind potential in the country, and KP Energy has an excellent portfolio of windy sites here.

SITE PREPARATION AND LOGISTICS

- No matter the type of terrain, the company has a proven track record of site preparation and implementation. Coastal plains, rocky ridges, low-lying water-prone flats, inundated mountain summits, marshy plateaus, muddy soil, and other types of terrain are among some of them.
- In order to complete its projects, the company has built roads, bridges, and embankments, as well as numerous engineering jobs to transport wind turbine parts (especially blades and nacelles) and erection cranes through difficult terrains.

CONSTRUCTION & ERECTION

- Civil work related to the WTG foundation and completion of the crane platform
- Loading, unloading, inter-carting of WTG parts, their installation & erection, and charging of the wind farm through 33kv Switchyard (USS) and 33kv HV lines throughout windfarm

O&M

- Over the course of the project's lifetime, KP Energy will provide operations and maintenance support to the BOP part of WTG. The first few years of operation and maintenance (O&M) services are supplied as part of the EPCC package; however, following that first period, the services are subject to a fee.
- The operation and maintenance of the wind farm includes the management of the pooling substation (which is operational 24 hours a day, seven days a week), the maintenance of the high-voltage and extra-high-voltage networks, the repair of access roads, the management of power commercials, and the administration of site-related RoWs.
- It adds value to our core offering while also assuring clients of the continuity of services to generate an annuity-based revenue stream for the Company.

POWER EVACUATION, PERMITS & APPROVALS

- The company undertakes the responsibility of constructing 33/66kv or 33/220kv power evacuation infrastructure, as well as associated EHV lines.
- Depending on the location and WTG parameters, the company also works on getting all necessary permits and approvals for establishing and operating a wind farm project from a variety of authorities (local, state, and central).

POWER PURCHASE AGREEMENTS

- The company offers complete support and assistance in Power Purchase Agreements with DISCOMS and other entities.

EPCC FOR HYBRID PROJECTS

- Renewable hybrid projects have a vast potential and will play a critical role in energy generation in the times to come. Solar and wind power are variable, thus posing specific challenges concerning grid security and stability. However, wind and solar can complement each other and hybridisation of these two technologies can minimise variability and optimally utilise land and grid assets. In essence, the combination of wind and solar (hybrid) energy can produce cost-efficient electricity round-the-clock, at costs lower than conventional sources.
- KP Energy is closely working with stakeholders in the renewable energy industry to conceptualise and execute hybrid projects in India. The Company already possesses the necessary domain expertise and competence to execute & deliver utility-scale renewable energy projects, and with the policy support of the Government of India promoting hybridisation, the future for such projects looks very bright.

LETTER TO SHAREHOLDERS

Navigating the crisis **with diligence**

लहरों को साहलि की दरकार नही होती,
हौसलें बुलंद हो तो कोई दीवार नही होती,

जलते हुए चरािग ने आँधियों से ये कहा
उजाला देने वालों की कभी हार नही होती.

Waves don't need a shore,
If the spirits are high, then no wall is high enough,

The burning lamp said this to the storms
Those who give light never lose.

FARUK G PATEL
MANAGING DIRECTOR

DEAR STAKEHOLDERS,

My genuine desire is that you and your loved ones remain safe and well during these difficult times. The Covid-19 pandemic and accompanying lockdowns have caused significant disruptions in a wide range of areas, including businesses, economics, and societies. While the virus did try to push us off our feet, I'm pleased to say that our resilience and tenacity were unaffected by what can only be characterised as one of the most severe external environments the Company has seen in its decade-long existence.

INDUSTRY SCENARIO

On that note, let me begin by providing you with a quick overview of the industry in which we function. The repercussions of Covid-19 were felt throughout the Indian wind energy sector. Because of supply chain disruptions, labour shortages, and various other logistical problems, the project timelines were stretched, and force majeure clauses were enforced. These difficulties were exacerbated by the non-availability of the power grid as well as land-related concerns. As a result of these factors, capacity installations were significantly impacted in the year 2020, resulting in a spillover of capacity installations from 2020 to 2021. These delays in project execution not only have an impact on the projects that are presently in implementation, but they also lead to declining interest for investors for new project tenders.

Business Pipeline

~1,035 MW

Our business outlook is positive, as we start the new financial year with the largest ever definitive business pipeline in the Company's history.

PERFORMANCE DISCUSSION

The financial performance for FY21 has been in line with the previous year. For the full year FY21 on a Consolidated basis, the Company reported Revenue from Operations of ₹71.73 crores in FY21 compared to ₹74.99 crores during the last year, a decline of 4% year on year. For the same period, Total Income stood at ₹73.21 crores compared to ₹75.58 crores in the previous year, a drop of 3% year on year. However, the Company fared much better on the profitability front. Operating Profits stood at ₹17.83 crores in FY21, a substantial increase of 65% year on year; consequently, Operating Profit Margins stood at 24.86% in FY21 compared to 14.37% in FY20. In addition, the Company reported Profit after Tax of ₹6.05 crores for the year under review, compared to ₹1.10 crores in the previous year, a staggering growth of 451%. It would be fair to note that this increase in net profitability was despite higher Finance Costs and Depreciation and Amortisation. The Company further strengthened its Balance Sheet in the current year, with Shareholders' Fund increase by 5% to reach ₹89.10 crores as of FY21. The Company also improved on metrics such as Debt to Equity, which declined from 0.37 in FY20 to 0.31 in FY21. An increase in operating profitability also meant a better Interest Coverage Ratio, which stood at 2.83 times in FY21 compared to 1.60 times in the previous year. Our Balance Sheet strength will act as a significant advantage for the Company; it will help us absorb transitionary difficulties, take on large-scale projects, and emerge bigger as the go-to BoP solution provider in our industry.

PERSPECTIVES FOR THE FUTURE

Despite the present economic climate, my prognosis for the industry remains quite optimistic in nature. The foundations and structure of the Indian energy market will provide a favourable environment for the expansion of wind and solar energy in the nation. With technological advancements and increased acceptance, wind and solar energy costs continue to decrease, resulting in a wider price differential between renewable and traditional sources. Therefore, renewable energy will play a crucial part in meeting India's rising energy demands, and the competitive landscape for renewable energy in India will only intensify in the future. In addition, KP Energy's involvement in facilitating the execution of the projects and speeding up the deployment of wind energy will be significant. We are the leading wind energy infrastructure service providers in Gujarat, which is the country's most promising wind energy destination. Furthermore, there are new prospects in the state of Gujarat, such as the Hybrid project and offshore wind energy projects, which both have tremendous potential in the state.

A STRONG BUSINESS PIPELINE

Our business outlook is supported by a healthy business pipeline totalling 1035.8 MW. As we start the new financial year with the largest ever definitive business pipeline in the Company's history, I am optimistic about the Company's future prospects. To provide you with some information regarding our current business pipeline, we've completed about 200 MW throughout the course of our ten-year existence, with another 300 MW where the Company's scope of work has been completed, to date. When you add it all up, it's still 500 MW, and we expect to execute more than two times that in the next 2.5 years. More specifically, our current projects involve collaboration with organisations such as GE and CLP. The execution of this business pipeline, as well as the creation of certain other opportunities, will completely alter the Company's trajectory. While there is no question that the Company will have to put out its best effort in order to complete such large-scale projects, we are confident that we will be successful if we have the support of our team, our clients, and all of our stakeholders.

बेहतर से बेहतर की तलाश करो मलि जाए
नदी तो समंदर की तलाश करो

टूट जाते है शीशे पत्थरों कि चोट से टूट
जाए पत्थर, ऐसे शीशे की तलाश करो..!

Always be on the lookout for something better. If you find the river, then search for the ocean.

Glass breaks when hit with a stone; Search for a glass that can break a stone.

Yours sincerely,
FARUK G PATEL
MANAGING DIRECTOR

LETTER TO SHAREHOLDERS

Driven by capabilities, **inspired by opportunities**

ASHISH A MITHANI
CHIEF EXECUTIVE OFFICER

"Our greatest glory is not in never falling, but in rising every time we fall" –

CHINESE PHILOSOPHER CONFUCIUS

PARTICULARS (₹ IN CRORES)	2017	2018	2019	2020	2021
Top-line	113.03	60.24	158.88	74.71	**70.51**
Bottom-line	16.89	1.88	19.44	1.10	**7.2**
Team Strength (#)	62	87	144	117	**120**

All the parameters of performance and future growth sticks are now in our favour. Our capabilities are proven. Opportunities are abundant. Investment environment is favourable.

DEAR INVESTORS,

Key markers for KP Energy in FY21 are,

1. Completing the much-awaited and delayed 220kv transmission line and energisation of 300 MW substation for Gadhsisa Project in October 2020.
   Key Take-away: Team KP Energy never quits irrespective of project challenges or policy changes.

2. Execution of Definitive Agreement with CLP for Sidhpur-I project of 252 MW Project Development & 25 years of OMS services in December 2020. This project is an endorsement of KP Energy's competency and reputation to execute large-scale projects directly with the customer, not through OEMs.
   Key Take-away: KP Energy has risen to close protracted contract negotiations, deal efficiently at both fronts, onsite for execution and on-desk for documentation with International Standards in Energy Segment.

3. Successful & harmonious resolution of pending issues with Suzlon Energy Limited for previous project account receivables.
   Key Take-away: Move on. Age-old differences are better solved in boardrooms than in courtrooms – balance relationships and business must go together.

4. The signing of Long Term Maintenance Contracts with Suzlon Global Services of 71.4 MW which was pending since FY17. KP Energy is eying to expand its basket of O&M business as we progress in the execution of more such contracts.
   Key Take-away: Efforts on the ground and efficiency in bringing best Infrastructure availability is not complete until it is reflected on P&L.

Key growth pointers from Regulators for wind industry, available to the benefit of KP Energy:

- The Government of Gujarat has allowed using revenue lands, erstwhile allotted and acquiring balance lands privately to complete wind projects until SECI tranche-VII in Gujarat.
  Key Take-away: KP Energy will execute its Sidhpur-I site for 252MW for CLP. It can further execute another ~300MW Site for its Sidhpur-II from already acquired revenue locations.

- The Government of Gujarat has extended the validity period for the earlier expired Wind Policy until March 2022.
  Key Take-away: Investment in wind greatly benefited and after many years, as the first time policy for wind is much more attractive than solar for Captive Industry Investors.

- GERC has issued its Order for Tariff Fixation for Hybrid Projects to be set up during the Policy period until March 2023.
  Key Take-away: This has virtually brought Gujarat State Projects (read KP Energy) to the limelight on the energy map of India, with too many opportunities for Commercial & Industrial segments within Gujarat to generate power from renewables.

- SECI has focused on chasing the completion of already won projects and slowed down new bids.
  Key Take-away: Companies engaged with bidding have now started focusing on execution contracts and realising the actual Levelised Cost of Energy (LCOE) instead of focusing only on auction prices and winning bids.

- Severe WTG supply constraints. All major WTG manufacturers are fully booked with their production capacities:
  Key Take-away: Lull in the market has evaporated. Capacities available are booked in a queue, and the real investments and execution capabilities of KP Energy are now being capitalised at the correct pricing and margins.

- Economic downfall due to Covid Crisis – Every Industrialist now looks to economise its product costs and absorb the huge increase in commodity prices by investing in captive power through renewables.
  Key Take-away: Almost every segment, which never entertained captive generation or open-access power has been aggressively looking for economical energy from renewables. KP Energy has a large land bank available for the Captive Segment of Gujarat.

- India witnessed the highest installed generation capacity from RE sources (excluding large hydro projects) to 100GW.
  Key Take-away: Renewable Energy in India is no more an alternate Source of Energy. It is now progressing towards the primary source of energy.

I have all pride and pleasure to recast my 2016 message – "All the parameters of performance and future growth sticks are now in our favour. Our capabilities are proven. Opportunities are abundant. Investment environment is favourable. Above all, blessings from the almighty are blistering. **So let us strike the iron as much as we can, while it's hot.**

I am correlating our stand with famous quote from Lord Winston Churchill –

"Kites rise highest against the wind - not with it"

We at KP Energy are all set to rise above the storms, grab beyond anybody's reach and make a turnaround. Our Kite has attained stability and grip over turbulence. It is all set to rise to the highest, now.

Passionately Yours,
ASHISH A MITHANI
CHIEF EXECUTIVE OFFICER

LETTER TO SHAREHOLDERS

Shouldering responsibilities, **powering our future**

AFFAN F PATEL
WHOLE TIME DIRECTOR

As a member of the Company's new generation of managers, I look forward to contributing to all the functions of the organisation, especially those that will be the dire need of the future

DEAR STAKEHOLDERS,

This is my first official address to you since being appointed to the Board of Directors last year. Thank you for your consideration. Let me begin by expressing my gratitude to you and the Board for placing their trust in me; I am well aware of the duties that have been put on my shoulders, and let me assure you that I will hit the ground running.

My seniors have built a unique value proposition for the wind energy sector, and along with it, a distinct business model to support it. Most significantly, the leadership has successfully guided our organisation through one of the most arduous periods in the industry's history. At this point in time, KP Energy has established itself as a unique platform and a formidable partner for every stakeholder in the wind energy sector; in many areas of the business, we are an indispensable collaboration, and the global majors are appreciative of this reality. Furthermore, the convergence of our three business segments will also assist us in achieving well-balanced and profitable growth in the future. Moreover, while our EPCC business, which is designed to execute utility-scale wind projects, will assist us in reaching greater heights, our supporting segments of O&M and IPP will provide the stability that will allow us to mitigate volatility at the company level.

As a member of the Company's new generation of managers, I look forward to contributing to all the functions of the organisation, especially those that will be the dire need of the future. Technology, enterprise resource planning, and digital initiatives are just a few of the areas in which we will work together to enhance the Company. Many of these initiatives are already in the midst of being implemented as we speak. My key area of focus remains the "in-time" execution of Projects.

Technology, enterprise resource planning, and digital initiatives are just a few of the areas in which we will work together to enhance the Company.

I believe that the combination of experience and energy can be one of the most powerful alliances for an organisation. At KP Energy, not only do we have industry veterans as members of the Management and Board of Directors, but we also have a large number of young, energetic, and budding managers and leaders in all functions of the organisation. The fact that we have been able to overcome numerous obstacles because of our dynamism is something that we will continue to emphasise in our organisation.

I would like to conclude with a vote of thanks to our investors for their unwavering support; our team, whose commitment to their work continues to drive us ahead, the loyalty of our clients and vendors that motivates us to deliver more.

Yours truly,
AFFAN F PATEL
WHOLE TIME DIRECTOR

KEY PERFORMANCE INDICATORS

Resilient performance **in a challenging year**

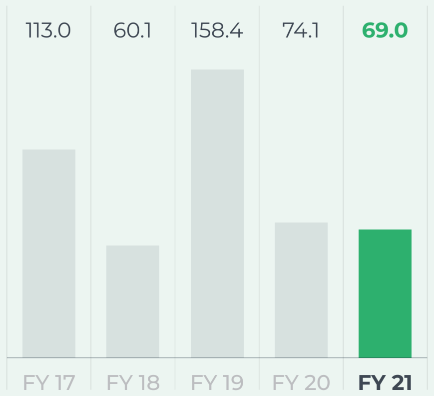
FY21 HIGHLIGHTS

Revenue from Operations (₹ in Crores)	EBITDA (₹ in Crores)	Profit after Tax (₹ in Crores)	Market Capitalization (₹ in Crores)
69.0	17.8	7.2	94.5*

*As on March 31, 2021

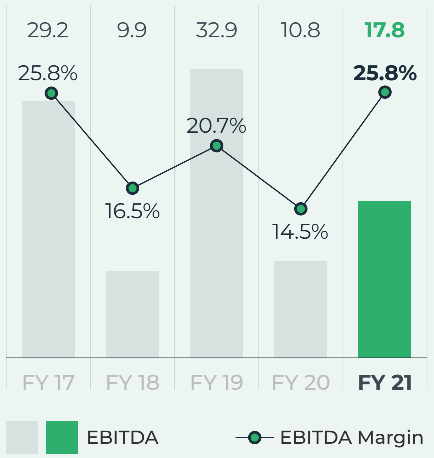
Revenue from Operations
(₹ in Crores)

69.0



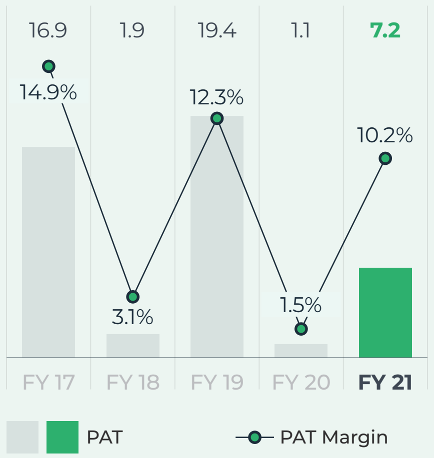
EBITDA & EBITDA Margin
(₹ in Crores & %)

17.8 | 25.8%



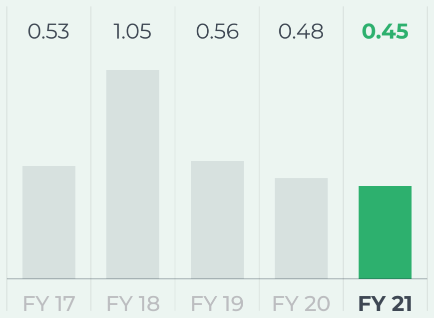
PAT & PAT Margin
(₹ in Crores & %)

7.2 | 10.2%



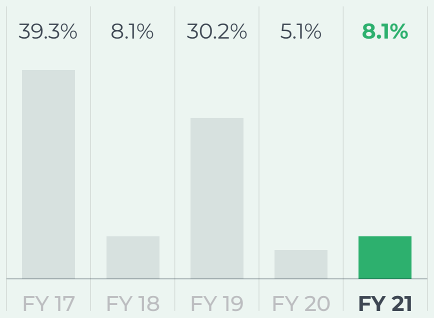
Debt to Equity
(Times)

0.45



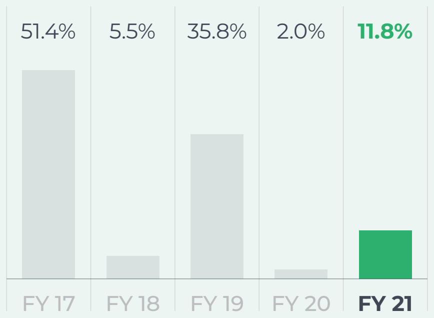
ROCE
(In %)

8.1%

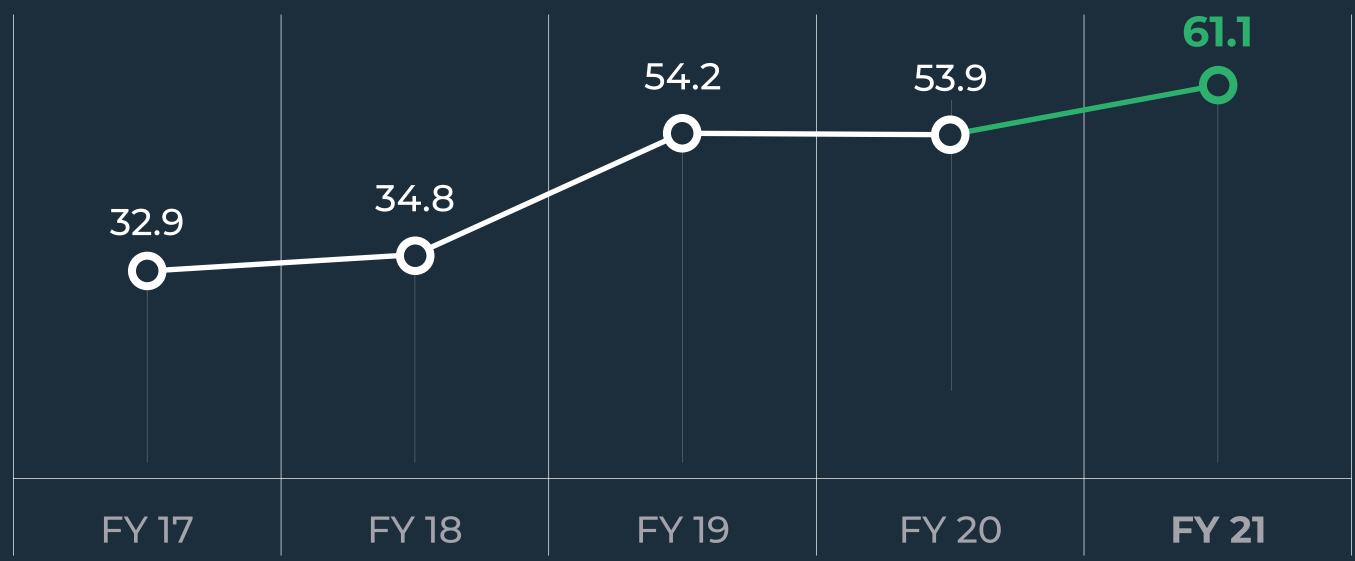


RONW
(In %)

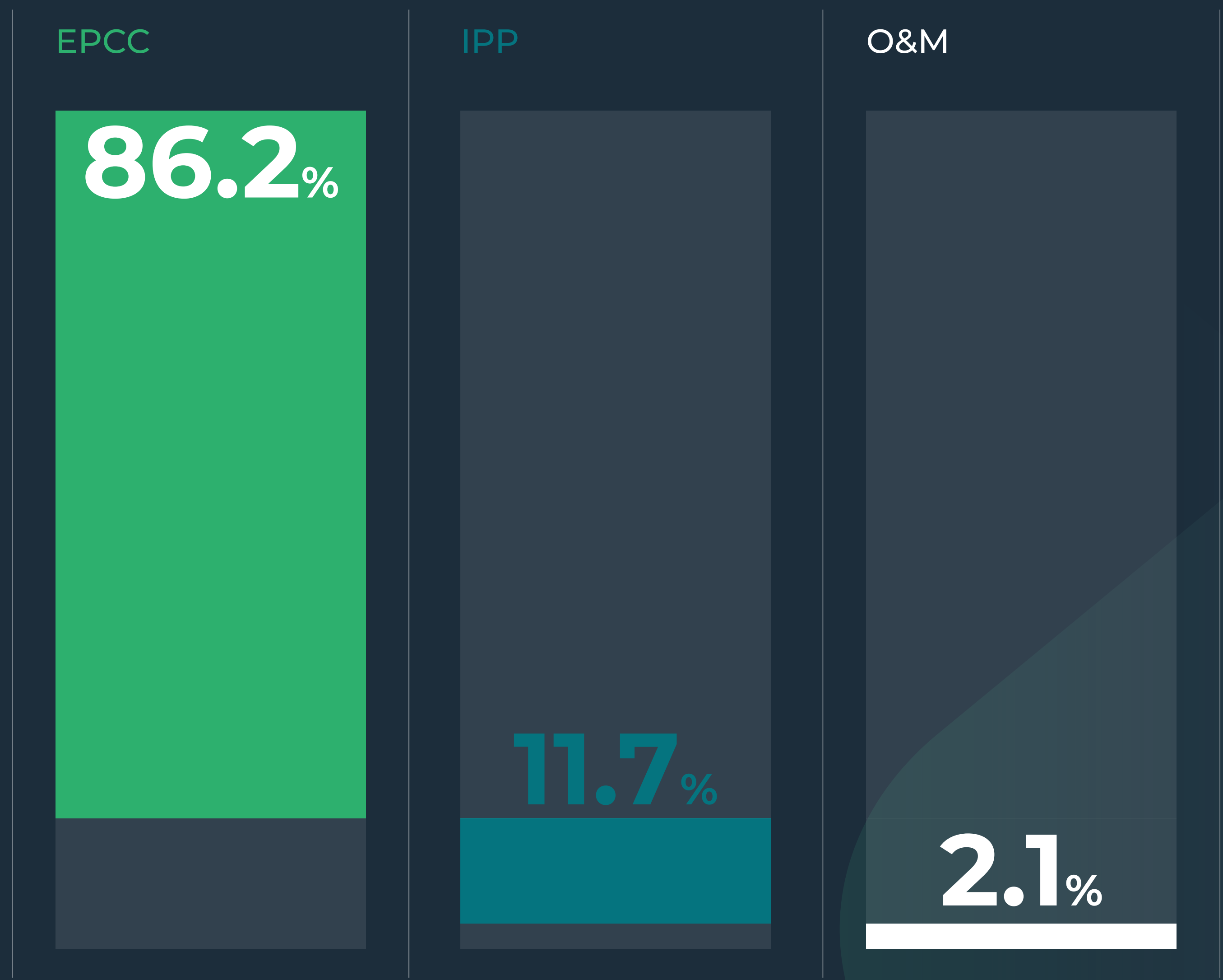
11.8%



Networth
(₹ in Crores)



Diversified Revenue Streams (FY21)
(In %)



BOARD OF DIRECTORS

Leading **responsibly**

MR. FARUKBHAI GULAMBHAI PATEL
MANAGING DIRECTOR

Mr. Faruk G. Patel, Managing Director, is the founding promoter of the KP Group. Entrepreneur and visionary corporate leader in the renewable energy field, he is widely regarded in the industry. His entrepreneurial experience began with a modest venture that dealt in logistics. He then ventured into the construction and infrastructure industries before venturing into the renewable energy industry, becoming the promoter and founding member of the KP Group of enterprises. The KP Group of enterprises is involved in a variety of industries, with the primary ones being wind, solar, fabrication and galvanising, among others.

Throughout his whole professional career, he has placed equal emphasis on monetary as well as social goals, and as a result, he has gained widespread recognition and social acclaim from members of the community and the business fraternity. His achievements and contributions have also been recognised by several organisations, including Gujaratmitra, Mantavya News, and Times Group, who have accredited him with awards such as "Legends of Surat 2018," "The Leaders Award 2019," and "Business Icon 2018."

MR. ASHISH ASHWIN MITHANI
WHOLE TIME DIRECTOR

Mr. Ashish A Mithani, aged 47 years, is the Whole-time Director & Chief Executive Officer (CEO) of our Company. He is also the founding promoter of our Company. He holds a BBA degree from Shri N. R. Vekaria Institute of Business Management Studies and has work experience of over 25 years. He began his professional career in 1994 as an Executive at Reliance Industries, where he dealt with commercial and legal matters. In 1998, Mr. Mithani joined M/s. Harsh Distributors, a company that was providing logistics supporting services to CEAT Limited. In 2006, he joined VSM Projects Pvt. Ltd., an Auto LPG infrastructure and distribution company, as a Partner Director. In 2010, Mr. Mithani incorporated our Company along with Mr. Farukbhai Patel.

MR. AFFAN FARUK PATEL
WHOLE TIME DIRECTOR

Mr. Affan Patel, aged 24 years, is a Whole Time Director of our company. He holds a Bachelor of Engineering degree in Electrical Engineering. He completed his Engineering from Sarvajanik College of Engineering and Technology (SCET), Surat. He also serves as a Director in renewable energy ventures like KPIG Renewables Private Limited and KP Sor-Urja Private Limited.

MRS. BHADRABALA DHIMANT JOSHI
NON-EXECUTIVE NON INDEPENDENT DIRECTOR AND CHAIRPERSON

Mrs. Joshi received her B. Pharm. from Gujarat University and her LLB from South Gujarat University before joining the company. Until recently, Mrs. Joshi was listed as an Advocate on the Gujarat Bar Council's state roll of practitioners. She is currently a member of the Approved Advocates of Nationalized Banks panel in Surat, which includes representatives from IDBI, Dena Bank, Canara Bank, Central Bank of India, Syndicate Bank, and Punjab National Bank, among others. She has been a member of the company's board of directors since August 2015, when she was appointed to the position.

MR. BHUPENDRA VADILAL SHAH
NON-EXECUTIVE NON INDEPENDENT DIRECTOR

Mr. Bhupendra Shah, aged 71 years, is a Non-Executive Non-Independent Director & Chairman of our Company. He holds a Bachelor of Engineering degree in Civil Department from the Maharaja Sayajirao University of Baroda in 1971. He has a vast experience in Business Management of more than 48 years and possesses financial & Technical knowledge. After completing a Bachelor of Engineering, he started his own business in the name of Kashi Parekh Brothers in Vadodara, which is mainly engaged in the wholesale trading of Iron & Steel. As a Non- Executive Director, he is responsible for providing his expertise & Inputs to ensure our Company's growth.

MR. SAJESH BHASKAR KOLTE
NON-EXECUTIVE INDEPENDENT DIRECTOR

Mr. Sajesh Kolte, aged 48 years, is a Non-Executive Independent Director of our Company. He has completed a certification programme of Portfolio and Investment Management from IIM, Bangalore. He has over 16 years of professional experience. Ceat Limited, Goodlass Nerolac Paints, Berger Paints, and ICICI Bank are among his previous employers. From 2004 till December 2013, he worked as a Principal Banker and Product Manager at Kotak Mahindra Bank. He has been producing structured solutions in financial derivative instruments as an entrepreneur and educator in Private Wealth Management and Financial Planning since January 2014.

MR. VENDAN GANESHAN MUDALIAR
NON-EXECUTIVE INDEPENDENT DIRECTOR

Mr. Vendhan G. Mudaliar, aged 45 years, is the Independent Director of our Company. He has completed BSC (Chemistry) from Gujarat University. He has worked as SM – Network Procurement in Vodafone Mobile Services Limited. Currently, he is a partner of DEK Engineers. He has been associated with our Company since January 17, 2018.

MR. ARVINDKUMAR TRIBHOVANDAS PATADIA
ADDITIONAL DIRECTOR (NON-EXECUTIVE INDEPENDENT DIRECTOR)

Mr. Arvindkumar Tribhovandas Patadia holds a Bachelor's Degree in Chemical Engineering with distinction from MS University of Vadodara, Gujarat, since 1976. He has over 45 years of rich experience in the Chemical and Power Sector, including comprehensive experience in Fertilizer & Chemical, Petrochemical Plant Operations, setting up/ acquiring Fertilizer assets abroad, business strategy developments, and projects execution. He has been instrumental in implementing Clean Development Mechanism (CDM) and has registered a Project with UNFCCC-DN20 for NOX abatement, the first project registered from India.


MR. FARUKBHAI GULAMBHAI PATEL


MR. ASHISH ASHWIN MITHANI


MR. AFFAN FARUK PATEL


MRS. BHADRABALA DHIMANT JOSHI


MR. BHUPENDRA VADILAL SHAH


MR. SAJESH BHASKAR KOLTE


MR. VENDAN GANESHAN MUDALIAR


MR. ARVINDKUMAR TRIBHOVANDAS PATADIA

GOVERNANCE FRAMEWORK

Deeply embedded **ethics**

OUR STRONG GOVERNANCE FRAMEWORK

INDEPENDENCE OF THE BOARD

- Non-Executive Directors account for 60% of the Board
- A separate Non-Executive Chairperson
- An optimum number of Independent Directors in Board and its Committees
- Performance review of Non-Independent Directors and the Board as a whole by Independent Directors
- Illustrated Code of Conduct for Board of Directors and Senior Management

STRONG GOVERNANCE FRAMEWORK

- Good governance policies are available on www.kpenergy.in, including Insider Trading, Related Party Transactions, Whistle-Blower, Vigil Mechanism, and others
- Compliance with the international HSE guidelines, including IFC
- Effective compliance management practices

ACCOUNTING POLICIES AND FINANCIAL CONTROL

- Audit Committee headed by an Independent Director
- Statutory auditors of repute coupled with robust control framework
- Comprehensive implementation of strategic ERP solution for accounting and end-to-end procure-to-pay process

BOARD OF DIRECTORS

Audit Committee	Nomination and Remuneration Committee	Stakeholders' Relationship Committee	Corporate Social Responsibility Committee

CHIEF EXECUTIVE OFFICER

Enabling implementation of Board's decision through various business functions

BUSINESS FUNCTIONS

Business Development, Information and Technology, Human Resource, Projects, Techno-commercial, Finance and Accounts, Engineering, Operations and Maintenance, Quality Assurance and Control.

SUSTAINABILITY

Sustainable growth **platform**

01 Environment-Social-Governance (ESG)

02 Proactive Business Development

03 Efficient Financial Structure

04 Strong Health-Safety-Environment (HSE) framework

05 Dynamic Project Management

06 Effective Operations & Maintenance (O&M)

07 Implemented and Maintained International Standards as per ISO:

ISO 45001:2018
(Occupational Health and Safety Management System)

ISO 14001: 2015
(Environment Management System)

ISO 9001: 2015
(Quality Management System)

Management
Discussion and Analysis

INDIAN ECONOMY REVIEW

India's severe COVID-19 second wave continues to turmoil the health and economy of the country. At the same time, numerous economic organisations have begun adjusting their projections for the country's gross domestic product (GDP) for the fiscal year 2021-22, with Oxford Economics lowering India's development to 10.2% from 11.8%. RBI is expecting 11% GDP growth in 2021-22. The United Nations expects that India's economy would rise by 7.5% this year and 10.5% the following year; however, it emphasizes that the outlook is "very fragile" as a result of the devastating Covid-19 second wave. The UN's outlook for India is less bullish than the International Monetary Fund's (IMF) upbeat 12.5% forecast for the country last month, when the Covid-19 rise first began.

IMF India GDP Forecast

According to the Centre for Monitoring the Indian Economy (CMIE), farmers lost virtually no jobs during the months of March and April 2020, and employment increased year over year during this period. However, there were 6 million fewer farmers employed in April 2021 than there were in March 2021, and 3 million fewer farmers employed in April 2020 than there were in March 2020. Nevertheless, it is expected that the country's medium-term growth prediction will improve to approximately 7.3% by 2025, thanks to strong macroeconomic fundamentals, the implementation of essential structural reforms, and the strengthening of fiscal and monetary policy.

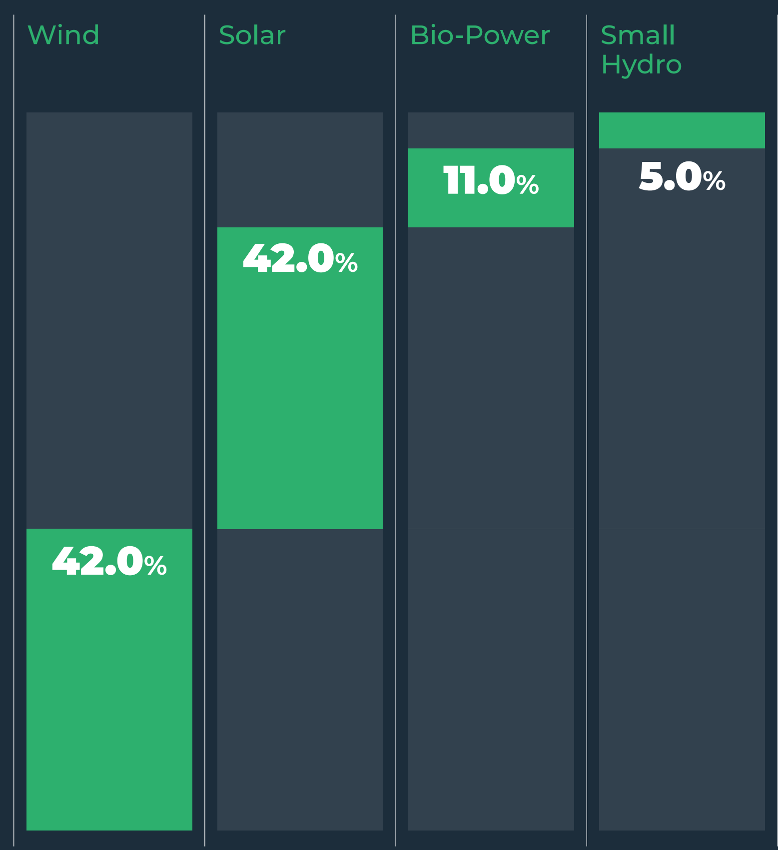
INDIAN ENERGY LANDSCAPE

With a total generation capacity of 1,558.7 TWh, India ranks third in the world in terms of energy consumption, behind only China and the United States of America. Despite being the world's third-largest economy, India remains a power-scarce country, with one of the world's lowest per capita electricity consumption rates. India's per-capita electricity usage is significantly lower than the global average and is one of the lowest among the BRIC countries.

At the end of April 2021, India's total installed electricity capacity was at 383 GW, with electricity output reaching 1,234 billion units (BU) in the financial year 2021. Renewable energy sources (RES) provide for around 37% of total installed electricity capacity, with big hydroelectric power accounting for 12% of total installed electricity capacity. Other Renewable sources such as wind, solar, biomass, and hydropower account for the remaining 95 GW as of April 2021, with wind and solar accounting for the majority of this total.

Policy towards reduction of dependency on fossil fuels would actually complete the circle while policy towards renewable growth is in place. By a strategic move towards alternative energy sources, we may reduce our dependence on diminishing fossil fuel resources, import of crude and by-products and the emission of greenhouse gases, among other things.

Other Renewables, ~ 94 MW Installed Capacity (March 2021)



Over the last two decades, renewable energy sources (RES) have increased their proportion of total installed capacity from less than 1% in 1997 to 25% in May 2020 due to strong push from the current Indian Government.

Source: CEA, MNRE, IRENA

INDIAN WIND ENERGY

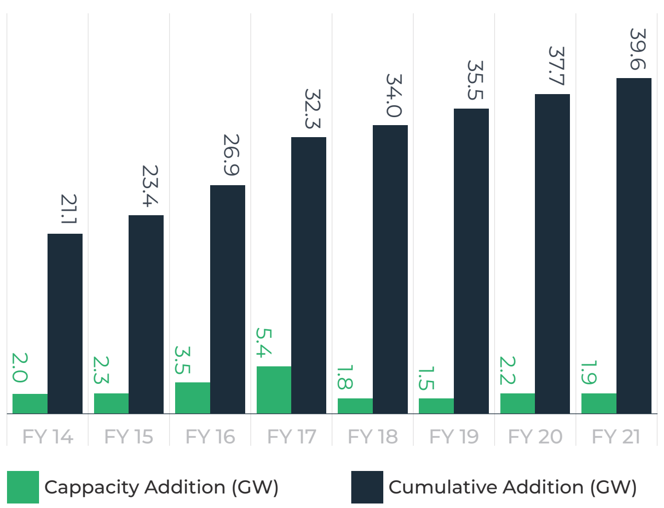
Overview

India's wind energy sector is led by the country's own wind power industry, which has made steady progress over the years. A strong ecosystem, project operation capabilities, and a manufacturing base capable of producing approximately 10,000 MW per year have emerged from the rise of the wind sector. On the basis of total installed capacity, the country is now ranked fourth in the world for wind power generation, with 64.64 billion units of electricity generated from wind power during the 2019-20.

According to the CEA, wind and solar energy are the most prevalent renewable energy sources, aside from large hydroelectric power plants (more than 25 MW). At the end of March 2021, wind energy contributed 42% to India's total renewable energy capacity. Wind energy capacity increased at a CAGR of 9.4% from FY14 to FY21. As a result, it achieved a cumulative capacity of around 40 GW in fiscal year 2021.

As of March 2021, the total installed renewable energy capacity was 94.43 GW. By 2030, the government hopes to have approximately 450 GW of installed renewable energy capacity, with solar accounting for approximately 280 GW (or more than 60%) of the total.

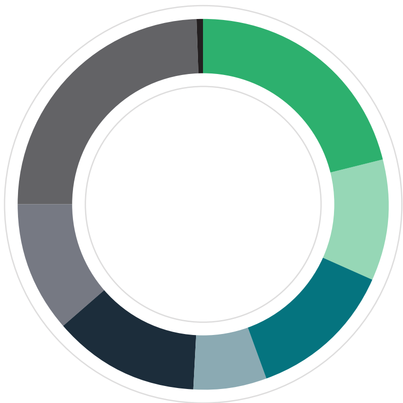
Capacity Addition & Cumulative Capacity - FY 14-21 (GW)



Stable capacity additions, post the disruptions of Auction-based Price Discovery in late-FY17 and Covid-19 led to disruptions in March-2020.

State-wise Wind Energy - Installed capacity

(In %)



Gujarat	**21.2%**
Andhra Pradesh	10.6%
Karnataka	12.6%
Madhya Pradesh	6.5%
Maharashtra	12.9%
Rajasthan	11.2%
Tamil Nadu	24.4%
Rest of India	0.5%

In light of the potential for deploying wind energy projects in Gujarat, the state is expected to remain a significant role on India's Wind Energy Map in the future.

As of March 2021, Tamil Nadu and Gujarat are home to about half of the total cumulative installed capacity of wind energy assets in the Country. Gujarat has strengthened its position in the last two years, increasing its share of installed capacity from 18% in FY18 to 21% in FY21.

Gujarat and Tamil Nadu are the states with the most onshore and offshore wind power potential in the country. It is because of this that these two states have become particularly desirable destinations for wind energy providers. Gujarat currently has the second most installed wind capacity in India, after Tamil Nadu, and has the highest potential wind generation capacity in the country. Gujarat also has the second highest installed solar capacity in India, after Rajasthan. According to the Ministry of New and Renewable Energy, the following states have significant wind potential. The first offshore project in India also is likely to be proximate to Pipavav port of Gujarat.

RANK	STATE	WIND POWER POTENTIAL AT 100 MT. HEIGHT IN GW	% SHARE	WIND POWER POTENTIAL AT 120 MT. HEIGHT IN GW	% SHARE
1	Gujarat	84.43	28%	142.56	20%
2	Karnataka	55.86	18%	124.15	18%
3	Maharashtra	45.39	15%	98.21	14%
4	Andhra Pradesh	44.23	15%	74.9	11%
5	Rajasthan	18.77	6%	127.75	18%
6	Tamil Nadu	33.8	11%	68.75	10%
7	Madhya Pradesh	10.48	3%	15.4	2%
	Others	9.28	3%	43.78	6%
	Total	**302.25**		**695.5**	

Source: MNRE

REGULATORY BODIES

The Ministry of New and Renewable Energy (MNRE) is the Government of India's nodal ministry. It is responsible for all aspects of new and renewable energy. MNRE's overall goal is to develop and install new and renewable energy sources. In addition, MNRE facilitates the elevation of energy requirements in the country. The National Institute of Solar Energy and the National Institute of Wind Energy, both part of the MNRE, conduct research and development, testing, certification, standardisation, skill development, resource evaluation, and public awareness.

The Government successfully pioneered the 'Solar Energy Corporation of India Limited' (SECI) in September 2011 under the administrative jurisdiction of MNRE. SECI has bolstered the growth and investment prospects in the renewable sector by conducting bids covering all present and future energy mix like pure wind, pure solar, hybrid, and peak power.

OFFSHORE WIND DEVELOPMENT IN INDIA

India is blessed with a coastline of about 7600 km surrounded by seawater on three sides and has tremendous power generation potential from offshore wind energy. In light of this, the Government published a Gazette Notification on the 6th of October, 2015, notifying the public of the National Offshore Wind Energy Policy. According to the policy, the Ministry of New and Renewable Energy will serve as the nodal ministry for the development of offshore wind energy in India and will work in close collaboration with other government entities for the Development and Use of Maritime Space within the Exclusive Economic Zone (EEZ) of the country in an effective manner for the production of enormous quantities of grid-quality electrical power for national consumption. To carry out various pre-feasibility activities relating to resource assessment, surveys, and studies within the EEZ (Exclusive Economic Zone), demarcation of offshore potential blocks as well as assisting offshore wind energy project developers in the development of offshore wind energy farms, the National Institute of Wind Energy (NIWE) in Chennai has been designated as a nodal agency.

In 2018, the Indian government set ambitious goals for offshore wind development (5 GW by 2022 and 30 GW by 2030). In 2018, India announced a 1 GW Expression of Interest (EOI) for a possible project off the Gujarat coast in the Gulf of Khambat, marking a significant step forward in the commercialization of offshore wind energy. A total of forty participants responded to the EOI, including prominent offshore wind operators.

RECENT SCENARIOS, TRENDS AND DEVELOPMENTS

Since the paradigm shift in regulatory policy, from feed-in-tariff to reverse auction-based price discovery, the Indian Wind Industry has experienced significant challenges in regaining its former prominence. This shift was widely regarded as one of the most groundbreaking developments in the Indian renewable energy sector. In the past, feed-in-tariffs were utilised to provide wind power providers with a guaranteed price per unit of energy produced, and hence a guaranteed return on their investments. Instead, in reverse bidding, the company with the lowest price quotes wins the bid. This is known as a winning bid. With strong participation in the initial bids, the competitive price discovery process resulted in dramatically lower renewable energy tariffs as a result of the competitive price discovery. As a result, the price per unit dropped by around 40%, which was a significant decrease. SECI-I, India's first-ever wind power auction, was held in February 2017 and saw a record-low wind power tariff of INR 2.76/kWh, which was the lowest ever recorded in the country (Unit). It was 40 percent less expensive than the feed-in tariff rates at the time. As of now, 12.8 GW of capacity have been auctioned, with the price discovered for the latter half of the bids ranging between INR 2.8 and INR 3.0 per kWh (Unit). The issues of stringent tender conditions, low tariff caps, off-take risks, unavailability of the grid, and land availability continue to exist even after the auction has concluded; as a result, more than 80 percent of the projects that have been awarded have experienced delays of between 6 and 12 months.

A low level of interest in the auctions was attributed to the offtaker risk linked with the fragile financial status of state distribution companies (DISCOMs) and the recurrent payment delays experienced by projects that were completed before 2017. Due to financial constraints, the majority of these states have turned to central auctions as a means of hedging their payments with federal government assurances. On the plus side, international funding continues to pour into the Indian renewable energy sector, demonstrating confidence in the long-term potential of this sector.

Minimum Tariffs discovered from Tenders Auctioned for Wind Power

AUCTION NAME	CAPACITY (MW)	AUCTION TYPE	TARIFF PER UNIT (₹)
SECI-I	1,049.9	Central	3.46
SECI-II	1,000.0	Central	2.64
SECI-III	2,000.0	Central	2.44
SECI-IV	2,000.0	Central	2.51
Tamil Nadu	450.0	State	3.42
Gujarat (GUVNL)	500.0	State	2.43
Maharashtra (MSEDCL)	500.0	State	2.85
SECI-V	1,190.0	Central	2.76
NTPC	850.0	Central	2.77
SECI-VI	1,200.0	Central	2.82
SECI-VII	480.0	Central	2.79
SECI-VIII	440.0	Central	2.79
Gujarat (GUVNL)	202.6	State	2.80
SECI-IX	970.0	Central	2.99

12,833 MW

IMPACT OF COVID-19

Though activities in the wind and renewable energy industries were categorised as critical during the national lockdowns imposed as a result of COVID-19, the sector is not immune to disruptions as a result of the virus. The following are some of the anticipated consequences of COVID-19:

- Increased project delays and supply chain disruptions, compounded by the lack of infrastructure and land availability, will be a drag on growth in 2020 and early 2021, according to the International Energy Agency. According to the Ministry of New and Renewable Energy, the total active pipeline under construction is around 8.7 GW. Approximately 3 GW of this capacity was projected to be completed in 2020, with the most of it completed in 2021 and a small portion completed in 2022.
- The lockdowns are also expected to have an impact on new project tendering; in total, nearly 3.5-4.0 GW of wind capacity was expected to be tendered in 2020 and 2021; however, at the time of writing, tenders for 3.2 GW have been notified by the government, with no date for the tenders' completion known at the time of writing. New initiatives may be hampered by limited credit availability as a result of the existing situation of the lending environment.
- The disruption of the supply chain, which is largely hurting the manufacturing of wind power components, including gearboxes, is projected to have some negative consequences for the Indian markets as well.

Long Term Installations (expected)

5 GW ANNUALLY

INDUSTRY OUTLOOK

Although the 140 GW objective for 2030 remains in place, the retirement of the ISTS transmission charge waiver after 2022 removes a critical external incentive, causing the market to become volatile. As a result, it is projected that yearly installation capacities may decline after 2022. However, on the other hand, long-term drivers are still in place since the market is undertaking a number of long-term structural reforms. The significant reforms are:

- Separation of wire and content business in the Electricity Act Amendment.
- Privatization of financially stressed DISCOMS.
- Migration to merit order-based dispatch in the market.

These interventions favour economically viable power plants and the economics of wind generation are among those that qualify. Thus, while 2023 will likely be a transition year with decreased activity, the industry is projected to steady thereafter at about 5 GW of installations per year in the long run.

(Source: GWEC)

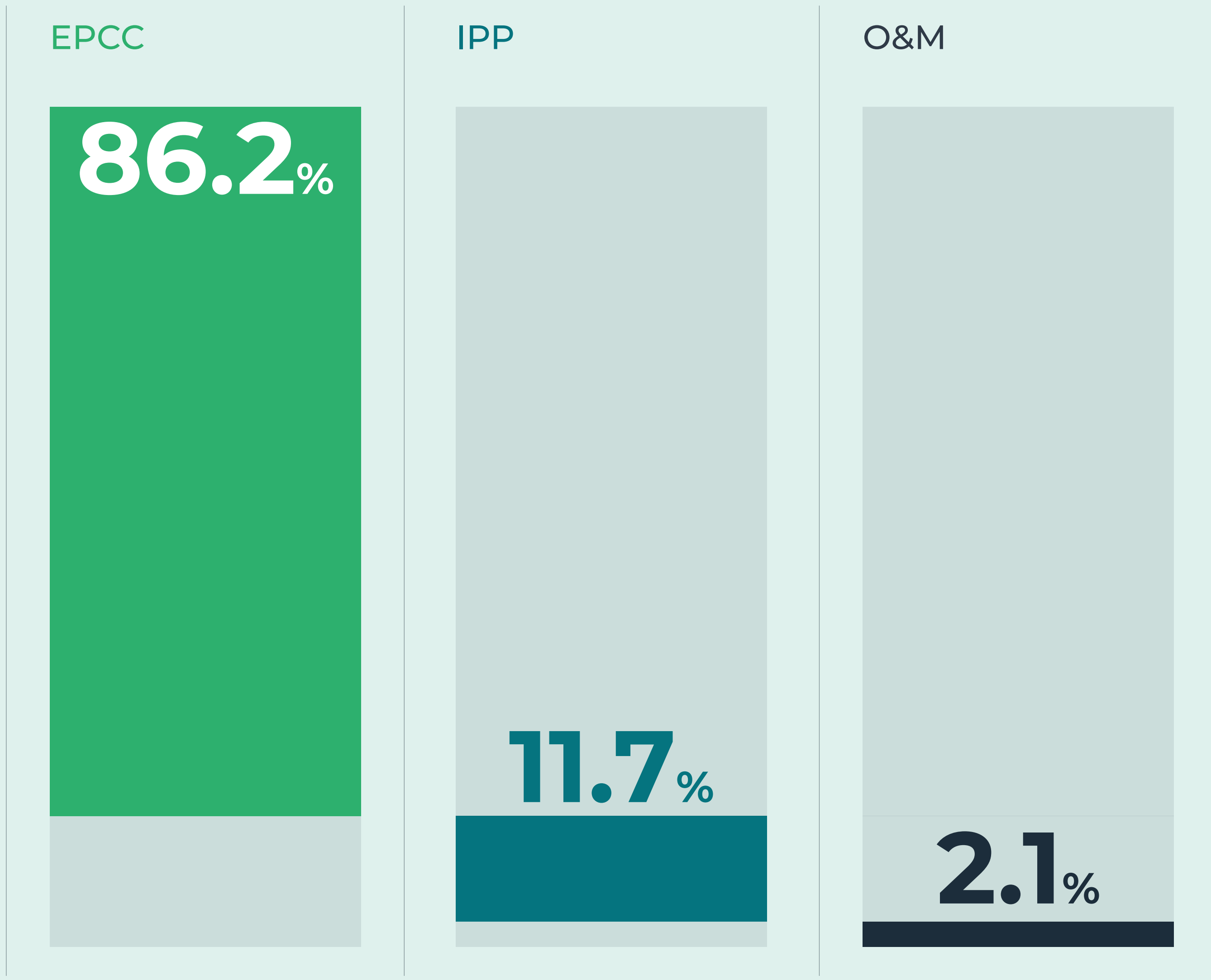
COMPANY OVERVIEW

KP Energy Limited is a leading provider of Balance of Plant (BoP) solutions for the wind energy industry. The company is involved in the entire wind farm development value chain, right from conceptualisation to the commissioning of a project and its maintenance throughout the Project life. The Company largely works on projects in Gujarat, India. For the BoP component of the project, KP Energy's end-to-end solution for wind farm development comprises services such as site identification, site preparation, construction & erection, power evacuation, and operations & maintenance.
KP Energy plays a critical role in coordinating a wide range of activities related to utility-scale wind farm development.

BUSINESS MODEL

A well-balanced combination of three business segments; namely 1. Project Based Revenue Engineering, Procurement, Construction and Commissioning (EPCC), 2. Annuity Base Revenue - Operations and Maintenance (O&M), and Independent Power Producers (IPP), distinguishes KP Energy's business model. All of the Company's business segments center on its core value proposition, which is to serve as a crucial link in synergizing the full spectrum of services related to utility-scale wind farm development. But each segment serves a distinct function in the Company's efforts to establish itself as a significant player in the Indian wind energy market.

Revenue Mix (FY21)
(In %)



FY21 PERFORMANCE DISCUSSION

Financial Performance

The financial performance for FY21 has been in line with the previous. For the full year FY21 on a Consolidated basis, the Company reported Revenue from Operations of 71.73 crores in FY21 compared to 74.99 crores during the last year, a decline of 4% year on year. For the same period, Total Income stood at 73.21 crores compared to 75.58 crores in the previous year, a drop of 3% year on year. However, the Company fared much better on the profitability front. Operating Profits stood at 17.83 crores in FY21, a substantial increase of 65% year on year; consequently, Operating Profit Margins stood at 24.86% in FY21 compared to 14.37% in FY20. In addition, the Company reported Profit after Tax of 6.05 crores for the year under review, compared to 1.10 crores in the previous year, a staggering growth of 451%. It would be fair to note that this increase in net profitability was despite higher Finance Costs and Depreciation and Amortisation. The Company further strengthened its Balance Sheet in the current year, with Shareholders' Fund increase by 5% to reach 89.10 crores as of FY21. The Company also improved on metrics such as Debt to Equity, which declined from 0.37 in FY20 to 0.31 in FY21. An increase in operating profitability also meant a better Interest Coverage Ratio, which stood at 2.83 times in FY21 compared to 1.60 times in the previous year.

PROJECT UPDATES

CLP - SIDHPUR PROJECT **250.8 MW** AT DEVBHOOMI DWARKA	On the ground, the company took a position, and action was apparent on all fronts. Two contractors at opposite ends have begun to work on the 220 kV EHV line. RoW's acquisition is ongoing at full pace, along with excavation and foundation works. In addition, 300 MW Wind Farm Pooling Substation work has been completed, and civil construction is underway to build the Switchyard & Control room. The engineering team of the company is carrying out all permits, design & equipment, technical parameters, and SCM operations. Civil work is completed in approximately 40 percent of the sites to access Substation and WTG sites. Additionally, the work for developing the 33kv internal network is finished with layout optimization, physical survey, engineering, and procurement operations at 80% completion. Team KP Energy has celebrated one full year of zero near-miss safety record at this site.
GADHSISA & VANKI PROJECTS **300 MW each** AT KUTCH	Finally, the outstanding documentation for EHV is duly completed. The Gadhsisa project's accounting closure will commence in the coming quarters. The KP Energy team provided support for implementing the remaining activities for project implementation to GE. Furthermore, KP Energy received a loan from GE in the amount of ₹80.50 crores for the Project Specific Fund to complete the transmission line. Upon account reconciliation completion, these advances would be set off against cost over-run claims of KP Energy. In a positive update, adjoining Vanki Site discussions resumed with prospective buyers.
EVERGREEN PROJECT **30 MW** AT MAHUVA-II	The company has actively pursued and discussed with one of India's prominent investors to develop a Hybrid Site. Discussion would enable substantial business opportunities for a maiden Hybrid wind project exposure to KP Energy. These Sites are land-ready wind farm propositions of KP Energy.
MAHUVA - III/IV/V PROJECT **120 MW** AT MAHUVA, BHAVNAGAR	The Company has actively pursued and discussed projects with India's prominent investors for the development of Hybrid Sites and these discussions would enable substantial business opportunities for a maiden Hybrid wind energy project exposure for the Company. These Sites are land-ready windfarm propositions of KP Energy.

FINANCIAL RATIOS

RATIO	FY21	FY20	% CHANGE	REMARKS
Debtors Turnover	9.48	3.90	143%	Due to a substantial decrease in Trade Receivables
Inventory Turnover	0.40	0.79	(50%)	Due to a substantial increase in Inventories
Interest Coverage	2.83	1.60	77%	Due to a substantial increase in EBIT
Current Ratio	2.43	1.61	51%	Due to a proportionately higher decrease in Current Liabilities
Debt to Equity	0.31	0.37	(16%)	Due to a decrease in Debt and increase in Equity
Operating Profit Margin (%)	24.9%	14.4%	73%	Due to better margin in EPCC segment for the year under review
Net Profit Margin (%)	8.3%	1.5%	469%	Due to better Operating Profit Margin

The Company further strengthened its Balance Sheet in the current year, with Shareholders' Fund increase by 5% to reach 89.10 crores as of FY21.

BUSINESS PIPELINE

SR. NO.	PROJECT NAME	TYPE	CAPACITY
1	Mahuva-I	Wind	15 MW
2	Mahuva-II	Wind	30 MW
3	Mahuva-III & IV	Hybrid	70 MW
4	Mahuva-V	Hybrid	70 MW
5	Vanki	Hybrid	300 MW
6	Sidhpur-I	Wind	300 MW
7	Sidhpur-II	Wind (Under Construction)	250.8 MW
	Total		**1,035.8 MW**

OUTLOOK

The Company enters the new financial year with the highest-ever business pipeline, and the outlook remains positive. Projects lined up for execution and expected to be completed in FY22 are Sidhpur-II (250.8) MW and Mahuva I-V (185 MW). Put together these two projects would lead to additional capacity commissioning of 435.8 MW, offering the Company clear visibility of topline and bottomline for the coming year.

RISK AND CONCERNS

REGULATORY & POLICY CHANGES	Our industry is a segment of the renewable energy industry. The renewable energy industry is eminently a regulated space, wherein any changes in Government and regulatory policies may impact our performance. Any adverse changes in the wind energy policy or amendments in policies related to power evacuation facilities can significantly impact the operations of the industry and the company.
WIND ENERGY INDUSTRY PERFORMANCE	Our revenue streams are derived from capital expenditure in the wind energy space by either Independent Power Producer (IPP) or Captive Power Producers (CPP). Therefore, depending upon the capital expenditure scenario and cycle, a reduction caused by either of them could adversely affect our financial performance.
PROJECT DEVELOPMENT RISKS	The project development process has several risks such as - building permits, land acquisitions, logistics & RoW's, which can lead to delay, cancellation, and write-off of projects. This may have a severe impact on the profitability of our business. In addition, project delays also lead to cost overruns, which may impact our profitability.

INTERNAL CONTROLS AND ADEQUACY

The company has in place an adequate system of internal control commensurate with the size and nature of its business. These have been designed to provide reasonable assurance that all assets are safeguarded and protected against loss from unauthorized use or disposition and that all transactions are authorized, recorded, reported correctly, and the business operations are conducted as per the prescribed policies and procedures of the company. The Audit Committee and the management have reviewed the adequacy of the internal control systems and suitable steps were taken to improve the same.

HUMAN RESOURCE DEVELOPMENT AND INDUSTRIAL RELATIONS

Your company firmly believes that its human resources are the key enablers for the growth of the company and hence an important asset. Therefore, the success of the company is closely aligned with the goals of the human resources of the company. Considering this, your company continues to invest in developing its human capital and establishing its brand on the market to attract and retain the best talent. During the period under review, employee relations continued to be healthy, cordial, and harmonious at all levels, and your company is committed to maintaining good relationships with the employees.

FORWARD LOOKING STATEMENTS

This document contains statements about expected future events, financial and operating results of KP Energy Limited, which are forward-looking. By their nature, forward looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications, and risk factors referred to in the management's discussion and analysis of KP Energy Limited's Annual Report, FY2021.

CORPORATE SOCIAL RESPONSIBILITY

Rising by **lifting others**

We at KP Energy firmly believe that all people surrounding KP Energy, its environment, and the involved stakeholders benefit from a sustainable company. We think that an organization's growth and development may be inclusive and communal or self-centred and short-lived.

We have chosen the road less taken. Sustainable development for us is economic growth that is produced without using natural resources without disrupting the surrounding environment. Our company is in a sustainable industry that enables humankind to grow and expand using renewable resources and reduce dependence on harmful fossil fuels. Social corporate responsibility is deeply imbibed in KP Energy's DNA. Not only does this have a fundamental role to play in our business conduct, but it is also our goal to enrich our society and help the people and ecosystems in which we conduct our operations.

What do our founders say about sustainability?

"Once upon a time, KP Group's core business, i.e. telecom infrastructure, is now a fraction of the Group's topline. The whole drive of the KP group is geared towards development of sustainable energy assets for the nation. We are confident that the KP Group will play a critical role in fulfilling India's growing energy needs."

MR. FARUK G PATEL

GROUP FOUNDER AND MANAGING DIRECTOR

"Developing wind projects at hitherto unutilized, barren wastelands on coastal belts or hillocks is one of the most value-adding services towards a balanced ecosystem. Instead of burning coal or crude, we should look forward to seeing what environment, pollution, and a plethora of other challenges we will pass on to our successors."

MR. ASHISH A MITHANI

CHIEF EXECUTIVE OFFICER

KEY CSR INITIATIVES BY KP ENERGY

COVID-19 RELIEF MEASURES

It is no secret that Covid-19 has deeply impacted economic activities in India and across the globe. One of the most affected groups of people has been migrant workers, daily-wage labourers, and other people employed at the lower end of the pyramid. Consecutive lockdowns and an abrupt halt in economic activities left most of India's workforce destitute overnight. Naturally, many of these workers rely on daily wages to make ends meet and feed their families. One of the most common lockdown difficulties was feeding these individuals. In several of Gujarat's villages, such Gadhshisha, Jesar, Mahuva, Kuchhadi. KP Energy did a lot to eradicate hunger, including the distribution of food packets, ration, vegetables, etc. The Company also participated in other Covid-relief measures.

SANITATION AND COMMON INFRASTRUCTURE DEVELOPMENT

Sadly, rural settlements are frequently overlooked while developing infrastructure. Recognizing these backward regions' problems and living conditions, team KP Energy prefers to provide infrastructural help to villages lacking resources and government aid. We have built all-weather roads, strengthened existing roads, built cross drainages, bridges, and walkways to reduce flood damage. We also provided an animal ambulance to the Forest Department as part of the Government's Sujlam Suflam Jal Abhiyan Yojna. Other infrastructure efforts include sanitation and water supply. We also helped provide water to residents of Khared village in Mahuva, Bhavnagar, as part of the Gramya Jal and Swachhta Abhiyan. In FY21, the Company made critical efforts to address the paucity of drinking water and sanitation infrastructure in Mahuva village, Gujarat.

EDUCATION PROMOTION

We are distributing education kits to children enrolling for the first time in public schools. Teams from KP Energy have visited over 150 schools in Bhavnagar, Mahuva, Talaja, Jesar, and other locations. The Education Kits include an all-weather school backpack, accessories, and school supplies. This project has become the primary motivator for children from distant and poor homes to attend school. This program began with 500 kits and has expanded to over 3,000 kits every year. Touching lives in rural India is one of the most encouraging aspects of wind farm development. We also restored boundary walls, built schools, and provided potable water to many schools in need of critical infrastructure.

Education Kits

3,000

These efforts have enhanced school life, education, and the quality of life in rural regions. We have also helped distribute Board Exam materials, refreshments, and sweets on holidays like Independence Day. We have also distributed grains, veggies, and other supplies to dormitory students.

LOCAL DEVELOPMENT VIA EMPLOYMENT

The most valuable and rare resource in the world is human capital. Instead of thinking about people in terms of headcounts, if we develop them as assets, no challenging project cannot be executed adhering to planned time and cost schedules. With this concept, the KP Energy team offers free training and employment opportunities for unemployed youths, develops particular building or engineering abilities, and imparts today's much-needed vocational skills for said people. Furthermore, all such duties are solely handed to them, which are doable by the local people. These efforts have given us massive acceptability in economically backward regions, shadowed by the dearth of business opportunities. To ensure that the company is sustainable by adding clean and green energy resources, it has sought to illuminate the lives of ordinary people, make their children happy, and translate their dreams into realities.

MASS PLANTATION DRIVE

KP Energy is spearheading mass plantation drives with the aid of rural communities and school children in recognition of the significance of our natural ecosystem and forests. It comprises planting several types of mangrove trees on the coastal borders to reduce soil erosion and reduce the salinity of the soil. So far, the Company has planted 78,060 saplings. In 2015, our team planted 7,060 saplings, another 20,000 in 2017, and a record 31,000 in 2019, followed by an environment awareness rally where thousands of children from more than 26 different schools participated.

Saplings Planted

78,000+

We also look after the trees previously planted and try to preserve the biodiversity and animals. We strongly believe a healthy environment is the foundation for a stable and productive society and ensures the well-being of present and future generations.

SECURITY, SAFETY AND WELL-BEING

At KP Energy, environmental care & concerns are also vital parameters in the design, engineering, execution & operations of a project. We develop versatile designs for overhead transmission lines that mitigate bird fatality, especially for long-tailed birds. We ensure guards, protection measures for any accidental injury to flora or fauna during construction or wind projects construction. KP Energy also benefits from obtaining the first environmental approval from the Ministry of the Environment, Forestry & Climate Change, Government of India for the development of particular wind projects in the coastal regulatory zone. The Company is striving for the well-being of the people, in addition to environmental safety and the ecology. In Mahuva, Bhavnagar we have been engaged in activities such as the distribution of grain, food packages, veggies, etc.

Corporate Information

BOARD OF DIRECTORS

Mr. Farukbhai Gulambhai Patel
Managing Director

Mr. Ashish Ashwin Mithani
Whole Time Director

Mr. Affan Faruk Patel
Whole Time Director

Mrs. Bhadrabala Dhimant Joshi
Non-Executive Non Independent Director and Chairperson

Mr. Bhupendra Vadilal Shah
Non-Executive Non Independent Director

Mr. Salim Suleman Yahoo
Non-Executive Independent Director
(upto June 04, 2021)

Mr. Sajesh Bhaskar Kolte
Non-Executive Independent Director

Mr. Vendhan Ganeshan Mudaliar
Non-Executive Independent Director
(w.e.f. September 29, 2020)

Mr. Arvindkumar Tribhovandas Patadia
Additional Director
(Non-Executive Independent Director)
(w.e.f. August 14, 2021)

KEY MANAGERIAL PERSONNEL

Mr. Pravin Singh
Chief Financial Officer

Mr. Karmit Sheth
Company Secretary & Compliance Officer

STATUTORY AUDITORS

M/s. K A Sanghavi & Co. LLP
1001/02/03, Rajhans Bonista,
Ram Chowk, Ghod dod Road, Surat.

INTERNAL AUDITOR

M/s. RHA & Co.
Chartered Accountants (FRN: 142551W)

SECRETARIAL AUDITOR

M/s. SJV & Associates
Company Secretaries

REGISTERED OFFICE

'KP House',
Opp. Ishwar Farm Junction BRTS,
Near Bliss IVF Circle,
Canal Road, Bharat, Surat-395017
Gujarat, India
Tel.: +91 261 2234757
Fax: +91 261 2234757
Email: info@kpenergy.in
Website: www.kpenergy.in

BANKER TO THE COMPANY

State Bank of India
Specialised Commercial Branch
A-301, ICC Building, Opp. Civil Hospital,
Near Majura Gate, Ring Road, Surat - 395002

IMPORTANT COMMUNICATION TO MEMBERS

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice / documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respects of electronic holding with the Depository through their concerned Depository Participants.

Notice

NOTICE is hereby given that the Twelfth (12th) Annual General Meeting of the members of K.P. Energy Limited will be held on Thursday, the 30th day of September, 2021 at 3:00 p.m. IST through Video Conference ("VC")/ Other Audio Visual Means ("OAVM"), to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:

   a. The Audited Financial Statements of the Company for the financial year ended March 31, 2021, together with the Reports of the Board of Directors and the Auditors thereon; and

   b. The Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2021, together with the Report of the Auditors thereon.

2. To appoint a Director in place of **Mr. Bhupendra Vadilal Shah (DIN: 06359909)**, who retires by rotation and being eligible offers himself for re-appointment:

   "**RESOLVED THAT** pursuant to the provisions of section 152 and other applicable provisions of the Companies Act, 2013 and rules made there under (including any statutory modification (s) or re-enactment(s) thereof, for the time being in force), the approval of the members be and is hereby accorded for the reappointment of **Mr. Bhupendra Vadilal Shah (DIN: 06359909)**, who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as the Director of the Company."

3. To appoint Statutory Auditors and fix their remuneration:

   "**RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, as may be applicable and pursuant to the recommendations of the Audit Committee, **M/s. MAAK and Associates, Chartered Accountants** (Firm Registration No. 135024W), be appointed as statutory auditors of the Company, in place of retiring auditors M/s. K A SANGHAVI & CO LLP., Chartered Accountants, (Firm Registration No. 120846W), to hold office from the conclusion of this 12th AGM until the conclusion of the 17th AGM, subject to ratification by members every year, as applicable, at such remuneration and out of pocket expenses, as may be decided by the Audit Committee and/or Board of Directors of the Company, in addition to the re-imbursement of applicable taxes and actual out of pocket and travelling expenses incurred in connection with the audit."

SPECIAL BUSINESS:

4. **RATIFICATION OF REMUNERATION OF COST AUDITOR.**

   To consider and if thought fit to pass, with or without modification, the following resolution as an **Ordinary Resolution:**

   "**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013, Companies (Cost Records and Audit) Rules 2014 and the Companies (Audit and Auditors) Rules, 2014 (including statutory modifications or re-enactment thereof, for the time being in force), payment of remuneration of ₹ 50,000/- to **M/s. Nanty Shah & Associates, Cost Accountants** (Firm Registration No.: 101268) the Cost Auditor appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2022, be and is hereby approved.

   RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, things and matters as it may in its absolute discretion deem necessary, proper, or desirable and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution."

5. **REVISION IN REMUNERATION PAYABLE TO MR. AFFAN FARUK PATEL (DIN: 08576337), WHOLE TIME DIRECTOR OF THE COMPANY.**

   To consider and if thought fit, to pass the following Resolution, with or without modification, as an **Ordinary Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of Sections 196, 197 and 198 and other applicable provisions and the Rules framed thereunder, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof, for the time being in force) read with Schedule V of the Companies Act, 2013, Regulation 17(6)

(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and subject to such other approvals as may be necessary, on the recommendation of Nomination & Remuneration Committee, Audit Committee and the Board of Directors, the consent of the members of the Company be and is hereby accorded for revision of remuneration of Mr. Affan Faruk Patel, Whole Time Director of the Company w.e.f April 1, 2021 for remaining duration of his term of office, which shall in no case exceed the overall limit of five percent (5%) of the net profits of the Company as applicable to each of the Managing/Whole time Directors of the Company and/or ten percent (10%) of the net profits of the Company for all Managing/ Whole-time Directors in accordance with the provisions of Sections 197, 198 and other applicable provisions and the Rules framed thereunder, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to vary, alter, enhance or widen (collectively referred to as 'Variation') the remuneration specified above which is payable to Mr. Affan Faruk Patel, Whole Time Director of the Company during his tenure to the extent permitted, under applicable law without being required to seek any further consent or approval of the members of the Company and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution, provided however that any such Variation shall not exceed any amount permitted to be paid to Whole Time Director under Section 197 read with Schedule V and other applicable provisions and the Rules framed thereunder, if any, of the Companies Act, 2013 without obtaining requisite approvals.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year, the remuneration payable to Managing Director shall be within the maximum permissible limits specified under Section II of Part II of Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, things and matters as it may in its absolute discretion deem necessary, proper, or desirable and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution."

6. **APPOINTMENT OF MR. ARVINDKUMAR TRIBHOVANDAS PATADIA (DIN: 09267710) AS NON-EXECUTIVE INDEPENDENT DIRECTOR OF THE COMPANY.**

To consider and if thought fit, to pass the following Resolution, with or without modification, as an **Ordinary Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions and the Rules framed thereunder, if any, of the Companies Act, 2013), read with Schedule IV of the Companies Act, 2013 and applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment thereof for the time being in force subject to such other laws, rules and regulations as may be applicable in this regard, Mr. Arvindkumar Tribhovandas Patadia was appointed by the Board of Directors as an Additional Director (Non-Executive Independent Director) of the Company with effect from **August 14, 2021**, pursuant to the provisions of section 161(1) of the Companies Act, 2013 and pursuant to the applicable provisions Articles of Association of the company, to hold office upto the date of Annual General Meeting of the Company, on the basis of recommendation of the Nomination and Remuneration Committee, approval of the Members of the Company be and is hereby accorded to appoint Mr. Arvindkumar Tribhovandas Patadia as Non-Executive Independent Director of the Company, not liable to retire by rotation, for a term not exceeding five (5) consecutive years from **August 14, 2021 to August 13, 2026**.

RESOLVED FURTHER THAT Mr. Arvindkumar Tribhovandas Patadia as Non-Executive Independent Director of the Company be paid such remuneration comprising of salary, perquisites, Allowances and other benefits as may be determined by the Board from time to time within the maximum limits prescribed under the act and approved by the members of the Company on the terms and conditions as set out below:

REMUNERATION, PERQUISITES, ALLOWANCES & OTHER BENEFITS:

- Basic Salary: Not exceeding ₹ 1,00,000/- (Rupees One Lakh only) per month as may be decided by the Board of Directors from time to time.

- Perquisites: He shall be entitled to perquisites, allowances, benefits, facilities and amenities (collectively called Perquisites) such as mobile allowance, official travel assistance, and any other perquisites as per the policy of the Company in force and/or as may be approved by the Board from time to time.

In any financial year, the remuneration payable to the Non-Executive Independent Director shall not exceed the overall limit pursuant to the provisions of Sections 197 read with Schedule V and other applicable provisions and the Rules framed thereunder, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT the total remuneration payable to Mr. Arvindkumar Tribhovandas Patadia as a Non-Executive Independent Director, including all the perquisites, Allowances and other benefits mentioned above shall not exceed the limit of ₹ **1,01,000/- (Rupees One Lakh One Thousand only) per month** as provided under the provisions of Sections 197 other applicable provisions and the Rules framed thereunder, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year, the remuneration payable to the Non-Executive Independent Director shall be within the maximum permissible limits specified under Section I of Part II of Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to vary, alter, enhance or widen (collectively referred to as 'Variation') the remuneration specified above which is payable to Non-Executive Independent Director during his tenure to the extent permitted, under applicable law without being required to seek any further consent or approval of the members of the Company and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution, provided however that any such Variation shall not exceed any amount permitted to be paid to the Non-Executive Independent Director under Section 197 read with Schedule V and other applicable provisions and the Rules framed thereunder, if any, of the Companies Act, 2013 without obtaining requisite approvals.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, things and matters as it may in its absolute discretion deem necessary, proper, or desirable and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution."

7. APPROVAL OF RELATED PARTY TRANSACTIONS.

To consider and if thought fit, to pass the following Resolution, with or without modification, as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 188 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014; SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions and the Rules framed thereunder, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary, on recommendation of the Audit Committee and Board of Directors of the Company, the consent of the members of the company be and is hereby accorded for the material related party contracts or arrangements as mentioned below entered / to be entered by the company in the financial year 2021-22, on the terms and conditions as may be decided by the Board, with the respective related parties and for the maximum amounts per annum, as mentioned below:

Sr. No.	Nature of transactions as per section 188 of the Companies Act, 2013	Name of the related party	Name of the Director/KMP who is related and nature of their relationship	Estimated Amounts entered / to be entered into	Material Terms and particulars of the contract or arrangement
1	sale, purchase or supply of any goods or material, directly or indirectly	K P Buildcon Private Limited	Mr. Farukbhai Gulambhai Patel, Managing Director of the Company (also a Director in K P Buildcon Private Limited)	₹ 10,00,00,000/- (Rupees Ten Crores)	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time in the ordinary course of business and on an arms' length basis.
2	sale, purchase or supply of any goods or material, directly or indirectly	KPI Global Infrastructure Limited	Mr. Farukbhai Gulambhai Patel, Managing Director of the Company (also a Director KPI Global Infrastructure Limited)	₹ 5,00,00,000/- (Rupees Five Crores)	

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, things and matters as it may in its absolute discretion deem necessary, proper, or desirable and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution."

8. **SALE/TRANSFER OF UNDERTAKING UNDER SECTION 180(1)(A) OF THE COMPANIES ACT, 2013.**

To consider and if thought fit, to pass the following Resolution, with or without modification, as **Special Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Section 180(1)(a) and other applicable provisions of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and the relevant Rules framed there under (including any statutory modification(s) or re-enactment thereof, for the time being in force), and the enabling provisions in the Memorandum of Association and Articles of Association of the Company and subject to such other approvals, sanctions, consents and permissions as may be deemed necessary be obtained from the appropriate authorities to the extent applicable and necessary, approval and consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (the "Board"), to sell and/or transfer the whole or substantially the whole of the undertaking ('undertaking' as defined under applicable provisions of Income Tax Act, 1961 & Section 180(1)(a)of the Companies Act, 2013 and any other applicable provisions and the Rules framed thereunder, if any, of the Companies Act, 2013) of the company along with all assets and liabilities, at such price and such terms and conditions (including the receipt of the consideration thereof) to any of its subsidiary Company, whether existing or proposed to be incorporated as subsidiary of the Company, or any other person or entity in such manner as the Board deems appropriate with power to the Board of Directors to finalise the terms and conditions as well as the means, methods or modes in respect thereof and to finalise and execute all the required documents, memoranda, deeds of assignment/ conveyance and other incidental transactional documents with such modifications as may be required from time to time and to do all such acts, deeds, matters and things as may be deemed necessary and/or expedient in its discretion for completion of the transaction as aforesaid in the best interest of the Company."

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized and empowered in deciding whether this resolution is required to be made effective or not and, in the event it is decided by the Board of Directors of the Company that such resolution is to be made effective, to determine the date on which such resolution shall become effective.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorized and empowered to execute the documents, deeds or writings required to be executed in relation to the resolution mentioned above and other incidental documents, make applications to regulatory and governmental authorities for the purposes of obtaining all approvals, consents, permissions and sanctions required by Company and to do all acts and deeds as may be necessary, proper, desirable and/or expedient to give effect to this resolution, to settle any questions, difficulties or doubts that may arise in regard to such sale and/or transfer of the Business Undertaking as they may in their absolute discretion deem fit."

9. **Any other Business with the permission of the Chair.**

Registered Office:
'KP House', Opp. Ishwar Farm Junction BRTS
Near Bliss IVF Circle,
Canal Road, Bhatar, Surat-395017
Gujarat, India
Tel.: +91 261 2234757
Fax: +91 261 2234757
Email: info@kpenergy.in
Website: www.kpenergy.in

By Order of the Board
For **K.P. Energy Limited**

Sd/-
Karmit Sheth
Company Secretary & Compliance Officer

Date: August 31, 2021
Place: Surat

Notes:

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/ OAVM.

2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/ OAVM and cast their votes through e-voting.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.kpenergy.in. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.

7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

8. In continuation of this Ministry's **General Circular No. 20/2020,** dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January,13,2021.

THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

(i) The voting period begins on September 27, 2021 and ends on September 29, 2021. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of September 23, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) Pursuant to **SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under

Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants.** Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

(iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with **CDSL**	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Individual Shareholders holding securities in demat mode with **NSDL**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their **Depository Participants**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important Note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with **CDSL**	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

(v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

1) The shareholders should log on to the e-voting website www.evotingindia.com.

2) Click on "Shareholders" module.

3) Now enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

4) Next enter the Image Verification as displayed and Click on Login.

5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

(vi) After entering these details appropriately, click on "SUBMIT" tab.

(vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvi) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; secretarial@kpgroup.co, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.

2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.

3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.

4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.

5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at secretatial@kpgroup.co. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at secretarial@kpgroup.co. These queries will be replied to by the company suitably by email.

8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

10. If any Votes are casted by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id.

2. For Demat shareholders, please update your email id & mobile no. with your respective Depository Participant (DP)

3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

All queries relating to Share Transfer and allied subjects should be addressed to:

Bigshare Services Private Limited
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road, Marol,
Andheri (East), Mumbai-400059
Maharashtra, India

Registered Office:
'KP House', Opp. Ishwar Farm Junction BRTS
Near Bliss IVF Circle,
Canal Road, Bhatar, Surat-395017
Gujarat, India
Tel.: +91 261 2234757
Fax: +91 261 2234757
Email: info@kpenergy.in
Website: www.kpenergy.in

By Order of the Board
For **K.P. Energy Limited**

Sd/-
Karmit Sheth
Company Secretary & Compliance Officer

Date: August 31, 2021
Place: Surat

Annexure to Notice

Explanatory statement to special business pursuant to section 102 of the Companies act, 2013

ITEM NO 3

APPOINTMENT OF AUDITORS AND FIXING THEIR REMUNERATION

M/s. K A SANGHAVI & CO LLP., Chartered Accountants, (Firm Registration No. 120846W) were appointed as Statutory Auditors of the Company at the 7th Annual General Meeting of the Company held on September 19, 2016 for a term of 5 years and they hold office until conclusion of the 12th AGM of the Company. M/s. MAAK and Associates, Chartered Accountants have been proposed to be appointed in place of the retiring auditors.

The Audit Committee and the Board, unanimously, recommends the ordinary resolution as set out in item no. 3 of this notice taking into account their credentials.

Credentials:

MAAK and Associates is an independent entity of the ValServe Group which is an independent professional services organization serving global businesses across geographies and cultures Presently, its growing operations are in USA, Canada, India, Australia and New Zealand Additionally, it serves in non-English speaking Nordic countries as well. The firm is equipped with the very well qualified staff. The Group as a whole, in a short span, has already served various industry domains including Pharmaceutical Healthcare, IT Technology, Trading Distribution, Power Utility, Chemical and Capital Goods Equipment as a single location operation or as an intricate international firm.

Since board of the company envisages to expand its business beyond present geography, it has thought fit to engage professionals with international audit exposure.

The terms and conditions of appointment of the statutory auditors and the proposed fees are as follows:

a. **Term of Appointment:** 5 years from the conclusion of this 12th AGM till the conclusion of the 17th AGM.

b. **Proposed Fees:** Remuneration for Statutory Audit of INR 5,00,000/- (plus GST) on annual basis for first year of engagement. The remuneration payable to the joint statutory auditors for the remaining tenure of the proposed re-appointment will be subsequently determined by the Board as per the recommendations of the Audit Committee. The fees for services in the nature of limited review, statutory certifications will be included in the audit fee as above. The fees of engagement would be determined by the Board in consultation with the Auditors and as per the recommendations of the Audit Committee. The proposed fee is based on knowledge, expertise, industry experience, time and efforts required to be put in by them.

The Board, based on the recommendation of the Audit Committee, unanimously, recommends the ordinary resolution as set out in item no. 3 of this notice.

None of the directors and key managerial personnel or their relatives are interested financially or otherwise in the resolution as set out in item no. 3 of this notice.

ITEM NO. 4

RATIFICATION OF REMUNERATION OF COST AUDITOR.

The Board, on the recommendation of the Audit Committee, has approved the appointment of M/s. Nanty Shah & Associates, Cost Accountants as Cost Auditor of the Company for the financial year ending on March 31, 2022, to conduct audit of cost accounting records of the Company as may be required for cost audit under the Companies Act, 2013, and Rules made thereunder, at a remuneration of ₹ 50,000/-, applicable taxes and out of pocket expenses, if any.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration proposed to be paid to the Cost Auditor is required to be ratified by the members of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out in the Item no. 4 of Notice for ratification of the remuneration payable to the Cost Auditors.

None of the Directors are in any way concerned or interested, financially or otherwise in this resolution.

ITEM NO. 5

REVISION IN REMUNERATION PAYABLE TO MR. AFFAN FARUK PATEL (DIN: 08576337), WHOLE TIME DIRECTOR OF THE COMPANY.

Mr. Affan Patel, aged 24 years is an Electrical Engineer. He has completed his bachelor of Engineering from Sarvajanik College of Engineering and Technology (SCET), Surat. He is also functioning as Director in renewable Energy ventures namely KPIG Renewables Private Limited, KP Sor-Urja Private Limited, KPEV Charging Private Limited, Faaiz Money Changer Private Limited, Wind farm Developers Private Limited, K.P. Energy Mahua Windfarms Private Limited and Ungarn Renewables Private Limited.

Mr. Affan was appointed as an additional Executive Director in the Board Meeting held on December 26, 2019. The Board of Directors of the Company in its meeting held on December 26, 2019 approved the revision of remuneration payable to Mr. Affan Faruk Patel, as recommended by the Nomination and Remuneration Committee in terms of Section 197, 198, Schedule V and any other applicable provisions of the Companies Act, 2013, and in terms of Regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and at the terms and conditions as set out below:

REMUNERATION, PERQUISITES, ALLOWANCES & OTHER BENEFITS:

- Basic Salary: Not exceeding ₹ 12,00,000/- (Rupees Twelve Lacs only) per annum as may be decided by the Board of Directors from time to time.

- Perquisites: He shall be entitled to perquisites, allowances, benefits, facilities and amenities (collectively called Perquisites) such as medical reimbursement, leave travel assistance, House Rent Allowance, City Compensatory Allowance and any other perquisites as per the policy of the Company in force and/or as may be approved by the Board from time to time.

- In addition to the above, he shall be entitled to the allowances and benefits as per the policy of the Company in force and/or as may be approved by the Board from time to time, such as:

  i. Company maintained car with driver.

  ii. Company's contribution to Provident Fund

  iii. Payment of gratuity and other retirement benefits

  iv. Encashment of leave

  v. Personal Accident, Mediclaim and Life Insurance

  VI. Any other benefits as per HR policy of the company.

Notwithstanding anything to the contrary herein contained, where in any financial year, the company has no profits or its profits are inadequate, the company will pay **Mr. Affan Patel**, Whole Time Director of the company, the remuneration by way of salary, perquisites, Allowances and other benefits as specified above shall be within the maximum permissible limits specified under Section II of Part II of Schedule V of the Companies Act, 2013. The Whole Time Director shall also be entitled to reimbursement of expenses actually incurred by him for the business of the company. He shall not be paid any sitting fees for attending meetings of the Board or Committee thereof. **Mr. Affan Patel**, Whole Time Director shall be liable to retire by rotation and fulfils the conditions mentioned in Part I and Para B of Section II of Part II of Schedule V to the Act. Relevant information and disclosures prescribed in Schedule V to the Act are given below:

STATEMENT OF INFORMATION AS REQUIRED UNDER SCHEDULE V, PART II, SECTION II (B) (iv) FOR ITEM NO. 9:

1. GENERAL INFORMATION:

1. **Nature of Industry:** K.P. Energy Limited provides complete solutions from concept till completion of the project life-cycle of a Wind Project. Activities covered are Siting of Wind-farms, Lands & Permits acquisition, EPCC (Engineering, Procurement, Construction & Commissioning) of Wind Project Infrastructure including power transmission and Operations & Maintenance of entire Balance of Plant of a Utility Scale Windfarm. Business model of company is designed to bring scalability in wind sector by serving OEM (Original Equipment Manufacturers) of Wind Turbines, IPPs (Independent Power Producers), Captive Users as well as Institutional Investment Programmes.

2. **Date or expected date of commencement of commercial production:** The Company is in business of providing entire gamut of services of development of Balance of Plant (BOP) Services for Wind Power Project and also generates revenue from its own 8.4 MW WTGs at four different site and from providing Operation and Maintenance services to the BOP.

3. **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:** NA

4. **Financial performance based on given indicators: The financial data as per last audited standalone balance sheet as on March 31, 2021 is as under:**

(₹ In Lacs)

Particulars	FY 2020-21
Paid up Capital	1111.5
Reserves and surplus	6774.75
Total Revenue	7,051.81
Total Expenses	6072.79
Profit before Tax	979.02
Tax Expenses	(81.08)
Profit after Tax	720.70

5. **Foreign investments or collaborations, if any:** The Company has in consortium with M/s. Evergreen Power Mauritius Private Limited participated in the bid and won the 30MW wind power project at Mahuva Site in Gujarat.

I. INFORMATION ABOUT THE APPOINTEE:

6. **Background details:**

   Mr. Affan Faruk Patel, aged 24 years is an Electrical Engineer. He has completed his bachelor of Engineering from Sarvajanik College of Engineering and Technology (SCET), Surat. He is also functioning as Director in renewable Energy ventures namely KPIG Renewables Private Limited, KP Sor-Urja Private Limited, KPEV Charging Private Limited, Faaiz Money Changer Private Limited, Wind farm Developers Private Limited, K.P. Energy Mahua Windfarms Private Limited and Ungarn Renewables Private Limited.

7. **Past Remuneration:** The remuneration provided to Mr. Affan Faruk Patel for the FY 2020-21 is INR 5,90,193/-

8. **Recognition or awards:** Mr. Affan Faruk Patel has received Best Project Construction Management award by wind insider Engineering Excellence Awards India 2021.

9. **Job profile and his suitability:** Mr. Affan Faruk Patel devotes his full time and attention to the business of the Company, subject to superintendence, control and directions of the Board.

10. **Remuneration proposed:** As mentioned in the resolution.

11. **Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:** Keeping in view the profile and the position of Whole-time Director and knowledge and experience of the appointee, the remuneration is fully justifiable and comparable to that prevailing in the industry.

12. **Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.**

    Besides the remuneration proposed, Mr. Affan Faruk Patel does not have any pecuniary relationship with the Company. Mr. Affan is a Son of Mr. Farukbhai Gulambhai Patel, Managing Director of the Company.

II. OTHER INFORMATION:

13. **Reasons of loss or inadequate profits:** The Company does not envisage any loss or inadequate profits during the tenure of appointment of Mr. Affan Faruk Patel except as disclosed in the financial results on Quarterly basis. However, in the event of absence or inadequacy of profits in any financial year, the remuneration payable to Whole Time Director shall be within the maximum permissible limits specified under Section II of Part II of Schedule V of the Companies Act, 2013.

14. **Steps taken or proposed to be taken for improvement:** The Company has taken various steps on a regular basis to scale up the operations of the Company. Company has chalked out ambitious growth plans to scale up operations and profitability. Further, the management has adopted focused business strategies in all spheres of business activities to improve the sales and profitability of the Company.

15. **Expected increase in productivity and profits in measurable terms:** The Company is conscious about improvement in productivity and continually undertakes measures to improve its productivity and profitability. The Management is confident of achieving revenue growth in the future.

III. DISCLOSURES:

The following disclosures shall be mentioned in the Director's Report under the heading "Corporate Governance" attached to the financial statement:

(i) All elements of remuneration package such as salary, benefits, bonuses, stock options, pensions, etc., of all the directors;

(ii) Details of fixed component and performance linked incentives along with performance criteria;

(iii) Service contracts, notice period, severance fees;

(iv) Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.

None of the Directors or Key Managerial Personnel or their relatives except Mr. Affan Faruk Patel, the proposed appointee and Mr. Farukbhai Gulambhai Patel, the managing director are concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

The Board of Directors and Nomination and Remuneration Committee recommends the resolution set out at Item No. 5 of the Notice for approval of the members by way of Ordinary Resolution.

ITEM NO. 6

APPOINTMENT OF MR. ARVINDKUMAR TRIBHOVANDAS PATADIA (DIN: 09267710) AS NON-EXECUTIVE INDEPENDENT DIRECTOR OF THE COMPANY

pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions and the Rules framed thereunder, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Companies Act, 2013, Mr. Arvindkumar Tribhovandas Patadia is appointed as Non-Executive Independent Director of the Company, who shall hold office for a period of five years from **August 14, 2021 to August 13, 2026** and whose office shall not be liable to retire by rotation.

The Company has received a declaration that Mr. Arvindkumar Tribhovandas Patadia meets the criteria of the independent directorship as provided in section 149(6) of the Companies Act, 2013 and in the opinion of the Board, Mr. Arvindkumar Tribhovandas Patadia fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and are an independent from the management.

Mr. Arvindkumar Tribhovandas Patadia is not disqualified from being appointed as Director in terms of section 164 of the act and given his consent to act as a Director of the Company. As per the section 149 of the Companies act, 2013, Mr. Arvindkumar Tribhovandas Patadia as an independent Director shall hold office for a term up to five consecutive years on the Board of a company from **August 14, 2021 to August 13, 2026** and he shall not be included in determining the total number of Directors liable to retire by rotation.

The Board considers that his association would be of immense benefit to the Company and it is desirable to avail services of Mr. Arvindkumar Tribhovandas Patadia as an Independent Director to the Company.

None of the Directors or Key Managerial Personnel or their relatives except Mr. Patadia, the proposed appointee, is concerned or interested, financially or otherwise, in the resolution set out at Item Nos. 6 of the Notice.

The Board of Directors and Nomination and Remuneration Committee recommends the resolution set out at Item Nos. 6 of the Notice for approval of the members by way of Ordinary Resolution.

ITEM NO. 7

APPROVAL OF RELATED PARTY TRANSACTIONS

The Company is engaged in the business of providing entire gamut of services for development of the Balance of Plant infrastructure for the Wind Power Project.

The Company in its ordinary course of business has entered into or shall enter into the transaction for sale, purchase or supply of goods and material directly or indirectly from the KP Buildcon Private Limited and KPI Global Infrastructure Limited. M/s. KP Buildcon Private Limited and M/s. KPI Global Infrastructure Limited are "Related Party" as defined under Section 2(76) of the companies act, 2013.

The Company therefore requires approval of the shareholders through an ordinary resolution for ratifying the contract(s)/ arrangement (s)/ transaction(s) with KP Buildcon Private Limited and KPI Global Infrastructure Limited in its ordinary course of business up to a maximum amount specified in the resolution respectively for financial year 2021-22 and onward.

All related parties shall abstain from voting on these resolutions.

The Companies Act, 2013 aims to ensure transparency in the transactions and dealing with the related parties of the Company. The Provisions of Section 188 of the Companies Act, 2013 govern the Related Party Transactions for entering into any contract, transactions or arrangement with the related party (ies), the prior approval of the company requires by passing a resolution as prescribed in rule 15 of the Companies (Meeting of Board and its Power) Rules, 2014. As per the Regulation 23 of the Listing Regulations, a transaction with a related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity, shall require approval of the shareholders through ordinary resolution by the company.

The disclosure as required under the Rule 15 of the Companies (Meeting of Board and its Power) Rules, 2014 are as under:-

Sr. No.	Name of Related Party	Nature of Relationship	Nature of Transaction	Value of Transaction
1.	KP Buildcon Private Limited	Group Company	sale, purchase or supply of any goods or material, directly or indirectly	₹ 10 Crores
2.	KPI Global Infrastructure Limited			₹ 5 Crores

The value of the transaction is on the basis of the terms and conditions agreed by the Company for sale, purchase or supply of any goods or material for the Wind Power Projects.

The Audit Committee and the Board, at their meetings held on June 25, 2021 considered and approved the aforesaid transactions.

The Board is of the opinion that the above transaction shall be in the best interest of the Company.

The Board recommends the Special Resolution as set out at Item No. 7 of the Notice for approval by the shareholders.

None of the Directors or Key Managerial Personnel or their relatives except Mr. Farukbhai Gulambhai Patel, Managing Director and Mr. Affan Faruk Patel, Whole Time Director of the Company, is concerned or interested, financially or otherwise, in the resolutions set out at Item No. 7 of the Notice.

ITEM NO 8

SALE/TRANSFER OF UNDERTAKING UNDER SECTION 180(1)(A) OF THE COMPANIES ACT, 2013.

Members of the Company are requested to note that Section 180(1)(a) of the Companies Act, 2013 mandates that the Board of Directors of a company shall exercise the power to sell, lease or otherwise dispose of the whole or substantially the whole of any undertaking(s) of the company or where the company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings, only with the approval of the members of the Company by way of a special resolution. Explanation (i) to Section 180(1)(a) of the Companies Act, 2013 states that the meaning of an 'undertaking' for the purposes of Section 180(1)(a) of the Companies Act, 2013 is an undertaking in which the investment of the company exceeds twenty percent of its net worth as per the audited balance sheet of the preceding financial year or an undertaking which generates twenty percent of the total income of the company during the previous financial year. Explanation (ii) to Section 180(1)(a) of the Companies Act, 2013 states that the meaning of 'substantially the whole of the undertaking' for the purposes of Section 180(1)(a) is in any financial year, twenty percent or more of the value of the undertaking as per the audited balance sheet of the preceding financial year.

In order to meet specific objectives by way of obtaining finances, performing specific investment activities, to isolate financial risk and to avail other benefit by transferring assets/liabilities to the subsidiary or any other person or entity, pursuant to Section 180(1)(a) of the Companies Act, 2013, members of the Company are further requested to note that their consent to the

Board is being sought by way of a special resolution to sell and/or transfer the whole or substantially the whole of the undertaking (as defined in Section 2(19AA) of Income Tax Act, 1961 & Section 180(1)(a)of the Companies Act, 2013 and any other applicable provisions and the Rules framed thereunder, if any, of the Companies Act, 2013) of the company along with all assets and liabilities, at such price and such terms and conditions (including the receipt of the consideration thereof) to any of its subsidiary, whether existing or proposed to be incorporated as subsidiary of the Company, or to any other person or entity in such manner as the Board deems appropriate with power to the Board of Directors to finalise the terms and conditions as well as the means, methods or modes in respect thereof and to finalise and execute all the required documents, memoranda, deeds of assignment/ conveyance and other incidental transactional documents with such modifications as may be required from time to time and to do all such acts, deeds, matters and things as may be deemed necessary and/or expedient in its discretion for completion of the transaction as aforesaid in the best interest of the Company.

None of the Directors or Key Managerial Personnel or their relatives is concerned or interested, financially or otherwise, in the resolutions set out at Item Nos. 8 of the Notice.

The Board of Directors recommends the resolutions set out at Item Nos. 8 of the Notice for approval of the members by way of Special Resolution.

Registered Office:
'KP House', Opp. Ishwar Farm Junction BRTS
Near Bliss IVF Circle,
Canal Road, Bhatar, Surat-395017
Gujarat, India
Tel.: +91 261 2234757
Fax: +91 261 2234757
Email: info@kpenergy.in
Website: www.kpenergy.in

By Order of the Board
For **K.P. Energy Limited**

Sd/-
Karmit Sheth
Company Secretary & Compliance Officer

Date: August 31, 2021
Place: Surat

Details of Directors seeking Appointment/re-appointment at the Annual General Meeting:

Name of Director	**Mr. Bhupendra Vadilal Shah (DIN: 06359909)**
Date of Birth	January 17, 1950
Date of Appointment	July 07, 2016
Relationship with other Directors Inter se	None
Qualifications	BE (Civil). (Maharaja Sayajirao University Baroda, 1971)
Expertise in Specific functional areas	Mr. Shah is a Civil engineer and has vast experience in business management of more than 49 years. He possesses sound technical and financial knowledge.
Directorships held in other Companies	NIL
Memberships/Chairmanships of committees in other Companies	NIL
Number of Equity Shares held in the Company	12,610 (Twelve Thousand Six Hundred and Ten)

Name of Director	**Mr. Arvindkumar Tribhovandas Patadia (DIN: 09267710)**
Date of Birth	September 19, 1954
Date of Appointment	August 14, 2021
Relationship with other Directors Inter se	None
Qualifications	Bachelor's Degree in Chemical Engineering with distinction from MS University of Vadodara, Gujarat
Expertise in Specific functional areas	Mr. Arvindkumar Tribhovandas Patadia is having more than 45 years of rich and well versed technical and business development experience in all the facets of the Chemical and Power Sector including wide experience in Fertilizer & Chemical, Petrochemical Plant Operations, setting up/ acquisition of Fertilizer assets abroad, business strategy developments and projects execution. Mr. Arvindkumar Tribhovandas Patadia started his professional journey in the year 1978 with Gujarat Narmada Valley Fertilizers & Chemicals Limited (GNFC) and served as Executive Director in GNFC since year 2013 onwards. He played key role in setting up of 33 MW Combined Cycle Power and Steam Unit - Bharuch and 21 MW Wind Power project in Kutch, Gujarat. He also set up a new Greenfield Toluene Di-isocyanate manufacturing facility established at cost of USD 400 million at Dahej-Gujarat and was instrumental in building process concepts, engineering, construction and production, Fire & Safety, Quality control, integration of Inspection, Technical Services / Design and Construction. Mr. Patadia possesses vast experience in setting up of Agriculture fertilizer plants and Energy augmentations utilizing renewable energy. He has visited USA, Germany, Italy, Belgium, Spain, Denmark, Nigeria, Ghana, Togo, China and Oman for business.
Directorships held in other Companies	NIL
Memberships/Chairmanships of committees in other Companies	NIL
Number of Equity Shares held in the Company	NIL

Directors' Report

To the Members,

The Directors are pleased to present the 12th Annual Report on the business and operation of your Company together with audited financial statements of account for the year ended March 31, 2021.

1. FINANCIAL RESULTS:

(₹ In lacs)

Particulars	Standalone		Consolidated	
	2021	**2020**	**2021**	**2020**
Revenue from operations	6,904.18	7411.61	7,173.59	7499.25
Other Income	147.63	59.73	147.63	59.73
Total Income	**7,051.81**	**7471.34**	**7,321.21**	**7558.98**
Expenditure	5120.96	6334.62	5390.34	6421.54
Profit Earnings before interest, tax, depreciation and amortization (EBITDA)	**1930.85**	**1136.72**	**1930.87**	**1137.44**
Finance Cost	519.41	461.41	519.50	462.13
Depreciation	432.42	397.01	461.61	397.01
Profit Before Taxation	**979.02**	**278.30**	**949.77**	**278.30**
Tax expenses	(81.08)	(168.28)	(166.59)	(168.28)
Profit for the period	**720.70**	**110.02**	**605.94**	**110.02**

2. PERFORMANCE HIGHLIGHTS:

On a standalone basis, the revenue for FY 2021 was ₹ 6,904.18 Lacs compare to previous year's revenue of ₹ 7411.61 Lacs. The profit after tax (PAT) attributable to shareholders for FY 2021 and FY 2020 was ₹ 720.70 Lacs and ₹ 110.02 Lacs respectively. The PAT attributable to shareholders for FY 2020 registers significant increase in growth compare to FY 2020 PAT.

On a consolidated basis, the revenue for FY 2021 was ₹ 7,173.59 Lacs compare to previous year's revenue of ₹ 7499.25 Lacs. The profit after tax (PAT) attributable to shareholders for FY 2021 and FY 2020 was ₹ 605.94 Lacs and ₹ 110.02 Lacs respectively.

Details of your Company's Operational and financial performance as published on the Company's website and presented during the Analyst Meet, after declaration of annual results, can be accessed using the following link: https://www.kpenergy.in/kpedata/assets/uploads/Investor%20Presentation%20along%20with%20Key%20highlights%20of%20Q4FY21%20performance.pdf

3. DIVIDEND AND RESERVES:

For the year ended March 31, 2021, the Board of Directors has not declared/recommended any dividend for the current financial year and have opt for conservation of profits and continued investment in the business. The company has transferred the whole amount of Profit to Reserve and surplus account as per attached audited Balance sheet for the year ended March 31, 2021.

4. SHARE CAPITAL:

During the year under review, there was no change in Authorised, Issued, Subscribed and Paid-up Share Capital of the Company. The Company has not issued any equity shares with differential rights during the year.

The Authorised Share Capital of the Company is ₹ 12,50,00,000/- (Rupees Twelve Crores Fifty Thousand only) divided into 1,25,00,000 (One Crore Twenty-Five Lacs) Equity Shares of ₹ 10/- (Rupees ten only) each.

The Paid-up Share Capital of the Company is ₹ 11,11,50,000 (Rupees Eleven Crores Eleven Lacs Fifty Thousand Only) divided into 1,11,15,000 (One Crore Eleven Lac Fifteen Thousand) equity shares of ₹ 10/- (Rupees Ten only).

5. ORGANISATIONAL INITIATIVES IN RESPONSE TO COVID-19 SITUATION:

The Operations & Management of Windfarm sites being catered continued without any interruptions as power generation was permitted under all restrictions imposed from time to time except the repair and preventive maintenance schedules were not undertaken due to unavailability of skilled labour and restricted movements.

The controlling office works resumed only from 20th May, 2020 after permissions were granted in Surat City in specific areas to open office with 33% staff for limited hours. COVID-19 vaccinations drive have been carried out for all the employees at office and sites of the Company.

6. AMOUNT OF UNPAID/UNCLAIMED DIVIDEND TRANSFER TO UNPAID DIVIDEND ACCOUNT OF THE COMPANY:

During the financial year 20-21, Company does not require to transfer any amount of unpaid/ unclaimed dividend to the Unpaid Dividend Account. The Statement of unpaid / unclaimed dividends as on March 31, 2021 is uploaded on the Company's website www.kpenergy.in.

No funds were required to be transferred to Investor Education and Protection Fund (IEPF) during the year under review.

7. DEPOSITS FROM PUBLIC:

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

8. CREDIT RATING:

For the year under review, CARE (Credit Analysis and Research) has assessed the ratings assigned to the bank facilities of the Company and has not changed the assigned ratings and has reaffirmed the ratings and outlook. As per the review, CARE assigned "Triple B minus" (Negative Outlook) for long term Bank facilities of ₹ 29.27 Crores (Term Loan), and "Triple B minus/A three" (Negative Outlook) for Long term/Short Term bank facilities of ₹ 11 Crores and "A Three" to ₹ 1.80 Crore Short term bank facilities.

9. QUALITY INITIATIVES:

During the financial year 2020-21, surveillance audit was conducted by Deutsch Quality System(DQS) India, partner of UL (Underwriters Laboratories) LLC, a global safety certification company having head quarter in Northbrook, Illinois, United States for ISO 9001:2015 (Quality Management System), ISO 14001:2015 (Environment Management System) and ISO 45001:2018 (Occupational Health & Safety Management System) and on successful completion and verification that the management system fulfills the requirements of the standards, all certificates have been renewed.

10. EMPLOYEE STOCK OPTION PLAN:

Your Company approved the Employee Stock Option Scheme to reward its employees for their past association and performance. The scheme named as 'K.P. Energy Limited Employee Stock Option Plan Tranche - I' ('Scheme') recommended by the Board of Directors on August 28, 2017 which was approved by the Shareholders vide special resolution on September 23, 2017. Pursuant to the same, our company intend to grant up to 1,00,000 options to the employees. However, during the year under review, no option has been granted to any employee of the Company.

11. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

There have been no material changes and commitments which affects the financial position of the Company which have occurred between the end of the financial year to which the Financial Statements relate and the date of this Report.

12. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

- **BOARD OF DIRECTORS:**

  The Company has Eight (8) Directors consisting of three (3) Independent Directors, two (2) Non-Executive Directors, one (1) Managing Director and Two (2) Whole Time Directors. In accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Farukbhai Gulambhai Patel (DIN: 00414045) Managing Director is liable to retire by rotation and offer himself for re-appointment as Director of the company. After considering recommendations of Board, the Members of the Company at the ensuing Annual General Meeting may re-appoint Mr. Patel as Director of the company. Brief profile of Mr. Patel has been given in the Notice convening the 12th Annual General Meeting. During the year 2020-21 there was a change in Directors/Key Managerial Personnel as stated below:

a. Mr. Raghavendra Rao Bondada (DIN: 01883766) resigned as Non-Executive Independent Director w.e.f. August 28, 2020.

b. Mr. Vendhan Ganeshan Mudaliar (DIN: 08042293) was appointed Non-Executive Independent Director w.e.f. September 29, 2020.

- **KEY MANAGERIAL PERSONNEL:**

  The following are the Key Managerial Personnel of the Company pursuant to Section 2(51) and 203 of the Companies Act, 2013:

  1. Mr. Farukbhai Gulambhai Patel, Managing Director
  2. Mr. Ashish Ashwin Mithani, Whole Time Director
  3. Mr. Affan Faruk Patel, Whole Time Director
  4. Mr. Karmit Haribhadrabhai Sheth, Company Secretary and Compliance Officer
  5. Mr. Pravin Radhekant Singh, Chief Financial Officer

13. DECLARATION BY AN INDEPENDENT DIRECTOR(S):

Pursuant to Section 149 and other applicable provisions of the Companies Act, 2013, the Company has received declarations from the Independent Directors of the Company confirming that they continue to meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Independent Directors have also confirmed that they have complied with the Company's code of conduct.

14. BOARD EVALUATION:

The Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Act and Listing Regulations. The performance of the Board was evaluated by the Board after seeking inputs from all the Directors based on criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members based on criteria such as the composition of committees, effectiveness of Committee meetings, etc.

The NRC reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, the Board as a whole and the Chairman of the Company was evaluated, taking into account the views of the Executive Director and NEDs.

15. MEETINGS OF BOARD:

The Board of Directors met 9 (nine) times during the year under review. The details of board meetings and the attendance of the Directors are provided in the Corporate Governance Report which forms part of this Report.

16. INDEPENDENT DIRECTORS AND THEIR MEETING:

The Independent Directors met on March 02, 2021, without the attendance of Non-Independent Directors and members of the Management. The Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole; the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

17. COMMITTEES OF THE BOARD:

The Company has constituted various Committees pursuant to the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013. Presently, the Company has following Committees of the Board of Directors:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Corporate Social Responsibility Committee

The details with respect to the composition, meetings, powers, roles, terms of reference, etc. of these Committees are given in the '**Report on Corporate Governance**' of the Company which forms part of this Annual Report.

18. AUDITORS AND AUDITOR'S REPORT:

- **STATUTORY AUDITORS:**

  The Auditors Report given by **M/s. K A SANGHAVI & CO LLP**, Statutory Auditors, on the financial statements of the Company for the year ended March 31, 2021 forms part of the Annual Report.

  Pursuant to the provisions of Section 139 and all other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, **M/s. K A SANGHAVI & CO LLP**, Chartered Accountants, bearing Firm Registration No. **120846W**, on the recommendations of the Audit Committee were appointed as the Statutory Auditors of the Company to hold office from the conclusion of 7th Annual General Meeting until the conclusion of the 12th Annual General Meeting of the Company on such remuneration as may be determined by the Board of Directors of the Company on a year to year basis. Accordingly, the term of the, **M/s. K A SANGHAVI & CO LLP,** Chartered Accountants as Statutory Auditors of the Company shall be completed at the conclusion of the 12th AGM.

  The Audit Committee and the Board at their meeting held on August 31, 2021 approved the appointment of **M/s. MAAK and Associates**, Chartered Accountants (Firm Registration No. 135024W) for a term of five (5) years i.e from conclusion of the 12th annual general meeting till the conclusion of 17th annual general meeting.

  The necessary resolution(s) seeking your approval on the appointment of **M/s. MAAK and Associates**, Chartered Accountants is included in the notice of the ensuing annual general meeting along with brief credentials and other necessary disclosures required under the Act and the Regulations.

- **STATUTORY AUDITORS' OBSERVATIONS IN AUDIT REPORT:**

  There has been no observation, qualification, reservation or adverse remark or disclaimer made by the statutory auditor in their Report.

- **SECRETARIAL AUDITOR:**

  Pursuant to provision of Section 204 of Companies Act, 2013 and Rules made thereunder, on the recommendations of the Audit Committee, the Board of Directors of the Company has appointed **M/s. SJV & Associates**, Practicing Company Secretaries, as a Secretarial Auditor of the Company to undertake the Secretarial Audit for the Financial Year 2020-21 in Meeting of Board of Directors held on June 30, 2020. A Secretarial Audit Report in "**Form MR-3**" provided by M/s. SJV & Associates, Practicing Company Secretaries has been provided in an "**Annexure- I**" which forms part of this Report.

- **SECRETARIAL AUDITORS' OBSERVATIONS IN SECRETARIAL AUDIT REPORT:**

  There is no qualification, reservation or adverse remarks or disclaimer made by the secretarial auditor in their report.

- **INTERNAL AUDITOR:**

  Pursuant to Section 138 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, on the recommendations of the Audit Committee, the Board of Directors of the Company has appointed **M/s. RHA & Co.**, Chartered Accountants (FRN. 142551W) as an Internal Auditor of the Company to undertake the internal Audit for the Financial Year 2020-21 in Meeting of Board of Directors held on June 30, 2020.

- **COST AUDITOR:**

  Pursuant to Section 148 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules 2014 and subject to the approval of Central Government, on the recommendations of the Audit Committee, the Board of Directors of the Company has appointed **M/s. Nanty Shah & Associates**, Cost Accountants as Cost Auditors to undertake the Cost Audit and maintain the Cost records for the Financial Year 2020-21 in Meeting of Board of Directors held on August 29, 2020. After considering the recommendations of Board of Directors of the Company the remuneration payable to the Cost Auditor shall be ratified by the members at the ensuing Annual General Meeting.

- **REPORTING OF FRAUDS BY AUDITORS:**

  During the year under review, the Statutory Auditors, Internal Auditor and Secretarial Auditor have not reported any instances of frauds committed in the Company by its Officers or Employees, to the Audit Committee under Section 143 (12) of the Companies Act, 2013, details of which needs to be mentioned in this Report. Hence, it is NOT APPLICABLE to the Company.

19. CORPORATE SOCIAL RESPONSIBILITY (CSR):

The Company has constituted the Corporate Social Responsibility (CSR) Committee in accordance with Section 135(1) of the Companies Act, 2013, the Company has undertaken activities in the area of Education, Environment care & Protection, Public Infrastructure Development and Health Care and these activities are in accordance with Schedule VII of the Companies Act, 2013 and the Company's CSR policy. The Report on CSR activities as required is annexed as "**Annexure II**" to this report. Approved CSR policy is also available on the Company's website www.kpenergy.in.

20. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

As on March 31, 2021, your Company has Six (6) subsidiary companies and Six (6) project specific Special Purpose Vehicles (SPVs) in form of Limited Liability Partnership. As on March 31, 2021, there are no joint ventures/associates of the Company.

The list of Subsidiaries and Associates of your Company as on March 31, 2021, is forming a part of Board's Report and the details under section 129 of the Companies Act, 2013, read with rule 5 of Companies (Accounts) Rules, 2014 regarding the performance and financial position of each of the Subsidiaries, Associates and Joint Ventures of the Company is provided in "**Form AOC-1**" under **Annexure - III** which forms part of this report.

21. MANAGEMENT DISCUSSION AND ANALYSIS:

The Management Discussion and Analysis Report on the operations of the Company as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided in a separate section which forms part of this Annual Report.

22. CORPORATE GOVERNANCE:

As per Regulation 34(3) read with schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, a separate section on corporate governance practices together with a certificate from the Company's Auditors confirming compliances is annexed separately to this report.

23. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has a well-placed, proper and adequate internal financial control system which ensures that all the assets are safeguarded and protected and that the transactions are authorized recorded and reported correctly. The internal audit covers a wide variety of operational matters and ensures compliance with specific standard with regards to availability and suitability of policies and procedures. During the year no reportable material weakness in the design or operation were observed.

24. VIGIL MECHANISM/WHISTLE BLOWER POLICY:

In pursuant to the provisions of section 177(9) & 177(10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company www.kpenergy.in

25. ANNUAL RETURN:

Pursuant to Section 92(3) read with Section 134(3) (a) of the Act, the Annual Return as on March 31, 2021 is available on the Company's website on at https://www.kpenergy.in/kpedata/assets/uploads/Annual%20Return%202020-21.pdf

26. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status and the Company's future operations.

27. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The provisions of Section 186 of the Act, with respect to a loan, guarantee or security is not applicable to the Company as the Company is engaged in providing infrastructural facilities which is exempted under Section 186 of the Act. The details of investment made during the year under review are disclosed in the financial statements.

28. RELATED PARTY TRANSACTIONS:

All Related Party Transactions that were entered into during the financial year were on an arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Act and the Listing Regulations. All Related Party Transactions are placed before the Audit Committee for approval and prior omnibus approval of the same has been obtained for the transactions which are planned/repetitive in nature and omnibus approvals are taken as per the policy laid down for unforseen transactions. The particulars of contracts / arrangements with related parties referred to in Section 188(1) entered into during the financial year under review as required to be given in Form AOC-2, have been provided in an **Annexure - IV** which forms part of this Report.

29. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act read with rule 8 of The Companies (Accounts) Rules, 2014, as amended from time to time is annexed to this Report as **Annexure - V.**

30. PARTICULARS OF EMPLOYEES AND REMUNERATION:

The provisions of Rule 5(2) & (3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company as none of the employees has received remuneration above the limits specified in the rule 5(2) & (3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 during the financial year 2019-20. Further, the disclosures pertaining to remuneration and other details as required under section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed in **Annexure VI**.

31. POLICIES:

The policies adopted by the Company as per statutory and governance requirements are uploaded on website of the Company at https://www.kpenergy.in/policies-disclosures

32. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:

The Company's policy on directors' appointment and remuneration and other matters provided in Section 178(3) of the Act is available on the website of the Company at https://www.kpenergy.in/kpedata/assets/uploads/135852.pdf

33. HEALTH, SAFETY & ENVIRONMENT POLICY:

The Company has recognized, health management, occupational safety and environment protection (HSE) as one of the most important elements in the organization's sustainable growth and has closely linked it to its cultural values. Company continually strives to create a safe working environment by being responsive, caring and committed to the various needs governing the security and well-being of employees. The HSE policy has been reviewed by the company and is also available on the Company's website at https://www.kpenergy.in/kpedata/assets/uploads/483595.pdf

34. OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has in place a Prevention of Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The Prevention of Sexual Harassment Policy has been reviewed by the company and is also available on the Company's website at https://www.kpenergy.in/kpedata/assets/uploads/104406.pdf

35. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, state the following:

I. that in the preparation of the annual financial statements, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

II. that such accounting policies have been selected and applied consistently and judgements and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

III. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

IV. that the annual financial statements have been prepared on a going concern basis;

V. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;

VI. those proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

36. COMPLIANCE WITH SECRETARIAL STANDARDS:

The Directors have devised proper systems and processes for complying with the requirements of applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems were adequate and operating effectively.

37. OTHER DISCLOSURES:

- As per SEBI Listing Regulations, the Corporate Governance Report with the Auditors' Certificate thereon, and the Management Discussion and Analysis are attached, which forms part of this report.

- None of the Directors of the Company has been debarred or disqualified from being appointed or continuing as a Director by SEBI / Ministry of Corporate Affairs / Statutory Authorities.

- Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.

38. ACKNOWLEDGEMENT:

Your Directors are extremely grateful for all the guidance, support and assistance received from the Government of India, Government of Gujarat, Financial Institutions and Banks. Your Directors thank all shareholders, esteemed customers, suppliers and business associates for their faith, trust and confidence reposed in the Company.

Your Directors wish to place on record their sincere appreciation for the dedicated efforts and consistent contribution made by the employees at all levels, to ensure that the Company continues to grow and excel.

For and on behalf of the Board of Directors
K.P. Energy Limited

Place: Surat
Date: August 31, 2021

Farukbhai Gulambhai Patel
Managing Director
DIN: 00414045

Ashish Ashwin Mithani
Whole Time Director
DIN: 00152771

Annexure-I

FORM NO. MR-3

Secretarial Audit Report for the Financial Year Ended 31st March 2021

[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
K.P. ENERGY LIMITED
'KP House', Opp. Ishwar Farm Junction BRTS,
Near Bliss IVF Circle, Canal Road, Bhatar,
Surat-395017, Gujarat, India.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. **K.P. ENERGY LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of M/s. K.P. Energy Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on 31st March, 2021 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by M/s. K.P. Energy Limited for the Financial Year ended on 31st March, 2021 according to the provisions of:

I. The Companies Act, 2013 (the Act) and the Rules made thereunder;

II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;

III. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company;

   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

   d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2021; (Not applicable to the Company during the audit period)

   e. The Securities and Exchange Board of India (Issue and listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the audit period)

   f. The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993;

   g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not applicable to the Company during the audit period)

   h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the audit period)

VI. The Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015;

VII. Other laws applicable to the Company as per the representations made by representative of the Company.

We have also examined compliance with the applicable clauses of the following:

i. The Electricity Act, 2003

ii. Secretarial Standards issued by The Institute of Company Secretaries of India.

iii. The Listing Agreements entered into by the Company with BSE Limited read with the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as applicable in this regard.

We further report that based on the information provided by the company, its officers and authorised representative during the conduct of the audit, in our opinion, adequate systems and processes and control mechanism exist in the company to monitor and ensure compliance with applicable general laws.

We further report that the compliance by the company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this audit since the same have been subject to review by statutory financial audit and other designated professionals.

We further report that, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. As per the minutes of the meetings duly recorded and signed by the chairman, the decisions of the board were unanimous and no dissenting views have been recorded.

We further report that, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there has been no delay in transferring amounts, required to be transferred, to Investor Education and Protection fund by the Company.

For **SJV & Associates,**
Company Secretaries

Place: Ahmedabad
Date: August 31, 2021

Proprietress
CS Janki Shah
Membership No.:- ACS-29657
COP No:- 10836
UDIN: A029657C000862324

This report is to be read with our letter of even date which is annexed as "**Annexure A**" and forms an integral part of this report.

“Annexure A”

To
The Members
K.P. Energy Limited
Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **SJV & Associates,**
Company Secretaries

Place: Ahmedabad
Date: August 31, 2021

Proprietress
CS Janki Shah
Membership No.:- ACS-29657
COP No:- 10836
UDIN: A029657C000862324

Annexure-II

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITIES ACTIVITIES

[pursuant to section 135 of the companies act, 2013]

1. A brief outline of Company's CSR Policy:

The Companies Act, 2013 has introduced the idea of CSR which your Company is voluntarily following it since last many years. Your Company believes the policy which is more and more beneficial to the society at large by promoting and encouraging economic, social and educational development and also giving active support to local initiatives around its area of operation thereby promoting upliftment of people in varied arenas of life.

Pursuant to the Section 135 of the Companies Act, 2013 (hereinafter refer as "the Act") read with the Companies (Corporate Social Responsibility Policy) Rule, 2014, the Company is required to adopt the Corporate Social Responsibility (CSR) policy in the organization to add sense of responsibility and contribution among corporate which is expected to be Beneficial to different class of people such as children, women, uneducated, unemployed etc. towards which such CSR activities may be focused.

The projects undertaken are within the broad framework of Schedule VII of the Companies Act, 2013. Details of the CSR policy and projects or programs undertaken by the Company are available on links given below:

2. Composition of Corporate Social Responsibility (CSR) Committee

The CSR Committee of the Board is responsible for overseeing the execution of the Company's CSR Policy. The CSR Committee comprises Independent director as Chairman, Managing Director and Whole Time Director of the Company.

Sr. No.	Name of the Committee member	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Sajesh Bhaskar Kolte	Chairman (Non-Executive Independent)	1	1
2	Farukbhai Gulambhai Patel	Member (Managing Director)	1	1
3	Ashish Ashwin Mithani	Member (Whole Time Director)	1	1

3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company:

Composition of CSR Committee:

https://www.kpenergy.in/kpedata/assets/uploads/792807.pdf

CSR Policy and CSR Projects:

https://www.kpenergy.in/kpedata/assets/uploads/Corporate%20Social%20Responsibility%20Policy(1).pdf

4. Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report): Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: Not Applicable

6. Average net profit of the Company as per Section 135(5):

Average Net Profit of the Company for the last three financial year: INR 9,48,69,420.17/-

7. **(a) Two percent of average net profit of the Company as per Section 135(5):** INR 18,97,388.40/-

(b) Surplus arising out of the CSR projects or programmes or activities of the previous Financial years: Nil

(c) Amount required to be set off for the Financial Year, if any: Nil

(d) Total CSR obligation for the financial year (7a+7b-7c): INR 18,97,388.40/-

8. **(a) CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year (INR)	Amount Unspent (INR)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of Transfer
INR 21,16,064/-	Not Applicable				

(b) Details of CSR amount spent against ongoing projects for the Financial Year: Nil

(c) Details of CSR amount spent against other than ongoing projects for the Financial year:

Sr. No	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No)	Location of the Project - State (District)	Amount Spent for the Project (INR in Lakhs)	Mode of Implementation Direct (Yes/No)	Amount Spent: Direct/through Implementation Agency
1	Gramya Jal & Swachhta Abhiyan.	Item (i)	Yes	Gujarat (Bhavnagar)	4.99	Yes	Direct
2	Protection of Animals, Birds, flora and Fauna.	Item (iv)	Yes	Gujarat, (Devbhoomi Dwarka)	10.50	Yes	Direct
3	Distribution of grains, food packets, vegetables etc. as part of COVID -19 relief activities.	Item (i)	Yes	Gujarat (Kutch, Bhavnagar and Porbandar)	5.67	Yes	Direct

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: Nil

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): INR 21,16,064/-

(g) Excess amount for set off, if any: Nil

Sr. No.	Particulars	Amount (in INR)
(i)	Two percent of average net profit of the company as per section 135(5)	18,97,388.40
(ii)	Total amount spent for the Financial Year	21,16,064.00
(iii)	Excess amount spent for the financial year [(ii)-(i)]	2,18,675.60
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

9. (a) **Details of Unspent CSR amount for the preceding three financial years:** Not Applicable

   (b) **Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):** Not Applicable

10. **In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the Financial Year (asset-wise details):** Not Applicable

    (a) **Date of creation or acquisition of the capital asset(s):** NA

    (b) **Amount of CSR spent for creation or acquisition of capital asset:** NA

    (c) **Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address, etc:** NA

    (d) **Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset):** NA

11. **Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):** NA

Farukbhai Gulambhai Patel
Managing Director
DIN: 00414045

Sajesh Bhaskar Kolte
Chairman, CSR Committee
DIN: 07277524

Place: Surat
Date: August 31, 2021

Annexure-III

FORM AOC-1

Statement Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013, read with rule 5 of Companies (Accounts) Rules, 2014 relating subsidiary Company

Part "A": Subsidiaries

Sr. No.	Particulars	Details					
1	Name of the subsidiary Company	K.P Energy Mahua Windfarms Private Limited	Wind Farm Developers Private Limited	Ungarn Renewable Energy Private Limited	Evergreen Mahuva Windfarms Private Limited	VG DTL Transmission Project Private Limited	HGV DTL Transmission Projects Private Limited
2	Date of becoming subsidiary	July 1, 2015	July 1, 2015	July 1, 2015	January 18, 2018	June 21, 2018	April 20, 2018
3	End date of Reporting Period of subsidiary	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021
4	Reporting currency	INR	INR	INR	INR	INR	INR
5	Share capital (₹)	50,27,000	39,81,000	27,19,000	1,00,000	49,20,00,000	1,00,000
6	Reserves & Surplus	NIL	NIL	NIL	NIL	NIL	NIL
7	Total assets (₹)	76,83,332.60	63,93,837	29,60,000	23,65,37,573	48,63,48,044	1,00,000
8	Total Liabilities (₹)	26,56,332.60	24,12,667	2,41,000	18,01,61,573	1,72,91,928	NIL
9	Investments	NIL	NIL	NIL	NIL	NIL	NIL
10	Turnover	NIL	NIL	NIL	NIL	NIL	NIL
11	Profit before taxation	NIL	NIL	NIL	NIL	(58,42,389)	NIL
12	Provision for taxation	NIL	NIL	NIL	NIL	(1,71,01,828)	NIL
13	Profit after taxation	NIL	NIL	NIL	NIL	(2,29,44,217)	NIL
14	Proposed Dividend	NIL	NIL	NIL	NIL	NIL	NIL
15	% of shareholding	99.03%	98.77%	98.20%	51.00%	50.00%	100%*

*As on March 31, 2021 M/s. K.P. Energy holds 99.90% shares directly and 0.10% shares through its nominee (Registered Owner) Mr. Ashish A Mithani.

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations: as above

2. Names of subsidiaries which have been liquidated or sold during the year.: NIL

PART "B": ASSOCIATES AND JOINT VENTURES

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sr. No.	Name of Associates/Joint Ventures	Particulars
1.	Latest audited Balance Sheet Date	NIL
2.	Date on which the Associate or Joint Venture was associated or acquired	NIL
3.	Shares of Associate or Joint Ventures held by the company on the year end	NIL
	No.	NIL
	Amount of Investment in Associates or Joint Venture	NIL
	Extend of Holding (in percentage)	NIL
4.	Description of how there is significant influence	NIL
5.	Reason why the associate/ joint venture is not Consolidate	NIL
6.	Net worth attributable to Shareholding as per latest audited Balance Sheet	NIL
7.	Profit or Loss for the year	NIL
(i)	Considered in Consolidation	NIL
(ii)	Not Considered in Consolidation	NIL

1. Names of associates or joint ventures which are yet to commence operations: NIL

2. Names of associates or joint ventures which have been liquidated or sold during the year: NIL

For and on behalf of the Board of Directors
K.P. Energy Limited

Place: Surat
Date: August 31, 2021

Farukbhai Gulambhai Patel
Managing Director
DIN: 00414045

Ashish Ashwin Mithani
Whole Time Director
DIN: 00152771

Annexure-IV

FORM NO. AOC - 2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014

Form for disclosure of particulars of contracts or arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto:

1. Details of contracts or arrangements or transactions not at Arm's length basis:

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2021, which were not at arm's length basis.

2. Details of Material contracts or arrangements or transactions at Arm's length basis:

Sr. No.	Name of Related Party and Nature of Relationship	Nature of Contract/ arrangements/ Transactions	Duration of Contracts/ arrangements/ transactions	Salient term of the contracts or arrangements or transactions including the value, if any	Date(s) if approval by the Board, if any	Amount Paid as advances, if any
			NIL			

For and on behalf of the Board of Directors
K.P. Energy Limited

Place: Surat
Date: August 31, 2021

Farukbhai Gulambhai Patel
Managing Director
DIN: 00414045

Ashish Ashwin Mithani
Whole Time Director
DIN: 00152771

Annexure-V

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information as required under Section 134(3)(m) of the Companies Act, 2013 read with rule 8(3) of the Companies (Accounts) Rules, 2014 are set out as under:

A. Conservation of Energy:

I) Steps taken or impact on conservation of energy:

- Your Company along with its subsidiaries is inter alia engaged in the business of development of wind power projects and generation of energy using wind energy.
- Your Company has its own green power generation portfolio of 8.4MW wind power projects comprising of 2.1MW Suzlon make turbines of 2.1MW each.
- State transmission utilities through dedicated lines and not through shared lines or connected to distribution feeder sub stations, this leads to minimum grid downtime.

II) Steps taken by the company for utilizing alternate sources of energy:

Your Company is already engaged in the business of renewable energy, developing Wind power Projects and generation power using wind energy and thereby using eco-friendly source of generation of energy.

III) Capital investment on energy conservation equipment:

Since all four Wind Farms are connected to state transmission utilities, the company is not required to conserve the energy generated out of it.

B. Technology Absorption:

I) Efforts made towards technology absorption:

We have an experienced in-house technology, design and engineering team which constantly evaluates the technological advancements in all major equipment contained in Wind plants. With this combination, we are able to provide most technologically advanced solutions for wind farm development. It also helps us in carrying out the Operation and Maintenance services effectively in our plants as well and these are designed to provide maximum performance for the invested capital for own generating portfolio segment.

We have successfully implemented Windcube, Light Detection and Ranging (LIDAR) technology (developed by LEOSPHERE) at our sites in Gujarat and became one of the first private players in the industry to adopt the unique upgraded system for better accuracy, reduced uncertainty and faster wind statistics availability.

II) Benefits derived like product improvement, cost reduction, product development or import substitution:

- With the unique features of LIDAR, the technology contributes in evolution of operational continuity in wind assessment of site with higher system uptime and vertical - horizontal exploration of wind data. It is utilised to have accurate wind resource assessment and analysis, site suitability, site calibration and power curve measurements.
- Reduction in cost, time and efforts in preparation of Wind Resource analysis reports.
- Better micro-siting of the Wind Power Project.

III) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): NIL

IV) Expenditure incurred on Research and Development: NIL

C. Foreign Exchange Earnings and Outgo:

There was no foreign exchange earnings or outgo, during the financial year 2020-21.

For and on behalf of the Board of Directors
K.P. Energy Limited

Place: Surat
Date: August 31, 2021

Farukbhai Gulambhai Patel
Managing Director
DIN: 00414045

Ashish Ashwin Mithani
Whole Time Director
DIN: 00152771

Annexure-VI

PARTICULARS PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

(i) The ratio of the remuneration of each director to the median employee's remuneration for the financial year and such other details as prescribed is as given below:

Name	Ratio
Farukbhai Gulambhai Patel (Managing Director)	15.54:1
Ashish Ashwin Mithani (Whole Time Director)	16.95:1
Affan Faruk Patel (Whole Time Director)	2.82:1

(ii) For this purpose, sitting fees paid to the directors has not been considered as remuneration. The percentage increase in remuneration of each director, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year.

Name	Designation	% Increase
Mr. Farukbhai Gulambhai Patel	Managing Director	-
Mr. Ashish Ashwin Mithani	Whole Time Director	-
Mr. Affan Faruk Patel	Whole Time Director	100
Mr. Pravin Radhekant Singh	Chief Financial Officer	22.45
Mr. Karmit Haribhadra Sheth	Company Secretary	25.00

(iii) The percentage increase in the median remuneration of employees in the financial year: **4.73%**

(iv) The number of permanent employees on the rolls of company: **123**

(v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and any exceptional circumstances for increase in the managerial remuneration:

The average percentage increase already made in the salary of the employees other than managerial personnel in the financial year 2020-21 is Nil whereas Remuneration of managerial personnel is increased by 49.15%.

(vi) If remuneration is as per the remuneration policy of the company: **Yes**

For and on behalf of the Board of Directors
K.P. Energy Limited

Place: Surat
Date: August 31, 2021

Farukbhai Gulambhai Patel
Managing Director
DIN: 00414045

Ashish Ashwin Mithani
Whole Time Director
DIN: 00152771

Corporate Governance Report

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

The Company's Corporate Governance is a set of systems and practices to ensure that the affairs of the Company are being managed in a way which ensures accountability, transparency and fairness in all its transactions in the widest sense and meet its stakeholders' aspirations and societal expectations. The company is committed to achieve highest standards of corporate governance.

The Company has a well-defined structure for ensuring that business conduct is fair and ethical and has put in place mechanism for reporting illegal and unethical behavior. The Company is in compliance with the conditions of corporate governance as required under the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable.

2. BOARD OF DIRECTORS:

a. Composition of the Board

At the helm of the Company's Corporate Governance practice is its Board. The Board provides strategic guidance and independent views to the Company's senior management while discharging its fiduciary responsibilities. The Board also provides direction and exercises appropriate control to ensure that the Company is managed in a manner that fulfils stakeholder's aspirations and societal expectations.

The Board of Directors of the Company has an optimum combination of Executive and Non-Executive Directors as per SEBI Listing Regulations. The Board comprises of 8 Directors, which includes 3 Executive Directors, 2 Non-Executive Non-Independent Director and 3 Non-Executive Independent Directors. The Independent Directors take active part at the Board and Committee meetings, which adds value in the decision making process. The Company has a Non-Executive Non-Independent Women Director as a Chairperson.

The Board comprises of the following directors as at March 31, 2021:

Sr. No.	Name of Director	DIN	Designation	Executive / Non Executive/ Promoter	Independent / non Independent
1	Mr. Farukbhai Gulambhai Patel	00414045	Managing Director	Executive and Promoter	Non Independent
2	Mr. Ashish Ashwin Mithani	00152771	Whole Time Director	Executive and Promoter	Non Independent
3	Mr. Affan Faruk Patel	08576337	Director	Executive	Non Independent
4	Mr. Sajesh Bhaskar Kolte	07277524	Director	Non-Executive	Independent
5	Mrs. Bhadrabala Dhimant Joshi	07244587	Chairperson and Director	Non-Executive	Non Independent
6	Mr. Bhupendra Vadilal Shah	06359909	Director	Non-Executive	Non Independent
7	Mr. Salim Suleman Yahoo*	08648805	Director	Non-Executive	Independent
8	Mr. Vendhan Ganesan Mudaliar	08042293	Director	Non-Executive	Independent

*Cessation on June 04, 2021

Independent directors are Non-Executive directors as defined under Regulation 16(1) (b) of the SEBI Listing Regulations. The maximum tenure of the independent Directors is in compliance with the Companies Act, 2013. All the Independent Directors have confirmed that they meet the criteria as mentioned under regulation 16(1)(b) of the SEBI Listing Regulation and Section 149 of the Companies Act, 2013. The present strength of the Board reflects judicious mix of professionalism, competence and sound knowledge, which enables the Board to provide effective leadership to the Company.

None of the Directors on the Company's Board is a Member of more than 10 (ten) Committees, and Chairman of more than 5 (five) Committees (Committees being, Audit Committee and Stakeholders' Relationship Committee) across all the companies in which he/she is a Director. All the Directors have made necessary disclosures regarding Committee positions held by them in other companies and do not hold the office of Director in more than 10 (ten) public companies as on 31st March, 2021.

The composition of the Board is in conformity with the Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Companies Act, 2013.

b. Board Meetings and Procedure:

During the year, Nine Board Meetings were held and the gap between two meetings did not exceed one hundred and twenty days. The said meetings were held on:

May 20, 2020; June 24, 2020; June 30, 2020; August 14, 2020; August 29, 2020; September 14, 2020; November 11, 2020; February 12, 2021; and March 30, 2021.

The necessary quorum was present for all the meetings.

The composition of the Board of Directors as on March 31, 2021 and number of other Directorships & Memberships / Chairmanships of Committees held by them and attendance of each Director at the Board Meetings and last Annual General Meeting held during the year under review are as under:

Sr. No.	Name of the Director	Designation	Board Meetings during the year 2020-21		*Number of Directorship in other limited companies	No. of membership(s) / Chairmanship(s) in Committee of other limited companies		Attendance in last AGM held on September 29, 2020
			Held	Attended		Member	Chairperson	
1	Farukbhai Gulambhai Patel	Managing Director	9	9	1	2	0	Attended
2	Ashish Ashwin Mithani	Whole Time Director	9	9	0	0	0	Attended
3	Affan Faruk Patel	Whole Time Executive Director	9	9	0	0	0	Attended
4	Sajesh Bhaskar Kolte	Non-Executive, Independent Director	9	7	0	0	0	Attended
5	Bhadrabala Dhimant Joshi	Chairperson & Non-Executive, Non-Independent Director	9	9	1	2	1	Attended
6	Bhupendra Vadilal Shah	Non-Executive, Non Independent Director	9	9	0	0	0	Attended

7	Salim Suleman Yahoo	Non-Executive, Independent Director	9	8	0	0	0	Attended
8	Mr. Vendhan Ganesan Mudaliar	Non-Executive, Independent Director	9	3	0	0	0	NA

*Directorships and Committee member/Chairmanship in other companies mentioned above excludes directorships in private limited companies, unlimited companies, and foreign companies/Non-profit companies.

** Mr. Vendhan Ganesan Mudaliar was appointed in the meeting of the Board of Directors held on August 29, 2020, accordingly eligible to attend only three meetings post their appointment as additional director of the Company. He was regularized as Non-Executive Independent Director of the Company in the AGM held on September 29, 2020.

***Mr. Salim Suleman Yahoo resigned from the post of Non-Executive Independent Director of the Company w.e.f. June 4, 2021. Mr. Arvindkumar Tribhovandas Patadia is appointed as an Additional Director of the Company w.e.f. August 14, 2021.

c. Details of name of other listed entities where Directors of the Company are Directors and the category of Directorship as on 31st March, 2021 are as under:

Sr. No.	Name of Director	Name of other Listed entities in which the concerned Director is a Director	Category of Directorship
1	Farukbhai Gulambhai Patel	K.P.I. Global Infrastructure Limited	Chairman & Managing Director
2	Ashish Ashwin Mithani	Not Applicable	Not Applicable
3	Sajesh Bhaskar Kolte	Not Applicable	Not Applicable
4	Bhadrabala Dhimant Joshi	K.P.I. Global Infrastructure Limited	Non-Executive, Non Independent Director
5	Bhupendra Vadilal Shah	Not Applicable	Not Applicable
6	Affan Faruk Patel	Not Applicable	Not Applicable
7	Salim Suleman Yahoo	Not Applicable	Not Applicable
8	Vendhan Ganesan Mudaliar	Not Applicable	Not Applicable

d. Number of Shares or other convertible securities held by Non-Executive Directors

Mr. Bhupendra Vadilal Shah (Non-Executive Non-Independent Director) holds 12,610 equity shares in the Company as on March 31, 2021.

e. Independent Director Familiarisation Program

Details of familiarization program under Regulations 25(7) and 46 of SEBI Listing Regulations to Independent Directors are available on the Company's website at below link: http://www.kpenergy.in/kpedata/assets/uploads/124828.pdf

f. Skills / expertise competencies of the Board of Directors:

The following is the list of core skills / competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available within the Board Members

Strategic Insight	Ability to evaluate competitive corporate and business strategies and, based thereon, contribute towards progressive refinement of the Company's strategies for fulfilment of its goals.
Leadership & Team Spirit	Collective discipline and efforts in between the employee and workers helps the company to execute the projects even in extremely difficult situations.
Governance	Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, Business judgement.
Cultural Building	Ability to contribute to the Board's role towards promoting an ethical organisational culture, eliminating conflict of interest, and setting & upholding the highest standards of ethics, integrity and organisational conduct.

g. Confirmation as regards independence of Independent Directors

In the opinion of the Board, the existing Independent Directors fulfil the conditions specified in the Listing Regulations and are independent of the Management of the Company.

h. Code of Conduct:

The Company has laid down the Code of Conduct for all the Board Members and Senior Management of the Company. The Code of Conduct is available on the website of the Company at www.kpenergy.in

All Board members and Senior Management Personnel have affirmed compliance of the Code of Conduct. A declaration to this effect, signed by the Chairman & Managing Director of the Company forms part of this Report. The Board has also adopted separate code of conduct with respect to duties of Independent Directors as per the provisions of the Companies Act, 2013.

3. AUDIT COMMITTEE:

a) Broad Terms of reference:

The powers, role and terms of reference of the Audit Committee covers the areas as contemplated under the SEBI Listing Regulations and Section 177 of the Companies Act, 2013. The brief terms of reference of Audit Committee are as under:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;

3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

   a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Section 134(5)(c) read with Section 134(3)(c) of the Companies Act, 2013

   b. Changes, if any, in accounting policies and practices and reasons for the same

   c. Major accounting entries involving estimates based on the exercise of judgment by management

   d. Significant adjustments made in the financial statements arising out of audit findings

   e. Compliance with listing and other legal requirements relating to financial statements

   f. Disclosure of any related party transactions

g. Modified opinion(s) in the draft audit report

5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;

6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

8. Approval or any subsequent modification of transactions of the company with related parties;

9. Scrutiny of inter-corporate loans and investments;

10. Valuation of undertakings or assets of the company, wherever it is necessary;

11. Evaluation of internal financial controls and risk management systems;

12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

14. Discussion with internal auditors of any significant findings and follow up there on;

15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

18. To review the functioning of the Whistle Blower mechanism;

19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

21. Reviewing financial statements, in particular the investments made by the Company's unlisted subsidiaries.

22. Reviewing the utilisation of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments

23. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

b) Composition, name of members and chairperson

The Audit Committee consists of the two independent Directors and one Executive Director of the Company. The Audit Committee comprises of three members. The members are Mr. Sajesh Kolte (Chairman), Mr. Salim Suleman Yahoo (Member till June 04, 2021) Mr. Vendhan Ganesan Mudaliar (Member w.e.f. June 25, 2021) & Mr. Farukbhai Gulambhai Patel (Member).

c) Meetings and attendance during the year

During the year under review, Six Audit Committee meetings were held and the gap between two meetings did not exceed one hundred and twenty days. The said meetings were held on:

May 20, 2020; June 30, 2020; August 29, 2020; September 14, 2020; November 11, 2020; and February 12, 2021.

All the members were present in all the meetings of Audit Committee held during the year as applicable.

4. NOMINATION & REMUNERATION COMMITTEE:

a) Broad terms of Reference

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees.

2. Formulation of criteria for evaluation of performance of Independent Directors and the Board.

3. Devising a policy on Board diversity.

4. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.

5. To extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

6. To recommend/review remuneration of the Managing Director(s) and Whole-time Director(s)/Executive Director(s) based on their performance and defined assessment criteria.

7. To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable.

8. To perform such other functions as may be necessary or appropriate for the performance of its duties.

9. To recommend to the board, all remuneration, in whatever form, payable to senior management;

b) Composition, name of members and chairperson

The Nomination & Remuneration Committee comprises of three members. The members are Mr. Sajesh Kolte (Chairman), Mrs. Bhadrabala Joshi (Member) and Mr. Salim Suleman Yahoo (Member till June 04, 2021) and Mr. Vendhan Ganesan Mudaliar (Member w.e.f June 25, 2021).

c) Meetings and attendance during the year

During the year under review, two meeting of Nomination & Remuneration Committee were held. The said meetings were held on: June 30, 2020 and August 29, 2020.

All the members were present in all the meetings of Nomination & Remuneration Committee held during the year as applicable.

d) Performance evaluation criteria for independent directors

The performance evaluation criteria for independent directors is determined by the Nomination and Remuneration Committee. An indicative list of factors on which evaluation was carried out includes participation and contribution by a director, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behavior and judgment.

5. REMUNERATION TO DIRECTORS:

The Nominations & Remuneration Committee determines individual remuneration packages for Directors, KMPs and Senior Officials of the Company taking into account factors it deems relevant, including but not limited to market, business performance and practices in comparable companies, having due regard to financial and commercial health of the Company as well as prevailing laws and government/other guidelines. The Committee consults with the Chairman of the Board as it deems appropriate. Remuneration of the Chairman is recommended by the Committee to the Board of the Company.

a) **Non-Executive Director's Remuneration**

The Non-Executive Directors are paid remuneration by way of sitting fee. The Company pays sitting fees of ₹ 2500/- per meeting to Non-Executive Director and Non-Executive Independent Directors for attending its Board Meeting and Committees' Meeting.

b) **Executive Director's Remuneration**

The details of remuneration paid to the directors during the financial year ended on March 31, 2021 are as under:

Name	Remuneration	Commission	Sitting Fees	Total
Mr. Farukbhai Gulambhai Patel	32,46,057	-	-	32,46,057
Mr. Ashish Ashwin Mithani	35,41,155	-	-	35,41,155
Mr. Affan Faruk Patel	5,90,193	-	-	5,90,193

6. STAKEHOLDERS RELATIONSHIP COMMITTEE:

a) **Broad terms of Reference:**

The brief terms of reference of Stakeholders' Relationship Committee are as under:

1. To look into various aspects of interest of shareholders, debenture holders and other security holders including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;

2. Reviewing the measures taken for effective exercise of voting rights by shareholders;

3. Reviewing of adherence to the service standards adopted in respect of various services being rendered by the Registrar & Share Transfer Agent;

4. Reviewing the various measures and initiatives taken for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/ statutory notices by the shareholders of the Company;

5. Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable.

b) **Composition, name of members and chairperson**

The Stakeholder Relationship Committee comprises of Mr. Salim Suleman Yahoo (Chairman till June 04, 2021), Mr. Vendhan Ganesan Mudaliar (Chairman w.e.f. June 25, 2021) Mr. Ashish Ashwin Mithani (Member) and Mr. Sajesh Bhaskar Kolte (Member).

c) **Meetings and attendance during the year**

During the year under review, one meeting of Stakeholders Relationship Committee was held on March 02, 2021 and all the members were present in that meeting.

d) **Compliance officer**

Compliance officer under the Listing Regulation, 2015:

Mr. Karmit Sheth, Company Secretary & Compliance officer

e) **Investors Complaints**

During the year, no complaint was received from shareholders.

7. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

a) **Broad terms of Reference**

1. To Recommend the amount of expenditure to be incurred on the activities herein before;

2. To monitor the implementation of Corporate Social Responsibility Policy of the Company from time to time.

3. The CSR Committee shall arrange to provide all required inputs to undertake CSR activities and shall review all Social initiatives. The CSR committee shall update the Board of Directors on periodically.

b) Composition, name of members and chairperson

The Corporate Social Responsibility Committee comprises of Mr. Sajesh Bhaskar Kolte (Chairman), Mr. Farukbhai Gulambhai Patel (Member) and Mr. Ashish Ashwin Mithani (Member).

c) Meetings and attendance during the year

During the year under review, one meeting of Corporate Social Responsibility Committee was held on March 02, 2021, and all the members were present in that meeting.

8. GENERAL BODY MEETING:

a. Annual General Meetings

The details of Annual General Meetings held during the last three years and special resolutions passed thereat are as follows:

AGM	FINANCIAL YEAR	DATE & TIME	VENUE	SPECIAL RESOLUTION PASSED
11th	2019-20	Tuesday, September 29, 2020 at 03:00 P.M.	Video Conference ("VC")/ Other Audio Visual Means ("OAVM")	I. Reappointment of Mr. Sajesh Bhaskar Kolte (DIN: 07277524) as Non-Executive Independent Director of the Company. II. Increase in borrowing powers of the Company. III. Increase in the limits of Loans and Investments by the Company. IV. Increase in limits of creating Charge/Security over the Assets/Undertaking of the Company. V. Approval for conversion of Loan into Equity Share Capital of the Company
10th	2018-19	Saturday, September 28, 2019 at 10:00 A.M.	Topaz Hall, 1st Floor, The Grand Bhagwati, Magdalla Road, Dumas Road, Surat-395007, Gujarat.	I. To approve revision in remuneration payable to Mr. Farukbhai Gulambhai Patel (DIN: 00414045), Managing Director of the Company. II. To approve revision in remuneration payable to Mr. Ashish Ashwin Mithani (DIN: 00152771), Whole Time Director of the Company. III. To Approve loans, investments, guarantee or security under Section 185 of the Companies Act, 2013.
9th	2017-18	Saturday, September 29, 2018 at 11:00 A.M	Irish Hall (6th Floor), Avadh Utopia, Opp. Airport, Nr. DPS School, Off Dumas Road, Surat, Gujarat.	I. Increase in Borrowing Power of the Company under Section 180 (1) (c) of the Companies Act, 2013. II. Authority to create security on the property of the Company in favour of the lenders under section 180 (1) (a) of the Companies Act, 2013. III. Increase the limit of providing Guarantee to any Body Corporates, Bank or Financial Institutions under section 186 of Companies Act, 2013.

a. **Whether special resolutions were put through postal ballot last year, details of voting pattern:** No

b. **Whether any resolutions are proposed to be conducted through postal ballot:**

No, Special Resolution requiring a Postal Ballot is being proposed at the ensuing Annual General Meeting of the Company.

c. **Procedure for postal ballot:**

Prescribed procedure for postal Ballot as per the provisions contained in this behalf in the Companies Act, 2013, read with rules made there under as amended from time to time shall be complied with whenever necessary.

9. MEANS OF COMMUNICATION

a) **Financial Results**

The quarterly, half yearly and annual financial results as applicable are regularly submitted to the Stock Exchange in accordance with SEBI (LODR) Regulations, 2015 and also uploaded on the Company's website – http://www.kpenergy.in.

b) **News release, presentation etc.**

The official news, release, presentation that may be made to the Shareholders at the Annual General Meeting and the presentation as may be done to the analysts are posted on the Company's website – http://www.kpenergy.in.

10. GENERAL SHAREHOLDER INFORMATION

a) **Annual General Meeting for the FY 2020-21:**

Date : September 30, 2021
Time : 03.00 p.m.
Mode : through Video Conference ("VC")/ Other Audio Visual Means ("OAVM")

b) **Financial year:** The Financial Year of the Company is from April 1st to March 31st of the following year

c) **Date of Book Closure/Record Date:** As mentioned in the Notice of this Annual General Meeting.

d) **Listing on Stock Exchange:** BSE Limited ("BSE"), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001.

e) **Stock Code / Symbol:** 539686

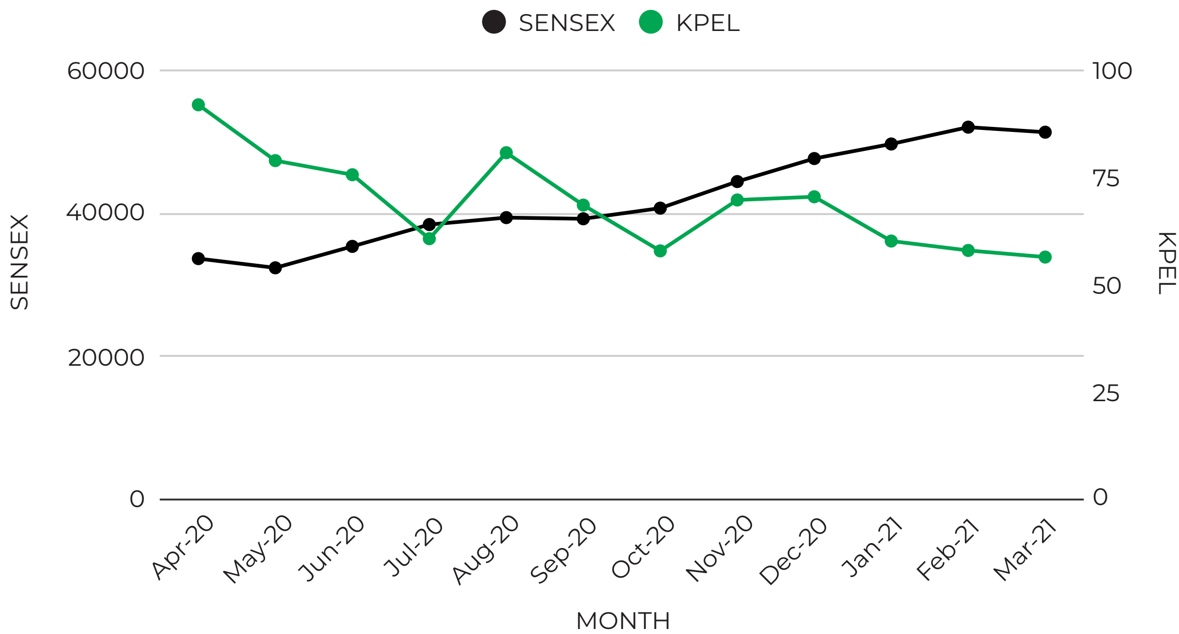
f) **Corporate Identity Number (CIN) of the Company:** L40100GJ2010PLC059169

g) **Market Price Data:**

Market price data on Bombay Stock Exchange Limited are given below:

(In ₹ per share)

Month	High Price	Low Price	Close Price
Apr-20	105	84	92.15
May-20	92.15	76	79.1
Jun-20	86	68.8	75.8
Jul-20	79.55	60.3	60.85
Aug-20	90.3	56.3	80.95
Sep-20	83.9	65.1	68.7
Oct-20	74.75	53.75	58
Nov-20	81	55.3	69.9
Dec-20	81.05	65.6	70.65
Jan-21	71.85	59.85	60.3
Feb-21	75	55.25	58.1
Mar-21	72.65	52.25	56.55



h) **Registrar & Share Transfer Agent:**

Name & Address:	**Bigshare Services Pvt. Ltd**. 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai – 400059
Telephone:	022-62638200
Fax:	022-62638299
E-mail:	ipo@bigshareonline.com
Website:	www.bigshareonline.com

i) **Share Transfer System:**

In respect of shares held in dematerialized mode, the transfer takes place instantaneously between the transferor, transferee, and the Depository Participant through electronic debit/credit of the accounts involved.

j) Distribution of Shareholding as on March 31, 2021:

i. Distribution of equity shareholding as on March 31, 2021:

Sr. No.	Shareholding of nominal value	No. of shareholders	% of Shareholders	Share Amount in ₹	% of Shareholding
1	1-5000	669	65.78	716410	0.65
2	5001-10000	118	11.60	922430	0.83
3	10001-20000	67	6.59	1016180	0.91
4	20001-30000	25	2.46	599910	0.54
5	30001-40000	26	2.56	877400	0.79
6	40001-50000	17	1.67	754560	0.68
7	50001-100000	37	3.64	2641950	2.38
8	100001 and Above	58	5.70	103621160	93.22
	Total	**1017**	**100.00**	**11,11,50,000**	**100.00**

ii. Categories of equity shareholding as on March 31, 2021:

Category	No. of Shares held	% of Shareholding
Promoters	7645162	68.78
Private Corporate Bodies	654177	5.89
Clearing Members	9232	0.08
Non-Resident Indians	555156	4.99
Indian Public	2251273	20.25
TOTAL	1,11,15,000	100.00

iii. Top ten equity shareholders of the Company as on March 31, 2021:

Sr. No.	Name of the Shareholders	Number of equity shares	% of holding
1	Farukbhai Gulambhai Patel	5329428	47.95
2	Ashish Ashwinbhai Mithani	1482922	13.34
3	Veer Value Ventures LLP	564484	5.08
4	Jolly Ashish Mithani	507812	4.57
5	Manish Kantilal Haria	301000	2.71
6	Bhavnaben Ashwinbhai Mithani	243750	2.19
7	Ashit Mehta	240500	2.16
8	Hemali Mehul Shah	182000	1.64
9	Saurabh Nareshkumar Shah	169000	1.52
10	Sanjay M Sanghavi	128700	1.16

k) **Dematerialization of shares and liquidity:**

As on March 31, 2021, 99.98% of the total issued, subscribed and paid-up equity share capital of the Company is in Dematerialized form. The equity Shares of the Company are regularly traded on the BSE Limited.

l) **Outstanding GDRs/ADRs/warrants or any convertible instruments, conversion date and likely impact on equity:** NIL

m) **Transfer of unclaimed/unpaid dividends to Unpaid Dividend Account:**

Pursuant to Sections 124 and 125 of the Companies Act,2013, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), Where a dividend has been declared by a company but has not been paid or claimed within thirty days from the date of the declaration to any shareholder entitled to the payment of the dividend, the company shall, within seven days from the date of expiry of the said period of thirty days, transfer the total amount of dividend which remains unpaid or unclaimed to a special account to be opened by the company called the Unpaid Dividend Account.

Further, any amount transferred to the Unpaid Dividend Account of a company which remains unpaid or unclaimed for a period of seven years from the date of such transfer shall be transferred by the company along with interest accrued to the Investor Education and Protection Fund (IEPF). Shares in respect of such dividends which have not been claimed for a period of seven consecutive years are also liable to be transferred to the demat account of the IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares. The provisions relating to transfer of shares were made effective by the Ministry of Corporate Affairs, vide its Notification dated October 13, 2017 read with the circular dated October 16, 2017, wherein it was provided that where the period of 7 consecutive years, as above, was completed or being completed during the period from September 7, 2016 to October 31, 2017, the due date of transfer for such shares was October 31, 2017.

In light of the aforesaid provisions, during the year 2020-21 amount of dividends which remains unpaid or unclaimed for the previous year are maintained to the special account opened by the company called the Unpaid Dividend Account. The Statement of unclaimed and unpaid dividend is also available at the website of the company on www.kpenergy.in.

The details of unclaimed/unpaid dividends and the dates by which they can be claimed by the shareholders from the Company as on March 31, 2021 are as follows:

Financial Year	Date of declaration of Dividend	Last date for claiming unpaid/unclaimed payment (As on 31.03.2018)
2017-18	September 23, 2017	March 19, 2025

n) **Plant Location:** Not Applicable

o) **Correspondence Address:**

K.P. Energy Limited
Registered Office:
'KP House', Opp. Ishwar Farm Junction BRTS
Near Bliss IVF Circle,
Canal Road, Bhatar, Surat-395017
Gujarat, India
Tel.: +91 261 2234757
Fax: +91 261 2234757
Email: info@kpenergy.in
Website: www.kpenergy.in

p) Credit Ratings

Rating Agency	Facilities	Rating/Outlook
CARE Ratings Limited	Long Term Bank Facilities	CARE BBB- (Triple B minus) (Negative outlook)
CARE Ratings Limited	Long Term / Short Term Bank Facilities	CARE BBB- (Triple B minus) (Negative outlook)/ CARE A3 (A Three)
CARE Ratings Limited	Short Term Bank Facilities	CARE A3 (A Three)

11. OTHER DISCLOSURES:

a) Related Party Transaction:

The Company has no material significant transactions with its related parties which may have a potential conflict with the interest of the Company at large. The details of transactions with the Company and related parties are given under notes to Accounts.

b) Statutory Compliance, Penalties and Structures:

The Company has complied with the requirements of the Stock Exchanges / SEBI / and Statutory Authorities to the extent applicable, and accordingly no penalties have been levied or strictures have been imposed on the Company on any matter related to capital markets during the last three years.

c) Whistle Blower Policy and Vigil Mechanism:

Company has made a formal Whistle Blower Policy pursuant to provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015 which provides detailed procedure to protect the interest of employees of the company and that no personnel has been denied to access to the Audit Committee.

d) Details of compliances:

The Managing Director and the Chief Financial Officer have furnished a Certificate to the Board for the year ended on 31st March, 2021 in compliance with Regulation 17(8) of Listing Regulations. The certificate is appended as an Annexure to this report. They have also provided quarterly certificates on financial results while placing the same before the Board pursuant to Regulation 33 of the Listing Regulations.

e) Subsidiary Companies:

The Company does not have any material unlisted Indian subsidiary company. The Company has a policy for determining 'material subsidiaries' which is disclosed on its website at below mentioned link: http://www.kpenergy.in/kpedata/assets/uploads/Policy%20for%20Determining%20Material%20Subsidiary.pdf

f) Policy on Related Party Transactions:

The Board's approved policy for related party transactions is uploaded on the website of the Company at the below mentioned link: http://www.kpenergy.in/kpedata/assets/uploads/730950.pdf

g) Certification on Non-disqualification any directors:

The Company has obtained certificate from CS Janki Shah, Practicing Company Secretary confirming that none of the Directors of the Company is debarred or disqualified by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such authority from being appointed or continuing as Director of the Company and the same is also attached to this Report.

h) Fees to Statutory Auditors:

Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditors and all entities in the network firm / network entity of which the statutory auditor is a part, is given below:

(₹ In Lacs)

M/s. K A SANGHAVI AND CO LLP	FY 2020-21
Payment to Statutory Auditor	
Audit Fees	6.24
Other Services	2.12
Total	**8.36**

i) Disclosure in relating to the Sexual Harassment of women at workplace:

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and rules made thereunder, the Company has constituted Internal Complaints Committee which is responsible for redressal of complaints related to sexual harassment. During the year under review, there were no complaints pertaining to sexual harassment.

j) Non-Mandatory requirements:

i. During the year ended 31st March, 2021, Chairman's Office was maintained by the Company and expenses towards performance of the Chairman's duties were borne by the Company / reimbursed to her.

ii. The quarterly, half-yearly and annual financial results of the Company are posted on the Company's corporate website and extract of these results are published in newspapers on an all India basis. The complete Annual Report is sent to every Shareholder of the Company.

iii. The auditors' report on financial statements of the Company are unqualified.

iv. Internal auditors of the Company, make quarterly presentations to the audit committee on their reports.

k) Disclosure on compliance:

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub – regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. We have obtained a certificate affirming the compliances from Practicing Company Secretary, **M/s. SJV & Associates** and the same is attached to this Report.

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that the Company has adopted a Code of Conduct for all the board members and senior management personnel of the Company. In addition, the Company has also adopted a Code of Conduct for Independent Directors. These Codes are available on the Company's website.

Further certified that the members of the board of directors and senior management personnel have affirmed the compliance with the code applicable to them during the year ended 31st March, 2021.

For and on behalf of the Board of Directors
K.P. Energy Limited

Place: Surat
Date: August 31, 2021

Farukbhai Gulambhai Patel
Managing Director
DIN: 00414045

Ashish Ashwin Mithani
Whole Time Director
DIN: 00152771

MD/CFO Certification

To,
The Board of Directors
K.P. Energy Limited

I, Faruk Gulam Patel, the Managing Director (MD) of the Company and I, Pravin Radhekant Singh, the Chief Financial Officer (CFO) of the Company do hereby certify to the Board that:

A. We have reviewed the financial statements including the cash flow statement for the year ended 31st March, 2021 and to the best of our knowledge and belief:

(i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(ii) these statements together present a true and fair view of the Company's affairs and are in compliance with Indian Accounting Standards, applicable laws and regulations.

B. To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2021 are fraudulent, illegal or violates the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.

D. We have indicated to the auditors and Audit Committee

(i) There has not been any significant change in internal control over financial reporting during the year under reference;

(ii) Changes in accounting policies consequent to the implementation of new Indian Accounting Standards (Ind AS) have been appropriately disclosed in the financial statements. The impact of the new Ind AS on the Company's financials is not material; and

(iii) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Place: Surat
Date: August 31, 2021

Farukbhai Gulambhai Patel
Managing Director
DIN: 00414045

Pravin Radhekant Singh
Chief Financial Officer

Certificate on Corporate Governance

To
The Members of
K.P. Energy Limited

We have examined the compliance of the conditions of Corporate Governance by M/s. K.P. Energy Limited ('the Company') for the year ended on March 31, 2021, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The compliance of the conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2021.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **SJV & Associates**
Company Secretaries

CS Janki Shah
Proprietress
Membership No: ACS 29657
COP No: 10836
UDIN: A029657C000862170

Place: Ahmedabad
Date: 31.08.2021

Certificate of Non-Disqualification of Directors

(Pursuant to Regulation 34(3) and Schedule V, Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
K.P. Energy Limited

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of M/s. K.P. Energy Limited bearing CIN L40100GJ2010PLC059169 and having its registered office at 'KP House', Opp. Ishwar Farm Junction BRTS, Near Bliss IVF Circle, Canal Road, Bhatar, Surat 395017 Gujarat, India (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V, Para-C Sub clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Directors	DIN	Date of appointment in Company
1	Mr. Farukbhai Gulambhai Patel	00414045	08/01/2010
2	Mr. Ashish Ashwin Mithani	00152771	08/01/2010
3	Mrs. Bhadrabala Dhimant Joshi	07244587	17/08/2015
4	Mr. Bhupendra Vadilal Shah	06359909	30/07/2016
5	Mr. Raghavendra Rao Bondada	01883766	17/08/2015
6	Mr. Sajesh Bhaskar Kolte	07277524	03/09/2015
7	Mr. Affan Faruk Patel	08576337	26/12/2020
8	Mr. Salim Suleman Yahoo	08648805	26/12/2020
9	Mr. Vendhan Ganesan Mudaliar	08042293	29/09/2020

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **SJV & Associates**
Company Secretaries

Place: Ahmedabad
Date: 31.08.2021

CS Janki Shah
Proprietress
Membership No: ACS 29657
COP No: 10836
UDIN: A029657C000862302

Independent Auditors' Report

To the members of K.P. Energy Limited

Report on the Standalone Financial Statements

OPINION

We have audited the standalone financial statements of KP ENERGY LIMITED ("the Company"), which comprise the standalone balance sheet as at 31st March 2021, and the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows for the year then ended, and the notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information. (hereinafter referred to as "the standalone financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2021, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to the Key Audit Matters to be communicated in our report.

Sr. No.	Key Audit Matter	How the matter was addressed in our Audit
1	**Evaluation of procedure for recognizing the revenue from sale of power** The company has adopted the procedure for recognizing the revenue from sale of power as unbilled revenue at the initial stage on monthly basis and once the confirmation is received from the customer and the regulatory authority in respect of the actual units of electricity transmitted, the company raises invoice to the client and the same is adjusted against the unbilled revenue booked earlier.	We have obtained the Actual Invoice raised by the company after receipt of the confirmation from the regulatory authority and the customers, Certificate of share of electricity generated by Wind Farms issued by the GETCO – State Load Dispatch Centre on monthly basis, Calculations of Wheeling Loss of wind mill on monthly basis issued by the Electricity company to the client. We have matched the documents and correlate the same with the unbilled revenue booked on monthly basis. The unbilled revenue appearing as on 31St March 2021 would be offset only after the receipt of the above documentary evidences from the respective authorities and the customers which would be settled in the subsequent F.Y. and to that extent there is the possibility that the revenue booked as unbilled revenue can be varied.

2	**Revenue recognition – Fixed price (EPCC) development contracts** The Company inter alia engages in Fixed-price (EPCC) development contracts, where, revenue is recognized using the milestone completed computed as per the input method based on management's estimate of contract costs. We identified revenue recognition of fixed price development contracts as a KAM considering there is an inherent risk around the accuracy of revenues given the customized and complex nature of these Wind farm development contracts.	Our audit procedures on revenue recognized from fixed price development contracts include obtaining an understanding of the systems, processes and controls implemented by management for recording and calculating revenue. We have tested that the revenue recognized is in accordance with the Indian accounting standard by evaluating identification of performance obligations. We have also tested management's estimation of contract cost and the obligations if any. We have observed that the estimates of cost to complete were reviewed and approved by the appropriate levels of Management. We have performed a retrospective review of costs incurred with estimated costs to identify significant variations and verify whether those variations have been considered in estimating the remaining costs to complete the contract; Assessed the appropriateness of work in progress on balance sheet by evaluating the underlying documentation to identify possible delays in achieving milestones which may require change in estimated costs to complete the remaining performance obligations. We have analyzed the reasonableness of the Contract costs.
3	**Right of Way Expenses incurred during the course of the development of EPCC contracts** The company has inter alia incurred considerable amount on Right of Way Expenses during the course of the development of EPCC contracts. These costs comprised of the compensation paid to various individuals on whose lands the transmission towers are to be erected and the stringing of transmission lines were carried out. The compensation was paid to the individuals for the loss of standing crops on the respective lands.	Our audit procedures include the verification of payment details to various individuals, land records i.e 7/12 of the land to identify the actual owners or co-owners as the case may be along with the authorization trails of the management along with the control mechanism adopted by the management with its adequate implementation of the same. We have obtained the payment vouchers or the agreements entered into by the company with these individuals directly or through any agent as the case may be. We have verified the payment vouchers and agreements on test check basis to identify the actual person to whom the compensation was paid by the company and also verified the consent of other co-owners where the compensation was paid to one of the co-owners. The company has accounted for all the amounts which were paid as compensation to these individuals and charged the same to the revenue, however, in the case of the compensation paid in the month of March 2021, the payment vouchers with proper authorization have been produced before us and in such cases, the agreements were remained to be executed because of the outbreak of Covid-19 and consequential lockdown. Till the date of our audit report, the said agreements are not executed to the full extent.

OTHER INFORMATION

The company's management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the company's annual report, but does not include the standalone Financial Statements and our Auditor's Report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT'S AND BOARD OF DIRECTOR'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the company's financial reporting process.

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial statements made by management and the Board of Directors.

- Conclude on the appropriateness of management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, 2013 we give in the "**Annexure-A**", a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

2. (A) As required by Section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

   c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account;

   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act;

   e) On the basis of written representations received from the directors as on 31st March, 2021, taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2021, from being appointed as a director in terms of Section 164(2) of the Act; and

   f) With respect to the adequacy of the internal financial controls over financial reporting of financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".

   (B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations as at 31st March 2021 on its financial position in its standalone financial statements - Refer Note 2.27 to the standalone financial statements.

The company has following pending litigations

- Public Interest Litigation No. 85 of 2016 at High Court of Gujarat
- Public Interest Litigation No. 241 of 2018 at High Court of Gujarat
- Special Civil Application No. 9120 of 2017 at High Court of Gujarat
- Special Civil Application 6303 of 2020 at High Court of Gujarat
- Special Civil Application No. 1050 of 2020 at High Court of Gujarat
- Special Civil Application No. 17093 of 2018 at High Court of Gujarat
- Special Civil Application No. 6832 of 2020 at High Court of Gujarat

ii. The Company did not have any long term contracts including derivatives contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

(C) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

for **K A Sanghavi and Co LLP**
Chartered Accountants
FRN : 120846W / W100289

Amish Ashvinbhai Sanghavi
Partner
M. NO. 101413
ICAI UDIN : 21101413AAAAET4254

Place: Surat
Date: 25/06/2021

Annexure A

To the Independent Auditor's Report on the Standalone financial statements of K.P. ENERGY LIMITED for the year ended 31st March, 2021.

(Referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" section of our report of even date)

I. a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

b. The company has a regular programme of physical verification of its assets by which all assets are verified in a phased manner over a period of two years. In accordance with this programme, a portion of fixed assets has been physically verified by the management during the year and no material discrepancies have been noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and the nature of its assets.

c. According to the information and explanations given by the management, the title deeds of immovable properties as disclosed in Note No. 2.1 "Tangible Assets" under "Property Plant and Equipment" to the Standalone Financial Statements, are held in the name of the Company.

II. a. The management has conducted physical verification of inventory except goods-in-transit at reasonable intervals during the year.

b. The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business. In respect of inventory lying with third parties, these have substantially been confirmed by them.

c. The Company is maintaining proper records of inventory and no material discrepancies with book records were noticed on physical verification.

III. According to the information and explanations given to us, the Company has granted loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act within the applicable limits.

a. As informed by the management and as per the verification of the documents produced before us, the term and conditions are not prejudicial to the interest of the company.

b. The repayments and receipts are regular during the year.

c. As per the information and explanation given to us, there is no overdue amount for more than 90 days.

IV. The company has granted loans or provided guarantees or security to the parties covered under section 185 of the Act in compliance of the relevant provisions of the Act. The company has complied with the provisions of Section 186 of the Act, in respect of investments made, or loans or guarantee or security provided to the parties covered under section 186.

V. According to information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of directives issued by Reserve Bank of India, provisions of Section 73 to 76 of the Act, any other relevant provisions of the Act and the relevant Rules framed thereunder. Hence, the provisions of clause 3(v) of the Order are not applicable to the Company and hence not commented upon.

VI. We have broadly reviewed the records maintained by the Company pursuant to the rules prescribed by Central Government for maintenance of cost records under section 148(1) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.

VII. a. According to the information and explanations given to us and the records of the company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income-tax, customs duty, GST, cess, professional tax and other material statutory dues applicable to it, with appropriate authorities. However, there has been a slight delay in few cases.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, customs duty, GST, cess, professional tax and other material statutory dues were in arrears as at 31ST March, 2021 for a period of more than six months from the date they became payable.

b. According to the information and explanations given to us, there are no dues of income tax, sales tax, VAT, service tax, GST, customs duty, Central Excise Duty which have not been deposited with the appropriate authorities on account of any dispute other than those mentioned hereunder.

VIII. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of any loan or borrowings from any financial institutions, bank or Government nor to Debentures holders.

IX. According to the information and explanations given to us, the Company has not raised any money by way of Initial Public Offer, Further Public Offer (Including Debt Instruments) during the year. However, the company has obtained a fresh short term loan from SBI and the proceeds of the said loan have been applied for the purpose for which the said term loan was obtained.

X. According to the information and explanations given to us and based on our examination of the records of the Company, no fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.

XI. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

XII. In our opinion and according to the information and explanations given to us, the company is not a Nidhi company. Accordingly, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.

XIII. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the notes to the standalone financial statements as required by the applicable Indian accounting standards.

XIV. According to the information and explanations given to us and based on our examinations of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions of clause 3(xiv) of the Order are not applicable to the Company and hence not commented upon.

XV. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3(xv) of the Order are not applicable and hence not commented upon.

XVI. According to the information and explanations given to us, the company is not required to be registered under section 45 - IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause 3(xvi) of the Order are not applicable to the Company and hence not commented upon.

for **K A Sanghavi and Co LLP**
Chartered Accountants
FRN : 120846W / W100289

Place: Surat
Date: 25/06/2021

Amish Ashvinbhai Sanghavi
Partner
M. NO. 101413
ICAI UDIN : 21101413AAAAET4254

Annexure B

To the Independent Auditor's report to the Standalone Financial Statements of K. P. ENERGY LIMITED for the year ended on 31st March, 2021.

(Referred to in paragraph 2 A(f) under 'Report on Other Legal and Regulatory Requirements' section of Our report to the Members of K. P. ENERGY Limited of even date)

Report on the internal financial controls over financial reporting with reference to the aforesaid standalone financial statements under section 143(3) (i) of the Companies Act,

OPINION:

We have audited the internal financial controls with reference to Financial statements of **K. P. ENERGY LIMITED** ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to the financial statements and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting with reference to the financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. However, we are of the opinion that the company can make the Internal Controls on Financial Reporting more adequate and more effective considering the inherent risk and nature and size of the business activities carried out by the company.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management and Board of Directors of the Company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting with reference to the financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective policies of the Company, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to the financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to financial statements was established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting with reference to financial statements included obtaining an understanding of such internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting with reference to the financial statements of the Company.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO FINANCIAL STATEMENTS

A company's internal financial control over financial reporting with reference to the financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls over financial reporting with reference to the Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls over financial reporting with reference to the financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to the financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to the financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

for **K A Sanghavi and Co LLP**
Chartered Accountants
FRN : 120846W / W100289

Place: Surat
Date: 25/06/2021

Amish Ashvinbhai Sanghavi
Partner
M. NO. 101413
ICAI UDIN : 21101413AAAAET4254

Standalone Balance Sheet

As at March 31, 2021

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	Note	As at March 31, 2021	As at March 31, 2020
Assets			
Non-Current Assets			
Property, Plant And Equipment		8,332.08	8,060.43
Capital Work-In-Progress		71.43	24.13
Intangible Assets			
Financial Assets			
Investments	2.2	2,683.25	2,583.25
Loan		-	-
Other Financial Assets	2.4	43.21	27.58
Deferred Tax Assets (Net)	2.13		-
Other Non Current Assets	2.8	43.80	42.69
Total Non Current Assets		**11,173.77**	**10,738.09**
Current Assets			
Inventories	2.5	7,758.19	6,123.47
Financial Assets			
Trade Receivable	2.6	796.88	1,477.20
Cash And Cash Equivalent	2.7	113.43	44.10
Other Bank Balance	2.7	1,549.19	669.07
Loan	2.3	318.42	511.74
Other Financial Assets	2.4	191.09	798.60
Current Tax Assets (Net)			
Other Current Assets	2.8	1,672.29	2,030.13
Total Current Assets		**12,399.49**	**11,654.31**
Total Assets		**23,573.26**	**22,392.39**
Equity And Liabilities			
Equity			
Equity Share Capital	2.9	1,111.50	1,111.50
Other Equity	2.10	5,003.25	4,282.55
Total Equity		**6,114.75**	**5,394.05**
Non Current Liabilities			
Financial Liabilities			
Borrowings	2.11	2,114.06	2,056.21
Other Financial Liabilities	2.12	8,050.00	5,000.00
Provisions			
Deferred Tax Liabilities (Net)	2.13	1,384.69	1,303.61
Other Non Current Liabilities	2.14	927.87	684.36
Total Non Current Liabilities		**12,476.62**	**9,044.18**
Current Liabilities			
Financial Liabilities			
Borrowings	2.11	636.81	534.64
Trade Payables	2.15	3,526.20	4,357.44
Other Financial Liabilities	2.12	607.45	626.34
Other Current Liabilities	2.14	58.10	2,382.98
Provisions			-
Current Tax Liabilities (Net)	2.16	153.33	52.76
Total Current Liabilities		**4,981.89**	**7,954.16**
Total Liabilities		**17,458.52**	**16,998.34**
Total Equity And Liabilities		**23,573.26**	**22,392.39**

The accompanying Notes form an integral part of the Standalone Financial Statements.
In terms of our attached report of even date

For **K A Sanghavi And Co LLP**
Chartered Accountants
FRN : 0120846W/W100289

For **K. P. ENERGY LIMITED**

Amish Ashvinbhai Sanghavi
(Partner)
M. No. 101413
ICAI UDIN : 21101413AAAAET4254

Farukbhai Gulambhai Patel
(Managing Director)
(DIN:00414045)

Ashish Ashwin Mithani
(Whole Time Director)
(DIN : 00152771)

Place : Surat
Date : 25/06/2021

Karmit Haribhadrabhai sheth
(Company Secretary)

Pravin Radhekant Singh
(Chief Financial Officer)

Standalone Statement of Profit and Loss

For the year ended March 31, 2021

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	Note	As at March 31, 2021	As at March 31, 2020
Revenue			
Revenue From Operations	2.17	6,904.18	7,411.61
Other Income	2.18	147.63	59.73
Total Income		**7,051.81**	**7,471.34**
Expense			
Cost Of Material Consumed	2.19	2,935.31	4,599.86
Purchase Of Stock-In-Trade			
Changes In Inventories Of Finished Goods And Stock In Trade			
Employee Benefits Expense	2.19	687.99	702.91
Finance Cost	2.19	519.41	461.41
Depreciation And Amortisation Expense	2.1	432.42	397.01
Other Expenses	2.19	1,497.66	1,031.85
Total		**6,072.79**	**7,193.04**
Profit / (Loss) Before Tax		**979.02**	**278.30**
Tax Expenses			
Current Tax		177.24	52.76
Minimum Alternate Tax Entitlement		-	(52.76)
Deferred Tax (Credit) / Charge		81.08	168.28
Total Tax Expenses		**258.32**	**168.28**
Profit / (Loss) For The Year From Continuing Operations		**720.70**	**110.02**
Profit / (Loss) From The Discontinuing Operations			
Tax Expenses Of Discontinuing Operations			
Profit / (Loss) From The Discontinuing Operations (After Tax)			
Profit / (Loss) For The Period		**720.70**	**110.02**
Earning Per Equity Share:			
(I) Basic		6.48	0.99
(Ii) Diluted		6.48	0.99

The accompanying Notes form an integral part of the Standalone Financial Statements.
In terms of our attached report of even date

For **K A Sanghavi And Co LLP**
Chartered Accountants
FRN : 0120846W/W100289

For **K. P. ENERGY LIMITED**

Amish Ashvinbhai Sanghavi
(Partner)
M. No. 101413
ICAI UDIN : 21101413AAAAET4254

Farukbhai Gulambhai Patel
(Managing Director)
(DIN:00414045)

Ashish Ashwin Mithani
(Whole Time Director)
(DIN : 00152771)

Place : Surat
Date : 25/06/2021

Karmit Haribhadrabhai sheth
(Company Secretary)

Pravin Radhekant Singh
(Chief Financial Officer)

Standalone Cash Flow Statement

For the year ended March 31, 2021

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Cash flow from operating activities		
Profit / (loss) before tax and exceptional items	979.02	278.30
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation and amortisation expense	432.42	397.01
Loss/(Profit) on sale of fixed assets	2.06	-
Amounts written off	17.30	-
Interest income	(80.09)	(51.53)
Finance Cost on Right of Use assets	33.38	-
Dividend income from non trade investments	-	-
Operating profit / (loss) before working capital change	**1,384.09**	**623.77**
Changes in operating assets and liabilities		
Increase/ (Decrease) in trade payables	(831.24)	(779.36)
Increase/ (Decrease) in provisions and other liabilities	(18.89)	30.70
Increase/ (Decrease) in other current and other non-current liabilities	(2,679.88)	1,329.24
Decrease/ (Increase) in trade receivables	680.32	1,990.78
Decrease/ (Increase) in inventories	(1,634.72)	(3,473.47)
Decrease/ (Increase) in other current and other non-current financial assets	785.20	(77.02)
Decrease/ (Increase) in other current and other non-current assets	417.88	(1,097.56)
Cash (used in) / generated from operating activities	**(1,897.24)**	**(1,452.90)**
Income taxes paid (net of refunds)	(137.83)	(370.55)
Net cash (used in) / generated from operating activities (A)	**(2,035.07)**	**(1,823.46)**
Cash flow from investing activites		
Purchase of fixed assets including intangible assets, capital work in progress and capital advances	(181.86)	(175.10)
Increase In Right-of-Use Assets	(603.61)	-
Proceeds from sale of fixed assets	14.75	-
Purchase of non-current investments	(100.00)	(2,459.00)
Interest received	80.09	51.53
Dividends received	-	-
Net cash (used in) / generated from investing activities (B)	**(790.63)**	**(2,582.57)**
Cash flow from financing activities		
Proceeds from issue of equity shares (net of share issue expenses)	-	
Security Premium	-	
Proceeds/ (Repayment) from long-term borrowings (net)	3,107.85	4,527.09
Proceeds/ (Repayment) of short term borrowings (net)	102.17	39.46
Proceeds/ (Repayment) of lease liability (net)	598.51	-
Cash payments for the interest portion of the lease liability	(33.38)	-
Dividends paid on equity shares		(111.15)
Tax on equity dividend paid		(22.85)
Net cash (used in) / generated from financing activities (C)	**3,775.15**	**4,432.55**
Net Increase / (decrease) in cash and cash equivalment (A+B+C)	**949.45**	**26.53**
Cash and cash equivalent at the beginning of the year	**713.17**	**686.66**
Cash and cash equivalent at the end of the year	**1,662.62**	**713.18**
Components of cash and cash equivalents (refer note 2.7)	1,662.62	713.18
Cash on hand	3.11	6.41
Balances with banks		
'-on current account	110.32	37.69
'-other bank balance	1,549.19	669.07
Total cash and cash equivalents		

The accompanying Notes form an integral part of the Standalone Financial Statements.
In terms of our attached report of even date

For **K A Sanghavi And Co LLP**
Chartered Accountants
FRN : 0120846W/W100289

For **K. P. ENERGY LIMITED**

Amish Ashvinbhai Sanghavi
(Partner)
M. No. 101413
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Farukbhai Gulambhai Patel
(Managing Director)
(DIN:00414045)

Ashish Ashwin Mithani
(Whole Time Director)
(DIN : 00152771)

Place : Surat
Date : 25/06/2021

Karmit Haribhadrabhai sheth
(Company Secretary)

Pravin Radhekant Singh
(Chief Financial Officer)

Standalone Statement of Changes in Equity

For the year ended March 31, 2021

A. EQUITY SHARE CAPITAL

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2020
Balance as at April 01, 2019	**1,111.50**
Issued during the year	-
Balance as at March 31, 2020	**1,111.50**
Issued during the year	-
Balance as at March 31, 2021	**1,111.50**

B. OTHER EQUITY

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	Reserves and surplus		Other Components of Equity	Total
	Security premium reserve	Retained earnings		
Balance as at April 01, 2019	**-**	**4,306.54**	**-**	**4,306.54**
Profit for the year	-	110.02	-	110.02
Items of OCI for the year :-	**-**	**-**	**-**	**-**
Final dividend	-	(111.15)	-	(111.15)
Tax on dividend	-	(22.85)	-	(22.85)
Amount utilised for Bonus Issue	-	-		-
Balance as at March 31, 2020	**-**	**4,282.55**	**-**	**4,282.55**
Balance as at April 01, 2020	**-**	**4,282.55**	**-**	**4,282.55**
Profit for the year	-	720.70	-	720.70
Items of OCI for the year :-	**-**	**-**	**-**	**-**
Final dividend	-	-	-	-
Tax on dividend	-	-	-	-
Amount utilised for Bonus Issue	-	-	-	-
Balance as at March 31, 2021	**-**	**5,003.25**	**-**	**5,003.25**

For **K A Sanghavi And Co LLP**
Chartered Accountants
FRN : 0120846W/W100289

For **K. P. ENERGY LIMITED**

Amish Ashvinbhai Sanghavi
(Partner)
M. No. 101413
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Ashish Ashwin Mithani
(Whole Time Director)
(DIN : 00152771)

Place : Surat
Date : 25/06/2021

Karmit Haribhadrabhai sheth
(Company Secretary)

Pravin Radhekant Singh
(Chief Financial Officer)

Company Overview and Significant Accounting Policies

1.1. COMPANY OVERVIEW

K.P. Energy Limited ("the Company") was incorporated on 08/01/2010. The Company is a Public Limited company domiciled in India with its Registered Office Located at "KP House", Opp. Ishwar Farm Junction BRTS, Near Bliss IVF Circle, Canal Road, Bhatar, Surat 395017, Gujarat. The Company is listed on The Bombay Stock Exchange (BSE) The Company is primarily engaged in development of Balance of Plant of Wind Power Projectsand allied services related to it along with generation of electricity through its own wind power generating assets and Operation and Maintenance services of BoP OF Wind Power Projects primarily in India.

1.2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

These financial statements are prepared in accordance with Indian Accounting Standards (hereinafter referred to as the Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rule, 2015 as amended from time to time.

The Company has adopted all the Ind AS standards. The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

The financial statements are presented in INR, the functional currency of the Company. Items included in the financial statements of the Company are recorded using the currency of the primary economic environment in which the Company operates (the 'functional currency').

The financial statements of the Company for the year ended March 31, 2021 were approved for issue in accordance with the resolution of the Board of Directors on June 30, 2021.

1.3. USE OF ESTIMATES

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in Note 1.4. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of the changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19):

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 in the preparation of these standalone financial statements including the recoverability of carrying amounts of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company has, at the date of approval of these financial statements, used internal and external sources of information including credit reports and related information and economic forecasts and expects that the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these standalone financial statements.

1.4. CRITICAL ACCOUNTING ESTIMATES

i) Revenue recognition

The Company uses the percentage-of-completion method in accounting for its fixed-price contracts. The use of the percentage-of-completion method requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

ii) Taxes

- Current income tax

  Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in India where the Company operates and generates taxable income.

  Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

- Deferred tax

  Deferred tax is recognized in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes at the reporting date.

  Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits (Minimum alternate tax credit entitlement) and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

  The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

  Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

  Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

- Minimum alternate tax

  Ind AS 12 defines deferred tax to include carry forward of unused tax credits. MAT credits are in the form of unused tax credits that are carried forward by the entity for a specified period of time. Accordingly, MAT credit entitlement should be shown separately in the balance sheet.

iii) Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of the Company's assets are determined by the Management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

Significant Accounting Policies

1.5. CURRENT VERSUS NON-CURRENT CLASSIFICATION

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading

- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
- All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

1.6. REVENUE RECOGNITION

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as goods and services tax and other applicable taxes etc.

The Company applies the revenue recognition criteria to each separately identifiable component of the sales transaction as set out below:

Sale of goods:

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, there is neither continuing managerial involvement with the goods nor effective control over the goods sold, it is probable that economic benefits will flow to the Company, the costs incurred or to be incurred in respect of the transaction can be measured reliably and the amount of revenue can be measured reliably.

Sale of power

Revenue from sale of power is recognized when there is actual transmission of power and considerable certainty for recoverability of the revenue exists once the actual transmission of power is confirmed from the regulatory authorities. The company recognises the revenue from sale of power as unbilled revenue on monthly basis and the same is settled after the company receives the confirmation from regulatory authorities and the customer in respect of the actual units transmitted and thereafter the actual Invoice is raised to the customer and the same is settled against the unbilled revenue recognised for the said customer. Revenue from the end of the last billing to the Balance Sheet date is recognized as unbilled revenues.

Revenue from Infrastructure development and work contract income

Revenue on time-and-material contracts are recognized as the related services are performed and revenue from the end of the last billing to the Balance Sheet date is recognized as unbilled revenues. Revenue from fixed-price, fixed-timeframe contracts, where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. When there is uncertainty as to the measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the current contract estimates. Costs and earnings in excess of billings are classified as unbilled revenue while billings in excess of costs and earnings are classified as unearned revenue. Deferred contract costs are amortized over the term of the contract. Maintenance revenue is recognized rateably over the term of the underlying maintenance arrangement.

Interest Income:

Interest income is recognised on time proportion basis taking into account the amount outstanding and rate applicable. Interest income is recognised using the effective interest rate (EIR) method.

For all Financial Assets measured at amortized cost, interest income is recorded using the effective interest rate (EIR) i.e. the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial assets. The future cash flows include all other transaction costs paid or received, premiums or discounts if any, etc.

Dividend income

Dividend income is recognised at the time when right to receive the payment is established, which is generally when the shareholders approve the dividend.

1.7. INVENTORY

Inventories are valued as follows:

Raw materials, stores and spares

Raw materials, components, stores and spares are valued at lower of cost and net realisable value. Cost of raw materials, components and stores and spares is determined on a "First-in, First-out" basis and includes interest on raw materials as a carrying cost of materials where such materials are stored for a substantial period of time. Stores and spares having useful life of more than twelve months are capitalised as tangible assets under "Property, plant and equipment" and are depreciated prospectively over their remaining useful lives in accordance with Ind AS 16.

Work in progress

Lower of cost and net realisable value. Cost includes raw material cost and a proportion of direct and indirect overheads up to estimated stage of completion.

1.8. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the Management. The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:

Building (Temporary structure) | 3 years [1]

Building (Permanent structure) | 60 years [1]

Computer equipment | 3 years [1]

Electrical installation and equipment | 10 years [1]

Furniture and fixtures | 10 years [1]

Vehicles (Heavy) | 8 years [1]

Vehicles (Others) | 10 years [1]

Office equipment | 5 years [1]

Plant and machinery | 15 years [1]

Wind power generation plant | 22 years [1]

Freehold land is not depreciated.

[1] Based on technical evaluation, the Management believes that the useful lives as given above best represent the period over which the Management expects to use these assets. Hence, the useful lives for these assets may be different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment are capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss. Assets to be disposed of are reported at the lower of the carrying value or the fair value less cost to sell.

1.9. INTANGIBLE ASSETS

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

1.10. INVESTMENTS IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Investments in Subsidiaries, Associates and Joint Ventures are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, associates and joint venture, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

1.11. BORROWING COST

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest calculated using the effective interest rate (EIR) and other costs like finance charges in respect of the finance leases recognised in accordance with Ind AS 17, that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

1.12. FINANCIAL INSTRUMENTS

1.12.1. Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

If the Company determines that the fair value at initial recognition differs from the transaction price, the Company accounts for that instrument at that date as follows:

- at the measurement basis mentioned above if that fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets. The Company recognises the difference between the fair value at initial recognition and the transaction price as a gain or loss.

- in all other cases, at the measurement basis mentioned above, adjusted to defer the difference between the fair value at initial recognition and the transaction price. After initial recognition, the Company recognises that deferred difference as a gain or loss only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

1.12.2. Subsequent measurement

a) Non-derivative financial instruments

i. Financial assets carried at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii. Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

iii. Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss.

iv. Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit or loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts being approximate fair value due to the short maturity of these instruments.

v. Investment in subsidiaries

Investment in subsidiaries is carried at cost in accordance with IND AS 27- separate financial statements.

b) Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognized as deduction from equity, net of any tax effects.

DE recognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flow from the financial asset expire or it transfers the financial asset and the transfer qualifies for DE recognition under Ind AS 109. A financial liability (or a part of financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

1.13. FAIR VALUE OF FINANCIAL INSTRUMENTS

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amounts being approximate fair value due to the short maturity of these instruments.

1.14. FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

1.15. ASSETS HELD FOR SALE

Non-current assets or disposal groups comprising of assets and liabilities are classified as 'held for sale' when all the following criteria are met: (i) decision has been made to sell, (ii) the assets are available for immediate sale in its present condition, (iii) the assets are being actively marketed and (iv) sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date.

Subsequently, such non-current assets and disposal groups classified as 'held for sale' are measured at the lower of its carrying value and fair value less costs to sell. Non-current assets held for sale are not depreciated or amortised.

1.16. IMPAIRMENT

a) Financial asset

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECLs (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in profit or loss.

b) Non-financial assets

Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

1.17. PROVISIONS

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

1.18. FOREIGN CURRENCY

o Functional currency

The functional currency of the Company is the Indian rupee. These financial statements are presented in Indian rupees.

o Transactions and translations

Foreign-currency-denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from such translations are included in net profit in the Statement of Profit and Loss. Non monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

1.19. EARNINGS PER EQUITY SHARE

Basic earnings per equity share are computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share are computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

1.20. EMPLOYEE BENEFITS

Provident fund

Eligible employees of K.P. Energy Ltd receive benefits from a provident fund, which is a defined benefit plan. Both the eligible employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. There is no other obligation other than contribution payable to the respective statutory authorities.

No retirement benefits have been paid to any employee during the year by the company. Retirement benefits in the form of Gratuity and other long term / short term employee benefits have not been provided in the financial statements.

1.21. CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

1.22. DIVIDENDS

The final dividend on shares is recorded as a liability on the date of approval by the shareholders, and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

1.23. GOVERNMENT GRANTS AND SUBSIDIES

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

1.24. CONTINGENT LIABILITIES

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

1.25. LEASES

Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments under operating leases are recognized as an expense on a straight-line basis in net profit in the Statement of Profit and Loss over the lease term.

1.26. SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

- **Identification of segments:**

  In accordance with Ind AS 108– Operating Segment, the operating segments used to present segment information are identified on the basis of information reviewed by the Company's management to allocate resources to the segments and assess their performance. An operating segment is a component of the Company that engages in business activities from which it earns revenues and incurs expenses, including revenues and expenses that relate to transactions with any of the Company's other components. Results of the operating segments are reviewed regularly by the management team (chairman and chief financial officer) which has been identified as the chief operating decision maker (CODM), to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

- **Allocation of common costs:**

  Common allocable costs are allocated to each segment accordingly to the relative contribution of each segment to the total common costs.

- **Unallocated items:**

  Revenues and expenses, which relate to the Company as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocated corporate expenses". Assets and liabilities, which relate to the Company as a whole and are not allocable to segments on reasonable basis, are shown as unallocated corporate assets and liabilities respectively.

- **Segment accounting policies:**

  The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

1.27. CASH AND CASH EQUIVALENTS

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

1.28. SIGNIFICANT MANAGEMENT JUDGEMENT IN APPLYING ACCOUNTING POLICIES AND ESTIMATION UNCERTAINTY

The following are the critical judgments and the key estimates concerning the future that management has made in the process of applying the Company's accounting policies and that may have the most significant effect on the amounts recognised in the financial Statements or that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

a) Evaluation of indicators for impairment of assets

The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

b) Recognition of deferred tax liabilities

The extent to which deferred tax liabilities can be recognised is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilised.

1.29. RECENT ACCOUNTING PRONOUNCEMENTS

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021 to the company.

2.1 PROPERTY, PLANT AND EQIPMENT

The changes in the carrying vale of property, plant and equipment for the year ended March 31, 2021 are as follows:

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	Land-Freehold	Buildings	Plant & Machinery	Office Equipment	Computer Equipment	Furniture & Fixtures	Vehicles	Total
Gross Carrying Value As Of April 01, 2020	451.49	224.44	8,251.22	78.08	44.76	192.64	84.06	9,326.68
Additions	49.22	24.14	6.05	9.23	3.28	6.61	37.16	135.69
Deletions	1.11 (1)	25.62	3.63	1.15	1.02	2.71	31.96	67.20
Gross Carrying Value As Of March 31, 2021	499.60	222.96	8,253.64	86.16	47.02	196.54	89.25	9,395.17
Accumulated Depreciation As Of April 01, 2020	-	23.34	1,134.55	19.93	24.66	36.94	26.84	1,266.25
Depreciation	-	9.09	356.48	8.11	8.28	18.57	9.45	409.97
Accumulated Depreciation On Deletions	-	12.88	1.13	0.66	0.97	1.20	15.15	31.98
Accumulated Depreciation As Of March 31, 2021	-	19.55	1,489.91	27.38	31.97	54.31	21.13	1,644.25
Carrying Value As Of March 31, 2021	**499.60**	**203.41**	**6,763.73**	**58.78**	**15.05**	**142.23**	**68.12**	**7,750.92**
Carrying Value As Of March 31, 2020	**451.49**	**201.09**	**7,116.66**	**58.15**	**20.11**	**155.70**	**57.22**	**8,060.43**

The Changes in the carrying vale of right of use assets for the year ended March 31, 2021 are as follows:

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	Land-Freehold	Buildings	Plant & Machinery	Office Equipment	Computer Equipment	Furniture & Fixtures	Vehicles	Total
Gross Carrying Value As Of April 01, 2020	-	-	-	-	-	-	-	-
Additions	-	603.61	-	-	-	-	-	603.61
Deletions	-	-						-
Gross Carrying Value As Of March 31, 2021	-	603.61	-	-	-	-	-	603.61
Accumulated Depreciation As Of April 01, 2020	-	-	-	-	-	-	-	-
Depreciation	-	22.45	-	-	-	-	-	22.45

Accumulated Depreciation On Deletions	-	-	-	-	-	-	-	-
Accumulated Depreciation As Of March 31, 2021	-	22.45	-	-	-	-	-	22.45
Carrying Value As Of March 31, 2021	**-**	**581.16**	**-**	**-**	**-**	**-**	**-**	**581.16**
Carrying Value As Of March 31, 2020	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

The Changes in the carrying vale of Property, Plant and Equipment for the year ended March 31, 2020 are as follows:

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	Land-Freehold	Buildings	Plant & Machinery	Office Equipment	Computer Equipment	Furniture & Fixtures	Vehicles	Total
Gross Carrying Value As Of April 01, 2019	450.50	224.44	8,242.63	48.80	27.58	91.68	65.96	9,151.58
Additions	0.99	-	8.59	29.28	17.18	100.96	18.10	175.10
Deletions	-	-	-	-	-	-		-
Gross Carrying Value As Of March 31, 2020	451.49	224.44	8,251.22	78.08	44.76	192.64	84.06	9,326.68
Accumulated Depreciation As Of April 01, 2019	-	14.33	778.48	13.99	18.06	25.96	18.42	869.25
Depreciation	-	9.01	356.07	5.93	6.59	10.98	8.42	397.01
Accumulated Depreciation On Deletions	-	-	-	-	-	-		-
Accumulated Depreciation As Of March 31, 2020	-	23.34	1,134.55	19.93	24.66	36.94	26.84	1,266.25
Carrying Value As Of March 31, 2020	**451.49**	**201.09**	**7,116.66**	**58.15**	**20.11**	**155.70**	**57.22**	**8,060.43**
Carrying Value As Of March 31, 2019	**450.50**	**210.11**	**7,464.15**	**34.81**	**9.52**	**65.73**	**47.54**	**8,282.34**

The Changes in the carrying vale of right of use assets for the year ended March 31, 2020 are as follows:

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	Land-Freehold	Buildings	Plant & Machinery	Office Equipment	Computer Equipment	Furniture & Fixtures	Vehicles	Total
Gross Carrying Value As Of April 01, 2019	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-
Deletions	-	-						-
Gross Carrying Value As Of March 31, 2021	-	-	-	-	-	-	-	-
Accumulated Depreciation As Of April 01, 2019	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-
Accumulated Depreciation On Deletions	-	-	-	-	-	-	-	-
Accumulated Depreciation As Of March 31, 2020	-	-	-	-	-	-	-	-
Carrying Value As Of March 31, 2020	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Carrying Value As Of March 31, 2019	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

[1] The amount is actually the advance given for land which was wrongly added to the Land in earlier year which is now rectified and transferred to Other Non-current assets –Schedule 2.8

a) There is no intent to sale any of the assets held by the company and hence there is no fixed assets held for disposal.

b) There is no lease hold fixed asset held by the company during the year under reporting and in the preceding year.

c) Property plant and equipment pledged as security

Refer schedule no. 2.11 for information on property, plant and equipment pledged as security by the Company.

d) All the assets purchased during the year were put to use before 31st March 2021 (31st march 2020). The assets which are not put to use during the year are separately shown under capital work-in-progress at the year end.

2.2 INVESTMENTS

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Non Current Investment		
Equity instruments of subsidiaries	2,583.25	2,583.25
Equity instruments of other companies		
- Suzlon Energy Limited	100.00	-
Total Carrying Value	**2,683.25**	**2,583.25**

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Non Current Investment		
Unquoted		
Investment carried at cost		
Investments in equity instruments of subsidiaries		
Evergreen Mahuva Windfarms Pvt Ltd	0.51	0.51
HGV DTL Transmission Projects Pvt Ltd	1.00	1.00
VG DTL Transmission Projects Pvt Ltd	2,460.00	2,460.00
K.P Energy Mahuva Windfarms Pvt Ltd.	49.78	49.78
Ungarn Renewable Energy Pvt Ltd.	26.70	26.70
Windfarm Developers Pvt Ltd.	39.32	39.32
	2,577.31	**2,577.31**
Investments in capital contribution of subsidiary LLPs		
Belampar Power Infra LLP	0.99	0.99
Hajipir Renewable Energy LLP	0.99	0.99
Mahuva Power Infra LLP	0.99	0.99
Manar Power Infra LLP	0.99	0.99
Miyani Power Infra LLP	0.99	0.99
Vanki Renewable Energy LLP	0.99	0.99
	5.94	**5.94**
Total	**2,583.25**	**2,583.25**

2.3 LOANS

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Current		
Unsecured, considered good		
Loan to subsidiaries (refer: related party transaction note 2.26)	313.68	509.24
Other loans		
Loans to employees	4.74	2.49
Total loans	**318.42**	**511.74**

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Current		
Loan to subsidiaries & Related parties(refer: related party transaction note 2.26)		
K P Energy Mahuva Windfarm Pvt Ltd	24.96	13.88
Evergreen Mahuva Windfarms Pvt Ltd	0.60	-
HGV DTL Transmission Projects Private Limited	-	0.15
Ungarn Renewable Energy Pvt Ltd	2.41	8.46
VG DTL Transmission Projects Private Limited	(1.28)	3.99

Wind Farm Developers Pvt Ltd	24.13	15.95
K P Buildcon Pvt Ltd	262.86	466.81
Total	**313.68**	**509.24**

2.4 OTHER FINANCIAL ASSETS

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Non Current		
Security Deposits	25.81	10.18
Rental Deposits	17.40	17.40
Total	**43.21**	**27.58**

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Current		
Unbilled Revenues	120.22	87.63
Others	70.87	710.97
Total	**191.09**	**798.60**

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Non Current		
Security Deposits		
Amrut ganga water deposit	0.05	0.05
Federation of Gujarat industries a/c switch	1.09	1.09
Hanumant pharma	0.25	0.25
Labour license security deposit (Gandhidham)	1.76	1.76
Labour license security deposit (DWK)	2.43	-
VAT deposit	0.10	0.10
P.G.V.C.L. Deposit	18.55	5.35
Shri hanumant seva medical	0.25	0.25
Manikaran Analytics Limited	0.82	0.82
Coffee Day Global Limited	0.52	0.52
Total	**25.81**	**10.18**
Rent Deposits		
Security Deposit for rent	3.00	3.00
Gadhsisa guest house deposit	0.10	0.10
KP house rent deposit	11.00	11.00
Guest house deposit - Ms. Ila D Parikh	0.30	0.30
Office deposit	3.00	3.00
Total	**17.40**	**17.40**

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Current		
Others		
Investments in current instruments (Current capital) of LLP		
Belampar Power Infra LLP	11.64	60.89
Hajipir Renewable Energy LLP		34.05
Mahuva Power Infra LLP	14.76	131.94
Manar Power Infra LLP	0.54	114.45
Miyani Power Infra LLP	2.39	255.22
Vanki Renewable Energy LLP	41.54	114.42
	70.87	**710.97**
Total	**70.87**	**710.97**

Amount shown under the head Investments in current instruments of LLP are the amounts of current capital contribution as standing on the balance sheet date in various subsidiary LLPs.

2.5 INVENTORIES

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Closing Stock	7758.19	6123.47
Total	**7758.19**	**6123.47**

Inventories are valued at cost or net realisable value whichever is lower by following FIFO method in respect of the materials on hand as on the balance sheet date. Other direct costs incurred till the balance sheet date for the project are also included in the invetories on actual basis. Costs incurred for lease hold lands are included in inventories on accrual basis. The closing inventory has been valued and certified by the management.

2.6 TRADE RECEIVABLES

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Current		
Unsecured		
Considered good [(1)]	796.88	1477.20
Total	**796.88**	**1,477.20**

[(1)] Sundry debtors are trade receivables which are due in respect of goods sold in the normal course of the business.

2.7 CASH AND CASH EQUIVALENTS

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance With Bank		
In current accounts	110.32	37.69
Cash On Hand	3.11	6.41
Total	**113.43**	**44.10**

Deposit with more than 12 months maturity

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
In current accounts		
Axis bank account	-	2.04
State bank of India	110.32	35.65
Total	**110.32**	**37.69**

Other Bank Balance

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
In unpaid dividend accounts		
State bank of India unpaid dividend account	0.30	0.11
In deposit accounts		
Fixed deposit with state bank of india [1]	1,174.99	315.48
Fixed deposit with sidbi [1]	373.90	353.48
Total	**1,549.19**	**669.07**

[1] Fixed deposits with SBI and SIDBI are stated with Accrued Interest upto the date of the Balance sheet on the basis of the Interest Certificates obtained from the respective Banks by the management.

2.8 OTHER ASSETS

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Non Current		
Others		
Advances for land	40.79	39.68
Prepaid transmission line expense	3.01	3.01
Total	**43.80**	**42.69**

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Current		
Others		
Prepaid expenses	24.46	12.51
Withholding taxes and others	1,647.83	2,017.61
Total	**1,672.29**	**2,030.13**

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Prepaid expenses		
Prepaid insurance expense	17.54	11.37
Prepaid interest expense	4.11	-
Prepaid internet expense	0.63	0.02
Prepaid metmast expense	0.07	0.23

Prepaid rent expense	0.66	0.47
Prepaid software expense	0.10	0.02
Prepaid O & m expense	1.36	-
Prepaid transmission line expense	-	0.42
Total	**24.46**	**12.51**
Withholding taxes		
TCS receivable	0.04	-
TDS receivable	172.43	111.32
Others		
GST credit receivable	-	393.16
Capital First Limited TDS Receivable	0.22	0.22
Works contract payable 0.6%	-	14.42
MAT Credit entitlement	574.53	598.45
Receivables from Subsidiaries (1)	900.00	900.00
Fast Tag A/c	-	0.02
Reimbursemen Receivables	0.60	-
My biz a/c	-	0.03
Total	**1,647.83**	**2,017.61**

(1) Includes due from Evergreen Mahuva Windfarms Pvt. Ltd. (refer: related party transaction note 2.26)

2.9 EQUITY EQUITY SHARE CAPITAL

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Authorized		
Equity shares, ₹ 10 par value		
1,25,00,000	1250.00	1250.00
(1,25,00,000) (1)		
Issued, subscribed and paid up		
Equity shares, ₹ 10 par value		
1,11,15,000	1111.50	1111.50
(1,11,15,000) (1)		

(1) Represents number of shares as on March 31, 2020

Terms / Rights Attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹10 each. Each holder of equity shares is entitled to one vote per share.

During the year the Company has not declared any dividend for F.Y. 2019-20 and also the company has not declared any interim dividend nor proposed any final dividend for the year ended on 31st March, 2021.

In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

During the year ended March 31, 2021 the company has not issued any bonus shares.

Details of Convertible Securities:

The company has not issued any securities convertible into equity or preference shares.

Details of Shares Reserved for Employees Stock Options:

The company has not reserved any shares for employees stock options.

Holding More Than 5%

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	31-Mar-2021		31-Mar-2020	
	Number of shares	% held	Number of shares	% held
Ashish Ashwin Mithani	1482922	13.34%	1482922	13.34%
Farukbhai Gulambhai patel	5329428	47.95%	5403125	48.61%
Veer value ventures LLP	564484	5.08%	650000	5.85%

Details of share for Preceding Five years

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	31-Mar-2021	31-Mar-2020	31-Mar-2019	31-Mar-2018	31-Mar-2017
Number of equity shares bought back			-	-	-
Number of preference shares reedeemed			-	-	-
Number of equity shares issued as bonus share			25,65,000		51,30,000
Number of preference shares issued as bonus share			-	-	-
Number of equity shares allotted for contracts without payment received in cash			-	-	-
Number of preference shares allotted for contracts without payment received in cash			-	-	-

Reconciliation

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	31-Mar-2021		31-Mar-2020	
	Number of share	Amount	Number of share	Amount
Number of shares at the beginning	11,11,50,000	11,11,50,000	1,11,15,000	11,11,50,000
Add: Bonus Isssue	**-**	**-**	**-**	**-**
Less: Bought back	-	-	-	-
Others	**-**	**-**	**-**	**-**
Number of shares at the end	11,11,50,000	11,11,50,000	1,11,15,000	11,11,50,000

2.10 OTHER EQUITY

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Retained earnings [1]	5,003.25	4,282.55
General reserve	-	-
Security premium reserve	-	-
Total	**5,003.25**	**4,282.55**

Retained Earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

Securities premium reserve:

Securities premium reserve represents premium received on issue of shares.

[1] Retained earnins

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Balance	4,282.55	4,306.54
Add: Profit earned during the year	720.69	110.02
Less: Dividend Paid		111.15
Dividend distribution tax paid		22.85
Bonus shares issued		-
Closing Balance	**5,003.25**	**4,282.55**

2.11 LONG TERM BORROWING

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Secured		
Term Loans		
From Banks	2,086.28	2,042.52
Vehicle Loans		
From Banks	27.79	13.69
Total	**2,114.06**	**2,056.21**

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Current maturities of long term debts		
Term Loans		
From Banks	621.39	528.52
Vehicle Loans		
From Banks	15.42	6.12
Total	**636.81**	**534.64**

(All amounts are in ₹ lakhs unless otherwise stated)

Name of the bank	Amount of sanction	Year of sanction	No of instalments	Total amount of instalment	AS AT MARCH 31, 2021	2020
Rupee term loans						
(refer point A part (i) for interest rate)						
SBI term loan1	2023.00	Refer note 1 below.	Refer note 1 below.	Refer note 1 below.	800.15	698.37
SIDBI term loan2	2090.00	Refer note 2 below.	Refer note 2 below.	Refer note 2 below.	1286.13	1,344.15
					2086.28	**2,042.52**
Vehicle loans						
(refer point A part (ii) for interest rate)						
(and point C part (ii) for security)						
SBI safari loan	15.00	2016-17	60	0.32	-	1.86
HDFC Hyndai Creta loan	15.55	2019-20	60	0.32	8.90	11.83
ICICI bike loan	12.58	2020-21	24	0.63	6.91	-
ICICI bolero loan	17.89	2020-21	36	0.56	11.98	-
					27.79	**13.69**

A. Details of interest rate for each type of borrowings

I. The interest on above rupee term loans from banks are linked to the respective banks base rates / MCLR which are floating in nature. As of March 31, 2021 the interest rates ranges from 8.95 % to 9.25 % per annum (March 31, 2020: 8.95 % to 10.00 % per annum).

II. The interest on above vehicle loans from banks are linked to the respective banks base rates / MCLR which are floating in nature. As of March 31, 2021 the interest rates ranges from 9.00 % to 18.10 % per annum (March 31, 2020: 9.25 % per annum).

B. Details of guarantee for each type of borrowings

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	2020
Guaranteed by directors		
Rupee Term loans	4113.00	3,715.00

C. Details of security for each type of borrowing:

I. Rupee term loans from all banks are secured against first pari passu hypothecation of all the fixed assets created out of bank finance.

II. Vehicle loans from all banks are secured against hypothecation of respective motor vehicle financed.

1.

(All amounts are in ₹ lakhs unless otherwise stated)

Name of the bank	Amount of sanction	Year of sanction	No of instalments	Total amount of instalment	AS AT MARCH 31, 2021	AS AT MARCH 31, 2020
SBI term loan II	825.00	2015-16	90	8.00	309.67	365.99
SBI term loan II	900.00	2016-17	69	13.00	248.55	332.39
SBI term loan III	298.00	2020-21	36	8.28	241.93	-

2.

(All amounts are in ₹ lakhs unless otherwise stated)

Name of the bank	Amount of sanction	Year of sanction	No of instalments	Total amount of instalment	AS AT MARCH 31, 2021	AS AT MARCH 31, 2020
SIDBI term loan I	995.00	2017-18	114	8.73	609.13	663.43
SIDBI term loan II	995.00	2017-18	114	8.73	626.30	680.72
SIDBI term loan III	100.00	2020-21	30	1.16	50.70	-

2.12 OTHER FINANCIAL LIABILITIES

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Non-Current		
GE India industrial private limited	8050.00	5,000.00
Total	**8,050.00**	**5,000.00**

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Current		
Others		
State bank of India SLC (1) (3)	181.72	179.97
State bank of India cash credit account (2) (3)	394.30	398.58
Salary payable	27.14	46.17
ESIC payable	0.06	
PF payable	1.46	1.41
PT payable	0.01	0.21
Worker wages payable	2.75	-
Total	**607.45**	**626.34**

(1) Company has taken Stand by line of Credit (SLC) from SBI for ₹ 1.80 Crores (1.80 Crores) which is secured by first pari passu charge on all current assets primarily Stock and Book debts. The rate of interest on the working capital facility from bank is 11 % p.a. (11 % p.a.) calculated on daily products on monthly rests.

(2) The company has taken the Cash credit facilities from SBI for ` 4.00 Crores (4.00 Crores) which is secured by first pari passu charge on all current assets primarily Stock and Book debts. The rate of interest on the working capital facility from bank is 10 % p.a.(10.00% p.a.) calculated on daily products on monthly rests. Till the renewal of the working capital facility by the bank during March, 2021.

(3) The same is further secured by collateral securities of immovable properties of the director and family members of the Directors, Other fixed assets of the Company including Plant and machineries, lands situated at various places and bank FD. The borrowings are further secured by personal guarantee of Directors and family members of directors along with corporate guarantee of KPI Global Infrastructure Ltd.

2.13 DEFERRED TAX LIABILITIES

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred tax liabilities arising on account of		
Property, plant and equipment and intangible assets	1390.08	1,303.61
Deferred tax assets arising on account of		
Loss on sale / disposal of fixed assets	5.39	-
Net Deferred tax liabilities	**1384.69**	**1,303.61**

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred tax liabilities		
Adjustment of earlier years	28.63	-
Depreciation	282.18	604.89
Tax on deferred liabilities @27.82%	86.47	168.28
Deferred tax assets		
Loss on sale of fixed assets	2.06	-
Loss on disposal of fixed assets	17.30	-
Tax on deferred liabilities @27.82%	5.39	-
Deferred Tax Liabilities / Assets Transferred to Balance Sheet		
Opening Balance of Deferred Tax Liabilities	1,303.61	1,135.33
Differed Tax Liabilities Charged to P & L A/c	81.08	168.28
Differed Tax Liabilities transferred to Balance sheet	**1,384.69**	**1,303.61**

2.14 OTHER LIABILITIES

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Non Current		
Deposit		
Aspen infrastructures limited	100.00	100.00
CLP India private limited	-	350.00
Others		
Lease liability payable (KP House)	598.51	-
Simms engineering private limited	229.36	234.36
Total	**927.87**	**684.36**

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Current		
Unearned revenue	-	-
Others		
CLP India Pvt. Ltd.	-	1,135.07

GE India Induatrial Pvt Ltd	-	392.68
GE India Induatrial Pvt Ltd (Gujarat)	-	782.79
Lease rent payable	0.30	21.10
Withholding taxes and others		
TDS payable	14.31	40.87
TCS payable	0.06	-
GST ON RCM PAYABLE	4.14	-
GST PAYABLE	31.50	-
Director sitting fees payable	1.36	1.58
K.P.I. Global infrastructure limited	1.54	1.54
Local taxes payable	0.24	5.38
Unpaid dividend	0.08	0.08
Provision for audit fees	3.84	-
Employee imprest account	0.73	1.90
Total	**58.10**	**2,382.98**

2.15 TRADE PAYABLES

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Trade Payables[1]	3526.20	4,357.44
Total	**3,526.20**	**4,357.44**

As reported by the management, as at March 31, 2021 and March 31, 2020, there are no outstanding dues to micro and small enterprises. There is no interest due or outstanding on the same.

[1] Includes due to related parties (refer: related party transaction note 2.26)

2.16 CURRENT TAX LIABILITIES

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Current taxes	153.33	52.76
Income tax expenses	153.33	52.76

2.17 REVENUE FROM OPERATIONS

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Revenue from sale of power	809.41	934.26
Revenue from operation and maintenance services	147.36	223.90
Revenue from contract	5947.41	6253.45
Total	**6904.18**	**7411.61**

2.18 OTHER INCOME

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Interest received on financial assets carried at amortization cost		
Interest on fixed deposit	42.07	51.53
Interest on advances	31.72	-
Miscellaneous income, net		
Discount	1.13	-
Interest on Income tax Refund	6.30	-
Income tax Refund	60.44	-
Other income (1)	5.97	8.20
Total	**147.63**	**59.73**

(1) Other income includes prior period income of ₹ 0.00 (0.77).

2.19 EXPENSES

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Cost of material consumed		
Raw material		
Opening	6,123.47	2,650.00
Purchase[(20)(21)]	4,570.04	8,073.33
Adjustment	-	-
Closing	7,758.19	6,123.47
	2,935.31	4,599.86
Employee benefit expense		
Salary, wages and bonus		
Wages to workers[(15)]	353.54	367.70
Arrears of salary		-
Incentive	0.10	-
Salary[(31)]	316.50	319.23
Contribution to provident fund		
Contribution to provident fund	7.97	9.03
Contribution to provident fund		
Contribution to ESIC	0.46	-
Staff welfare expenses		
Staff welfare expenses[(12)]	9.42	6.95
Other employee related expenses		
Rent for employee accommodation	-	-
	687.99	702.91

Finance cost		
Interest Expenses		
Interest on loan	472.64	306.28
Bank charges		
Bank charges	1.33	8.16
Other interest charges		
Interest on income tax	-	34.81
Interest on tax collected at source	0.01	-
Interest on GST	1.67	22.03
Interest on delay payment		
Interest on tax deducted at source	11.82	3.77
Finance charges		
Bank guarantee charges	20.06	38.90
Stamp and franking charges	5.28	21.14
LC charges	0.30	0.61
SLC interest	-	18.75
Processing charges	6.30	6.97
	519.41	461.41
Other expenses		
Accommodation expense[17]	0.65	7.31
Advertisement expense	3.57	3.02
AGM expense	0.15	1.51
Application fees expense[23]	-	2.41
Auditor's remuneration	8.36	12.08
Brokerage Expense	59.87	14.06
Business Promotion Expense	9.54	3.41
Canteen expense[1]	30.61	53.43
Certification charges[21]	0.84	1.51
Computer expense	1.21	1.14
Corporate social responsibility expense	21.16	37.81
Courier charges[2]	2.18	2.24
Director remuneration	67.87	86.50
Discount	-	1.87
Donation expense	0.41	3.37
Dump yard rent[24]	-	0.95
Electricity expense[25]	8.16	11.87
GST expense	7.89	-
Housekeeping expense[16]	7.03	4.00
Insurance expense	25.30	21.81
Interest on delay payment	0.72	-
Internal audit fees[5]	0.96	0.88
Internet expense[14]	5.08	3.67

ISO audit fees	1.72	1.61
ISO fees	-	-
Labour expenses[6]	14.35	34.09
Labour tax	0.03	0.03
Late filing fees	0.33	0.20
Late payment charges	0.56	0.02
Lease rents	125.17	31.31
Legal and professional fees[26]	41.41	39.74
Local taxes	228.98	24.99
Loss on sale of fixed assets	2.06	-
Loss on disposal of fixed assets	17.30	-
Miscellaneous expense	2.12	1.40
Miscellaneous purchase for site	1.18	8.78
Municipal tax	0.01	0.07
O & M charges[9]	65.40	37.99
Office expense[27]	3.96	2.87
Petrol and diesel expenses[19]	15.20	38.02
Debit Note - Land Transfer	269.41	-
Property tax	1.45	-
Processing fees for GEDA[30]	0.50	13.77
Professional tax	0.30	0.02
Registration fees	0.19	1.92
Rent expenses[4]	83.22	78.67
Repairing and maintenance expense[3]	8.95	7.30
Research and development expense[7]	26.66	19.13
ROC expense	0.42	43.32
Security service charges[10]	132.47	165.78
Seminar fees	0.06	0.29
Site expenses[28]	12.50	14.13
Sitting fees to director	1.58	1.75
SLDC charges[11]	1.11	0.95
Software expense	0.42	0.66
Stamp duty	32.99	12.33
Stationary and printing expense	7.84	8.28
Stipend expense[13]	1.84	3.97
Telephone expenses[8]	3.86	4.16
Training expense	4.14	0.62
Transfer fees expense of GEDA[29]	2.79	1.32
Transmission charges[22]	70.77	75.79
Transportation expenses	6.11	47.36
Travelling and conveyance expense[18]	8.32	17.34
BOCW Cess	-	6.83

N.A. Charges	33.51	7.26
VAT expense	4.92	
Power Generation Deviation charges	-	2.96
	1,497.66	1,031.85

(1) This expenditure includes prior period expense of ₹ 0.24 (0.82)

(2) This expenditure includes prior period expense of ₹ 0.03 (0.00)

(3) This expenditure includes prior period expense of ₹ 0.26 (0.00)

(4) This expenditure includes prior period expense of ₹ 0.83 (0.00)

(5) This expenditure includes prior period expense of ₹ 0.08 (0.00)

(6) This expenditure includes prior period expense of ₹ 0.64 (0.00)

(7) This expenditure includes prior period expense of ₹ 1.31 (0.15)

(8) This expenditure includes prior period expense of ₹ 0.39 (0.00)

(9) This expenditure includes prior period expense of ₹ 19.49 (0.00)

(10) This expenditure includes prior period expense of ₹ 0.09 (0.00)

(11) This expenditure includes prior period expense of ₹ 0.07 (0.02)

(12) This expenditure includes prior period expense of ₹ 0.01 (0.04)

(13) This expenditure includes prior period expense of ₹ 0.20 (0.00)

(14) This expenditure includes prior period expense of ₹ 0.16 (0.00)

(15) This expenditure includes prior period expense of ₹ 2.39 (0.00)

(16) This expenditure includes prior period expense of ₹ 0.35 (0.00)

(17) This expenditure includes prior period expense of ₹ 0.17 (0.00)

(18) This expenditure includes prior period expense of ₹ 0.16 (0.01)

(19) This expenditure includes prior period expense of ₹ 0.09 (0.04)

(20) This expenditure includes credit note for land of ₹ 0.00 (87.65)

(21) This expenditure includes prior period expense of ₹ 0.00 (21.07)

(22) This expenditure includes prior period expense of ₹ 0.00 (-5.22)

(23) This expenditure includes prior period expense of ₹ 0.00 (0.86)

(24) This expenditure includes prior period expense of ₹ 0.00 (0.01)

(25) This expenditure includes prior period expense of ₹ 0.00 (0.07)

(26) This expenditure includes prior period expense of ₹ 0.00 (5.31)

(27) This expenditure includes prior period expense of ₹ 0.00 (0.001)

(28) This expenditure includes prior period expense of ₹ 0.00 (2.02)

(29) This expenditure includes prior period expense of ₹ 0.00 (0.70)

(30) This expenditure includes prior period expense of ₹ 0.00 (13.52)

(31) This expenditure includes prior period expense of ₹ 0.00 (0.12)

2.20 FAIR VALUE DISCLOSURES

I. Financial instruments by category

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021			As at March 31, 2020		
	FVTPL	FVOCI	AMORTISED COST	FVTPL	FVOCI	AMORTISED COST
Financial assets						
Investments	-	-	-	-	-	-
Security deposits	-	-	25.81	-	-	10.18
Rental deposits	-	-	17.40	-	-	17.40
Trade receivables	-	-	796.88	-	-	761.95
Cash and cash equivalents	-	-	113.43	-	-	44.10
Other bank balances	-	-	1,549.19	-	-	669.07
Loans	-	-	318.42			511.74
Derivative asset	-	-	-	-	-	-
Other financial assets	-	-	234.30	-	-	826.19
Total	**-**	**-**	**3,055.43**	**-**	**-**	**2,840.62**
Financial liabilities						
Borrowings	-	-	2,750.87	-	-	2,590.85
Trade payable	-	-	3,526.20	-	-	4,357.44
Other financial liabilities	-	-	8,657.45	-	-	5,626.34
Total	**-**	**-**	**14,934.52**	**-**	**-**	**12,574.63**

Investment in equity instruments of subsidiaries, joint ventures and associates has been accounted at cost in accordance with Ind AS 27. Therefore not within the scope of Ind AS 109, hence not included here.

II. Fair values hierarchy

Financial assets and financial liabilities measured at fair value in the balance sheet are categorized into three levels of fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level3.

Financial assets and liabilities measured at fair value - recurring fair value measurements

March 31, 2021	Level 1	Level 2
Financial assets		
-	-	-
Total financial assets	**-**	**-**

March 31, 2020	Level 1	Level 2
Financial assets		
-	-	-
Total financial assets	**-**	**-**

Valuation process and technique used to determine fair value

i. The fair value of investments in government securities and quoted equity shares is based on the current bid price of respective investment as at the balance sheet date.

ii. The fair value of investments in mutual fund units is based on the net asset value (NAV) as stated by the issuers of these mutual fund units in the published statements as at the Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

iii. In order to arrive at the fair value of unquoted investments, the company obtains independent valuations. The techniques used by the valuer are as follows:

a) Asset approach - Net assets value method

b) Income approach - Discounted cash flows ("DCF") method

c) Market approach - Enterprise value/Sales multiple method

Derivative financial assets:

The Company has not entered into derivative financial instruments.

III. Fair value of instruments measured at amortised cost.

IV

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	Level	31-Mar-2021		31-Mar-2020
		Carrying value	Fair value	Carrying value
Financial assets				
Security deposits	Level 3	25.81	25.81	10.18
Rental deposits	Level 3	17.40	17.40	17.40
Loans	Level 3	318.42	318.42	669.07
Other financial assets	Level 3	234.30	234.30	826.19
Total Financial assets		**595.93**	**595.93**	**1,522.84**
Financial liabilities				
Borrowings	Level 3	2,750.87	2,750.87	2,590.85
Other financial liabilities	Level 3	8,657.45	8,657.45	5,626.34
Total Financial liabilities		**11,408.32**	**11,408.32**	**8,217.18**

The management assessed that security deposits, loan to related parties, other financial assets and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

(i) Long-term fixed-rate and variable-rate receivables are evaluated by the Company based on parameters such as interest rates, individual creditworthiness of the customer and other market risk factors. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.

(ii) All the other long term borrowing facilities availed by the Company are variable rate facilities which are subject to changes in underlying Interest rate indices. Further, the credit spread on these facilities are subject to change with changes in Company's creditworthiness. The management believes that the current rate of interest on these loans are in close approximation from market rates applicable to the Company. Therefore, the management estimates that the fair value of these borrowings are approximate to their respective carrying values.

2.21 FINANCIAL RISK MANAGEMENT

I. Risk management framework

The Company's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the Company is exposed to and how the Company manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost	Aging analysis	Bank deposits, diversification of asset base, credit limits and collateral.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Negotiation of terms that reflect the market factors
Market risk- Security price	Investments in equity securities	Sensitivity analysis	Company presently does not make significant investments in equity shares, except for entities where it exercises control or joint control or significant influence.

The Company's risk management is carried out by a central treasury department (of the Company) under policies approved by the board of directors. The board of directors provides written principles for overall risk management, as well as policies covering specific areas, such as interest rate risk, credit risk and investment of excess liquidity.

A. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in debt securities.

The carrying amount of financial assets represents the maximum credit exposure.

- cash and cash equivalents,
- trade receivables,
- loans & receivables carried at amortised cost, and
- deposits with banks

Credit risk management

The Company assesses and manages credit risk based on internal credit rating system, continuously monitoring defaults of customers and other counterparties, identified either individually or by the company, and incorporates this information into its credit risk controls. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

A: Low

B: Medium

C: High

(All amounts are in ₹ lakhs unless otherwise stated)

Description		March 31, 2021	March 31, 2020
A: Low	Loans	318.42	511.74
	Investments	2,683.25	2,583.25
	Other financial assets	234.30	826.19
	Cash and cash equivalents	113.43	44.10
	Other bank balances	1,549.19	669.07
	Trade receivables	796.88	1,477.20

Cash and cash equivalents and other bank balances

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks.

Trade receivables

The Company closely monitors the credit-worthiness of the debtors through internal systems that are configured to define credit limits of customers, thereby, limiting the credit risk to pre-calculated amounts. The Company assesses increase in credit risk on an ongoing basis for amounts receivable that become past due and default is considered to have occurred when amounts receivable become past due one year.

Other financial assets measured at amortised cost

Other financial assets measured at amortised cost includes loans and advances to employees, security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

B. Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the company operates.

Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity of the Company based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

(All amounts are in ₹ lakhs unless otherwise stated)

March 31, 2021	Less than 1 year	1-3 year	More than 3 years	Total
Borrowings				
Deposit received	-	100.00	-	100.00
Trade payable	3,526.20	-	-	3,526.20
Other financial liabilities	607.45	-	-	607.45
Total	**4,133.65**	**100.00**	**-**	**4,233.65**

(All amounts are in ₹ lakhs unless otherwise stated)

March 31, 2020	Less than 1 year	1-3 year	More than 3 years	Total
Borrowings				
Deposit received	-	450.00	-	450.00
Trade payable	4,357.44	-	-	4,357.44
Other financial liabilities	626.34	-	-	626.34
Total	**4,983.78**	**450.00**	**-**	**5,433.78**

Interest rate risk

Liabilities

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. As at March 31, 2021, the Company is exposed to changes in market interest rates through bank borrowings at variable interest rates. The Company's investments in fixed deposits all pay fixed interest rates.

Interest rate risk exposure

Below is the overall exposure of the Company to interest rate risk:

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Variable rate borrowings	142.93	131.24
Fixed rate borrowings	329.71	175.03
Total borrowings	**472.64**	**306.28**

Sensitivity

Profit or loss is sensitive to higher / lower interest expense from borrowings as a result of changes in interest rates. In case of fixed rate borrowings a change in interest rates at the reporting date would not affect profit or loss.

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	Effect on profit after tax	
	As at March 31, 2021	As at March 31, 2020
Total borrowings		
- Impact due to increase of 50 basis points*	-13.75	-12.95
- Impact due to decrease of 50 basis points*	13.75	12.95

*Holding all other variable constant

II. Assets

The Company's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

C. Price risk

Exposure

The Company's exposure price risk arises from investments held and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit or loss. To manage the price risk arising from investments, the Company diversifies its portfolio of assets.

The Company does not have any significant investments in equity instruments which create an exposure to price risk.

2.22 CAPITAL MANAGEMENT

The Company's capital management objectives are:

- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

The Company's adjusted net debt to equity ratio as at year end were as follows:

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Total borrowings	2,750.87	2,590.84
Less : cash and cash equivalents	113.43	44.10
Net debt	2,637.44	2,546.74
Total equity	6,114.75	5,394.05
Adjusted net debt to adjusted equity ratio	**0.43**	**0.47**

Dividends

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Equity shares		
(i) Final Dividend		
For the year ended March 31, 2020 of ₹ 0.00 per share (excluding tax)	-	-
For the year ended March 31, 2019 of ₹ 1.00 per share (excluding tax)	-	111.15

(ii) Proposed Dividend		
For the year ended March 31, 2021 of ₹ 0.00 per share (excluding tax)	-	-
For the year ended March 31, 2020 of ₹ 0.00 per share (excluding tax)	-	-

2.23 DISCLOSURES REQUIRED U/S. 186(4) OF THE COMPANIES ACT, 2013:

- For details of Loans and guarantees given to and given by related parties, refer Note No. 2.26.
- For details of Securities provided by the related parties, refer Note No. 2.11 and 2.26.
- For details of Investments made refer Note No. 2.2.

2.24 The previous year's figures have been regrouped or reclassified wherever necessary to confirm with the current year's presentation

2.25 Accounting policies not specifically referred to otherwise are consistent and in consonance with Indian Accounting Standard.

2.26 RELATED PARTY TRANSACTION

Subsidiaries Incorporated in India

Name of Subsidiaries	(Holdings as at) As at March 31, 2021	2020
Belampar Power Infra LLP	99.00%	99.00%
Evergreen Mahuva Windfarms Private Limited	51.00%	51.00%
Hajipir Renewable Energy LLP	99.00%	99.00%
HGV DTL Transmission projects Private Limited	100.00%	100.00%
K P Energy Mahuva Windfarms Private Limited	99.03%	99.03%
Mahuva Power Infra LLP	99.00%	99.00%
Manar Power Infra LLP	99.00%	99.00%
Miyani Power Infra LLP	99.00%	99.00%
Ungarn Renewable Energy Private Limited	98.20%	98.20%
Vanki Renewable Energy LLP	99.00%	99.00%
VG DTL Transmission Projects Private Limited	50.00%	100.00%
Wind Farm Developers Private Limited	98.77%	98.77%

List of other Related Parties

Particulars	Nature of Relationship
KP Sor-urja Limited	Entity in which KMP is having controlling interest
KP Human Development Foundation	Entity in which KMP is having controlling interest
K P I Global Infrastructure Limited	Entity in which KMP is having controlling interest
K P Buildcon Private Limited	Entity in which KMP is having controlling interest
KPark Sunbeat Private Limited	Entity in which KMP is having controlling interest

KPgenix Sunray Private Limited	Entity in which KMP is having controlling interest
Quyosh Energia Private Limited	Entity in which KMP is having controlling interest
Sun Drop Energia Private Limited	Entity in which KMP is having controlling interest
Bharuchi Vahora Patel Surat Federation	Entity in which KMP is having controlling interest
Kpev Charging Private Limited	Entity in which KMP is having controlling interest
World Bharuchi Vahora Federation	Entity in which KMP is having controlling interest
KPIG Renewables Private Limited	Entity in which KMP is having controlling interest

List of Key Managerial Personnel

Faruk Gulambhai Patel - Managing Director
Ashish Ashwin Mithani - Whole Time Director
Pravin Singh - Chief Financial Officer
Karmit Haribhadrabhai Sheth - Company Secretary
Affan Faruk Patel -Whole Time Director

Relative of Key Managerial Personnel –

The details of amounts due to or due from related parties as at March 31, 2021 and March 31, 2020

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31,	
	2021	2020
Subscription to / purchase of equity shares / capital contribution to LLPs		
Belampar Power Infra LLP	0.99	0.99
Evergreen Mahuva Windfarms Private Limited	0.51	0.51
Hajipir Renewable Energy LLP	0.99	0.99
HGV DTL Transmission projects Private Limited	1.00	1.00
K P Energy Mahuva Windfarms Private Limited	49.78	49.78
Mahuva Power Infra LLP	0.99	0.99
Manar Power Infra LLP	0.99	0.99
Miyani Power Infra LLP	0.99	0.99
Ungarn Renewable Energy Private Limited	26.70	26.70
Vanki Renewable Energy LLP	0.99	0.99
VG DTL Transmission Projects Private Limited	2,460.00	2,460.00
Wind Farm Developers Private Limited	39.32	39.32
	2,583.25	2,583.25
Current capital contribution to LLP's		
Belampar Power Infra LLP	11.64	60.89
Hajipir Renewable Energy LLP	-	34.05
Mahuva Power Infra LLP	14.76	131.94
Manar Power Infra LLP	0.54	114.45
Miyani Power Infra LLP	2.39	255.22

Vanki Renewable Energy LLP	41.54	114.42
	70.87	710.97
Loans Given		
Evergreen Mahuva Windfarms Private Limited	0.60	-
K P Energy Mahuva Windfarms Private Limited	24.96	13.88
HGV DTL Transmission projects Private Limited	-	0.15
VG DTL Transmission Projects Private Limited	-1.28	3.99
Ungarn Renewable Energy Private Limited	2.41	8.46
Wind Farm Developers Private Limited	24.13	15.95
	50.82	42.43
Trade Receivables		
Evergreen Mahuva Windfarms Private Limited	377.45	382.45
VG DTL Transmission Projects Private Limited	-	3.74
	377.45	386.19
Financial Assets		
LOANS		
K P Buildcon Private Limited	262.86	460.22
	262.86	460.22
Other Liabilities		
Ashish Ashwin Mithani	1.48	16.94
Faruk Gulambhai Patel	0.07	-
Affan faruk Patel	0.05	1.29
Pravin Singh	0.48	0.23
Karmit Haribhadrabhai Sheth	0.40	0.41
K P I Global Infrastructure Limited	1.54	1.54
	4.02	18.88
Other Current Assets		
Evergreen Mahuva Windfarms Private Limited	900.00	900.00
	900.00	900.00
Trade Payables		
K P I Global Infrastructure Limited	4.22	-
	4.22	-

The details of the related-party transactions entered into by the company, for the years ended March 31, 2021 and March 31, 2020 are as follows:

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31,	
	2021	2020
Capital Transaction		
Financing transaction		
Current Contribution (Net of withdrawals)		
Belampar Power Infra LLP	49.24	35.34
Hajipir Renewable Energy LLP	34.05	-2.04
Mahuva Power Infra LLP	117.19	45.38
Manar Power Infra LLP	113.91	11.12
Miyani Power Infra LLP	252.83	28.53
Vanki Renewable Energy LLP	72.88	-42.63
	640.10	75.70
Loans (net of repayments)		
Evergreen Mahuva Windfarms Private Limited	0.60	-
K P Energy Mahuva Windfarms Private Limited	11.08	-0.82
HGV DTL Transmission projects Private Limited	-0.15	0.15
Ungarn Renewable Energy Private Limited	-6.05	0.68
VG DTL Transmission Projects Private Limited	-5.27	3.99
Wind Farm Developers Private Limited	8.18	5.35
	7.79	9.35
Revenue Transaction		
Purchases of Goods or Services		
K P Buildcon Private Limited	-	65.75
	-	65.75
Interest Income		
K P Buildcon Private Limited	31.72	-
	31.72	-
Sale of Goods or Services		
K P Buildcon Private Limited	-	2.20
VG DTL Transmission Projects Private Limited		3,491.53
Evergreen Mahuva Windfarms Private Limited		-
	-	3,493.73
Reimbursement of Expenses		
Evergreen Mahuva Windfarms Private Limited		900.00
VG DTL Transmission Projects Private Limited		800.00
K P I Global Infrastructure Limited		-1.54
	-	1,700.00

Mangerial Remunaration		
KMP		
Ashish Ashwin Mithani	35.41	45.00
Faruk Gulambhai Patel	32.46	40.00
Affan F. Patel	5.90	1.50
Pravin Singh	5.81	4.74
Karmit Haribhadrabhai Sheth	4.58	4.20
	84.16	95.44
Borrowings Taken		
Ashish Ashwin Mithani	3.60	
KPI Global Infrastructure Limited	450.00	
HGV DTL Transmission projects Private Limited	30.00	
	483.60	-
Borrowings Repaid		
Ashish Ashwin Mithani	3.60	
Faruk Gulambhai Patel	0.25	-
HGV DTL Transmission projects Private Limited	30.00	
K P I Global Infrastructure Limited	450.00	
	483.85	-

2.27 CONTINGENT LIABILITIES

(All amounts are in ₹ lakhs unless otherwise stated)

Claims against the company not acknowledged as debts	As at March 31, 2021	As at March 31, 2020
Income tax matters	0.00	0.00
Indirect tax matters	0.00	0.00
Legal & other matters	0.00	0.00
Corporate guarantee given	0.00	0.00

a) The Company has no pending litigations which comprises of claims against the Company by employees and pertaining to proceedings pending with various direct tax, indirect tax and other authorities except the followings.

- Public Interest Litigation No. 85 of 2016 at High Court of Gujarat
- Public Interest Litigation No. 241 of 2018 at High Court of Gujarat
- Special Civil Application No. 9120 of 2017 at High Court of Gujarat
- Special Civil Application 6303 of 2020 at High Court of Gujarat
- Special Civil Application No. 1050 of 2020 at High Court of Gujarat
- Special Civil Application No. 17093 of 2018 at High Court of Gujarat
- Special Civil Application No. 6832 of 2020 at High Court of Gujarat

The Company has reviewed all its pending litigations and proceedings and has not provided as contingent liabilities in its standalone financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its standalone financial statements.

b) The Company has not given any Bank Guarantees in respect of contingent liabilities.

2.28. The Company has presented segment information in the consolidated financial statements which are presented in the same financial report. Accordingly, in terms of Paragraph 3 of Ind AS 108 'Operating Segments', no disclosures related to segments are presented in these standalone financial statements.

For **K A Sanghavi And Co LLP**
Chartered Accountants
FRN : 0120846W/W100289

For **K. P. ENERGY LIMITED**

Amish Ashvinbhai Sanghavi
(Partner)
M. No. 101413
ICAI UDIN : 21101413AAAAET4254

Farukbhai Gulambhai Patel
(Managing Director)
(DIN:00414045)

Ashish Ashwin Mithani
(Whole Time Director)
(DIN : 00152771)

Place : Surat
Date : 25/06/2021

Karmit Haribhadrabhai sheth
(Company Secretary)

Pravin Radhekant Singh
(Chief Financial Officer)

Independent Auditors' Report

To the members of K.P. Energy Limited

Report on the Consolidated Financial Statements

OPINION

We have audited the consolidated financial statements of K P ENERGY LIMITED (hereinafter referred to as the ''Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31st March 2021, and the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and the notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information. (Hereinafter referred to as "the consolidated financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Group as at 31 March 2021, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to the Key Audit Matters to be communicated in our report.

Sr. No.	Key Audit Matter	How the matter was addressed in our Audit
1	**Evaluation of procedure for recognizing the revenue from sale of power** The company has adopted the procedure for recognizing the revenue from sale of power as unbilled revenue at the initial stage on monthly basis and once the confirmation is received from the customer and the regulatory authority in respect of the actual units of electricity transmitted, the company raises invoice to the client and the same is adjusted against the unbilled revenue booked earlier.	We have obtained the Actual Invoice raised by the company after receipt of the confirmation from the regulatory authority and the customers, Certificate of share of electricity generated by Wind Farms issued by the GETCO – State Load Dispatch Centre on monthly basis, Calculations of Wheeling Loss of wind mill on monthly basis issued by the Electricity company to the client. We have matched the documents and correlate the same with the unbilled revenue booked on monthly basis. The unbilled revenue appearing as on 31St March 2021 would be offset only after the receipt of the above documentary evidences from the respective authorities and the customers which would be settled in the subsequent F.Y. and to that extent there is the possibility that the revenue booked as unbilled revenue can be varied.

2	**Revenue recognition – Fixed price (EPCC) development contracts** The Company inter alia engages in Fixed-price (EPCC) development contracts, where, revenue is recognized using the milestone completed computed as per the input method based on management's estimate of contract costs. We identified revenue recognition of fixed price development contracts as a KAM considering there is an inherent risk around the accuracy of revenues given the customized and complex nature of these Wind farm development contracts.	Our audit procedures on revenue recognized from fixed price development contracts include obtaining an understanding of the systems, processes and controls implemented by management for recording and calculating revenue. We have tested that the revenue recognized is in accordance with the Indian accounting standard by evaluating identification of performance obligations. We have also tested management's estimation of contract cost and the obligations if any. We have observed that the estimates of cost to complete were reviewed and approved by the appropriate levels of Management. We have performed a retrospective review of costs incurred with estimated costs to identify significant variations and verify whether those variations have been considered in estimating the remaining costs to complete the contract; Assessed the appropriateness of work in progress on balance sheet by evaluating the underlying documentation to identify possible delays in achieving milestones which may require change in estimated costs to complete the remaining performance obligations. We have analyzed the reasonableness of the Contract costs.
3	**Right of Way Expenses incurred during the course of the development of EPCC contracts** The company has inter alia incurred considerable amount on Right of Way Expenses during the course of the development of EPCC contracts. These costs comprised of the compensation paid to various individuals on whose lands the transmission towers are to be erected and the stringing of transmission lines were carried out. The compensation was paid to the individuals for the loss of standing crops on the respective lands.	Our audit procedures include the verification of payment details to various individuals, land records i.e 7/12 of the land to identify the actual owners or co-owners as the case may be along with the authorization trails of the management along with the control mechanism adopted by the management with its adequate implementation of the same. We have obtained the payment vouchers or the agreements entered into by the company with these individuals directly or through any agent as the case may be. We have verified the payment vouchers and agreements on test check basis to identify the actual person to whom the compensation was paid by the company and also verified the consent of other co-owners where the compensation was paid to one of the co-owners. The company has accounted for all the amounts which were paid as compensation to these individuals and charged the same to the revenue, however, in the case of the compensation paid in the month of March 2021, the payment vouchers with proper authorization have been produced before us and in such cases, the agreements were remained to be executed because of the outbreak of Covid-19 and consequential lockdown. Till the date of our audit report, the said agreements are not executed to the full extent.

OTHER INFORMATION

The Holding company's management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Holding company's annual report, but does not include the consolidated Financial Statements and our Auditor's Report thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT'S AND BOARD OF DIRECTOR'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the each company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Board of Directors of the companies included in the Group are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of each company.

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls based on our audit.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and the Board of Directors.

- Conclude on the appropriateness of management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group (Holding Company and Subsidiaries) to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements of which we are the independent auditors.

We communicate with those charged with governance of Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

(A) As required by section 143(3) of the Act, based on our audit we report, to the extent applicable, that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors of the Holding Company as on 31st March 2021 taken on record by the Board of Directors of the Holding Company and its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India are disqualified as on 31st March 2021 from being appointed as a director in terms of section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

(B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations as at 31st March 2021 on its financial position in its consolidated financial statements. Refer Note 2.27 to the consolidated financial statements;

The company has following pending litigations

- Public Interest Litigation No. 85 of 2016 at High Court of Gujarat
- Public Interest Litigation No. 241 of 2018 at High Court of Gujarat
- Special Civil Application No. 9120 of 2017 at High Court of Gujarat
- Special Civil Application 6303 of 2020 at High Court of Gujarat
- Special Civil Application No. 1050 of 2020 at High Court of Gujarat
- Special Civil Application No. 17093 of 2018 at High Court of Gujarat
- Special Civil Application No. 6832 of 2020 at High Court of Gujarat

ii. The Company did not have any long term contracts including derivatives contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

(C) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us the remuneration paid during the current year by the Holding Company and its subsidiary companies, where applicable, to its directors is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary companies is not in excess of the limit laid down under section 197 of the Act.

for **K A Sanghavi and Co LLP**
Chartered Accountants
FRN : 120846W / W100289

Amish Ashvinbhai Sanghavi
Partner
M. NO. 101413
ICAI UDIN : 21101413AAAAET4254

Place: Surat
Date: 25/06/2021

Annexure - A

To the Independent Auditor's report to the Consolidated Financial Statements of K. P. ENERGY LIMITED for the year ended on 31ST March, 2021.

(Referred to in paragraph A(f) under 'Report on Other Legal and Regulatory Requirements' section of Our report to the Members of K.P. Energy Limited of even date)

Report on the internal financial controls over financial reporting with reference to the aforesaid consolidated financial statements under section 143(3)(i) of the Companies Act,

OPINION:

In conjunction with our audit of the consolidated financial statements of **K.P. ENERGY LIMITED** (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2021, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Company's management and Board of Directors of the Company are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on internal financial controls with reference to consolidated financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of such internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial with reference to consolidated financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO FINANCIAL STATEMENTS

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to the financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

for **K A Sanghavi and Co LLP**
Chartered Accountants
FRN : 120846W / W100289

Place: Surat
Date: 25/06/2021

Amish Ashvinbhai Sanghavi
Partner
M. NO. 101413
ICAI UDIN : 21101413AAAAET4254

Consolidated Balance Sheet

As at March 31, 2021

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	Note	As at March 31, 2021	As at March 31, 2020
Assets			
Non-current assets			
Property, plant and equipment		13,192.55	8,060.43
Capital work-in-progress		1,090.59	4,951.50
Intangible assets			
Financial assets			
Investments	2.2	100.00	-
Loan		-	-
Other financial assets	2.4	43.21	27.58
Deferred tax assets (net)	2.13	-	-
Other non current assets	2.8	489.80	42.69
Total non current assets		**14,916.15**	**13,082.20**
Current assets			
Inventories	2.5	8,010.34	8,022.24
Financial assets			
Trade receivable	2.6	419.43	1,094.75
Cash and cash equivalent	2.7	118.67	91.97
Other bank balance	2.7	1,549.19	669.07
Loan	2.3	267.59	469.30
Other financial assets	2.4	120.22	87.63
Current tax assets (net)		-	-
Other current assets	2.8	1,678.69	2,476.12
Total current assets		**12,164.13**	**12,911.08**
Total assets		**27,080.28**	**25,993.28**
Equity and liabilities			
Equity			
Equity share capital	2.9	1,111.50	1,111.50
Other equity	2.10	5,451.25	4,845.31
Minority interest		2,347.30	2,462.02
Total equity		**8,910.05**	**8,418.83**
Non current liabilities			
Financial liabilities			
Borrowings	2.11	2,115.66	2,578.98
Other financial liabilities	2.12	8,573.13	5,000.00
Provisions		-	-
Deferred tax liabilities (net)		1,555.71	1,303.61
Other non current liabilities		927.87	684.36
Total non current liabilities		**13,172.37**	**9,566.95**
Current liabilities			
Financial Liabilities			
Borrowings	2.11	636.81	534.64
Trade payables	2.15	3,541.60	4,378.81
Other financial liabilities	2.12	607.45	626.34
Other current liabilities	2.14	58.67	2,414.95
Provisions		-	-
Current tax liabilities (net)	2.16	153.33	52.76
Total current liabilities		**4,997.86**	**8,007.50**
Total liabilities		**18,170.23**	**17,574.45**
Total equity and liabilities		**27,080.28**	**25,993.28**

The accompanying Notes form an integral part of the Consolidated Financial Statements.
In terms of our attached report of even date

For **K A Sanghavi And Co LLP**
Chartered Accountants
FRN : 0120846W/W100289

For **K. P. ENERGY LIMITED**

Amish Ashvinbhai Sanghavi
(Partner)
M. No. 101413
ICAI UDIN : 21101413AAAAET4254

Farukbhai Gulambhai Patel
(Managing Director)
(DIN:00414045)

Ashish Ashwin Mithani
(Whole Time Director)
(DIN : 00152771)

Place : Surat
Date : 25/06/2021

Karmit Haribhadrabhai sheth
(Company Secretary)

Pravin Radhekant Singh
(Chief Financial Officer)

Consolidated Statement of Profit and Loss

For the year ended March 31, 2021

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	Note	As at March 31, 2021	As at March 31, 2020
Revenue			
Revenue from operations	2.17	7,173.59	7,499.25
Other income	2.18	147.63	59.73
Total income		**7,321.21**	**7,558.98**
Expense			
Cost of material consumed	2.19	3,187.94	4,519.50
Purchase of stock-in-trade			
Changes in inventories of finished goods and stock in trade			
Employee benefits expense	2.19	693.77	702.91
Finance cost	2.19	519.50	462.13
Depreciation and amortisation expense	2.1	461.61	397.01
Other expenses	2.19	1,508.63	1,199.13
Total		**6,371.45**	**7,280.68**
Profit / (loss) before tax		**949.77**	**278.30**
Tax expenses			
Current tax		177.24	52.76
Minimum alternate tax entitlement		-	(52.76)
Deferred tax (credit) / charge		166.59	168.28
Total tax expenses		**343.83**	**168.28**
Profit / (loss) for the year from continuing operations		**605.94**	**110.02**
Profit / (loss) from the discontinuing operations			
Tax expenses of discontinuing operations			
Profit / (loss) from the discontinuing operations (after tax)			
Profit / (loss) for the period		**605.94**	**110.02**
Earning per equity share:			
(i) Basic		5.45	0.99
(ii) Diluted		5.40	0.98

The accompanying Notes form an integral part of the Consolidated Financial Statements.
In terms of our attached report of even date

For **K A Sanghavi And Co LLP**
Chartered Accountants
FRN : 0120846W/W100289

For **K. P. ENERGY LIMITED**

Amish Ashvinbhai Sanghavi
(Partner)
M. No. 101413
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Farukbhai Gulambhai Patel
(Managing Director)
(DIN:00414045)

Ashish Ashwin Mithani
(Whole Time Director)
(DIN : 00152771)

Place : Surat
Date : 25/06/2021

Karmit Haribhadrabhai sheth
(Company Secretary)

Pravin Radhekant Singh
(Chief Financial Officer)

Consolidated Cash Flow Statement

For the year ended March 31, 2021

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Cash flow from operating activities		
Profit / (loss) before tax and exceptional items	949.77	278.30
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation and amortisation expense	461.61	397.01
Loss/(Profit) on sale of fixed assets	2.06	
Amounts written off	17.30	
Interest income	(80.09)	(51.53)
Finance Cost on Right of Use assets	33.38	
Dividend income from non-trade investments	-	
Operating profit / (loss) before working capital change	**1,384.03**	**623.78**
Changes in operating assets and liabilities		
Increase/ (Decrease) in trade payables	(837.21)	(1,167.41)
Increase/ (Decrease) in provisions and other liabilities	(18.89)	30.70
Increase/ (Decrease) in other current and other non-current liabilities	(2,711.28)	1,355.48
Decrease/ (Increase) in trade receivables	675.32	2,373.23
Decrease/ (Increase) in inventories	11.90	(4,596.09)
Decrease/ (Increase) in other current and other non-current financial assets	153.49	8.03
Decrease/ (Increase) in other current and other non-current assets	411.47	(1,097.56)
Cash (used in) / generated from operating activities	**(931.17)**	**(2,469.85)**
Income taxes paid (net of refunds)	(137.83)	(370.55)
Net cash (used in) / generated from operating activities (A)	**(1,069.00)**	**(2,840.40)**
Cash flow from investing activities		
Purchase of fixed assets including intangible assets, capital work in progress and capital advances	(1,192.52)	(4,088.98)
Increase In Right-of-Use Assets	(603.61)	-
Proceeds from sale of fixed assets	14.75	-
Purchase of non-current investments	(100.00)	-
Interest received	80.09	51.53
Dividends received	-	-
Net cash (used in) / generated from investing activities (B)	**(1,801.29)**	**(4,037.45)**
Cash flow from financing activities		
Proceeds from issue of equity shares (net of share issue expenses)	-	-
Security Premium	-	-
Minority Interest	-	2,460.00
Proceeds/ (Repayment) from long-term borrowings (net)	3,109.81	4,526.70
Proceeds/ (Repayment) of short term borrowings (net)	102.17	39.46
Proceeds/ (Repayment) of lease liability (net)	598.51	-
Cash payments for the interest portion of the lease liability	(33.38)	-
Dividends paid on equity shares	-	(111.15)
Tax on equity dividend paid	-	(22.85)
Net cash (used in) / generated from financing activities (C)	**3,777.11**	**6,892.16**
Net Increase / (decrease) in cash and cash equivalent (A+B+C)	**906.82**	**14.30**
Cash and cash equivalent at the beginning of the year	**761.04**	**746.74**
Cash and cash equivalent at the end of the year	**1,667.86**	**761.04**
Components of cash and cash equivalents (refer note 2.7)	1,667.86	761.04
Cash on hand	4.34	47.15
Balances with banks		
- on current account	114.33	44.82
- other bank balance	**1549.19**	**669.07**

1. The figures in brackets represent outflows.

2. Previous period's figures have been regrouped / reclassified, wherever necessary, to confirm to current year

The accompanying Notes form an integral part of the Consolidated Financial Statements.
In terms of our attached report of even date

For **K A Sanghavi And Co LLP**
Chartered Accountants
FRN : 0120846W/W100289

For **K. P. ENERGY LIMITED**

Amish Ashvinbhai Sanghavi
(Partner)
M. No. 101413
ICAI UDIN : 21101413AAAAET4254

Farukbhai Gulambhai Patel
(Managing Director)
(DIN:00414045)

Ashish Ashwin Mithani
(Whole Time Director)
(DIN : 00152771)

Place : Surat
Date : 25/06/2021

Karmit Haribhadrabhai sheth
(Company Secretary)

Pravin Radhekant Singh
(Chief Financial Officer)

Consolidated Statement of Changes in Equity

For the year ended March 31, 2021

A. EQUITY SHARE CAPITAL

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2020
Balance as at April 01, 2019	**1,111.50**
Issued during the year	-
Balance as at March 31, 2020	**1,111.50**
Issued during the year	-
Balance as at March 31, 2021	**1,111.50**

B. OTHER EQUITY

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	Reserves and surplus		Other Components of Equity	Total
	Security premium reserve	Retained earnings		
Balance as at April 01, 2019	**-**	**4,306.54**	**-**	**4,306.54**
Profit for the year	-	110.02	-	110.02
Items of OCI for the year :-	**-**	**-**	**-**	**-**
Final dividend	-	(111.15)	-	(111.15)
Tax on dividend	-	(22.85)	-	(22.85)
Amount utilised for Bonus Issue	-	-		-
Balance as at March 31, 2020	**-**	**4,282.55**	**-**	**4,282.55**
Balance as at April 01, 2020	**-**	**4,282.55**	**-**	**4,282.55**
Profit for the year	-	605.94	-	605.94
Items of OCI for the year :-	**-**	**-**	**-**	**-**
Final dividend	-	-	-	-
Tax on dividend	-	-	-	-
Amount utilised for Bonus Issue	-	-	-	-
Balance as at March 31, 2021	**-**	**4888.49**	**-**	**4888.49**

For **K A Sanghavi And Co LLP**
Chartered Accountants
FRN : 0120846W/W100289

Amish Ashvinbhai Sanghavi
(Partner)
M. No. 101413
ICAI UDIN : 21101413AAAAET4254

Place : Surat
Date : 25/06/2021

For **K. P. ENERGY LIMITED**

Farukbhai Gulambhai Patel
(Managing Director)
(DIN:00414045)

Ashish Ashwin Mithani
(Whole Time Director)
(DIN : 00152771)

Karmit Haribhadrabhai sheth
(Company Secretary)

Pravin Radhekant Singh
(Chief Financial Officer)

Company Overview and Significant Accounting Policies

1.1. GROUP INFORMATION

K.P. Energy Limited ("the Company") was incorporated on 08/01/2010. The Company is a Public Limited company domiciled in India with its Registered Office Located at "KP House", Opp. Ishwar Farm Junction BRTS, Near Bliss IVF Circle, Canal Road, Bhatar, Surat 395017, Gujarat. The Company is listed on The Bombay Stock Exchange (BSE). The Company is primarily engaged in development of Balance of Plant of Wind Power Projects and allied services related to it along with generation of electricity through own wind power generating assets and Operation and Maintenance services of BoP OF Wind Power Projects primarily in India.

The Company and its following subsidiaries (jointly referred to as the 'Group' herein under) considered in these consolidated financial statements are:

(All amounts are in ₹ lakhs unless otherwise stated)

Name of Subsidiary	Country of Incorporation	Proportion (%) of Equity Interest	
		As at March 31, 2021	As at March 31, 2020
Belampar Power Infra LLP	India	99.00%	99.00%
Hajipir Renewable Energy LLP	India	99.00%	99.00%
Mahuva Power Infra LLP	India	99.00%	99.00%
Manar Power Infra LLP	India	99.00%	99.00%
Miyani Power Infra LLP	India	99.00%	99.00%
Vanki Renewable Energy LLP	India	99.00%	99.00%
Evergreen Mahuva Windfarms Private Limited	India	51.00%	51.00%
HGV DTL Transmission projects Private Limited	India	100.00%	100.00%
K.P Energy Mahuva Windfarms Private Limited	India	99.03%	99.03%
Ungarn Renewable Energy Private Limited	India	98.20%	98.20%
VG DTL Transmission Projects Private Limited	India	50.00%	50.00%
Wind Farm Developers Private Limited	India	98.77%	98.77%

1.2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

These Consolidated financial statements are prepared in accordance with Indian Accounting Standards (hereinafter referred to as the Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rule, 2015 as amended from time to time.

The Group has adopted all the Ind AS standards as applicable to the Group. The consolidated financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the consolidated financial statements except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

The consolidated financial statements are presented in INR (in lakhs), the functional currency of the Group. Items included in the consolidated financial statements of the Group are recorded using the currency of the primary economic environment in which the Group operates (the 'functional currency').

The consolidated financial statements of the Group for the year ended March 31, 2021 were approved for issue in accordance with the resolution of the Board of Directors on June 25, 2021.

1.3. USE OF ESTIMATES

The preparation of the consolidated financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in Note 1.4. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of the changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19):

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 in the preparation of these standalone financial statements including the recoverability of carrying amounts of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company has, at the date of approval of these financial statements, used internal and external sources of information including credit reports and related information and economic forecasts and expects that the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these standalone financial statements.

1.4. CRITICAL ACCOUNTING ESTIMATES

i) Revenue recognition

The group uses the percentage-of-completion method in accounting for its fixed-price contracts. The use of the percentage-of-completion method requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

ii) Taxes

- Current income tax

  Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in India where the Company operates and generates taxable income.

  Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

- Deferred tax

  Deferred tax is recognized in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes at the reporting date.

  Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits (Minimum alternate tax credit entitlement) and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

  The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

- Minimum alternate tax

  Ind AS 12 defines deferred tax to include carry forward of unused tax credits. MAT credits are in the form of unused tax credits that are carried forward by the entity for a specified period of time. Accordingly, MAT credit entitlement should be shown separately in the balance sheet.

iii) Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of the Group's assets are determined by the Management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

<u>Significant Accounting Policies</u>

1.5. CURRENT VERSUS NON-CURRENT CLASSIFICATION

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
- All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

1.6. REVENUE RECOGNITION

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as goods and services tax and other applicable taxes etc.

The Company applies the revenue recognition criteria to each separately identifiable component of the sales transaction as set out below:

Sale of goods:

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, there is neither continuing managerial involvement with the goods nor effective control over the goods sold, it is probable that economic benefits will flow to the Company, the costs incurred or to be incurred in respect of the transaction can be measured reliably and the amount of revenue can be measured reliably.

Sale of power

Revenue from sale of power is recognized when there is actual transmission of power and considerable certainty for recoverability of the revenue exists once the actual transmission of power is confirmed from the regulatory authorities. The group recognises the revenue from sale of power as unbilled revenue on monthly basis and the same is settled after the group receives the confirmation from regulatory authorities and the customer in respect of the actual units transmitted and thereafter the actual Invoice is raised to the customer and the same is settled against the unbilled revenue recognised for the said customer. Revenue from the end of the last billing to the Balance Sheet date is recognized as unbilled revenues.

Revenue from Infrastructure development and work contract income

Revenue on time-and-material contracts are recognized as the related services are performed and revenue from the end of the last billing to the Balance Sheet date is recognized as unbilled revenues. Revenue from fixed-price, fixed-timeframe contracts, where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. When there is uncertainty as to the measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the current contract estimates. Costs and earnings in excess of billings are classified as unbilled revenue while billings in excess of costs and earnings are classified as unearned revenue. Deferred contract costs are amortized over the term of the contract. Maintenance revenue is recognized rateably over the term of the underlying maintenance arrangement.

Interest Income:

Interest income is recognised on time proportion basis taking into account the amount outstanding and rate applicable. Interest income is recognised using the effective interest rate (EIR) method.

For all Financial Assets measured at amortized cost, interest income is recorded using the effective interest rate (EIR) i.e. the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial assets. The future cash flows include all other transaction costs paid or received, premiums or discounts if any, etc.

Dividend income

Dividend income is recognised at the time when right to receive the payment is established, which is generally when the shareholders approve the dividend.

1.7. INVENTORY

Inventories are valued as follows:

Raw materials, stores and spares

Raw materials, components, stores and spares are valued at lower of cost and net realisable value. Cost of raw materials, components and stores and spares is determined on a "First-in, First-out" basis and includes interest on raw materials as a carrying cost of materials where such materials are stored for a substantial period of time. Stores and spares having useful life of more than twelve months are capitalised as tangible assets under "Property, plant and equipment" and are depreciated prospectively over their remaining useful lives in accordance with Ind AS 16.

Work in progress

Lower of cost and net realisable value. Cost includes raw material cost and a proportion of direct and indirect overheads up to estimated stage of completion.

1.8. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the Management. The Group depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:

Building (Temporary structure) | 3 years[1]

Building (Permanent structure) | 60 years[1]

Computer equipment | 3 years[1]

Electrical installation and equipment | 10 years[1]

Furniture and fixtures | 10 years[1]

Vehicles (Heavy) | 8 years[1]

Vehicles (Others) | 10 years[1]

Office equipment | 5 years[1]

Plant and machinery | 15 years[1]

Wind power generation plant | 22 years[1]

Freehold land is not depreciated.

[1]Based on technical evaluation, the Management believes that the useful lives as given above best represent the period over which the Management expects to use these assets. Hence, the useful lives for these assets may be different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment are capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss. Assets to be disposed of are reported at the lower of the carrying value or the fair value less cost to sell.

1.9. INTANGIBLE ASSETS

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

1.10. INVESTMENTS IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Investments in Subsidiaries, Associates and Joint Ventures are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, associates and joint venture, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

1.11. BORROWING COST

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest calculated using the effective interest rate (EIR) and other costs like finance charges in respect of the finance leases recognised in accordance with Ind AS 17, that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

1.12. FINANCIAL INSTRUMENTS

1.12.1. Initial recognition

The Group recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

If the Group determines that the fair value at initial recognition differs from the transaction price, the Group accounts for that instrument at that date as follows:

- At the measurement basis mentioned above if that fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets. The Group recognises the difference between the fair value at initial recognition and the transaction price as a gain or loss.

- In all other cases, at the measurement basis mentioned above, adjusted to defer the difference between the fair value at initial recognition and the transaction price. After initial recognition, the Group recognises that deferred difference as a gain or loss only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

1.12.2. Subsequent measurement

a) Non-derivative financial instruments

i. Financial assets carried at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii. Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Group has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

iii. Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss.

iv. Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit or loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts being approximate fair value due to the short maturity of these instruments.

v. Investment in subsidiaries

Investment in subsidiaries is carried at cost in accordance with IND AS 27- separate financial statements.

b) Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognized as deduction from equity, net of any tax effects.

DE recognition of financial instruments

The Group derecognizes a financial asset when the contractual rights to the cash flow from the financial asset expire or it transfers the financial asset and the transfer qualifies for DE recognition under Ind AS 109. A financial liability (or a part of financial liability) is derecognized from the Group's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

1.13. FAIR VALUE OF FINANCIAL INSTRUMENTS

In determining the fair value of its financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amounts being approximate fair value due to the short maturity of these instruments.

1.14. FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

1.15. ASSETS HELD FOR SALE

Non-current assets or disposal groups comprising of assets and liabilities are classified as 'held for sale' when all the following criteria are met: (i) decision has been made to sell, (ii) the assets are available for immediate sale in its present condition, (iii) the assets are being actively marketed and (iv) sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date.

Subsequently, such non-current assets and disposal groups classified as 'held for sale' are measured at the lower of its carrying value and fair value less costs to sell. Non-current assets held for sale are not depreciated or amortised.

1.16. IMPAIRMENT

a) Financial asset

The Group recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECLs (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in profit or loss.

b) Non-financial assets

Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

1.17. PROVISIONS

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

1.18. FOREIGN CURRENCY

o Functional currency

The functional currency of the Group is the Indian rupee. These financial statements are presented in Indian rupees.

o Transactions and translations

Foreign-currency-denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from such translations are included in net profit in the Statement of Profit and Loss. Non monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

1.19. EARNINGS PER EQUITY SHARE

Basic earnings per equity share are computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share are computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

1.20. EMPLOYEE BENEFITS

Provident fund

Eligible employees of K.P. Energy Ltd receive benefits from a provident fund, which is a defined benefit plan. Both the eligible employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. There are no other obligation other than contribution payable to the respective statutory authorities.

No retirement benefits have been paid to any employee during the year by the company. Retirement benefits in the form of Gratuity and other long term / short term employee benefits have not been provided in the financial statements.

1.21. CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

1.22. DIVIDENDS

The final dividend on shares is recorded as a liability on the date of approval by the shareholders, and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

1.23. GOVERNMENT GRANTS AND SUBSIDIES

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

1.24. CONTINGENT LIABILITIES

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

1.25. LEASES

Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments under operating leases are recognized as an expense on a straight-line basis in net profit in the Statement of Profit and Loss over the lease term.

1.26. SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

- **Identification of segments:**

  In accordance with Ind AS 108– Operating Segment, the operating segments used to present segment information are identified on the basis of information reviewed by the Company's management to allocate resources to the segments and assess their performance. An operating segment is a component of the Company that engages in business activities from which it earns revenues and incurs expenses, including revenues and expenses that relate to transactions with any of the Company's other components. Results of the operating segments are reviewed regularly by the management team (chairman and chief financial officer) which has been identified as the chief operating decision maker (CODM), to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

- **Allocation of common costs:**

  Common allocable costs are allocated to each segment accordingly to the relative contribution of each segment to the total common costs.

- **Unallocated items:**

  Revenues and expenses, which relate to the Company as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocated corporate expenses". Assets and liabilities, which relate to the Company as a whole and are not allocable to segments on reasonable basis, are shown as unallocated corporate assets and liabilities respectively.

- **Segment accounting policies:**

  The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

1.27. CASH AND CASH EQUIVALENTS

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

1.28. SIGNIFICANT MANAGEMENT JUDGEMENT IN APPLYING ACCOUNTING POLICIES AND ESTIMATION UNCERTAINTY

The following are the critical judgments and the key estimates concerning the future that management has made in the process of applying the Group's accounting policies and that may have the most significant effect on the amounts recognised in the financial Statements or that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

a) Evaluation of indicators for impairment of assets

The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

b) Recognition of deferred tax liabilities

The extent to which deferred tax liabilities can be recognised is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilised.

1.29. RECENT ACCOUNTING PRONOUNCEMENTS

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.

2.1 PROPERTY, PLANT AND EQIPMENT

The changes in the carrying vale of property, plant and equipment for the year ended March 31, 2021 are as follows:

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	Land-Freehold	Buildings	Plant & Machinery	Office Equipment	Computer Equipment	Furniture & Fixtures	Vehicles	Total
Gross Carrying Value As Of April 01, 2020	451.49	224.44	8,251.22	78.08	44.76	192.64	84.06	9,326.68
Additions	49.22	24.14	4,924.90	9.23	3.28	6.61	37.16	5,054.53
Deletions	1.11(1)	25.62	3.63	1.15	1.02	2.71	31.96	67.20
Gross Carrying Value As Of March 31, 2021	499.60	222.96	13,172.48	86.16	47.02	196.54	89.25	14,314.01
Accumulated Depreciation As Of April 01, 2020	-	23.34	1,134.55	19.93	24.66	36.94	26.84	1,266.25
Depreciation	-	9.09	414.86	8.11	8.28	18.57	9.45	468.34
Accumulated Depreciation On Deletions	-	12.88	1.13	0.66	0.97	1.20	15.15	31.98
Accumulated Depreciation As Of March 31, 2021	-	19.55	1,548.28	27.38	31.97	54.31	21.13	1,702.62
Carrying Value As Of March 31, 2021	**499.60**	**203.41**	**11,624.20**	**58.78**	**15.05**	**142.23**	**68.12**	**12,611.39**
Carrying Value As Of March 31, 2020	**451.49**	**201.09**	**7,116.66**	**58.15**	**20.11**	**155.70**	**57.22**	**8,060.43**

The Changes in the carrying vale of right of use assets for the year ended March 31, 2021 are as follows:

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	Land-Freehold	Buildings	Plant & Machinery	Office Equipment	Computer Equipment	Furniture & Fixtures	Vehicles	Total
Gross carrying value as of april 01, 2020	-	-	-	-	-	-	-	-
Additions	-	603.61	-	-	-	-	-	603.61
Deletions	-	-	-	-	-	-	-	-
Gross carrying value as of march 31, 2021	-	603.61	-	-	-	-	-	603.61
Accumulated depreciation as of april 01, 2020	-	-	-	-	-	-	-	-
Depreciation	-	22.45	-	-	-	-	-	22.45
Accumulated depreciation on deletions	-	-	-	-	-	-	-	-

Accumulated depreciation as of march 31, 2021	-	22.45	-	-	-	-	-	22.45
Carrying value as of march 31, 2021	**-**	**581.16**	**-**	**-**	**-**	**-**	**-**	**581.16**
Carrying value as of march 31, 2020	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

The Changes in the carrying vale of Property, Plant and Equipment for the year ended March 31, 2020 are as follows:

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	Land-Freehold	Buildings	Plant & Machinery	Office Equipment	Computer Equipment	Furniture & Fixtures	Vehicles	Total
Gross Carrying Value As Of April 01, 2019	450.50	224.44	8,242.63	48.80	27.58	91.68	65.96	9,151.58
Additions	0.99	-	8.59	29.28	17.18	100.96	18.10	175.10
Deletions	-	-	-	-	-	-		-
Gross Carrying Value As Of March 31, 2020	451.49	224.44	8,251.22	78.08	44.76	192.64	84.06	9,326.68
Accumulated Depreciation As Of April 01, 2019	-	14.33	778.48	13.99	18.06	25.96	18.42	869.25
Depreciation	-	9.01	356.07	5.93	6.59	10.98	8.42	397.01
Accumulated Depreciation On Deletions	-	-	-	-	-	-		-
Accumulated Depreciation As Of March 31, 2020	-	23.34	1,134.55	19.93	24.66	36.94	26.84	1,266.25
Carrying Value As Of March 31, 2020	**451.49**	**201.09**	**7,116.66**	**58.15**	**20.11**	**155.70**	**57.22**	**8,060.43**
Carrying Value As Of March 31, 2019	**450.50**	**210.11**	**7,464.15**	**34.81**	**9.52**	**65.73**	**47.54**	**8,282.34**

The Changes in the carrying vale of right of use assets for the year ended March 31, 2020 are as follows:

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	Land-Freehold	Buildings	Plant & Machinery	Office Equipment	Computer Equipment	Furniture & Fixtures	Vehicles	Total
Gross Carrying Value As Of April 01, 2019	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-
Deletions	-	-						-
Gross Carrying Value As Of March 31, 2021	-	-	-	-	-	-	-	-
Accumulated Depreciation As Of April 01, 2019	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-
Accumulated Depreciation On Deletions	-	-	-	-	-	-	-	-
Accumulated Depreciation As Of March 31, 2020	-	-	-	-	-	-	-	-
Carrying Value As Of March 31, 2020	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Carrying Value As Of March 31, 2019	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

(1) The amount is actually the advance given for land which was wrongly added to the Land in earlier year which is now rectified and transferred to Other Non-current assets –Schedule 2.8

a) There is no intent to sale any of the assets held by the company and hence there is no fixed assets held for disposal.

b) There is no lease hold fixed asset held by the company during the year under reporting and in the preceding year.

c) Property plant and equipment pledged as security

Refer schedule no. 2.11 for information on property, plant and equipment pledged as security by the Company.

d) All the assets purchased during the year were put to use before 31st March 2021 (31st march 2020). The assets which are not put to use during the year are separately shown under capital work-in-progress at the year end.

2.2 INVESTMENTS

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Non Current Investment		
Equity instruments of subsidiaries	-	-
Equity instruments of other companies		
- Suzlon Energy Limited	100.00	-
Total Carrying Value	**100.00**	**-**

2.3 LOANS

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Current		
Unsecured, considered good		
Loan to Group Companies (refer: related party transaction note 2.26)	262.86	466.81
Other loans		
Loans to employees	4.74	2.49
Total Loans	**267.59**	**469.30**

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Loan to Group Companies		
K P Buildcon Pvt Ltd	262.86	466.81
Total	**262.86**	**466.81**

2.4 OTHER FINANCIAL ASSETS

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Non Current		
Security Deposits	25.81	10.18
Rental Deposits	17.40	17.40
Total	**43.21**	**27.58**

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Current		
Unbilled Revenues	120.22	87.63
Total	**120.22**	**87.63**

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Non Current		
Security Deposits		
Amrut Ganga Water Deposit	0.05	0.05
BSE deposit		
Federation Of Gujarat Industries A/C Switch	1.09	1.09
Hanumant Pharma	0.25	0.25
Labour License Security Deposit(Gandhidham)	1.76	1.76
Labour License Security Deposit(DWK)	2.43	
Vat Deposit	0.10	0.10
P.G.V.C.L. Deposit	18.55	5.35
Shri Hanumant Seva Medical	0.25	0.25

Manikaran Analytics Limited	0.82	0.82
Coffee Day Global Limited	0.52	0.52
Total	**25.81**	**10.18**
Rent Deposits		
Security Deposit for rent	3.00	3.00
Gadhsisa Guest House Deposit	0.10	0.10
K. P. House Rent Deposit	11.00	11.00
Guest House Deposit - Ila D. Parikh	0.30	0.30
Office Deposit	3.00	3.00
Total	**17.40**	**17.40**

2.5 INVENTORIES

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Closing Stock	8010.34	8022.24
Total	**8010.34**	**8022.24**

Inventories are valued at cost or net realisable value whichever is lower by following FIFO method in respect of the materials on hand as on the balance sheet date. Other direct costs incurred till the balance sheet date for the project are also included in the inventories on actual basis. Costs incurred for lease hold lands are included in inventories on accrual basis. The closing inventory has been valued and certified by the management.

2.6 TRADE RECEIVABLES

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Current		
Unsecured		
Considered good [1]	419.43	1094.75
Considered doubtful		
Total	**419.43**	**1,094.75**

[1]Sundry debtors are trade receivables which are due in respect of goods sold in the normal course of the business.

2.7 CASH AND CASH EQUIVALENTS

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance with Bank		
In current accounts	114.33	44.82
Cash on Hand	4.35	47.16
Total	**118.67**	**91.97**

Deposit with more than 12 months maturity –

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
In Current Accounts		
Axis Bank Account	-	2.04
Kotak Bank Account	0.02	0.75
Yes Bank Account	0.03	0.03
State Bank Of India	114.27	41.99
Total	**114.33**	**44.82**

Others Bank Balance

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
In Unpaid Dividend Accounts		
State bank of india unpaid dividend account	0.30	0.11
In Deposit Accounts		
Fixed deposit with state bank of india [1]	1,174.99	315.48
Fixed deposit with sidbi [1]	373.90	353.48
Total	**1,549.19**	**669.07**

[1] Fixed deposits with SBI and SIDBI are stated with Accrued Interest up to the date of the Balance sheet on the basis of the Interest Certificates obtained from the respective Banks by the management.

2.8 OTHER ASSETS

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Non Current		
Others		
Advances for land	40.79	39.68
Suzlon Energy limited	446.00	-
Prepaid transmission line expense	3.01	3.01
Total	**489.80**	**42.69**

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Current		
Others		
Prepaid expenses	29.49	12.51
Withholding taxes and others	1,649.20	2,463.61
Total	**1,678.69**	**2,476.13**

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Prepaid expenses		
Prepaid Insurance Expense	17.54	11.37
Prepaid Interest Expense	4.11	-
Prepaid Internet Expense	0.63	0.02
Prepaid Metmast Expense	0.07	0.23
Prepaid Rent Expense	4.66	0.47
Prepaid Software Expense	0.10	0.02
Prepaid O & M Expense	1.36	-
Prepaid Local Tax Expense	1.03	-
Prepaid Transmission Line Expense	-	0.42
Total	**29.49**	**12.51**
Withholding taxes		
TCS Receivable	0.04	-
TDS Receivable	172.43	111.32
Others		
GST Credit Receivable	0.34	393.16
Capital First Limited Tds Receivable	0.22	0.22
Works Contract Payable 0.6%	-	14.42
MAT Credit Entitlement	574.53	598.45
Renew Wind Energy Pvt Ltd	1.03	-
Receivables From Subsidiaries [1]	-	900.00
Fast Tag A/C	-	0.02
Advances To Suzlon Energy Limited	-	446.00
Reimbursement Receivables	0.60	-
GETCO (BG)	150.00	-
GUVNL (BG)	750.00	-
My Biz A/C	-	0.03
Total	**1,649.20**	**2,463.61**

2.9 EQUITY

Equity Share Capital

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Authorized		
Equity shares, ₹ 10 par value		
1,25,00,000	1250.00	1250.00
(1,25,00,000) [1]		
Issued, subscribed and paid up		
Equity shares, ₹ 10 par value		
1,11,15,000	1111.50	1111.50
(1,11,15,000) [1]		

[1] Represents number of shares as on March 31, 2020

Terms / rights attached to equity shares

The company has only one class of equity shares having a par value of rs 10 each. Each holder of equity shares is entitled to one vote per share.

During the year the company has not declared any dividend for f.y. 2019-20 and also the company has not declared any interim dividend nor proposed any final dividend for the year ended on 31st march, 2021.

In the event of liquidation of the company, the holder of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

During the year ended march 31, 2021 the company has not issued any bonus shares.

Details of convertible securities:

The company has not issued any securities convertible into equity or preference shares.

Details of shares reserved for employees stock options:

The company has not reserved any shares for employees stock options.

Holding More Than 5%

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	31-Mar-2021		31-Mar-2020	
	Number of shares	% held	Number of shares	% held
Ashish Ashwin Mithani	1482922	13.34%	1482922	13.34%
Farukbhai Gulambhai patel	5329428	47.95%	5403125	48.61%
Veer value ventures LLP	564484	5.08%	650000	5.85%

Details of share for Preceding Five years

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	31-Mar-2021	31-Mar-2020	31-Mar-2019	31-Mar-2018	31-Mar-2017
Number of equity shares bought back			-	-	-
Number of preference shares reedeemed			-	-	-
Number of equity shares issued as bonus share			25,65,000		51,30,000
Number of preference shares issued as bonus share			-	-	-
Number of equity shares allotted for contracts without payment received in cash			-	-	-
Number of preference shares allotted for contracts without payment received in cash			-	-	-

Reconciliation

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	31-Mar-2021		31-Mar-2020	
	Number of share	Amount	Number of share	Amount
Number of shares at the beginning	11,11,50,000	11,11,50,000	1,11,15,000	11,11,50,000
Add: Bonus Isssue	-	-	-	-
Less: Bought back	-	-	-	-
Others	-	-	-	-
Number of shares at the end	11,11,50,000	11,11,50,000	1,11,15,000	11,11,50,000

2.10 OTHER EQUITY

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Retained earnings [1]	4,888.49	4,282.55
General reserve	-	-
Security premium reserve	-	-
0% compulsorily convertible denture	562.76	562.76
Total	**5,451.25**	**4,845.31**

Retained Earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, Dividends or other distributions paid to shareholders.

Securities premium reserve:

Securities premium reserve represents premium received on issue of shares.

[1] **Retained earnings**

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Balance	**4,282.55**	**4,306.53**
Add: Profit earned during the year	605.94	110.02
Less: Dividend Paid	-	111.15
Dividend distribution tax paid	-	22.85
Bonus shares issued	-	-
Closing Balance	**4,888.49**	**4,282.55**

2.11 LONG TERM BORROWING

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Secured		
Term Loans		
From Banks	2,086.28	2,042.52
Vehicle Loans		
From Banks	27.79	13.69

Business Loans		
From Relatives & Others		
- Farukbhai Gulambhai Patel	0.80	1.05
- Ashish AshwinMithani	0.80	0.80
-Evergreen Power Mauritius Private Limited	-	44.85
-Evergreen Renewable Energy	-	476.07
Total	**2,115.66**	**2,578.98**

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Current maturities of long term debts		
Term Loans		
From Banks	621.39	528.52
Vehicle Loans		
From Banks	15.42	6.12
Total	**636.81**	**534.64**

(All amounts are in ₹ lakhs unless otherwise stated)

Name of the bank	Amount of sanction	Year of sanction	No of instalments	Total amount of instalment	AS AT MARCH 31, 2021	2020
Rupee term loans						
(refer point A part (i) for interest rate)						
SBI term loan1	2023.00	Refer note 1 below.	Refer note 1 below.	Refer note 1 below.	800.15	698.37
SIDBI term loan2	2090.00	Refer note 2 below.	Refer note 2 below.	Refer note 2 below.	1286.13	1,344.15
					2086.28	**2,042.52**
Vehicle loans						
(refer point A part (ii) for interest rate)						
(and point C part (ii) for security)						
SBI safari loan	15.00	2016-17	60	0.32	-	1.86
HDFC Hyndai Creta loan	15.55	2019-20	60	0.32	8.90	11.83
ICICI bike loan	12.58	2020-21	24	0.63	6.91	-
ICICI bolero loan	17.89	2020-21	36	0.56	11.98	-
					27.79	**13.69**

A. Details of interest rate for each type of borrowings

I. The interest on above rupee term loans from banks are linked to the respective banks base rates / MCLR which are floating in nature. As of March 31, 2021 the interest rates ranges from 8.95 % to 9.25 % per annum (March 31, 2020: 8.95 % to 10.00 % per annum).

II. The interest on above vehicle loans from banks are linked to the respective banks base rates / MCLR which are floating in nature. As of March 31, 2021 the interest rates ranges from 9.00 % to 18.10 % per annum (March 31, 2020: 9.25 % per annum).

B. Details of guarantee for each type of borrowings

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31,	
	2021	2020
Guaranteed by directors		
Rupee Term loans	4113.00	3,715.00

C. Details of security for each type of borrowing:

i. I. Rupee term loans from all banks are secured against first pari passu hypothecation of all the fixed assets created out of bank finance.

ii. II. Vehicle loans from all banks are secured against hypothecation of respective motor vehicle financed.

1.

(All amounts are in ₹ lakhs unless otherwise stated)

Name of the bank	Amount of sanction	Year of sanction	No of instalments	Total amount of instalment	AS AT MARCH 31,	
					2021	2020
SBI term loan II	825.00	2015-16	90	8.00	309.67	365.99
SBI term loan II	900.00	2016-17	69	13.00	248.55	332.39
SBI term loan III	298.00	2020-21	36	8.28	241.93	-

2.

(All amounts are in ₹ lakhs unless otherwise stated)

Name of the bank	Amount of sanction	Year of sanction	No of instalments	Total amount of instalment	AS AT MARCH 31,	
					2021	2020
SIDBI term loan I	995.00	2017-18	114	8.73	609.13	663.43
SIDBI term loan II	995.00	2017-18	114	8.73	626.30	680.72
SIDBI term loan III	100.00	2020-21	30	1.16	50.70	-

2.12 OTHER FINANCIAL LIABILITIES

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Non-Current		
GE India industrial private limited	8050.00	5,000.00
Total	**8,050.00**	**5,000.00**

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Current		
Others		
State Bank Of India SLC [(1) (3)]	181.72	179.97
State Bank Of India Cash Credit Account [(2) (3)]	394.30	398.58
Salary payable [(4)]	27.14	46.17
ESIC payable	0.06	
PF payable	1.46	1.41
PT payable	0.01	0.21
Worker wages payable	2.75	-
Total	**607.45**	**626.34**

[(1)] Company has taken Stand by line of Credit (SLC) from SBI for ₹ 1.80 Crores (1.80 Crores) which is secured by first pari passu charge on all current assets primarily Stock and Book debts. The rate of interest on the working capital facility from bank is 11 % p.a. (11 % p.a.) calculated on daily products on monthly rests.

[(2)] The company has taken the Cash credit facilities from SBI for ₹ 4.00 Crores (4.00 Crores) which is secured by first pari passu charge on all current assets primarily Stock and Book debts. The rate of interest on the working capital facility from bank is 10 % p.a. (10.00% p.a.) calculated on daily products on monthly rests. Till the renewal of the working capital facility by the bank during March, 2021.

[(3)] The same is further secured by collateral securities of immovable properties of the director and family members of the Directors, Other fixed assets of the Company including Plant and machineries, lands situated at various places and bank FD. The borrowings are further secured by personal guarantee of Directors and family members of directors along with corporate guarantee of KPI Global infrastructure Ltd.

2.13 DEFERRED TAX LIABILITIES

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred tax liabilities arising on account of		
Property, plant and equipment and intangible assets	1561.10	1,303.61
Deferred tax assets arising on account of		
Loss on sale / disposal of fixed assets	5.39	-
Net Deferred tax liabilities	**1,555.71**	**1,303.61**

2.14 OTHER LIABILITIES

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Non Current		
Deposit		
Aspen infrastructures limited	100.00	100.00
CLP India private limited	-	350.00
Others		
Lease liability payable (KP House)	598.51	-
Simms engineering private limited	229.36	234.36
Total	**927.87**	**684.36**

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Current		
Others		
CLP India Pvt. Ltd.	-	1,135.07
GE India Industrial Pvt Ltd	-	392.68
GE India Industrial Pvt Ltd (Gujarat)	-	782.79
Lease rent payable	0.30	48.60
Withholding taxes and others		
TDS payable	14.44	41.00
TCS payable	0.06	-
GST ON RCM PAYABLE	4.43	-
GST PAYABLE	31.50	-
Divya Zaveri	0.15	-
Director sitting fees payable	1.36	1.58
K.P.I. Global infrastructure limited	1.54	1.54
Local taxes payable	0.24	9.71
Unpaid dividend	0.08	0.08
Provision for audit fees	3.84	-
Employee imprest account	0.73	1.90
Total	**58.67**	**2,414.95**

2.15 TRADE PAYABLES

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Trade Payables[1]	3541.60	4,378.81
Total	**3,541.60**	**4,378.81**

As reported by the management, As at March 31, 2021 and March 31, 2020, there are no outstanding dues to micro and small enterprises. There are no interest due or outstanding on the same.

[1] Includes due to related parties (refer: related party transaction note 2.26)

2.16 CURRENT TAX LIABILITIES

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Current taxes	153.33	52.76
Income tax expenses	153.33	52.76

2.17 REVENUE FROM OPERATIONS

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Revenue from sale of power	809.41	934.26
Revenue from operation and maintenance services	147.36	223.90
Revenue from contract	6216.82	6341.09
Total	**7173.58**	**7499.25**

2.18 OTHER INCOME

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Interest received on financial assets carried at amortization cost		
Interest on fixed deposit	42.07	51.53
Interest on advances	31.72	-
Miscellaneous income, net		
Discount	1.13	
Scrap sale income		
Interest on Income tax Refund	6.30	
Income tax Refund	60.44	
Other income [1]	5.97	8.20
Total	**147.63**	**59.73**

[1] Other income includes prior period income of ₹ 0.00(0.77).

2.19 EXPENSES

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Cost of material consumed		
Raw material		
Opening	8022.24	4,439.42
Purchase[20][21]	4570.04	8,102.33
Adjustment	-1394.01	-
Closing	8010.34	8,022.24
	3187.94	4,519.50
Employee benefit expense		
Salary, wages and bonus		
Wages to workers[15]	359.32	367.70
Incentive	0.10	-
Salary[31]	316.50	319.23
Contribution to provident fund		
Contribution to provident fund	7.97	9.03
Contribution to provident fund		
Contribution to ESIC	0.46	-
Staff welfare expenses		
Staff welfare expenses[12]	9.42	6.95
	693.77	702.91
Finance cost		
Interest Expenses		
Interest on loan	472.64	306.28
Bank charges		
Bank charges	1.42	8.37

Other interest charges		
Interest on income tax	-	34.81
Interest on tax collected at source	0.01	-
Interest on GST	1.67	22.03
Interest on tax deducted at source	11.82	4.27
Finance charges		
Bank guarantee charges	20.06	38.90
Stamp and franking charges	5.28	21.14
LC charges	0.30	0.61
SLC interest	-	18.75
Processing charges	6.30	6.97
	519.50	462.13
Other expenses		
Accommodation expense[17]	0.65	7.31
Advertisement expense	3.57	3.02
AGM expense	0.15	1.51
Application fees expense[23]	0.18	2.41
Auditor's remuneration	8.36	12.28
Brokerage Expense	59.87	68.04
Business Promotion Expense	9.54	3.41
Canteen expense[1]	30.61	53.43
Certification charges[21]	0.84	1.51
Computer expense	1.21	1.14
Corporate social responsibility expense	21.16	37.81
Courier charges[2]	2.18	2.24
Director remuneration	67.87	86.50
Discount	0.00	1.87
Donation expense	0.41	3.37
Dump yard rent[24]	-	0.95
Electricity expense[25]	8.16	11.87
GST expense	7.89	-
Housekeeping expense[16]	7.03	4.00
Insurance expense	25.30	21.81
Interest on delay payment	0.72	-
Internal audit fees[5]	0.96	0.88
Internet expense[14]	5.08	3.67
ISO audit fees	1.72	1.61
Labour expenses[6]	14.35	34.09
Labour tax	0.03	0.03
Late filing fees	0.34	0.29
Late payment charges	0.56	0.02
Lease rents	133.17	86.20
Legal and professional fees[26]	41.41	40.94

Local taxes	231.04	45.39
Loss on sale of fixed assets	2.06	-
Loss on disposal of fixed assets	17.30	-
Miscellaneous expense	2.12	1.44
Miscellaneous purchase for site	1.18	8.78
Municipal tax	0.01	0.07
O & M charges[9]	65.40	37.99
Office expense[27]	3.96	2.87
Petrol and diesel expenses[19]	15.20	38.02
Debit Note - Land Transfer	269.41	-
Penalty expense	-	1.29
Property tax	1.45	-
Processing fees for GEDA[30]	0.50	13.77
Professional tax	0.34	0.20
Registration fees	0.72	1.92
Rent expenses[4]	83.22	78.67
Repairing and maintenance expense[3]	8.95	7.30
Research and development expense[7]	26.66	19.13
ROC expense	0.57	43.50
Security service charges[10]	132.47	165.78
Seminar fees	0.06	0.29
Site expenses[28]	12.50	14.13
Sitting fees to director	1.58	1.75
SLDC charges[11]	1.11	0.95
Software expense	0.42	0.66
Stamp duty	32.99	20.06
Stationary and printing expense	7.84	8.28
Stipend expense[13]	1.84	3.97
Telephone expenses[8]	3.86	4.16
Training expense	4.14	0.62
Transfer fees expense of GEDA[29]	2.79	1.32
Transmission charges[22]	70.77	75.79
Transportation expenses	6.11	47.36
Travelling and conveyance expense[18]	8.32	17.34
BOCW Cess	-	6.83
N.A. Charges	33.51	34.36
VAT expense	4.92	-
Power Generation Deviation charges	-	2.96
	1508.63	1,199.13

[1] This expenditure includes prior period expense of ₹ 0.24 (0.82)

[2] This expenditure includes prior period expense of ₹ 0.03 (0.00)

[3] This expenditure includes prior period expense of ₹ 0.26 (0.00)

[4] This expenditure includes prior period expense of ₹ 0.83 (0.00)

[5] This expenditure includes prior period expense of ₹ 0.08 (0.00)

[6] This expenditure includes prior period expense of ₹ 0.64 (0.00)

[7] This expenditure includes prior period expense of ₹ 1.31 (0.15)

[8] This expenditure includes prior period expense of ₹ 0.39 (0.00)

[9] This expenditure includes prior period expense of ₹ 19.49 (0.00)

[10] This expenditure includes prior period expense of ₹ 0.09 (0.00)

[11] This expenditure includes prior period expense of ₹ 0.07 (0.02)

[12] This expenditure includes prior period expense of ₹ 0.01 (0.04)

[13] This expenditure includes prior period expense of ₹ 0.20 (0.00)

[14] This expenditure includes prior period expense of ₹ 0.16 (0.00)

[15] This expenditure includes prior period expense of ₹ 2.39 (0.00)

[16] This expenditure includes prior period expense of ₹ 0.35 (0.00)

[17] This expenditure includes prior period expense of ₹ 0.17 (0.00)

[18] This expenditure includes prior period expense of ₹ 0.16 (0.01)

[19] This expenditure includes prior period expense of ₹ 0.09 (0.04)

[20] This expenditure includes credit note for land of ₹ 0.00 (87.65)

[21] This expenditure includes prior period expense of ₹ 0.00 (21.07)

[22] This expenditure includes prior period expense of ₹ 0.00 (-5.22)

[23] This expenditure includes prior period expense of ₹ 0.00 (0.86)

[24] This expenditure includes prior period expense of ₹ 0.00 (0.01)

[25] This expenditure includes prior period expense of ₹ 0.00 (0.07)

[26] This expenditure includes prior period expense of ₹ 0.00 (5.31)

[27] This expenditure includes prior period expense of ₹ 0.00 (0.001)

[28] This expenditure includes prior period expense of ₹ 0.00 (2.02)

[29] This expenditure includes prior period expense of ₹ 0.00 (0.70)

[30] This expenditure includes prior period expense of ₹ 0.00 (13.52)

[31] This expenditure includes prior period expense of ₹ 0.00 (0.12)

2.20 FAIR VALUE DISCLOSURES

I. Financial instruments by category

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021			As at March 31, 2020		
	FVTPL	FVOCI	AMORTISED COST	FVTPL	FVOCI	AMORTISED COST
Financial assets						
Investments	-	-	-	-	-	-
Security deposits	-	-	25.81	-	-	10.18
Rental deposits	-	-	17.40	-	-	17.40
Trade receivables	-	-	419.43	-	-	1,094.75

Cash and cash equivalents	-	-	118.67	-	-	91.97
Other bank balances	-	-	1,549.19	-	-	669.07
Loans	-	-	267.59			469.30
Derivative asset	-	-	-	-	-	-
Other financial assets	-	-	2,168.49	-	-	2,518.81
Total	**-**	**-**	**4,566.58**	**-**	**-**	**4,871.49**
Financial liabilities						
Borrowings	-	-	2,752.47	-	-	3,113.62
Trade payable	-	-	3,541.60	-	-	4,378.81
Other financial liabilities	-	-	8,657.45	-	-	5,626.34
Total	**-**	**-**	**14,951.52**	**-**	**-**	**13,118.77**

ii) Fair values hierarchy

Financial assets and financial liabilities measured at fair value in the balance sheet are categorized into three levels of fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Financial assets and liabilities measured at fair value - recurring fair value measurements

March 31, 2021	Level 1	Level 2
Financial assets	-	-
Total financial assets	**-**	**-**

March 31, 2020	Level 1	Level 2
Financial assets	-	-
Total financial assets	**-**	**-**

Valuation process and technique used to determine fair value

(i) The fair value of investments in government securities and quoted equity shares is based on the current bid price of respective investment as at the balance sheet date.

(ii) The fair value of investments in mutual fund units is based on the net asset value (NAV) as stated by the issuers of these mutual fund units in the published statements as at the Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

(iii) In order to arrive at the fair value of unquoted investments, the company obtains independent valuations. The techniques used by the valuer are as follows:

a) Asset approach - Net assets value method

b) Income approach - Discounted cash flows ("DCF") method

c) Market approach - Enterprise value/Sales multiple method

Derivative financial assets:

The Company has not entered into derivative financial instruments.

iii) Fair value of instruments measured at amortised cost

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	Level	31-Mar-2021		31-Mar-2020
		Carrying value	Fair value	Carrying value
Financial assets				
Security deposits	Level 3	25.81	25.81	10.18
Rental deposits	Level 3	17.40	17.40	17.40
Loans	Level 3	267.59	267.59	669.07
Other financial assets	Level 3	2,168.49	2,168.49	2,518.81
Total Financial assets		**2,479.29**	**2,479.29**	**3,215.47**
Financial liabilities				
Borrowings	Level 3	2,752.47	2,752.47	3,113.62
Other financial liabilities	Level 3	8,657.45	8,657.45	5,626.34
Total Financial liabilities		**11,409.92**	**11,409.92**	**8,739.95**

The management assessed that security deposits, loan to related parties, other financial assets and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

(i) Long-term fixed-rate and variable-rate receivables are evaluated by the Company based on parameters such as interest rates, individual creditworthiness of the customer and other market risk factors. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.

(ii) All the other long term borrowing facilities availed by the Company are variable rate facilities which are subject to changes in underlying Interest rate indices. Further, the credit spread on these facilities are subject to change with changes in Company's creditworthiness. The management believes that the current rate of interest on these loans are in close approximation from market rates applicable to the Company. Therefore, the management estimates that the fair value of these borrowings are approximate to their respective carrying values.

2.21 FINANCIAL RISK MANAGEMENT

I Risk management framework

The Company's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the Company is exposed to and how the Company manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost	Aging analysis	Bank deposits, diversification of asset base, credit limits and collateral.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

Market risk - interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Negotiation of terms that reflect the market factors
Market risk- Security price	Investments in equity securities	Sensitivity analysis	Company presently does not make significant investments in equity shares, except for entities where it exercises control or joint control or significant influence.

The Company's risk management is carried out by a central treasury department (of the Company) under policies approved by the board of directors. The board of directors provides written principles for overall risk management, as well as policies covering specific areas, such as interest rate risk, credit risk and investment of excess liquidity.

A. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in debt securities.

The carrying amount of financial assets represents the maximum credit exposure.

- o cash and cash equivalents,
- o trade receivables,
- o loans & receivables carried at amortised cost, and
- o deposits with banks

Credit risk management

The Company assesses and manages credit risk based on internal credit rating system, continuously monitoring defaults of customers and other counterparties, identified either individually or by the company, and incorporates this information into its credit risk controls. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

A: Low

B: Medium

C: High

(All amounts are in ₹ lakhs unless otherwise stated)

Description		March 31, 2021	March 31, 2020
A: Low	Loans	267.59	469.30
	Investments	100.00	-
	Other financial assets	163.43	115.21
	Cash and cash equivalents	118.67	91.97
	Other bank balances	1,549.19	669.07
	Trade receivables	419.43	1,094.75

Cash and cash equivalents and other bank balances

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks.

Trade receivables

The Company closely monitors the credit-worthiness of the debtors through internal systems that are configured to define credit limits of customers, thereby, limiting the credit risk to pre-calculated amounts. The Company assesses increase in credit risk on an ongoing basis for amounts receivable that become past due and default is considered to have occurred when amounts receivable become past due one year.

Other financial assets measured at amortised cost

Other financial assets measured at amortised cost includes loans and advances to employees, security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

B. Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the company operates.

Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity of the Company based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

(All amounts are in ₹ lakhs unless otherwise stated)

March 31, 2021	Less than 1 year	1-3 year	More than 3 years	Total
Borrowings				
Deposit received	-	100.00	-	100.00
Trade payable	3,541.60	-	-	3,541.60
Other financial liabilities	9,180.58	-	-	9,180.58
Total	**12,722.18**	**100.00**	**-**	**12,822.18**

(All amounts are in ₹ lakhs unless otherwise stated)

March 31, 2020	Less than 1 year	1-3 year	More than 3 years	Total
Borrowings				
Deposit received	-	450.00	-	450.00
Trade payable	4,378.81	-	-	4,378.81
Other financial liabilities	5,626.34	-	-	5,626.34
Total	**10,005.15**	**450.00**	**-**	**10,455.15**

Interest rate risk

Liabilities

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. As at March 31, 2021, the Company is exposed to changes in market interest rates through bank borrowings at variable interest rates.

The Company's investments in fixed deposits all pay fixed interest rates.

Interest rate risk exposure

Below is the overall exposure of the Company to interest rate risk:

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Variable rate borrowings	142.93	131.24
Fixed rate borrowings	329.71	175.03
Total borrowings	**472.64**	**306.28**

Sensitivity

Profit or loss is sensitive to higher / lower interest expense from borrowings as a result of changes in interest rates. In case of fixed rate borrowings a change in interest rates at the reporting date would not affect profit or loss.

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	Effect on profit after tax	
	As at March 31, 2021	As at March 31, 2020
Total borrowings		
- Impact due to increase of 50 basis points*	-13.75	-12.95
- Impact due to decrease of 50 basis points*	13.75	12.95

*Holding all other variable constant

II. Assets

The Company's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

C. Price risk

Exposure

The Company's exposure price risk arises from investments held and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit or loss. To manage the price risk arising from investments, the Company diversifies its portfolio of assets.

The Company does not have any significant investments in equity instruments which create an exposure to price risk.

2.22 CAPITAL MANAGEMENT

The Company's capital management objectives are:

- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

The Company's adjusted net debt to equity ratio as at year end were as follows:

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Total borrowings	2,752.47	3,113.62
Less : cash and cash equivalents	118.67	91.97
Net debt	2,633.80	3,021.64
Total equity	8,910.05	8,418.84
Adjusted net debt to adjusted equity ratio	0.30	0.36

Dividends

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Equity shares		
(i) Final Dividend		
For the year ended March 31, 2020 of ₹ 0.00 per share (excluding tax)	-	-
For the year ended March 31, 2019 of ₹ 1.00 per share (excluding tax)	-	111.15
(ii) Proposed Dividend		
For the year ended March 31, 2021 of ₹ 0.00 per share (excluding tax)	-	-
For the year ended March 31, 2020 of ₹ 0.00 per share (excluding tax)	-	-

2.23 DISCLOSURES REQUIRED U/S. 186(4) OF THE COMPANIES ACT, 2013:

For details of Loans and guarantees given to and given by related parties, refer Note No. 2.26.

For details of Securities provided by the related parties, refer Note No. 2.11 and 2.26.

For details of Investments made refer Note No. 2.2.

2.24 The previous year's figures have been regrouped or reclassified wherever necessary to confirm with the current year's presentation

2.25 Accounting policies not specifically referred to otherwise are consistent and in consonance with Indian Accounting Standard.

2.26 RELATED PARTY TRANSACTION

List of other Related Parties

Particulars	Nature of Relationship
KP Sor-urja Limited	Entity in which KMP is having controlling interest
KP Human Development Foundation	Entity in which KMP is having controlling interest
K P I Global Infrastructure Limited	Entity in which KMP is having controlling interest
K P Buildcon Private Limited	Entity in which KMP is having controlling interest
KPark Sunbeat Private Limited	Entity in which KMP is having controlling interest
KPgenix Sunray Private Limited	Entity in which KMP is having controlling interest
Quyosh Energia Private Limited	Entity in which KMP is having controlling interest

Sun Drop Energia Private Limited	Entity in which KMP is having controlling interest
Bharuchi Vahora Patel Surat Federation	Entity in which KMP is having controlling interest
KPEV Charging Private Limited	Entity in which KMP is having controlling interest
World Bharuchi Vahora Federation	Entity in which KMP is having controlling interest
KPIG Renewables Private Limited	Entity in which KMP is having controlling interest

List of Key Managerial Personnel

Faruk Gulambhai Patel - Managing Director
Ashish Ashwin Mithani - Whole Time Director
Pravin Singh - Chief Financial Officer
Karmit Haribhadrabhai Sheth - Company Secretary
Affan Faruk Patel -Whole Time Director

Relative of Key Managerial Personnel –

The details of amounts due to or due from related parties as at March 31, 2021 and March 31, 2020

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31,	
	2021	2020
Borrowings		
- Non Current		
Ashish Ashwin Mithani	0.80	0.80
Farukbhai Gulambhai Patel	0.80	1.05
	1.60	1.85
Financial Assets		
Loans		
K P Buildcon Private Limited	262.86	460.22
	262.86	460.22
Trade Payable		
K P I Global Infrastructure Limited	4.22	-
	4.22	-
Others Liabilities		
Ashish Ashwin Mithani	1.48	16.94
Farukbhai Gulambhai Patel	0.07	-
Affan Faruk Patel	0.05	1.29
Pravin Singh	0.48	0.23
Karmit Haribhadrabhai Sheth	0.40	0.41
K P I Global Infrastructure Limited	1.54	1.54
	4.02	20.42

The details of the related-party transactions entered into by the company, for the years ended March 31, 2021 and March 31, 2020 are as follows:

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	As at March 31, 2021	As at March 31, 2020
Revenue Transactions		
Purchases of Goods or Services		
K P Buildcon Private Limited	-	65.75
	-	65.75
Sale of Goods or Services		
K P Buildcon Private Limited	-	2.20
	-	2.20
Interest Income		
K P Buildcon Private Limited	31.72	-
	31.72	-
Reimbursement of Expenses		
K P I Global Infrastructure Limited	4.22	(1.54)
	4.22	(1.54)
Managerial Remunaration		
KMP		
Ashish Ashwin Mithani	35.41	45.00
Farukbhai Gulambhai Patel	32.46	40.00
Affan F. Patel	5.90	1.50
Pravin Singh	5.81	4.74
Karmit Haribhadrabhai Sheth	4.58	4.20
	84.16	95.44
Borrowings Taken		
Ashish Ashwin Mithani	3.60	
K P I Global Infrastructure Limited	450.00	
	453.60	-
Borrowings Repaid		
Ashish Ashwin Mithani	3.60	
Farukbhai Gulambhai Patel	0.25	-
K P I Global Infrastructure Limited	450.00	
	453.85	-
Loans Given		
K P Buildcon Private Limited	815.07	
	815.07	-
Loans Received Back		
K P Buildcon Private Limited	990.74	
	990.74	-

2.27 CONTINGENT LIABILITIES

(All amounts are in ₹ lakhs unless otherwise stated)

Claims against the company not acknowledged as debts	As at March 31, 2021	As at March 31, 2020
Income tax matters	0.00	0.00
Indirect tax matters	0.00	0.00
Legal & other matters	0.00	0.00
Corporate guarantee given	0.00	0.00

a) The Company has no pending litigations which comprises of claims against the Company by employees and pertaining to proceedings pending with various direct tax, indirect tax and other authorities except the followings.

- Public Interest Litigation No. 85 of 2016 at High Court of Gujarat
- Public Interest Litigation No. 241 of 2018 at High Court of Gujarat
- Special Civil Application No. 9120 of 2017 at High Court of Gujarat
- Special Civil Application 6303 of 2020 at High Court of Gujarat
- Special Civil Application No. 1050 of 2020 at High Court of Gujarat
- Special Civil Application No. 17093 of 2018 at High Court of Gujarat
- Special Civil Application No. 6832 of 2020 at High Court of Gujarat

The Company has reviewed all its pending litigations and proceedings and has not provided as contingent liabilities in its standalone financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its standalone financial statements.

b) The Company has not given any Bank Guarantees in respect of contingent liabilities.

2.28 SEGMENT REPORTING

The group has disclosed business segment as the primary segment. Segments have been identified taking into account the nature of the product, the differing risks and returns, the organization structure and internal reporting system. The group has identified geographical segment as secondary reportable segments.

The group's operations predominantly relate to providing services of Infrastructure development of Wind Park, Operation & Maintenance services of Wind Park and Manufacturing, Generation & Distribution of Power.

Segment revenue, segment results, segment assets and segment liabilities include the respective amounts identifiable to each of the segments. Wherever Inter-segment transfers have been carried out the same has been carried out at mutually agreed prices which are at arm's length price.

The accounting principles consistently used in the preparation of the financial statements are also consistently applied to record income and expenditure in individual segments. These are as set out in the note on significant accounting policies.

Notes to Segmental Results:

There are certain fixed assets used in Group's business, liabilities contracted and certain common expenses incurred by the Group have not been identified to any of the reportable segments since the nature of these assets, liabilities and expenses are such that they can be used interchangeably between the segments. The group believes that it is currently not practical to provide segment disclosure, except as disclosed above, relating to total assets, liabilities and expenses having interchangeable use between segments, since a meaningful segregation of the available data is not feasible and hence kept in unallocated items.

DISCLOSURE OF PRIMARY BUSINESS SEGMENTS

(All amounts are in ₹ lakhs unless otherwise stated)

Particulars	Year Ended	
	31/03/2021	31/03/2020
01. Segment Revenue		
Net Sales/income from each segment		
(i) Revenue from Infrastructure Development	6,216.82	6,341.09
(ii) Revenue from Sale of Power	809.41	934.26
(iii) Revenue from Operation & Maintenance Services	147.36	223.90
Total Segment Revenue	**7,173.59**	**7,499.25**
Less: Inter Segment Revenue	-	-
Revenue From Operation	**7,173.59**	**7,499.25**
02. Segment Results		
Profit/Loss before tax and interest from each segment		
(i) Infrastructure Development	822.26	(54.09)
(ii) Sale of Power	569.03	600.42
(iii) Operation & Maintenance Services	77.98	194.10
Total Profit before Interest and tax	**1,469.27**	**740.43**
Add/Less :		
i) Finance Cost	519.50	462.13
ii) Other Unallocable Expenditure net off unallocable income	-	-
Profit Before Tax	**949.77**	**278.30**
03. Segment Assets		
(i) Infrastructure Development	22,431.89	20,941.50
(ii) Sale of Power	4,600.97	4,907.42
(iii) Operation & Maintenance Services	47.42	144.36
Total Segment Assets	**27,080.28**	**25,993.28**
Unallocable Assets	**-**	**-**
Net Segment Assets	**27,080.28**	**25,993.28**
04. Segment Liabilities		
(i) Infrastructure Development	15,898.16	15,056.53
(ii) Sale of Power	2,267.17	2,516.04
(iii) Operation & Maintenance Services	4.90	1.88
Total Segment Liabilities	**18,170.23**	**17,574.45**
Unallocable Liabilities	**-**	**-**
Net Segment Liabilities	**18,170.23**	**17,574.45**

05. Capital Employed (Segment Assets- Segment Liabilities)		
(i) Infrastructure Development	6,533.73	5,884.97
(ii) Sale of Power	2,333.80	2,391.38
(iii) Operation & Maintenance Services	42.52	142.49
(iv) Unallocated	-	-

For **K A Sanghavi And Co LLP**
Chartered Accountants
FRN : 0120846W/W100289

Amish Ashvinbhai Sanghavi
(Partner)
M. No. 101413
ICAI UDIN : 21101413AAAAET4254

Place : Surat
Date : 25/06/2021

For **K. P. ENERGY LIMITED**

Farukbhai Gulambhai Patel
(Managing Director)
(DIN:00414045)

Ashish Ashwin Mithani
(Whole Time Director)
(DIN : 00152771)

Karmit Haribhadrabhai sheth
(Company Secretary)

Pravin Radhekant Singh
(Chief Financial Officer)

Since 1994

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