

K.P. ENERGY LIMITED

CIN: L40100GJ2010PLC059169



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

KPEL/AR-20/SEP/2020/233

September 05, 2020

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 2019-20

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 2019-20 which is being sent through electronic mode to the Members.

The Annual Report containing the Notice of 11th 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

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





The worst is over. We are ready to bounce back!

KP Energy Limited

Annual Report 2019-2020



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Introduction to KP Energy

The company engages throughout the development process of wind farms, right from conceptualization until the commissioning of the project.

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Company Overview

KP Energy Limited is a balance of plant (BoP) solution provider for the Wind Energy industry.

[Read more about this on page 12](#)



KP Energy's Integrated Business Model

KP Energy Limited is a balance of plant (BoP) solution provider for the Wind Energy industry.

[Read more about this on page 13](#)

The worst is over. We are ready to bounce back!

This report encapsulates KP Energy's preparedness to face challenges and seize opportunities that the future brings.

Facing turbulent times requires a strong commitment, not only to plan and strategize, but also the willingness to change with the changing circumstances and opportunities. It requires delivering in the face of challenges. By adhering to financial discipline, embracing operational flexibility, and our unwavering commitment to deliver value to all our stakeholders has helped us overcome setbacks, industry cycles, and economic uncertainties over the last decade. Going forward, our actions will continue to be guided by these principles in an effort to restore stability to our business, build a robust balance sheet to navigate

the current adverse economic conditions, and ultimately put us back on the earnings growth path.

Our journey has been a transformative one. We have kept pace with the changing industry dynamics, persevered through uncertain times, and leveraged our efficiencies to ensure we keep growing from strength to strength.

As has been the case throughout our history, we have been firmly committed to our long-term value creation vision. With a volatile economic environment clouding the spectrum, there may be challenges. However, with every challenge awaits an opportunity. As market dynamics change, businesses will need to employ different strategies for attaining success.

We at KPE are constantly reevaluating and enhancing our strategies.

We are preparing ourselves to embark on an uncertain yet exciting voyage.

We are ready to face the future with confidence, as we remain certain

that, **the worst is over. We are ready to bounce back!**

Introduction to KP Energy

KP Energy Limited is a balance of plant (BoP) solution provider for the Wind Energy industry. The company engages throughout the development process of wind farms, right from conceptualization until the commissioning of the project. The company undertakes projects principally in Gujarat.

KP Energy's end-to-end solution for wind farm development includes services like site identification, site preparation, construction & erection, power evacuation, and operations & maintenance for the BoP portion of the project. KP Energy endures a vital link in synergizing a gamut of activities concerning utility-scale wind farm development. Incorporated in 2010, the company has energized numerous projects with a cumulative capacity of ~ 200 MW.

~200 MW

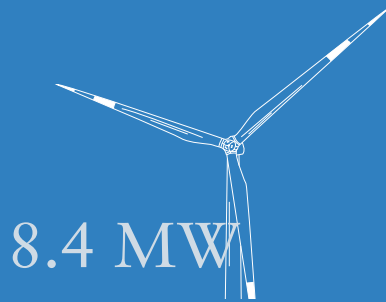
Cumulative capacity energized in its first decade



~ 214 MW
Captive Power
Evacuation Capacity



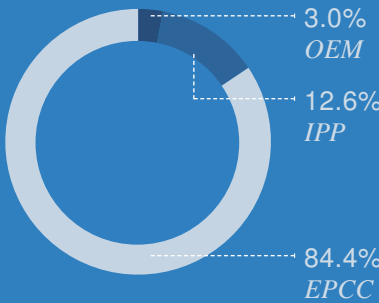
~ 300 MW
Power Evacuation
Capacity Ready-to-charge



8.4 MW

Wind Energy Generation Assets, with a consistent annuity-income stream.

Diversified Revenue Streams



~200 MW

Operations & Maintenance Portfolio
% of paying vs. f-o-c portfolio

1GW

Order-Book and Business Pipeline for the coming 2.5 years

BSE Listed

#1 BOP Solution Provider

for wind farms in Gujarat

₹2.5 Bn
KP Group

Part of the ₹2.5 billion KP Group, Gujarat



117 Team Strength
as at March 31, 2020

Evolution of KP Energy

- Ten years is a good time to pause, reminisce, look back, and plan for the decade to come.
- Recently in January 2020, KP Energy concluded the first decade of making its mark on the Indian wind energy landscape.
- Tracing our journey in the last decade, we witnessed times of extreme euphoria, extreme pessimism, severe disruption, and yet outlasting all the ebb and flow; we remain excited and confident for the future of wind energy and the role it is going to play in fulfilling the energy requirements of this nation.

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	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	Got listed on BSE SME exchange through an Initial Public Offering of 6.44 crores Got listed on BSE SME exchange through an Initial Public Offering of 6.44 crores
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 (300MW*2 projects) Migrated to BSE main-bourse from BSE SME Won Bronze Award in the category of "Portfolio Performance" Wind Developer of the year by IWE
2019	KP Energy aligns with CLP India Private Limited for developing a 250.8 MW wind site at Dwarka for SECI tranche-VIII bid

Establishing a foundation.

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

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

From the MD's Desk



मंजलि उन्ही को मिलती है, जिनके सपनों में जान होती है!! पंख से कुछ नहीं होता, हौसलों से उड़ान होती है!!

(The one whose dreams have substance, reach the destination. Nothing happens with wings, flight takes off on aspirations!)

Dear Shareholders,

It gives me great pleasure to present to you the 11th Annual Report of KP Energy Limited for the year 2019- 20. The year gone by has truly been a testing one for all the incumbents of the Indian wind energy industry, KP Energy being no exception. The last two financial years have witnessed accelerated disruptions, changes and challenges paving the way for new opportunities in the industry. To add to this was the Novel Coronavirus pandemic, a once in a century occurrence. The effects of COVID-19 on businesses and the environment has been drastic; the same applies to us, though we have relatively fared well and demonstrated immense resilience.

Agility

This year's theme, for the annual report, has been inspired by our experiences, obstacles, and the notion - the worst is behind us in the Indian wind energy space. I am glad to share that as an organisation we have agility, the attribute which will be the cornerstone for our leap into larger projects in India and abroad. To site a major strategic move, KP Energy has continuously adapted itself to the changing dynamics of the industry, ever since the implementation of the reverse-auction regime in 2017. It has involved revisiting our strategies to combat the obstacles and convert them into opportunities. Subsequently, we have started developing utility-scale wind farms to the tune of 300 MW in capacity, under ISTS from our erstwhile target size of 30-50 MW capacities. Benefiting from our strategic move, we have onboarded new OEM partners like GE and IPP's like CLP (India). We have accumulated sites that are in proximity to the central grid for future partnerships for even larger projects.

Impact of COVID-19

All project activities came to a standstill after the national lockdown announcement on 22nd March, the on-going work at Dwarka and Gadhsisa (both in Gujarat) resumed on 17th April and 21st April, respectively. The pace of execution was also slowed down as availability of the workforce was a challenge. The project activity (EPCC) revenues were severely affected, and restoration of complete normalcy will take some time. The Operations and Maintenance work of all sites continued without any interruptions as power generation was permitted during the lockdown. All this while, power generation continued at our 8.4MW wind farms at various sites without any significant interruption and continued to provide stability to the company's finances. Our strategy of going for in-house power generation from the proceeds of IPO in 2016 and later from internal accruals, has well anchored us in trying times like this.

"The company has made some vital commandments in the CLP project execution to make it a seamless and truly rewarding execution experience. Execution of this project is expected to pave the way for us in the international arena."

Operational Performance

The operational and financial performance for the FY2020 has been less than satisfactory. The overall revenue for FY2020 stood at Rs. 74.99 crores as compared to Rs. 158.41 crores in FY2019, declining 53% y-o-y. This was principally due to poor performance in the EPCC business segment, on account of various external factors beyond our control like - availability of government waste-land, infrastructural challenges leading to time and cost overruns. On the operating profitability front, the company recorded an EBITDA of 11.36 crores in FY2020 as compared to 33.32 crores in FY2019, registering a decline of 65% y-o-y. The Profit after Tax for the year stood at 1.10 crores in FY2020 as compared to 19.43 crores in FY2019, registering a drop of 94% y-o-y.

On the execution front, following are the major developments:

300 MW Gadhsisa Project:

Originally scheduled for completion in November 2019, this project went into time and cost overruns like all other projects won under SECI. Key constraints were around the availability of government waste-lands, infrastructure challenges, and associated risks. The cost overrun claims will eventually get addressed upon completion of pending activities likely to happen in Q2FY21.

30MW Evergreen Project at Mahuva-II Site, Bhavnagar:

This project has not been able to take off due to a variety of reasons, beyond the reach of IPP and is now slated for time extension from the regulators. The formal process could not begin due to Covid-19 restrictions, which has now been taken-up appropriately.

250.8MW CLP Project at Sidhpur-II Site, Dwarka:

This project has been the most remarkable development of FY2020. It is one of its kind projects - because all the SECI Bids (Tranche 1-8) could not see the kick-off of project activities expected in Q4-2020 owing to regulatory hurdles. However, now the anomalies are addressed, PPA is signed, and definitive project agreements are about to get documented. The company has made some vital commandments for this project execution to make it a seamless and truly rewarding execution experience. Execution of this project is expected to pave the way for us in the international arena.

For pull quote use this text, but don't put this in actual content - The company has made some vital commandments in the CLP project execution to make it a seamless and truly rewarding execution experience. Execution of this project is expected to pave the way for us in the international arena.

Going forward

The transition from conventional energy dominance to large scale renewable energy future is both inescapable and urgent. It demands action at all scales and the participation of all stakeholders. To achieve this goal rapidly, equitably, and sustainably begins with exploring and unearthing new and creative ideas. At macro-levels, our policymakers have set an ambitious target of 175 GW of cumulative installed renewable capacity by the year 2022, out of which 60 GW is targeted explicitly from wind energy. Hence there is clear visibility for our business with an ocean of opportunity.

The need for renewables as a power source cannot be overstated, and moving ahead, cleaner energy will remain a top priority for any government. The quantum of auctions in Gujarat provided certain added advantages to KP Energy. We are well-placed to gain from the installations and capital expenditure in wind energy space, for the foreseeable future.

ज़िंदगी का असली उड़ान बाकी है, ज़िंदगी के कई इम्तेहान अभी बाकी हैं अभी तो नापी है मुट्ठी भर ज़मीन हमने, अभी तो सारा आसमान बाकी है

(Life's real flight is remaining, Life's many exams are remaining, So far we have just gauged a handful of earth, the entire sky is still remaining...)

Yours sincerely,

Faruk Patel

From the CEO's Desk



“Another noteworthy change in our favour is removal of ceiling in the tariff of bids and allowing a small portion of solar in the wind bids from Tranche IX of SECI Bids”

Dear Investors,

FY2020 has been an unforgettable year. It has given a much needed break on almost all the activities for people to stop, think and evaluate directions travelled. Maybe to redefine our priorities! It has given clear ideas where investments will never diminish even when the entire world economy is sluggish.

Yes, Investments in Renewables have shined during the Covid-19 pandemic. This industry gave vital power to the world when a supply chain based raw material (Coal, Gas, Diesel, etc.) dependent conventional power generation was paralysed or badly impacted.

The message is loud and clear, Renewables will consistently grow to replace all forms of conventional energy and will glitter even when crude (the largest source of energy today) will touch historically low prices.

Brinks of dawn and dusk brought by Covid-19 have more or less the same luminosity, but very different radiance. One easily gets deceived by shine to distinguish whether it's a beginning or time for exit. Looking at KP Energy, a distinguished Renewable Energy Turnkey Project Service Provider, this situation apparently was no different for those unaware of ground realities, but we have proved resilient with all our activities rebounding with more vigour.

KP Energy has weathered not only the pandemic but every other blow and push one after another. Looking immediately back, it gave highest ever energisation in 2018, highest topline in 2019 and later a largest dip in sales in 2020. Topsy-turvy path is owing to changes in regulations, tariff deriving mechanism, policy on lands, abrupt move from State Grid to Central Grid, magnitude of project and associated risks, consequential project delays and stress due to financial constraints of big players hitherto driving the industry. We have sailed through every impediment on the way and are now geared to accept higher challenges.

We have posted just half the previous year numbers. Though it is third highest in our history, it appears meagre because now, your company has attained much more capabilities – a good sign. And it's due to a gap created due to lag in start of new project at Sidhpur Site with CLP. However, it is not hibernating, only contracts are delayed (primarily due to Covid-19 pandemic) and therefore the invoicing. However, revenues are now getting booked from Q2 2021 with contract's execution. The Site activities will be humming and topline growing.

“KP Energy's combined business pipeline of 1 GW now with ever increasing tariff, high generating wind turbine technologies, large rotor and higher hubs, should reverberate our unutilised capacities.”

My message to you, home in on famous Gujarati Ghazal poet “Mariz”

મારી ઓટ જોઈને કનિરે ઘર ના બાંધશો, દરથિો છું, હું પાછો જરૂર આવીશ

[Do not construct a home near shore looking at the receding tide, I am Ocean, will surely come again...]

The most significant development in our industry is the entry of long awaited players like Reliance and JSW. Their appetite and own resource pool itself will turn the lull into lustre. Their engagements will certainly catalyse the efficiency as well as cause to support investments and mitigate hooligans obstructing progress. Most importantly they will influence policies in favour of the Renewable Sector.

Another noteworthy change in our favour is removal of ceiling in the tariff of bids and allowing a small portion of solar in the wind bids from Tranche IX of SECI Bids. The recent results of round the Clock bids from Renewable sources too are very encouraging. Separate bids for bundling Renewables with small thermal power too is a welcome move. All this means, the journey is not limited to 175 GW (targeted by FY2022), it is poised to take over complete power generation from conventional fossil fuels to Renewables.

Now, I foresee inter-connected State & Central Grid projects which will decongest concentration of projects near to ISTS Sub-stations. Means, irrespective whether State or Central Bid, projects can be co-located and dispersed. Time to look into land inventories and show them daylight.

KP Energy's combined business pipeline of 1 GW now with ever increasing tariff, high generating wind turbine technologies, large rotor and higher hubs, should reverberate our unutilised capacities. In this direction, we have inked our tie-ups to showcase some of the largest on-shore wind turbines at our wind sites in the near future.

We have also revitalised our retail arm now to offer wind projects to individual factory owners and thereby utilising the capacity available at our existing wind farms. We will shortly announce a dedicated Captive Site available for OEMs. Here we will provide vast opportunities to OEMs as well as industries based on our 360o exposure in the wind sector.

All of these would have remained a tale if not supported by a well-designed implementation blueprint. Our revamping of entire project

management, back offices and automating the entire Operations & Management System is under process and about to be fully operational by Q4 2021. This will multiply the inherent capacity of existing set-up and support fast scaling up of operations.

Developing a wind project is tough with too many constraints and out-bound activities. When too many regulatory changes go hand in hand, it makes journeys strenuous and lengthy for meagrely organised players. Sector adversities only bring opportunities for well geared players like KP Energy. Here lies our existence, growth and future. We have learnt to negotiate with survival threats without dithering because we are Born to Race and to Win!

Remembering Robert Frost here,

*The woods are lovely, dark and deep,
But I have promises to keep,
And miles to go before I sleep,
And miles to go before I sleep.*

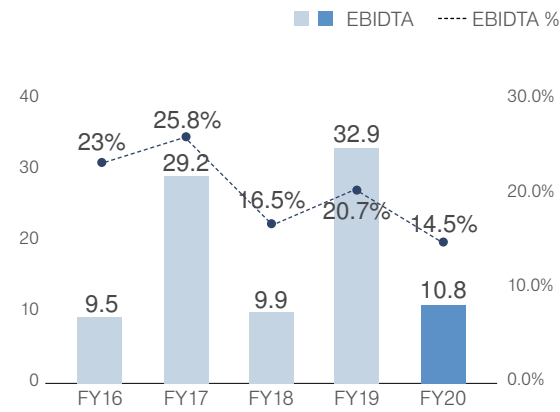
Yours sincerely,

Ashish A Mithani

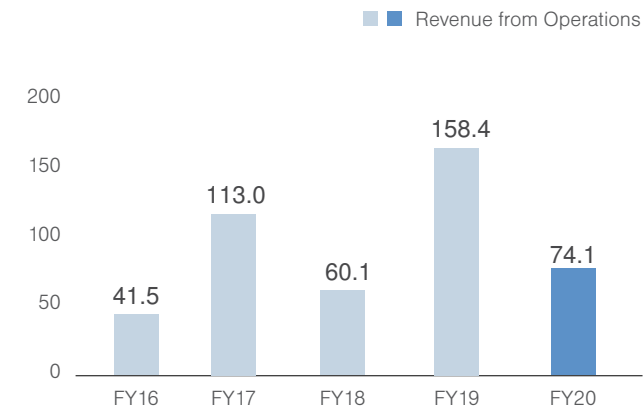
A Closer look at our Performance

(STANDALONE)

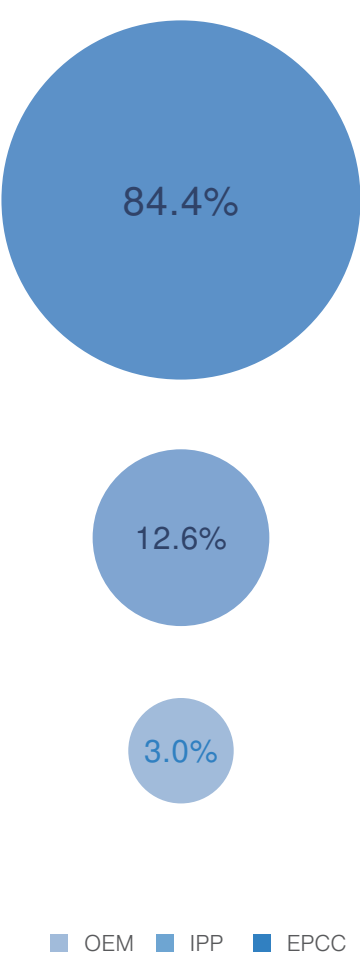
EBIDTA & EBIDTA %



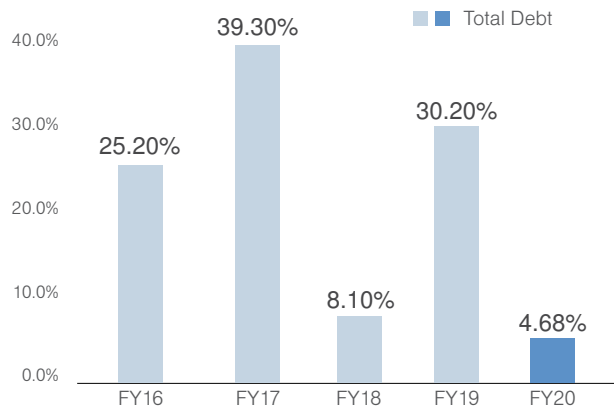
Revenue from Operations



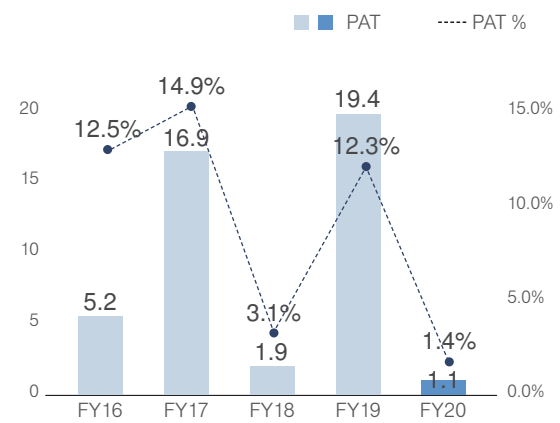
Diversified Revenue Streams



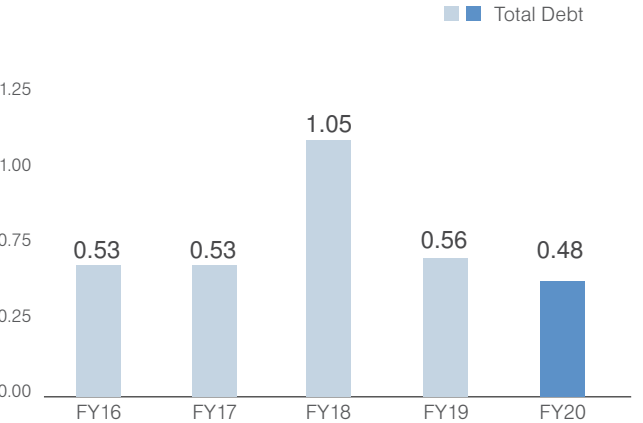
RoCE %



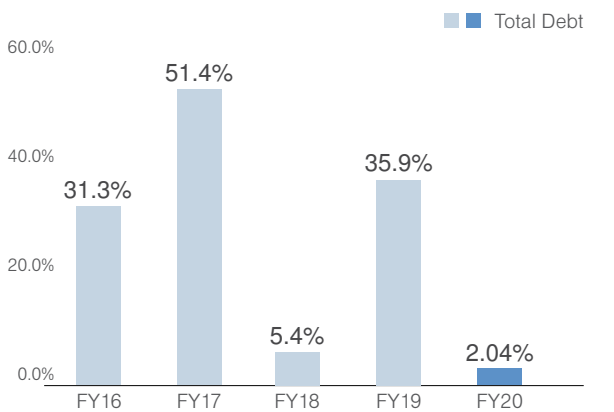
PAT & PAT%



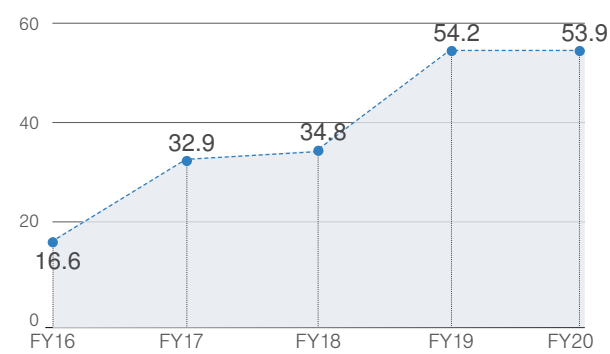
Total Debt



RoNW %



Network



74.1
Crores
Revenue from Operations

10.8
Crores
EBIDTA

1.1
Crores
PAT

94.35
Crores
Market Capitalization
as on March 31, 2020

Management Discussion & Analysis

Indian Economy Review

The Indian economy has been registering a continuous decline in GDP growth rate for the last eight quarters, in 2018-19 and 2019-20. GDP growth rate has plunged from 7.9% in Q4FY18 to meager 3.1% in Q1FY20. One core reason for the slipping GDP growth rate has been a deceleration in investment growth. Recent measures devised to reignite GDP growth, such as a reduction in Corporate Tax Rate and reducing repo rates are yet to show positive impacts on the economic environment. The Indian economy has also been facing heat from the poor health of assets in the financial sector.

Indian Energy Landscape

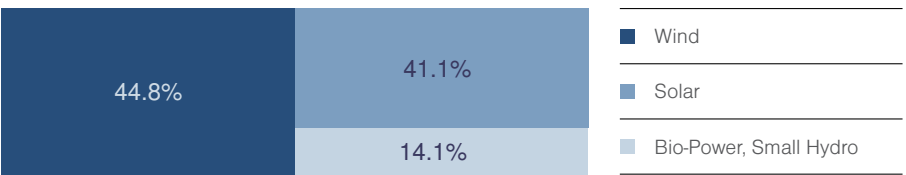
Being a prevalent power manufacturer and consumer, India stands as number three in energy consumption, after China and the United States of America. Despite being the third-largest globally, India is still a power-scarce country with one of the lowest per-capita power consumption ranks. India's per-capita power consumption is well below the world's average and is one of the lowest amongst BRIC nations.

The total installed electricity capacity of India stood at 370 GW as of May 2020, while electricity production reached 1,252.61 billion units (BU) in FY20. Out of the total installed electricity capacity, renewable sources (RES) are accounted for ~34%, within which the large Hydro

Hopes for a good FY2020-21 were crushed in March 2020 with the onset of COVID-19 in India, followed by a first of its kind nation lockdown imposed by the Ministry of Home Affairs from 24th March 2020. Various government authorities imposed a series of lockdowns and restrictions in movements to contain the spread of the virus, which escalated a health-care disaster into an economic crisis. The International Monetary Fund has cut its projections for India's economic growth to 1.9% for current FY2020-21, the lowest in the last three decades.

To combat the effects of COVID-19, the Government of India and Reserve Bank of India announced a comprehensive financial and stimulus package. The RBI resorted to measures such as a reduction in repo rates, Cash Reserve Ratio (CRR), allowing banks to borrow from their investment of Statutory Liquidity Ratio (SLR). Besides, RBI announced a moratorium on repayment of installments for term loans and deferral on interest payments for working capital facilities.

Other Renewables – Installed Capacity (June 2019)



Power accounts for 39% of capacity. The balance comes from other Renewable sources such as Wind, Solar, and Biomass & Hydropower, which account for 87.38 GW as of May 2020.

There is a need to move into a policy to reduce fossil fuel needs rapidly. A shift to alternative energy use and renewable energy sources that are used judiciously

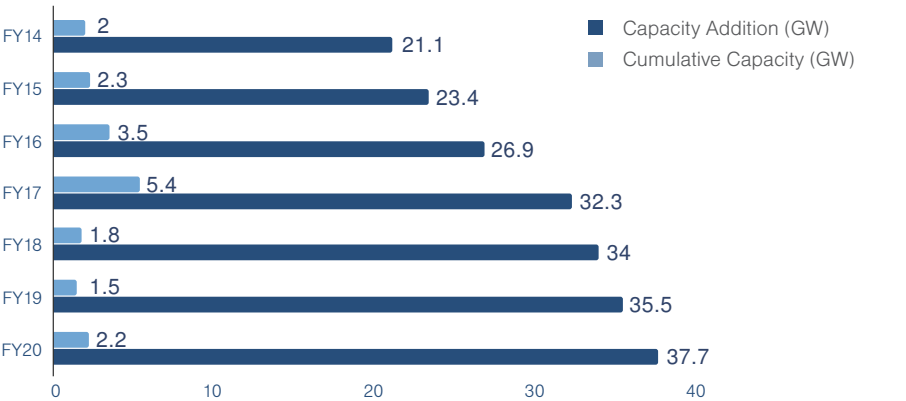
and equitably would bring about a lower dependency on the dwindling fossil fuel resources and carbon emissions. To achieve this, the government is introducing energy-efficient strategies and promoting Renewable sources (RES) at a substantial level. Over the last two decades, in May 2020 shares of RES in total installed capacity has come to 23.5% from >1% in 1997.

Indian Wind Energy

Overview

According to the CEA, the wind is the most prominent renewable energy source apart from Large Hydro (>25 MW). As of March 2020, wind energy accounts for 43% of the total RES capacity in India. Between FY14 to FY20, wind energy capacity grew at a CAGR of ~10%. It reached a cumulative capacity of ~38 GW in FY20.

Capacity Addition & Cumulative Capacity- FY14-20 (GW)



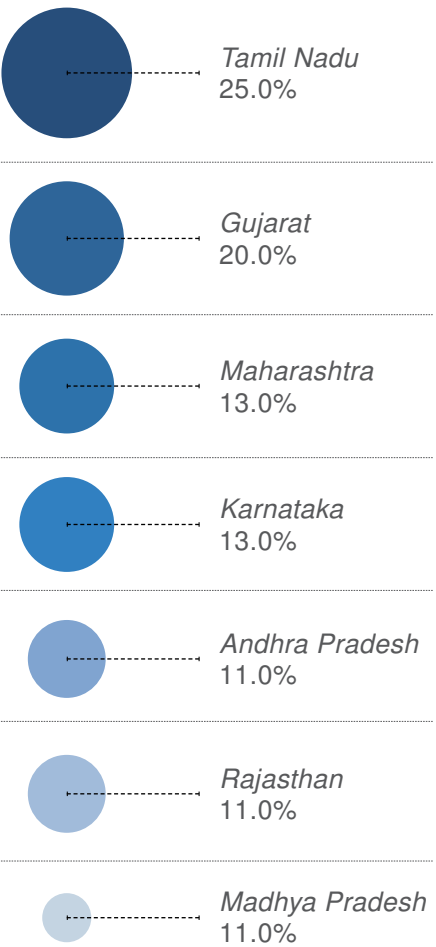
CAPACITY ADDITION IS SHOWING EARLY SIGNS OF RECOVERY IN FY20, POST THE STRUGGLING PHASE AFTER IMPLEMENTATION OF AUCTION-BASED PRICE DISCOVERY IN LATE-FY17.

Tamil Nadu and Gujarat boast close to half of the cumulative installed capacity of Wind Energy assets as of March 2020. In the last two years, Gujarat has consolidated its position, rising from an 18% share of installed capacity in FY18 to 20% in FY20. Out of the 2.2 GW capacity installed in FY2020, Gujarat holds approximately a 70% share.

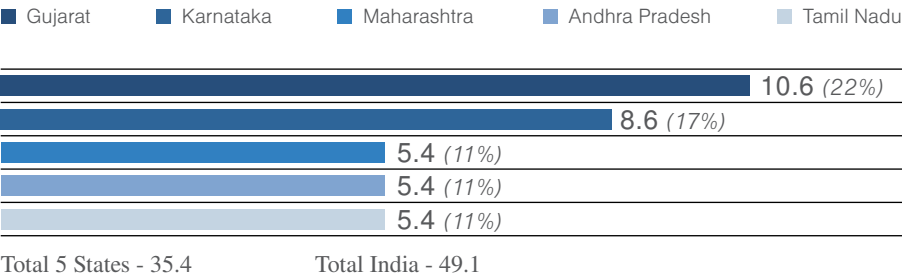
The states of Gujarat and Tamil Nadu have the best onshore and offshore wind power potential in the country. This makes these two states extremely attractive locations for wind power developers. At present, Gujarat has the 2nd highest installed wind capacity in India after Tamil Nadu and enjoys the highest potential wind generation capacity in the country. According to MNRE, the following is the wind potential of Indian states.

Other Renewables - Installed Capacity

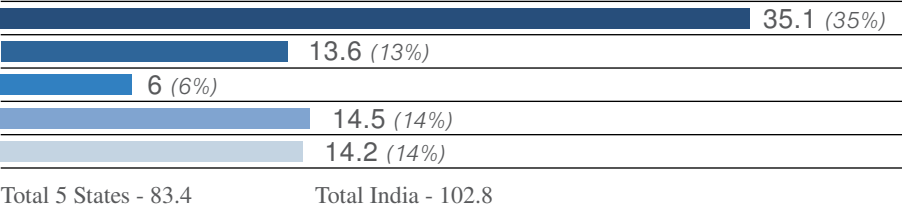
(Source: IWEA)



The potential at 50 Mt Height in GW



The potential at 80 Mt Height in GW



LOOKING AT THE POTENTIAL OF SITING WIND PROJECTS IN GUJARAT, GUJARAT WILL CONTINUE TO BE A KEY PLAYER IN INDIA'S WIND ENERGY MAP.

Regulatory Bodies

The Ministry of New and Renewable Energy (MNRE) is the nodal Ministry of the Government of India. It takes care of all the matters concerning new and renewable energy. Developing and installing new and renewable energy sources is the broader objective of MNRE. MNRE facilitates the elevation of energy requirements in the country. The MNRE contains the National Institute of Solar Energy and the National Institute of Wind Energy, undertaking activities related to R&D, testing, certification, standardisation, skill development, resource assessment and awareness.

Under the administrative control of MNRE, the Government successfully pioneered the 'Solar Energy Corporation of India Limited' (SECI) in September 2011. SECI intended to expedite the implementation of Jawaharlal Nehru National Solar Mission (JNNSM). The scope of SECI was increased thereafter, and now covers the entire renewable energy sector in India.

The Ministry of Power (MoP) governs the electricity sector in India, including renewables for power generation. The Minister of Power also has oversight of the MNRE and is in charge of renewable energy

Recent Scenario, Trends and Developments

Indian Renewable Energy Space has experienced regulatory disruptions over the last few years. In the year 2017, there was a shift from feed-in-tariff to reverse auction-based price discovery. It is considered to be one of the most revolutionary changes in the Indian renewable space. Feed-in-tariff used to cater to wind power generators with a guaranteed price per unit, and thus an assured return on their investments. On the contrary, in the case of reverse bidding, the entity quoting the lowest prices wins the bid. The initial bids were well participated, resulting in dramatically lower renewable energy tariffs due to the competitive price discovery. Thus there was a substantial fall of around 40% in price per unit.

SECH was India's first-ever wind power auction held in February 2017, witnessed a record-low wind power tariff of INR 2.76/ kWh (Unit). It was 40% lower than the feed-in-tariff rates. The total volume auctioned in SECH was 1,050 MW. India has auctioned a cumulative capacity of XX GW between February 2017 to its 12th auction 2019.

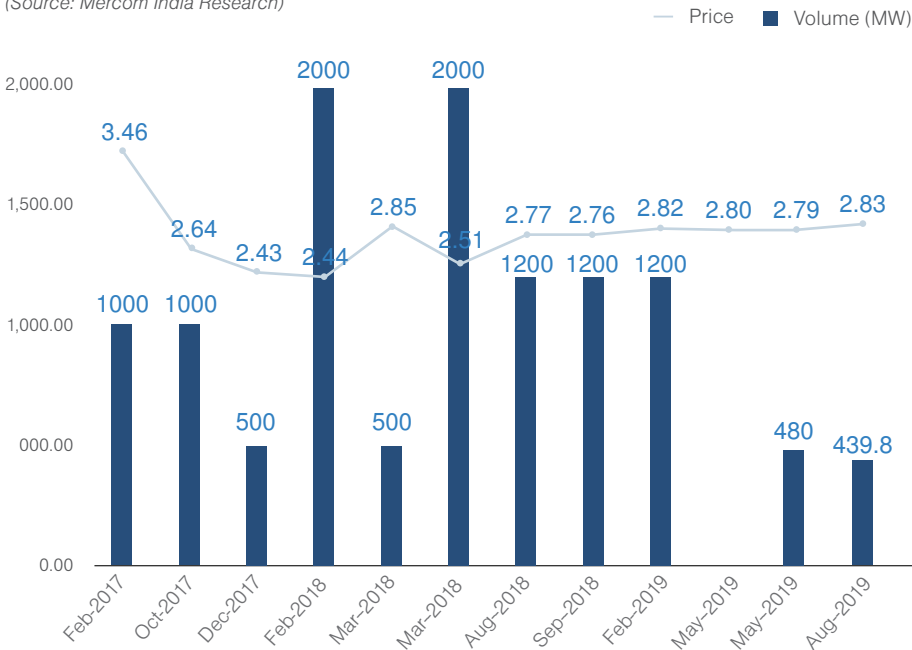
There was a massive decline in tariff rates, reaching an all-time low of INR 2.43/ kWh (Unit) during the GUVNL auction in December 2017. More recently, solar and wind power auctions have been less-attended due to the impact of government policy. Roughly 6.7 GW of auctioned capacity between March-December 2019 did not receive any response from developers. The principal reason behind this slowdown in the developers' interest

is the increased perception of risk. These include but are not limited to, a lack of clarity in rule & regulation changes, payment delays from DISCOMS, and delays in grid-connectivity and land acquisition. These issues have increased risks on the part of developers, which has raised their return on investment (ROI) expectations. This has led to increased tariffs at auctions, therefore creating a mismatch between the DISCOM's offered tariffs (tariff upper-caps) and the developer's desired tariffs.

On the bright side, Indian renewable energy space continues to attract foreign capital investments indicating faith in the long-term prospects of this space. Meanwhile, India's renewable generation between April-December 2019 was up 7.0% y-o-y, compared to a drop in thermal energy generation.

India: Lowest Wind Tariff Discovered in Reverse Auctions (₹/kWh)

(Source: Mercom India Research)



11,520 MW

Cumulative Capacity Auctioned

₹ 2.71

Weighted Average Price Discovered

Industry Review: From the CEO's Desk

Tailwinds

The government's emphasis on wind energy space resulted in the formulation of various initiatives such as hybrid solar-wind policy, the first-ever policy initiative in the offshore wind energy sector, construction of inter-state Transmission network, etc



Flow of Bids

A continuous flow of bids from Centre (SECI), NTPC as well as State Auction from Gujarat, Maharashtra.



Increase in Renewable purchase

From 11.50% in FY17 to 17.00% in FY19, there has been an increase in the Renewable Purchase Obligations for both Solar and Non-Solar



WTG

Development in WTG technology to harness more power and improve yields.

NEW DEMANDS SHIFTED FROM CAPTIVE USERS (AD DRIVEN) TO THIRD PARTY SALES POST REDUCTION IN ACCELERATED DEPRECIATION

13000 MW

Bids of about 13000MW already floated.

Company Overview

KP Energy Limited is a balance of plant (BoP) solution provider for the Wind Energy industry. The company engages throughout the development process of wind farms, right from conceptualization until the commissioning of the project. KP Energy's end-to-end solution for wind farm development includes services like site identification, site preparation,

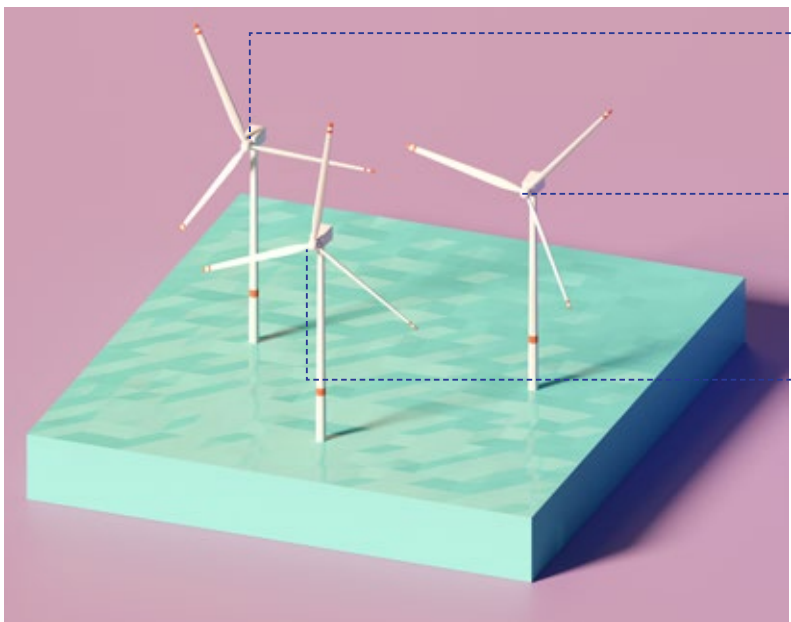
construction & erection, power evacuation, and operations & maintenance for the BoP portion of the project. KP Energy endures a vital link in synergizing a gamut of activities concerning utility-scale wind farm development.

Business Model

KP Energy's business model is well-balanced integration of three business segments, namely, EPCC, O&M, and IPP.

All verticals revolve around the company's core value proposition - being a vital link in synergizing the entire gamut of services concerning utility-scale wind farm development. However, each vertical has a different purpose in establishing the company as a critical player in the Indian wind energy landscape.

Revenue Mix FY 2020



EPCC
84.4%

OEM
3%

IPP
12.6%

Headwinds

Removal of Generation Based Incentives (GBI) and the reduction of Accelerated Depreciation benefits.



Challenges

- Land availability constraints
- Power Evacuation Capacity built up is lagging as compared to bids.
- Stringent Bid Norms and penalties.
- The financial health of Discoms.

Few Projects

Hardly few projects are being developed due to constraints listed above, as well as weak tariffs and offtaker's risks along with site related RoW issues enhancing time & cost overruns of the project



WTG

Challenges to transport WTG to wind farm location with higher hub height and longer blades

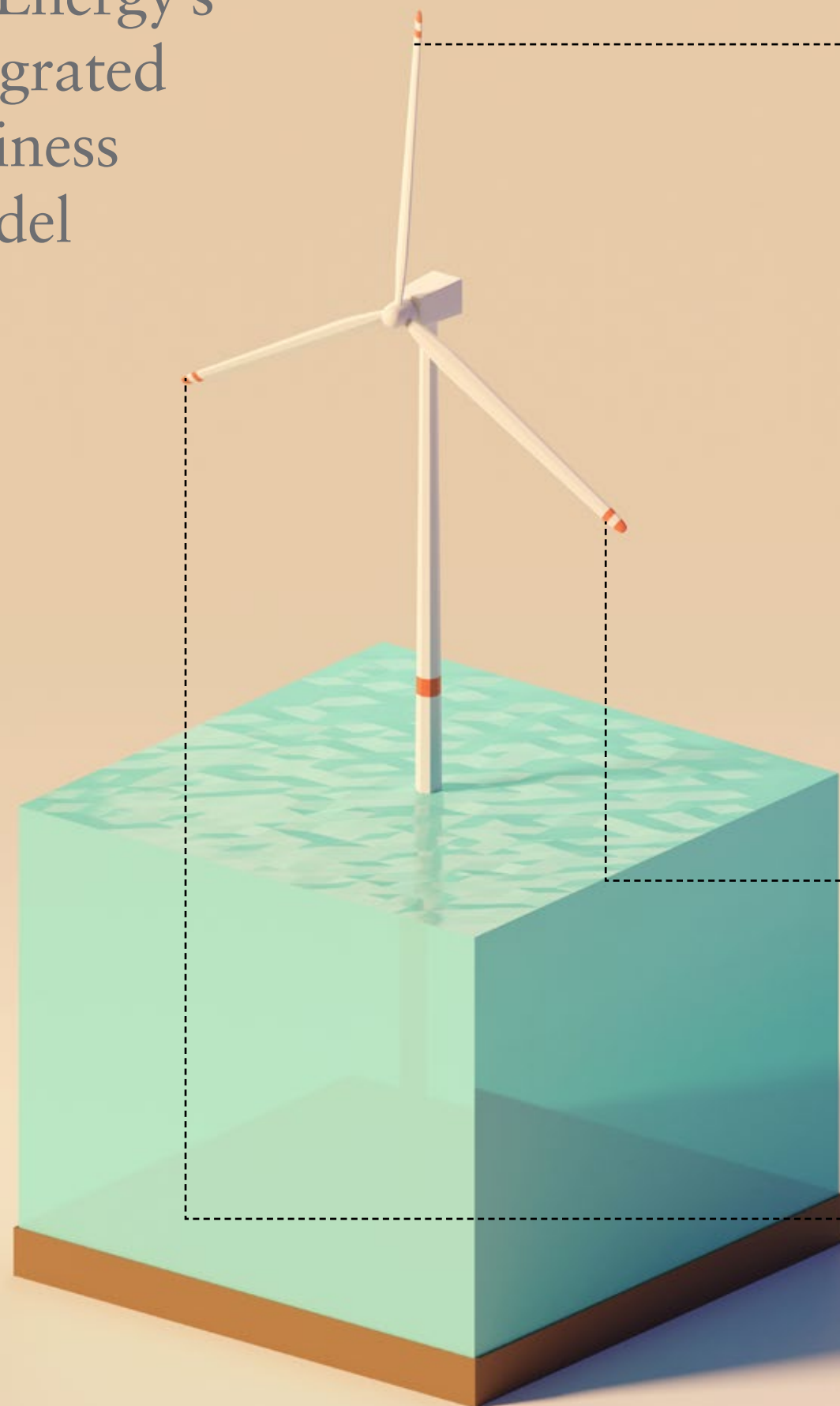
Opportunity for retail investors

Good opportunity for retail investors, however poor implementation of Open Access Regulations and too many restrictive practices.



- Poor implementation of RPO amongst obligatories.
- Long pending amendment in the Indian Electricity Act to improve the regulatory atmosphere in India.

KP Energy's Integrated Business Model



EPCC

EPCC is the founding business vertical of the company. It contributed 84% of the Revenue from Operations in FY20 as compared to 93% in FY19. Our EPCC segment revolves around a unique value proposition that is designed to comprehensively address all the needs of Wind Turbine Generator (WTG) manufacturers, Independent Power Producer (IPP), and Captive Power Consumers (CPP) in setting-up of a wind farm. The company provides end-to-end services, from conceptualization to commissioning of a wind energy project.

Site Identification

- Our key competence lies in identifying sustainable wind energy sites and acquiring land parcels suitable for project development.
- We use critical resources & technologies such as satellite data, physical evaluation, meso-mapping, wind data study, LIDAR, etcetera to evaluate and select the sites.
- KP Energy has an excellent portfolio of windy sites in Gujarat, which has the highest wind potential in the country.

Site Preparation and Logistics

- The company has a respected track record of site preparation and execution in all types of terrains. These include coastal plains, rocky ridges, low lying water prone flats, inundated mountains tops, marshy plateau, muddy soil, and many more.

O&M

KP energy undertakes operations and maintenance support for the BOP portion of WTG throughout its lifetime. Initial few years of O&M services are provided on an inclusive basis with the EPCC offering; however, the same becomes chargeable after the preliminary time period. This segment contributed 3% of Revenue from Operations in FY20 as compared to 1% of revenue in FY19. At present, the company has an O&M portfolio of ~200 MW i.e., 100% of the cumulative capacity energized by the company.

IPP

IPP contributed to 13% of Revenue from Operations in FY20 as compared to 6% in FY19.

- KP Energy owns wind energy generation assets with a total capacity of 8.4 MW, at each of its wind farm sites.

- The company has built roads, bridges, embankments and also done various engineering assignments to carry wind turbine parts (particularly blades and nacelle) as well as erection cranes across challenging terrains in order to execute its projects.

Construction & Erection

The company undertakes -

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

Power Evacuation, Permits & Approvals

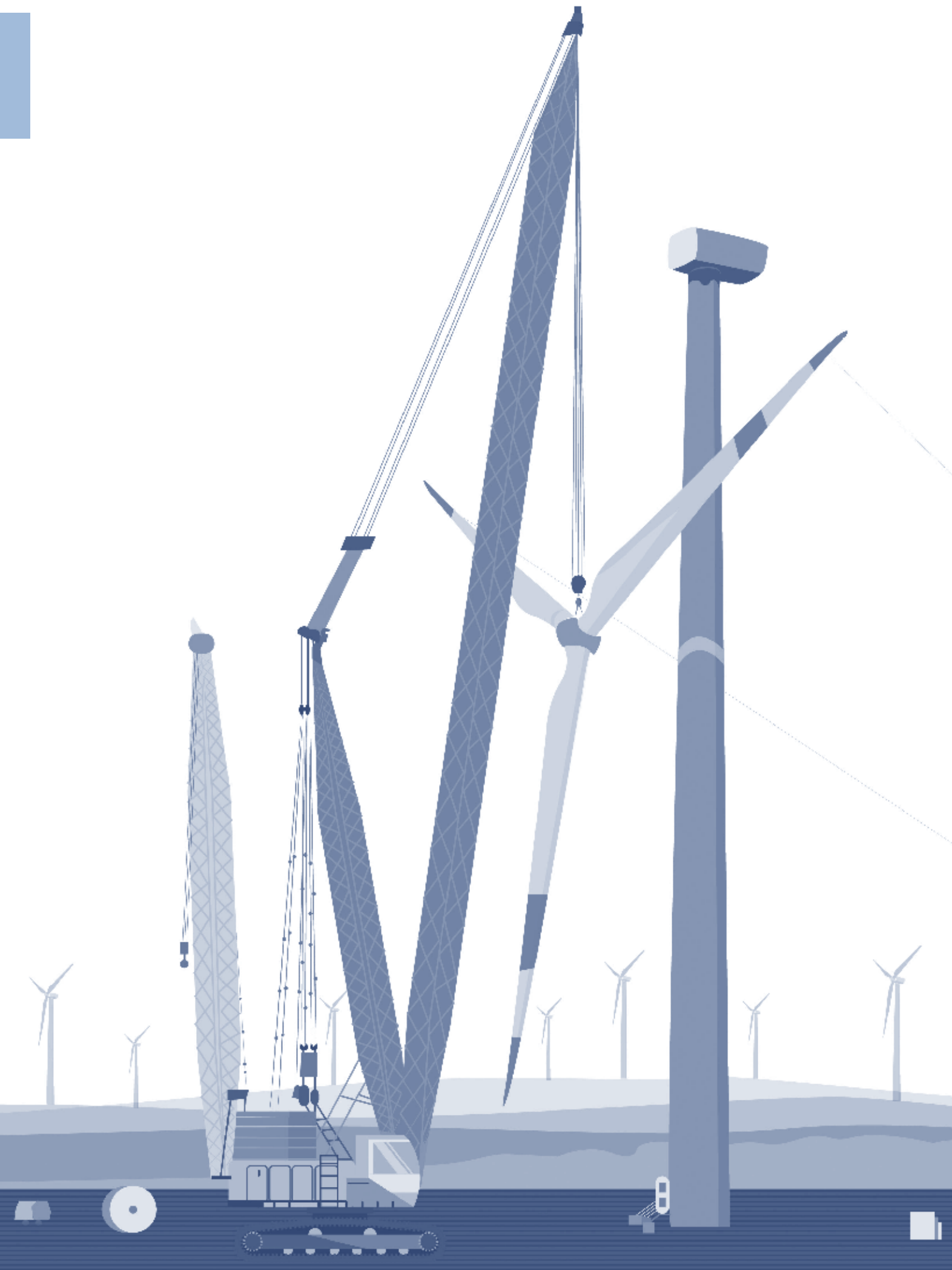
- The company undertakes the responsibility of constructing 33/66kv or 33/220kv power evacuation infrastructure and associated EHV lines.
- The company also works on obtaining all the requisite permits & approvals for setting up & operating a wind farm project from numerous authorities (local, state & central) depending on the location and WTG parameters.

Power Purchase Agreement

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

- The company undertakes operations & maintenance support for the BOP portion of WTG.
- O&M includes managing wind farm, pooling substation (24x7), maintaining HV & EHV network, repairs of access roads, managing power commercials, and site-related RoWs.
- O&M provision suffices the need to continually add value to our core offerings and promising clients of the uninterrupted services with a view of creating an annuity-based revenue stream for the company.

- This initiative provides the company with an annuity-based income, completely unrelated to the performance of capacity additions in the industry and thus its EPCC business.
- Additionally, it also showcases the quality of wind farms, O&M efficiency, and availability developed by the company.



KP Energy's Operations & Maintenance Portfolio and Track Record

Sr. No.	Site Name & PSS Detials	Capacity in MW	Scope of Work	Start Year of O&M	Overall Availability
1	Matalpur Site : Shevdivadar 66/33kv SS	33.6 MW	Entire BoP OMS from x,mer to metering point at PSS	Since Jun'12	99.62%
2	Ratdi Site: Baradiya 66/33kv SS	33.6 MW	Entire BoP OMS from x,mer to metering point at PSS	Since Apr'14	99.55%
3	Kuchhdi Site: Degam 66/33kv SS	70 MW	Entire BoP OMS from x,mer to metering point at PSS	Since Nov'16	99.52%
4	Mahuva-1 Site: Vagnagar 66/33kv ss	70 MW	Entire BoP OMS from x,mer to metering point at PSS	Since Mar'17	99.65%
	Total	207.2 MW			

Performance Discussion FY20

The financial year 2019-20 proved to be a tough year for the company, Revenue from Operations for FY20 stood at 74.9 Crores compared to 158.4 Crores in FY19, registering a 52.7% decline on a y-o-y basis. EBITDA for FY20 stood at 10.8 Crores compared to 32.9 Crores in the previous year, registering a 67.1% decline on a y-o-y basis. The PAT for FY20 stood at 1.1 Crores and 19.43 Crores, registering a 94.3% decline on a y-o-y basis.

The overall financial performance for the year was severely impacted due to a convergence of many adverse external factors. First, sectoral constraints and a down-cycle in the wind energy industry impacted our core EPC business. Additionally, delay in project executions under the EPC segment due to a variety of factors led to incomplete project milestones and deferment of revenue from the financial year under review, eventually getting rolled over now with higher tariffs and larger timelines. A 53% drop in our revenue from operations coupled with a fixed-cost structure has completely decimated our bottom line.

Outlook

The company has a healthy order book above 1 GW of wind energy projects to be executed until FY2021-22. Clear business visibility, coupled with increasing tariffs, improving WTG technologies, increasing efficiency due to larger rotors and higher hubs, should be the driving factors that will help us find our way back to higher earnings growth. On the asset front, we have invested in a transmission line infrastructure, which is under construction. Once monetized in the upcoming bid opportunities, this will prove to be a significant gain for the company.

Business Pipeline

Sr. No.	Project Name	Type	Capacity (MW)	Expected Completion
1	Mahuva-I	Retail	15	December 2020
2	Mahuva-II	Retail	30	June 2021
3	Mahuva-III	Retail	50	June 2021
4	Mahuva-IV	Retail	55	March 2022
5	Mahuva-V	Retail		
6	Vanki	IPP	300	March 2022
7	Sidhpur-I	IPP	300	December 2021
8	Sidhpur-II	IPP	250.8	December 2021
Total			1000.8	By March 2022

Risk and Concerns

Regulatory 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 company. There was a shift from feed-in-tariff to auctions in the year 2017. This abrupt change led to the fall of the entire sector's performance in the last two years.

Wind Sector 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). Depending upon the capital expenditure scenario and cycle, a reduction



caused by either of them could adversely affect our revenues performance.

Project Development Risk

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. 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 and 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 are 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 important assets. Hence, 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. Employee relations during the period under review 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

Statements in the Management Discussion and Analysis, describing the company's objective, projections, estimates, expectations, may be forward-looking statements. Actual results may differ materially from those expressed or implied due to various risks and uncertainties. Important factors that could make a difference to the company's operations include economic and political conditions in India and other countries in which the company operates, volatility in interest rates, changes in government regulations and policies, tax laws, statutes, and other incidental factors. The company does not undertake to update these statements.

Financial Ratio

Financial Ratio	FY 2019-20	FY 2018-19	% Change	Remarks
Debtors Turnover	76.23	49.16	-55.06	Decline in ratio is due to decrease in sales in current financial year.
Inventory Turnover	288.23	1557.81	81.49	Decrease in inventory turnover ratio is due to lower cost of material consumed.
Interest Coverage Ratio	1.91	7.93	-75.91%	Lower net profit compared to last financial year.
Current Ratio	1.7	1.16	48.28 %	Due to an increase in inventory in the financial year.
Debt to Equity Ratio	2.53	1.81	-39.77%	
Operating Profit Margin (%)	7.80	17.99	-56.64	Due to a reduction in top line operating margin is reduced.
Net Profit Margin (%)	1.47	12.27	-88.01	Due to a reduction in top line operating margin is reduced.



“ We couldn’t change the direction of the wind, but we could and did adjust our sails to move in the right direction.”

Fulfilling our Social Responsibility

Why do we have to choose between Environment and Economy, why not make the Environment the Economy? We at KP Energy strongly believe that a sustainable business is the one that stands to benefits all humans around it, its ecosystem, and all its stakeholders. We believe that the progress and development of an organization can either be inclusive and collective, or self-centered and short-lived. For us, sustainable development is economic development that is generated without depleting natural resources and disturbing the ecosystem around us. Our business itself is pro-sustainability, which organically helps humankind to develop and scale-up renewable sources of energy in the fight against fossil fuel. Corporate Social Responsibility is imbibed deep in the organizational ethos of KP Energy, it is not just a function of the bottom line, but are our aspiration of improving lives and contributing to communities and ecosystem where we conduct our business.

Key Initiatives

Education Promotion and Development

We have undertaken the task of distribution of education kit to children taking first-time admissions in government schools. Team KP Energy conducts this activity in more than 150 schools in Bhavnagar, Mahuva, Talaja, Jesar, and many other areas where we have been developing our projects. The aforementioned Education Kits consist of an all-weather school bag along with necessary accessories and stationery for learning. This initiative has ended up becoming the principal motivation of children to enroll in schools and get educated from remotely located & downtrodden families. This initiative started a few years back with only 500 kits and has now grown to about 3000 kits every year. Touching lives in rural India is one of the most encouraging aspects of wind farm development, while developing such infrastructure team KP Energy keeps a close eye on the existing infrastructure of the schools and keeps contributing to this space without disturbing the ecosystem. We have also installed computers, printers, undertaken rectification of boundary walls, construction of classrooms, potable drinking water, etcetera.

Such initiatives have facilitated in enriching school life, education, and improved the



quality of life in these rural areas. We have also taken part in distributing booklets for Board Examination, snacks & sweets on festivals such as Independence Day. Additionally, we have also undertaken the distribution of grains & vegetables and other kits to hostel students.

Mass Plantation Drive

Recognizing the value of our natural ecosystem and forest, KP Energy is driving Mass Plantation Drives with the help of rural communities and school kids' support. It includes planting different species of Mangrove trees on the coastal belts to limit soil erosion and excess salinity from the Sea. We have so far planted 78,060

saplings in three years. Our team has planted 7060 saplings in the year 2015, 20,000 saplings in the year 2016 in a single day, and also 20,000 saplings in 2017, a record number of 31,000 saplings in 2019, followed by organizing an environment awareness rally wherein thousands of children from more than 26 different schools participated. We also take care of the already planted trees and thereby endeavor to maintain flora and fauna.. 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.



Common Infrastructure Development

It is a bitter truth that while undertaking infrastructure development, the areas most often left out are remote villages. Recognizing the challenges and living conditions of these backward areas, the lack of basic amenities, team KP Energy always prefers providing infrastructure aids to communities that are otherwise extremely scarce of resources and Government aids. To that extent, we have build pavements, all-weather roads that enable farmers and commuters to access them, even in the worst monsoon or floods, strengthening existing roads, constructing cross drainages, bridges, and walkways to mitigate flood impacts. We have also contributed to the government scheme named 'Sujlam Sujlam Jal Abhiyan Yojna'; apart from this, we have donated an ambulance for animals to the Forest Department. Some other infrastructure activities include providing sanitation & water connections. We also have contributed toward water supply to people in Khared village at Mahuva under the Gramya Jal & Swachhta Abhiyan with help of Gramya Jal and Swachta Samiti at Karmadiya village in Mahuva, Bhavnagar.

Security, Safety, and Well-Being

At KP Energy, environmental care & concerns are also a vital parameter 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. The



company also enjoys being first in the country to obtain environmental permission to develop a specific wind project in the coastal regulation zone from the Ministry of Environment, Forests & Climate Change, Government of India. Apart from the safety of the environment and ecosystem, KP Energy is also working towards people's well-being. We undertook activities including distribution of grains, food packets, vegetables, etcetera to deprived families in Mahuva, Bhavnagar.

Local Development via Employment & Enrolment

Human Capital is the most precious and scarce resource in the world. Instead of considering headcounts, if we develop them as skill sets, no significant number or no challenging project can meet time

or cost overrun. With this ideology, team KP Energy imparts free training and working opportunities for unemployed youths, develops specific construction or engineering expertise, and makes them align with today's much needed vocational skills. Also, all such jobs which are possible and serviceable by local people are entrusted to them only. This has given us huge acceptability among economically backward people, shadowed by the dearth of business opportunities. While making it sustainable by adding clean & green sources of energy, the company has stretched to enlighten the lives of common people, bring smiles on the faces of kids and converting hopes into actual happenings in real life of aspiring youth, fathoming remote dwellers and making their ends meet with earning opportunities.

To put it simply, we aim for development that meets the present's needs without compromising the ability of future generations.

Our Leadership's take on Sustainability:

"KP Group's key business once upon a time, telecom infrastructure, is only a minuscule part today. The entire thrust of KP Group organizations, and revenues presently come from serving nature in terms of developing sustainable energy assets for the country"

- Mr. Faruk Patel, Managing Director

"Developing wind projects at hitherto unutilized, barren, and mostly wastelands on coastal belts or hillocks itself is the biggest service towards a balance of the ecosystem. Instead of keep burning coal or crude, we have to look forward to seeing what environment, pollution and plethora of ecological challenges, we actually will present to our successors"

- Mr. Ashish Mithani, Chief Executive Officer

Corporate Information

Name	Designation	DIN
Mr. Farukbhai Gulambhai Patel	Managing Director	00414045
Mr. Ashish Ashwin Mithani	Whole Time Director	00152771
Mr. Affan Faruk Patel	Additional Director (Executive Director)	08576337
Mrs. Bhadrabala Dhimantrai Joshi	Non-Executive Non Independent Director and Chairperson	07244587
Mr. Bhupendra Vadilal Shah	Non-Executive Non Independent Director	06359909
Mr. Salim Suleman Yahoo	Additional Director (Non-Executive Independent Director)	08648805
Mr. Sajesh Bhaskar Kolte	Non-Executive Independent Director	07277524
Mr. Raghavendra Rao Bondada (till August 28, 2020)	Non-Executive Independent Director	01883766

Company Secretary & Compliance Officer:

Mr. Karmit H. Sheth

Chief Financial Officer

Mr. Pravin R. Singh

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

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

Registrar & Share Transfer Agent:

M/s Big Share Services Pvt. Ltd
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road, Marol,
Andheri (East), Mumbai-400059,
Maharashtra, India
Email: ipo@bigshareonline.com
Website: www.bigshareonline.com

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@kpenenergy.in
Website: www.kpenenergy.in

Notice

NOTICE is hereby given that the Eleventh (11th) Annual General Meeting of the members of K.P. Energy Limited will be held on Tuesday, the 29th day of September, 2020 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, 2020, 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, 2020, together with the Report of the Auditors thereon.

2. To appoint Mrs. Bhadrabala Dhimant Joshi (DIN: 07244587), who retires by rotation and being eligible offers herself 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 reappoint **Mrs. Bhadrabala Dhimant Joshi (DIN: 07244587)**, who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as the Director of the Company."

Special Business:

3. 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 Rs. 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, 2021, 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."

4. Re-Appointment of Mr. Farukbhai Gulambhai Patel (DIN: 00414045) as Managing 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 Sections 196, 197 and 203 read with other applicable provisions and Schedule V of the Companies Act, 2013 and the provisions of Articles of Association of the Company and Companies(Appointment and Remuneration of Managerial Personnel) Rules, 2014, the consent and approval of shareholders be and is hereby accorded for re-appointment of **Mr. Farukbhai Gulambhai Patel (DIN: 00414045)** as Managing Director of the Company for a period of five years commencing from **July 15, 2020 to July 14, 2025** on the terms and conditions as may be determined by the Board or any if its committee, from time to time, within the maximum limits of remuneration for Managing Director approved by the members of the Company on such terms and conditions as set out in the forgoing resolution and the explanatory statement annexed hereto.

RESOLVED FURTHER THAT the Board of Directors or any of its Committee be and is hereby authorized to do all such acts, deeds, things, matters and take all such steps as may be necessary, proper or expedient to give effect to the foregoing resolution"

5. Re-Appointment of Mr. Ashish Ashwin Mithani (DIN: 00152771) as 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 Sections 196, 197 and 203 read with other applicable provisions and Schedule V of the Companies Act, 2013 and the provisions of Articles of Association of the Company and Companies(Appointment and Remuneration of Managerial Personnel) Rules, 2014, the consent and approval of Members of the Company be and is hereby accorded for re-appointment of **Mr. Ashish Ashwin Mithani (DIN: 00152771)** as Whole Time Director of the Company for a period of five years commencing from **July 15, 2020 to July 14, 2025** on the terms and conditions as may be determined by the Board or any if its committee, from time to time, within the maximum limits of remuneration for Whole Time Director approved by the members of the Company on such terms and conditions as set out in the forgoing resolution and the explanatory statement annexed hereto.

RESOLVED FURTHER THAT the Board of Directors or any of its Committee be and is hereby authorized to do all such acts, deeds, things, matters and take all such steps as may be necessary, proper or expedient to give effect to the foregoing resolution"

6. Re-Appointment of Mr. Sajesh Bhaskar Kolte (DIN: 07277524) as Non-Executive Independent Director of the Company.

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as "the Act") and the Rules made thereunder read with Schedule IV to the Act, applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any amendment(s), statutory modification(s) and/or re-enactment thereof for the time being in force and subject to such other laws, rules and regulations as may be applicable in this regard and on the basis of recommendation of the Nomination and Remuneration Committee,

approval of the Members of the Company be and is hereby accorded to re-appoint Mr. Sajesh Bhaskar Kolte (DIN 07277524), as an Non-Executive Independent Director of the Company, not liable to retire by rotation, for a further term not exceeding five (5) consecutive years from **September 03, 2020 to September 02, 2025**.

RESOLVED FURTHER THAT the Board of Directors of the Company or any Key Managerial Personnel of the Company for the time being are hereby severally authorised to do all acts, deeds, matters or things and take such steps as may be necessary, expedient or desirable in this regard."

7. Appointment of Mr. Vendhan Ganeshan Mudaliar (DIN: 08042293) 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 and 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. Vendhan Ganeshan Mudaliar (DIN: 08042293) as Non-Executive Independent Director of the Company, not liable to retire by rotation, for a term not exceeding five (5) consecutive years from **September 29, 2020 to September 28, 2025**.

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. Appointment of Mr. Affan Faruk Patel (DIN: 08576337) as 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, 198 and 203 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 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, on recommendation of the Nomination and Remuneration Committee and Board of Directors ('Board') of the Company, the consent of the members of the company be and is hereby accorded for the appointment of **Mr. Affan Faruk Patel (DIN: 08576337)** as a Whole Time Director of the Company, who shall hold office for a period of five years from **September 29, 2020 to September 28, 2025** on the terms and conditions as may be decided by the Board and whose office shall be liable to retire by rotation.

RESOLVED FURTHER THAT Mr. Affan Faruk Patel as a Whole Time 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 approved by the members of the Company on the terms and conditions as set out in the forgoing resolution and explanatory statement annexed hereto.

RESOLVED FURTHER THAT 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.

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 Whole Time 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 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 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."

9. Appointment of Mr. Salim Suleman Yahoo (DIN: 08648805) 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 (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. Salim Suleman Yahoo (DIN: 08648805)** who was appointed by the Board of Directors as an Additional Director (Non-Executive Independent Director) of the Company with effect from **December 26, 2019**, 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, who holds office upto the date of ensuing Annual General Meeting of the Company and who has submitted a declaration that he meets the criteria of the independent directorship as provided in section 149(6) of the Companies Act, 2013, on recommendation of the Nomination and Remuneration Committee and Board of Directors of the Company, the consent of the members of the company be and is hereby accorded to the appointment of **Mr. Salim Suleman Yahoo (DIN: 08648805)** as Non-Executive Independent Director of the Company, who shall hold office for a period of five years from **September 29, 2020 to September 28, 2025** and whose office shall not be liable to retire by rotation.

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.”

10. Increase in borrowing powers of the Company.

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

“RESOLVED THAT pursuant to the provisions of Section 180(1)(c) 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), on the recommendation of the Board of Directors, the consent of the members of the company be and is hereby accorded to borrow money, as and when required, from time to time any sum or sums of money for the purpose of the business of the Company, from any Bank and/or other Financial Institution and/or any lender and/or any Body corporate/ entity/entities and/or authority/authorities whether from India or outside India, either in rupees or in such other foreign currencies as may be permitted by law from time to time, as may be deemed appropriate by the Board, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company’s Bankers in the ordinary course of business) may, at any time, exceed the aggregate of its paid-up share capital, free reserves and securities premium, that is to say reserves not set apart for any specific purpose, provided that the total amount so borrowed by the Board of Directors shall not at any time exceed the limit upto **Rs. 600 Crores (Rupees Six Hundred Crores Only)**.

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.”

11. Increase in limits of creating Charge/Security over the Assets/Undertaking of the Company.

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

“RESOLVED THAT in supersession of all earlier resolutions passed in this regard and pursuant to the provisions of Section 179 and 180(1)(a) 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), on the recommendation of the Board of Directors, the consent of the members be and is hereby accorded to create such pledge, mortgage, hypothecation and/or Charge in addition to existing in such form and such manner as may be agreed between the Board of Directors and the Company’s lenders on all or any part of the movable and/or immovable properties of the Company and/or the whole or part of the undertaking of the Company both present and future of every nature and kind whatsoever, in certain events, to secure term loans/ working capital facilities / External Commercial borrowings/ Debentures/ any other form of finance etc., shall not exceed at any point of time upto **Rs. 600 Crores (Rupees Six Hundred Crores Only)** from any Bank and/or other Financial Institution and/or any lender and/or any Body corporate/ entity/entities and/or authority/authorities and/or any other lenders whether from India or outside India, either in rupees or in such other foreign currencies as may be permitted by law from time to time, as may be deemed appropriate by the Board, the principal

and/or together with interest, charges, costs, expenses and all other monies payable by the Company, such mortgages and/or charges already created or to be created in future by the Company in such manner as may be thought expedient by the Board of Directors.

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.”

12. Increase in the limits of Loans and Investments by the Company.

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

“RESOLVED THAT pursuant to the provisions of section 186 of the Companies Act, 2013, read with Companies (Meetings of Board and its Powers) Rules, 2014 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), on the recommendation of the Board of Directors, the consent of members be and is hereby accorded to (a) give any loan to any person or other body corporate; (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate as it may consider necessary by the Board of Directors of the Company and in the interest of the Company, subject to the aggregate amount of the loans and investments so far made for which guarantees or securities provided to any Bank and/or other Financial Institution and/or any lender and/or any Body corporate/ entity/entities and/or authority/authorities and/or any other person whether from India or outside India, in respect of or against any loans or to secure any financial arrangement of any nature by, any other person(s), any Body(ies) Corporate, whether in India or outside, which may or may not be subsidiary(ies) of the Company, whether existing or proposed to be incorporated, along with the additional investments, loans, guarantees or securities proposed to be made or given or provided by the Company, from time to time, in future, shall not exceed at any point of time upto **Rs. 600 crores (Rupees Six Hundred Crores Only)** over and above the limit of 60% of the paid-up share capital, free reserves and securities premium account of the Company or 100% of free reserves and securities premium account.

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.”

13. Approval for conversion of Loan into Equity Share Capital of the Company.

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

“RESOLVED THAT pursuant to Section 62(3) and other applicable provisions, if any, of the Companies Act, 2013 and subject to all such approvals, permissions or sanctions as may be necessary and subject to such condition(s) and modification(s) as may be prescribed or imposed, while granting such approval(s), permission(s)

or sanction(s) which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board", which expression shall be deemed to include any Committee duly constituted/ to be constituted by the Board to exercise its powers, including the powers conferred by this Resolution), the consent of the Members be and is hereby accorded to the Board in respect of the financial assistance including unsecured loans extended / to be extended by the Financial Institutions/Banks/any Body Corporate/Directors (including a Rupee Term Loan Facility availed or to be availed) such that in the event of default by the Company under the lending arrangements or upon exercise of an option provided/agreed under the lending arrangements, Bank(s) / Financial Institution(s)/ any Body Corporate/ Directors at its option agreed in the arrangement by the parties, may be able to convert the outstanding facility / financial assistance including unsecured loans or part thereof to ordinary Equity Shares in the Company upon such terms and conditions of such lending arrangements and / or as deemed appropriate by the Board and at a price to be determined in accordance with the applicable SEBI regulations at the time of conversion.

RESOLVED FURTHER THAT on receipt of the notice of conversion, the Board be and is hereby authorized to do all such acts, deeds and things as the Board may deem necessary and shall allot and issue the requisite number of fully paid-up ordinary Equity Shares in the Company to such Bank(s) / Financial Institution(s)/ Body Corporate/ Directors.

RESOLVED FURTHER THAT the ordinary Equity Shares to be so allotted and issued to the lenders pursuant to its exercising the right of conversion shall rank pari-passu in all respects with the then Equity Shares in the Company and be listed on the Stock Exchange(s) where the existing shares of the Company are listed.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred by this Resolution to any Director or Directors or to any Committee of Directors or any other executive(s) or officer(s) of the Company to give effect to the aforesaid Resolution."

14. Any other business wiWth 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@kpenenergy.in
Website: www.kpenenergy.in

**By Order of the Board
FOR K.P. ENERGY LIMITED**

Sd/-

Karmit Sheth

Company Secretary & Compliance Officer

Date: August 29, 2020

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.

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's 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.

2. 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 at least 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.

3. 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.

4. 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.

5. 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.kpenenergy.in. The Notice can also be accessed from the websites of the Stock Exchange 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.

6. 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.

The instructions for shareholders for remote E-Voting are as under:

- (i) The voting period begins on September 26, 2020 and ends on September 28, 2020. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 18, 2020 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) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on "Shareholders" module.
- (v) 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.

OR

Alternatively, if you are registered for CDSL's **EASI/EASIEST** e-services, you can log-in at <https://www.cdslindia.com> from **Login - Myeasi** using your login credentials. Once you successfully log-in to CDSL's **EASI/EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.

- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) 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.
- (viii) If you are a first time user follow the steps given below:

	For Shareholders holding shares in Demat Form and Physical Form
PAN	Enter your 10digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> 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. <ul style="list-style-type: none"> 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 as mentioned in instruction (v).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) 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.
- (xi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant K.P. Energy Limited on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) 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.
- (xix) Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

Process for those shareholders whose email addresses are not registered with the depositories for obtaining login credentials for E-Voting for the resolutions proposed in this Notice:

- 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.
- For Demat shareholders -, please provide Demat account details (CDSL 16-digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to Company/RTA email id.

Instructions for shareholders attending the AGM through VC/OAVM are as under:

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. 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.
5. 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 at least 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). 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 (company email id). These queries will be replied to by the company suitably by email.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

Instructions for shareholders for E-Voting during the AGM are as under:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. 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.
3. If any Votes are cast 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.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

(xx) Note for Non – Individual Shareholders and Custodians

- 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@kpenenergy.in (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022- 23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, 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@kpenenergy.in
Website: www.kpenenergy.in

**By Order of the Board
FOR K.P. ENERGY LIMITED**

**Sd/-
Karmit Sheth
Company Secretary & Compliance Officer**

**Date: August 29, 2020
Place: Surat**

Annexure To Notice

Explanatory Statement To Special Business Pursuant To Section 102 Of The Companies Act, 2013

Item No. 3 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, 2021, 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 Rs. 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 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. 4 Re-Appointment of Mr. Farukbhai Gulambhai Patel (DIN: 00414045) as Managing Director of the Company.

Mr. Farukbhai Gulambhai Patel, aged 48 years was appointed as Managing Director of the Company. He is the founding promoter of the Company. The Company has been taking the advantage of his guidance and supervision since incorporation of the Company i.e. January 08, 2010. He has significantly contributed to the overall growth of the Company. Because of his sustained efforts, the Company has sustained a growth pattern and has achieved success in creating a brand image in the Renewable energy sector. He has wholesome exposure on all aspects of business of the Company and is engaged in supervision & conduct of business along with an experienced team.

Mr. Patel was appointed as Managing Director of the Company for a period of 5 (Five) years w.e.f **July 15, 2015 up to July 14, 2020** in the Extra Ordinary General Meeting of the Company held on July 15, 2015. Mr. Patel holds 54,03,125 equity shares of Rs. 10 each as on March 31, 2020 in the Company. Therefore, he is interested in passing of this resolution by virtue of his directorship and to the extent of his shareholding in the Company.

Mr. Farukbhai Gulambhai Patel is not disqualified from being re-appointed as a Director or Managing Director in terms of Section 164 of the Companies Act, 2013. He has communicated his willingness to be re-appointed and has given his consent to act as Managing Director of the Company. He satisfies all the conditions as set out in Section 196 (3) of the said Act and Part-I of Schedule V thereof and hence, is eligible for reappointment.

A brief Profile of Mr. Farukbhai Gulambhai Patel is provided in Annexure to the Notice pursuant to the provisions of (i) the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Secretarial Standards on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

It is proposed to seek Members' approval for the re-appointment of and remuneration payable to Mr. Farukbhai Gulambhai Patel as Managing Director, in terms of the applicable provisions of the Act and the rules made thereunder.

The Board of Directors of the Company in its meeting held on August 30, 2019 approved the revision of remuneration paid to Mr. Farukbhai Gulambhai Patel, Managing Director for his remaining term of office, as recommended by the Nomination and Remuneration Committee in its meeting held on August 30, 2019 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:

- Basic Salary: Not exceeding Rs. 6,00,000/- (Rupees Six 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 medical reimbursement, leave travel assistance, House Rent Allowance, City Compensatory Allowance, Laundry Allowance and any other perquisites as per the policy of the Company in force or as may be approved by the Board from time to time.
- Addition to the above, he shall be entitled to the allowance and benefits as per the policy of the Company in force, 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 under Employer – Employee scheme
- Minimum Remuneration : in the event of loss or inadequacy of the Profits in any financial year, during the currency of the term of the Managing Director, the Company will pay Remuneration to the Managing Director within the maximum ceiling per annum as per section II of Part II of Schedule V to the Companies Act, 2013, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, as per the recommendation of the Nomination and Remuneration Committee and the approval of the Board of Directors of the Company.

This explanatory statement may also be considered as the requisite abstract under section 190 of the Companies Act, 2013 setting out the terms and conditions of the appointment of Mr. Farukbhai Gulambhai Patel as the Managing Director of the Company.

Statement Of Information As Required Under Schedule V, Part II, Section II (B) (iv) For Item No. 9:

I. 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, 2020 is as under:

(Rs. In lacs)

Particulars	FY 2019-20
Paid up Capital	1111.5
Reserves and surplus	4282.55
Total Revenue	7471.34
Total Expenses	7193.04
Profit before Tax	278.30
Tax Expenses	(168.28)
Profit after Tax	110.02

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:

1. Background details:

Mr. Farukbhai Gulambhai Patel, aged 48 years was appointed as Managing Director of the Company. He is the founding promoter of the Company. The Company has been taking the advantage of his guidance and supervision since incorporation of the Company i.e. January 08, 2010. He has significantly contributed to the overall growth of the Company. Because of his sustained efforts, the Company has sustained a growth pattern and has achieved success in creating a brand image in the Renewable energy sector. He has wholesome exposure on all aspects of business of the Company and is engaged in supervision & conduct of business along with an experienced team.

2. Past Remuneration: Annual remuneration of Mr. Farukbhai Gulambhai Patel for the Financial Year 2019-20 was Rs. 40 Lacs.

3. Recognition or awards: Mr. Patel has received many awards and accolades over the course of his tenure with the Company.

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

5. Remuneration proposed: As mentioned in the resolution.

6. 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 rich knowledge and experience of the appointee, the remuneration is fully justifiable and comparable to that prevailing in the industry.

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

Besides the remuneration proposed, Mr. Farukbhai Gulambhai Patel does not have any pecuniary relationship with the Company. Further, he is not related to any managerial personnel of the Company except Mr. Affan Faruk Patel, Additional Director (Whole Time Director) who is Son of Mr. Farukbhai Gulambhai Patel.

II. Other information:

1. Reasons of loss or inadequate profits: The Company does not envisage any loss or inadequate profits during the tenure of appointment of Mr. Farukbhai Gulambhai 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.

2. 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.

3. 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:

- All elements of remuneration package such as salary, benefits, bonuses, stock options, pensions, etc., of all the directors;
- Details of fixed component and performance linked incentives along with performance criteria;
- Service contracts, notice period, severance fees;
- 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.

Save and except Mr. Farukbhai Gulambhai Patel, and his relatives to the extent of their shareholding interest, if any, none of the Directors or Key Managerial Personnel of the Company and their relatives are, in any way concerned or interested, financially or otherwise, in the resolutions set out at Item Nos. 4 of the Notice.

The Board of Directors and Audit Committee recommends the resolutions set out at Item No. 4 of the Notice for approval of the members by way of Special Resolution.

Item No. 5 Re-Appointment of Mr. Ashish Ashwin Mithani (DIN: 00152771), as Wholetime Director of the Company.

Mr. Ashish Ashwin Mithani, aged 46 years is presently designated as Whole Time Director of the Company. He is also a founding promoter of the Company. The Company has been taking the advantage of his

Skills, experience, guidance and supervision since incorporation of the Company i.e. January 08, 2010. He has significantly contributed to the overall growth of the Company. Because of his sustained efforts, the Company has sustained a growth pattern and has achieved success in creating a brand image in the Renewable energy sector. He has wholesome exposure on all aspects of business of the Company and is engaged in supervision & conduct of business along with an experienced team.

Mr. Mithani was appointed as Whole Time Director of the Company for a period of 5 (Five) years w.e.f. **July 15, 2015 up to July 14, 2020** in the Extra Ordinary General Meeting of the Company held on July 15, 2015. Mr. Mithani holds 14,82,922 equity shares of Rs. 10 each as on March 31, 2019 in the Company. Therefore, he is interested in passing of this resolution by virtue of his directorship and to the extent of his shareholding in the Company.

Mr. Ashish Ashwin Mithani is not disqualified from being re-appointed as a Director or Whole Time Director in terms of Section 164 of the Companies Act, 2013. He has communicated his willingness to be re-appointed and has given his consent to act as Whole Time Director of the Company. He satisfies all the conditions of as set out in Section 196 (3) of the said Act and Part-I of Schedule V thereof and hence, is eligible for reappointment.

A brief Profile of Mr. Ashish Ashwin Mithani is provided in Annexure to the Notice pursuant to the provisions of (i) the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Secretarial Standards on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

It is proposed to seek Members' approval for the re-appointment of and remuneration payable to Mr. Ashish Ashwin Mithani as Whole Time Director, in terms of the applicable provisions of the Act and the rules made thereunder.

The Board of Directors of the Company in its meeting held on August 30, 2019 approved the revision of remuneration payable to Mr. Mithani, Whole Time Director for his remaining term of office, as recommended by the Nomination and Remuneration Committee in its meeting held on August 30, 2019 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:

- Basic Salary: Not exceeding Rs. 6,25,000/- (Rupees Six 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 medical reimbursement, leave travel assistance, House Rent Allowance, City Compensatory Allowance, Laundry Allowance and any other perquisites as per the policy of the Company in force or as may be approved by the Board from time to time.
- Addition to the above, he shall be entitled to the allowance and benefits as per the policy of the Company in force, 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 under Employer – Employee scheme

- Minimum Remuneration : in the event of loss or inadequacy of the Profits in any financial year, during the currency of the term of the Managing Director, the Company will pay Remuneration to the Managing Director within the maximum ceiling per annum as per section II of Part II of Schedule V to the Companies Act, 2013, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, as per the recommendation of the Nomination and Remuneration Committee and the approval of the Board of Directors of the Company

This explanatory statement may also be considered as the requisite abstract under section 190 of the Companies Act, 2013 setting out the terms and conditions of the appointment of Mr. Ashish Ashwin Mithani as the Whole Time Director of the Company.

Statement Of Information As Required Under Schedule V, Part II, Section II (B) (iv) For Item No. 9:

II. 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, 2020 is as under:

(Rs. In lacs)

Particulars	FY 2019-20
Paid up Capital	1111.5
Reserves and surplus	4282.55
Total Revenue	7471.34
Total Expenses	7193.04
Profit before Tax	278.30
Tax Expenses	(168.28)
Profit after Tax	110.02

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.

IV. Information about the appointee:

6. Background details:

Mr. Ashish Ashwin Mithani, aged 46 years is presently designated as Whole Time Director of the Company. He is also a founding promoter of the Company. The Company has been taking the advantage of his Skills, experience, guidance and supervision since incorporation of the Company i.e. January 08, 2010. He has significantly contributed to the overall growth of the Company. Because of his sustained efforts, the Company has sustained a growth pattern and has achieved success in creating a brand image in the Renewable energy sector. He has wholesome exposure on all aspects of business of the Company and is engaged in supervision & conduct of business along with an experienced team.

7. Past Remuneration: Annual remuneration of Mr. Ashish Ashwin Mithani for the Financial Year 2019-20 was Rs. 45 Lacs.

8. Recognition or awards: Mr. Mithani has received many awards and accolades over the course of his tenure with the Company.

9. Job profile and his suitability: Mr. Mithani 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 rich 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. Ashish Ashwin Mithani does not have any pecuniary relationship with the Company. Further, he is not related to any managerial personnel of the Company.

V. 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. Ashish Ashwin Mithani 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.

VI. Disclosures:

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

- (v) All elements of remuneration package such as salary, benefits, bonuses, stock options, pensions, etc., of all the directors;
- (vi) Details of fixed component and performance linked incentives along with performance criteria;
- (vii) Service contracts, notice period, severance fees;
- (viii) 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.

Save and except Mr. Ashish Ashwin Mithani, and his relatives to the extent of their shareholding interest, if any, none of the Directors or Key Managerial Personnel of the Company and their relatives are, in any way concerned or interested, financially or otherwise, in the resolutions set out at Item Nos. 5 of the Notice.

The Board of Directors and Audit Committee recommends the resolutions set out at Item Nos. 5 of the Notice for approval of the members by way of Special Resolution.

Item No. 6 Re-Appointment of Mr. Sajesh Bhaskar Kolte (DIN: 07277524) as Non-Executive Independent Director of the Company.

Mr. Sajesh Kolte, aged 47 years, is a Non-Executive Independent Director of our Company. He is a Bachelor of Science (B.Sc.) in Physics from Gujarat University and holds a degree in Master of Management Studies in Marketing from University of Mumbai. Further he has completed certification programme of Portfolio and Investment Management from IIM, Bangalore. He has professional experience of over 16 years. He has worked for Ceat Limited, Goodlass Nerolac Paints, Berger Paints and ICICI Bank. He has worked with Kotak Mahindra Bank as Principal Banker and Product Manager from 2004 to December 2013. From January 2014, he has been an entrepreneur and trainer in Private Wealth Management and Financial Planning, developing structured products in financial derivative instruments.

The Company has immensely benefited from his wealth of knowledge, guidance and expertise especially in the field of finance and business. Mr. Sajesh Kolte has been actively participating in various deliberations at Board and Committee meetings, thus adding immense value to the Company's growth.

Details of Mr. Kolte's attendance at the Board, Committee and General Meetings held during the last three financial years are given below:

Financial Year	Board Meeting	Audit Committee	Nomination and Remuneration	Annual General Meeting
2018-19	8 out of 8	6 out of 6	2 out of 2	Yes
2017-18	8 out of 9	5 out of 5	1 out of 1	Yes
2016-17	11 out of 12	4 out of 4	2 out of 2	Yes

Apart from the above information, additional disclosures as required pursuant to Regulation 36 of the Listing Regulations and as per Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) are stated in the table annexed hereto.

The Board commends passing of the Special Resolutions as stated at Item no 6 of the Notice for re-appointment of the Independent Director.

Except for the respective directors being interested in their own re-

appointments, none of the other Directors/Key Managerial Personnel of the Company, or their relatives is, in any way, concerned or interested, financially or otherwise in the Special Resolutions set out at Item no. 6 of the Notice.

Item No. 7 Appointment of Mr. Vendhan Ganeshan Mudaliar (DIN: 08042293) 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. Vendhan Ganeshan Mudaliar** is appointed as Non-Executive Independent Director of the Company, who shall hold office for a period of five years from **September 29, 2020 to September 28, 2025** and whose office shall not be liable to retire by rotation.

The Company has received a declaration that Mr. Vendhan Ganeshan Mudaliar 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. Vendhan Ganeshan Mudaliar fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent from the management.

Mr. Vendhan Ganeshan Mudaliar 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. Mudaliar as an independent Director shall hold office for a term up to five consecutive years on the Board of a company from **September 29, 2020 to September 28, 2020** 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 beneficial to the Company and it is desirable to avail services of Mr. Vendhan Ganeshan Mudaliar as an Independent Director to the Company.

None of the Directors or Key Managerial Personnel or their relatives except Mr. Mudaliar, the proposed appointee, is concerned or interested, financially or otherwise, in the resolution set out at Item Nos. 7 of the Notice.

The Board of Directors and Nomination and Remuneration Committee recommends the resolution set out at Item Nos. 7 of the Notice for approval of the members by way of Ordinary Resolution.

Item No. 8 Appointment of Mr. Affan Faruk Patel (DIN: 08576337) as the Whole Time Director of the Company.

Mr. Affan Patel, aged 23 years is an Electrical Engineer. He has completed his bachelor of Engineering from Sarvajani 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, KPVE 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 Rs. 5,00,000/- (Rupees Five 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:
 - vi. Company maintained car with driver.
 - vii. Company's contribution to Provident Fund
 - viii. Payment of gratuity and other retirement benefits
 - ix. Encashment of leave
 - x. Personal Accident, Mediclaim and Life Insurance under Employer – Employee scheme

In any financial year, the remuneration payable to Whole Time Director shall not exceed the overall limit pursuant to 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.

Statement of Information as required under Schedule V, Part II, Section II (B) (iv) for Item No. 9:

16. 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, 2020 is as under:

(Rs. In lacs)

Particulars	FY 2019-20
Paid up Capital	1111.5
Reserves and surplus	4282.55
Total Revenue	7471.34
Total Expenses	7193.04
Profit before Tax	278.30
Tax Expenses	(168.28)
Profit after Tax	110.02

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.

VII. Information about the appointee:

6. Background details:

Mr. Affan Faruk Patel, aged 23 years is an Electrical Engineer. He has completed his bachelor of Engineering from Sarvajani 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, KPVE 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: There was no remuneration provided to Mr. Affan Faruk Patel in Past by the Company.

8. Recognition or awards: Mr. Patel has received many accolades over the course of his education life.

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.

VIII. 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.

IX. Disclosures:

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

- (ix) All elements of remuneration package such as salary, benefits, bonuses, stock options, pensions, etc., of all the directors;
- (x) Details of fixed component and performance linked incentives along with performance criteria;
- (xi) Service contracts, notice period, severance fees;
- (xii) 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, is concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 of the Notice.

The Board of Directors and Nomination and Remuneration Committee recommends the resolution set out at Item Nos. 8 of the Notice for approval of the members by way of Ordinary Resolution.

Item No. 9 Appointment of Mr. Salim Suleman Yahoo (DIN: 08648805) 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. Salim Suleman Yahoo** is appointed as Non-Executive Independent Director of the Company, who shall hold office for a period of five years from **September 29, 2020 to September 28, 2025** and whose office shall not be liable to retire by rotation.

The Company has received a declaration that Mr. Salim Suleman Yahoo 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. Salim Suleman Yahoo 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. Salim Suleman Yahoo 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. Yahoo as an independent Director shall hold office for a term up to five consecutive years on the Board of a company from **September 29, 2020 to September 28, 2020** 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. Salim Suleman Yahoo as an Independent Director to the Company.

None of the Directors or Key Managerial Personnel or their relatives except Mr. Yahoo, the proposed appointee, is concerned or interested, financially or otherwise, in the resolution set out at Item Nos. 9 of the Notice.

The Board of Directors and Nomination and Remuneration Committee recommends the resolution set out at Item Nos. 9 of the Notice for approval of the members by way of Ordinary Resolution.

Item No. 10 Increase in borrowing powers of the Company.

According to Companies (Amendments) Act, 2017 and Section 180(1) (c) of the Companies Act, 2013 requires that the Board of Directors shall not borrow money in excess of the Company's paid-up share capital, free reserves and securities premium apart from temporary loans obtained from the Company's Bankers, etc. in the ordinary course of business, except with the approval of the members of the Company by a Special Resolution.

Keeping in view the Company's existing and future financial requirements to support its business operations, the Company may need additional funds for growth. Hence, the consent of the members be and is hereby accorded to enable the Board of Directors to raise finance together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in ordinary course of business) may, at any time, exceed the aggregate of its paid-up share capital, free reserves and securities premium, that is to say reserves not set apart for any specific purpose, provided that the total amount so borrowed by the Board of Directors shall not at any time exceed the limit of **Rs. 600 Crores (Rupees Six Hundred Crores Only)**.

None of the Directors or Key Managerial Personnel or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item Nos. 10 of the Notice.

The Board of Directors recommends the resolution set out at Item Nos. 10 of the Notice for approval of the members by way of Special Resolution.

Item No.11 Increase in limits of creating Charge/Security over the Assets/Undertaking of the Company.

Pursuant to the provisions of Section 179 and 180(1)(a) 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) the Board of Directors of the Company shall not sell, lease or otherwise dispose of the whole or substantially whole or the undertaking of the Company and also shall not create further pledge, mortgage, hypothecation and/or Charge on the movable/immovable properties of the Company except with the approval of the members of the Company by Special Resolution.

Therefore, the consent of the members be and is hereby accorded to enable the Board of Directors to create such charge/security in addition to existing on the movable & immovable properties of the Company shall not exceed at any point of time upto **Rs. 600 Crores (Rupees Six Hundred Crores Only)**.

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. 11 of the Notice.

The Board of Directors recommends the resolutions set out at Item Nos. 11 of the Notice for approval of the members by way of Special Resolution.

Item No. 12 Increase in the limits of Loans and Investments by the Company.

As per the provisions of Section 186 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), No company shall directly or indirectly (a) give any loan to any person or other body corporate; (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding sixty per cent. of its paid-up share capital, free reserves and securities premium account or one hundred per cent. of its free reserves and securities premium account, whichever is more.

As a measure of achieving greater financial flexibility and to enable optimal financing structure, this permission is sought pursuant to the provisions of Section 186 of the Companies Act, 2013 to enable the Board of Directors of the Company for acquiring securities of any other body corporate, giving any loan and giving any guarantee or providing security, in connection with loans, Financial assistance to subsidiary companies, whether existing or proposed to be incorporated, or otherwise for an amount not exceeding **Rs. 600 crores (Rupees Six Hundred Crores only)**.

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. 12 of the Notice.

The Board of Directors recommends the resolutions set out at Item Nos. 12 of the Notice for approval of the members by way of Special Resolution.

Item No.13 Approval for conversion of Loan into Equity Share Capital of the Company.

To meet funding requirements towards proposed capital expenditures, operational expenditure and working capital with respect to the power projects being set up by the Company, its Subsidiaries and Associate Companies and for general corporate purposes, your Company has availed / will avail financial assistance by way of Rupee Term Loans, unsecured loans, Non-convertible Debentures, Foreign Currency Loans, FCCB, Corporate Loans etc., from time to time from various lenders i.e. Bank(s) / Financial Institution(s) // any Body Corporate/ Directors upon such terms and conditions stipulated by them and approved by the Board.

Terms of sanction if provides that in the event of default by the Company under the lending arrangements or upon exercise of an option provided/agreed under the lending arrangements the Bank(s) / Financial Institution(s)/ any Body Corporate/Directors and other lenders may be entitled to exercise the option to convert whole or part of their outstanding facility into fully paid up ordinary Equity Shares of the Company at a price to be determined in accordance with the applicable SEBI regulations at the time of such conversion.

The proposed resolution is an enabling resolution under the provisions of the Section 62(3) and other applicable provisions of the Companies Act, 2013 in view of the fact that under the lending arrangements, the Bank(s) / Financial Institution(s) / any Body Corporate/Directors or lenders insist for inclusion of an option to convert the outstanding facility into Equity in the event of default or upon exercise of an option provided/agreed under the lending arrangements in the facility agreements.

Allotment of Equity Shares as above requires prior approval of the Members by way of Special Resolution. Hence this enabling resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives may be deemed to be concerned or interested in the resolution except to the extent of their respective shareholdings in the Company if any. The Board commends the Special Resolution as set out at item No. 12 for approval of Members.

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 29, 2020
Place: Surat**

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

Name of Director	Mrs. Bhadrabala Dhimant Joshi (DIN:07244587)
Date of Birth	10-Apr-1958
Date of Appointment	17-Aug-2015
Relationship with other Directors Inter se	None
Qualifications	<ul style="list-style-type: none"> • B. Pharm. (Guj. University, 1981) • LL.B. (South Guj. University, 1986)
Expertise in Specific functional areas	Mrs. Bhadrabala Joshi has a vast experience as an Advocate in various matters such as Title Clearance Certificate, Search Reports, Conveyance and other Civil and Criminal matters. Mrs. Bhadrabala Joshi is one of the member of the Panel of Approved Advocates of Nationalized Banks at Surat such as SBI, Bank of India, etc.
Directorships held in other Companies	<ul style="list-style-type: none"> • K.P.I. Global Infrastructure Limited
Memberships/Chairmanships of committees in other Companies	K.P.I. Global Infrastructure Limited Corporate Social Relationship Committee (Member) Stakeholder Relationship Committee (Chairperson)
Number of Equity Shares held in the Company	NIL

Name of Director	Mr. Affan Faruk Patel (DIN: 08576337)
Date of Birth	11-Jul-97
Date of Appointment	26-Dec-19
Relationship with other Directors Inter se	Mr. Affan is a Son of Mr. Farukbhai Gulambhai Patel, Managing Director of the Company.
Qualifications	Bachelor of Engineering from Sarvajani College of Engineering and Technology (SCET), Surat.
Expertise in Specific functional areas	Mr. Affan Patel, aged 23 years is an Electrical Engineer. He has completed his bachelor of Engineering from Sarvajani College of Engineering and Technology (SCET), Surat. He is also functioning as Director in renewable Energy ventures namely KPIG Renewables Private Limited and KP Sor-Urja Private Limited.
Directorships held in other Companies	<ul style="list-style-type: none"> • KPIG Renewables Private Limited • KP Sor-Urja Limited • Faaiz Money Changer Private Limited • Wind Farm Developers Private Limited • K.P Energy Mahua Windfarms Privatelimited • Ungarn Renewable Energy Private Limited • KPEV Charging Private Limited
Memberships/Chairmanships of committees in other Companies	NIL
Number of Equity Shares held in the Company	NIL

Name of Director	Mr. Salim Suleman Yahoo (DIN: 08648805)
Date of Birth	08-Nov-1973
Date of Appointment	26-Dec-2019
Relationship with other Directors Inter se	None
Qualifications	Bachelor degree in commerce from University of Bombay. Diploma in Business & Administration from Symbiosis centre for distance learning.
Expertise in Specific functional areas	Mr. Salim Yahoo, aged 46 holds bachelor degree in commerce from University of Bombay. He has also completed Diploma in Business & Administration from Symbiosis Centre for distance learning.

Expertise in Specific functional areas	He was working with CRISIL Limited as Director – Rating MCG from 2008 to 2018. At present he is a Chief Financial Officer of KPI Global Infrastructure Limited and heads the accounts and financial reporting channels since September 25, 2018. He has overall experience in finance and accounting field for 24 years.
Directorships held in other Companies	NIL
Memberships/Chairmanships of committees in other Companies	NIL
Number of Equity Shares held in the Company	NIL

Name of Director	Mr. Sajesh Bhaskar Kolte (DIN:07277524)
Date of Birth	04-Aug-1973
Date of Appointment	03-Sep-2015
Relationship with other Directors Inter se	None
Qualifications	1.Bachelor of Science from Gujarat University 2. Master of Management Studies from University of Mumbai. 3.Portfolio and Investment Management programme from IIM, Bangalore
Expertise in Specific functional areas	Mr. Sajesh Kolte, aged 47 years, is a Non-Executive Independent Director of our Company. He has completed certification programme of Portfolio and Investment Management from IIM, Bangalore. He has professional experience of over 16 years. He has worked for Ceat Limited, Goodlass Nerolac Paints, Berger Paints and ICICI Bank. He has worked with Kotak Mahindra Bank as Principal Banker and Product Manager from 2004 to December 2013. From January 2014, he has been an entrepreneur and trainer in Private Wealth Management and Financial Planning, developing structured products in financial derivative instruments.
Directorships held in other Companies	NIL
Memberships/Chairmanships of committees in other Companies	NIL
Number of Equity Shares held in the Company	NIL

Name of Director	Vendhan Ganeshan Mudaliar (DIN: 08042293)
Date of Birth	10-June-1973
Date of Appointment	NA
Relationship with other Directors Inter se	None
Qualifications	Bachelor of Science
Expertise in Specific functional areas	Mr. Vendhan Ganeshan Mudaliar has completed BSC (Chemistry) from Gujarat University. He has worked as SM – Network Procurement in Vodafone Mobile Services Limited. Currently, he is partner of DEK Engineers.
Directorships held in other Companies	• K.P.I. Global Infrastructure Limited
Memberships/Chairmanships of committees in other Companies	Membership in Audit Committee and Stakeholder Relationship Committee and Chairmanship of Nomination and Remuneration Committee of K.P.I. Global Infrastructure Limited.
Number of Equity Shares held in the Company	NIL

Name of Director	Faruk Gulam Patel (DIN:00414045)
Date of Birth	24-Mar-1972
Date of Appointment	08-Jan-2010
Relationship with other Directors Inter se	Mr.Faruk Gulam Patel is the father of Mr. Affan Faruk Patel
Qualifications	Diploma in Textile Engineering

Expertise in Specific functional areas	Mr. Farukbhai Gulambhai Patel, aged 48 years was appointed as Managing Director of the Company. He is the founding promoter of the Company. The Company has been taking the advantage of his guidance and supervision since incorporation of the Company i.e. January 08, 2010. He has significantly contributed to the overall growth of the Company. Because of his sustained efforts, the Company has sustained a growth pattern and has achieved success in creating a brand image in the Renewable energy sector. He has wholesome exposure on all aspects of business of the Company and is engaged in supervision & conduct of business along with an experienced team.
Directorships held in other Companies	<ul style="list-style-type: none"> • K.P.I. Global Infrastructure Limited • K P Buildcon Private Limited • Evergreen Mahuva Windfarms Private Limited • Kpark Sunbeat Private Limited • K P Silk Fab Private Limited (Stricken off) • Vaishali Salt And Chemicals Private Limited -07/12/2015 (Cessation) • K.P. Structural & Galvanising Private Limited -06/03/2019 (Cessation) • Wind Farm Developers Private Limited - 01/06/2020 (Cessation) • K.P Energy Mahua Windfarms Private Limited -01/06/2020 (Cessation) • Ungarn Renewable Energy Private Limited -01/06/2020 (Cessation) • KPIG Energia Private Limited • KPgenix Sunray Private Limited • Sun Drops Energia Private Limited • KPIG Renewables Private Limited • KP Sor-Urja Limited-25/01/2020(Cessation) • HGV DTL Transmission Projects Private Limited • VG DTL Transmission Projects Private Limited • Quyosh Energia Private Limited • KPEV Charging Private Limited • KP Human Development Foundation
Memberships/Chairmanships of committees in other Companies	Membership in Audit Committee and Corporate Social Responsibility Committee of K.P.I. Global Infrastructure Limited
Number of Equity Shares held in the Company	54,03,125 equity shares

Name of Director	Ashish Ashwin Mithani (DIN:00152771)
Date of Birth	16-Jun-1974
Date of Appointment	08-Jan-2010
Relationship with other Directors Inter se	None
Qualifications	BBA degree from Shri N. R. Vekaria Institute of Business Management Studies.
Expertise in Specific functional areas	Mr. Ashish Ashwin Mithani, aged 46 years is presently designated as Whole Time Director of the Company. He is also a founding promoter of the Company. The Company has been taking the advantage of his Skills, experience, guidance and supervision since incorporation of the Company i.e. January 08, 2010. He has significantly contributed to the overall growth of the Company. Because of his sustained efforts, the Company has sustained a growth pattern and has achieved success in creating a brand image in the Renewable energy sector. He has wholesome exposure on all aspects of business of the Company and is engaged in supervision & conduct of business along with an experienced team.
Directorships held in other Companies	<ul style="list-style-type: none"> • HGV DTL Transmission Projects Private Limited • VG DTL Transmission Projects Private Limited • Ungarn Renewable Energy Private Limited • K.P Energy Mahua Windfarms Private Limited • Evergreen Mahuva Windfarms Private Limited • Wind Farm Developers Private Limited • Aeolus Sustainable Bio-Energy Private Limited - 03/06/2015 (Cessation) • VSM Projects Private Limited - 22/06/2010 (Cessation)
Memberships/Chairmanships of committees in other Companies	NIL
Number of Equity Shares held in the Company	14,82,922 equity shares

Director's Report

To the Members,

The Directors present the 11th Annual Report on the business and operation of K.P. Energy Limited together with audited financial statement for the year ended March 31, 2020. The consolidated performance of the Company and its subsidiaries has been referred to wherever required.

1. Financial Results:

(Rs. In lacs)

Particulars	Standalone		Consolidated	
	2020	2019	2020	2019
Revenue from operations	7411.61	15841.00	7499.25	15841.00
Other Income	59.73	47.36	59.73	47.36
Total Income	7471.34	15888.36	7558.98	15888.36
Expenditure	6334.62	12555.43	6421.54	12549.49
Profit Earnings before interest, tax, depreciation and amortization (EBITDA)	1136.72	3332.93	1137.44	3338.77
Finance Cost	461.41	458.04	462.13	463.88
Depreciation	397.01	383.99	397.01	383.99
Profit Before Taxation	278.30	2490.90	278.30	2490.9
Tax expenses	(168.28)	(547.22)	(168.28)	(547.22)
Profit for the period	110.02	1943.68	110.02	1943.68

(Previous period/year figures have been re-grouped/re-classified wherever required)

2. Financial and Operational Performance:

On a consolidated basis, the revenue for FY 2020 was Rs. 7499.25 Lacs compare to previous year's revenue of Rs. 15841.00 Lacs. The profit after tax (PAT) attributable to shareholders for FY 2020 and FY 2019 was Rs. 110.02 Lacs and Rs. 1943.68 Lacs respectively. The PAT attributable to shareholders for FY 2020 registers a decline in growth compare to FY 2019 PAT. FY 2019 performance was highest in history of your Company and year ended 2020 was worst hit by too many factors which lead to windstorms in entire industry including your Company. While, most of the players have numbers in red, some into insolvency and few in reconstruction of debts, it was important to remain nimble and agile instead of expanding business horizons and leading to huge risks for survival. Company have just done what was expected by its Stake holders. It has enough inherent strengths and opportunities to make good the lost time and profits.

3. Impact of COVID-19:

The COVID-19 pandemic is an evolving human tragedy declared a global pandemic by the World Health Organisation with adverse impact on economy and business. Supply Chain disruptions in India as a result of the outbreak started with restrictions on movement of goods, closure of borders etc., in several states followed by a nationwide lockdown from the 25th of March 2020 announced by the Indian Government, to stem the spread of COVID-19. Due to this the operations at various sites of the Company has been temporarily disrupted. However, the Company's electric power sale business was not much affected and is considered essential services in these challenging times. 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. However, the shutdown, repair and preventive maintenance schedules were not undertaken due to unavailability of skilled labour and restricted movements.

OMS revenues though intermittent due to varied business, was still recovered upto 50% during lock down period. However, this will eventually get fully recovered post lock-down as operations were conducted by Company 24x7 at Sites without break.

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.

In light of these circumstances, the Company has considered the possible effects that may result from COVID-19 on the carrying amounts of financials assets, inventory, receivables, advances, property plant and equipment, Intangibles etc. as well as liabilities accrued. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company has used internal and external information such as our current contract terms, financial strength of partners, investment profile, future volume estimates from the business etc. Having reviewed the underlying data and based on current estimates the Company expects the carrying amount of these assets will be recovered and there is no significant impact on liabilities accrued. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

4. Dividend and Reserves:

For the year ended March 31, 2020, 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, 2020.

5. Share Capital:

The authorised share capital of the Company was Rs. 12,50,00,000/- (Rupees Twelve Crores Fifty Thousand only) divided into 1,25,00,000 (One Crore Twenty-Five Lacs) Equity Shares of Rs. 10/- (Rupees ten only) each. During the year under review, there was no change in the authorised share capital of the Company.

The paid up equity share capital of the Company was Rs. 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 Rs. 10/- (Rupees Ten only). During the year under review, there was no change in the Paid up Capital of the Company.

6. Amount of Unpaid/Unclaimed Dividend Transfer to Unpaid Dividend Account of the Company:

During the financial year 2019-20, 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, 2020 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 Rs. 29.27 Crores (Term Loan), and "Triple B minus/A three" (Negative Outlook) for Long term/Short Term bank facilities of Rs. 11 Crores and "A Three" to Rs. 1.80 Crore Short term bank facilities.

9. Quality Initiatives:

After successful evaluation of management system processes, on-site audit, technical assessment and review of pertinent records in financial year 2018-19, your Company has been awarded ISO 9001:2015 (Quality Management System), ISO 14001:2015 (Environment Management System) and ISO BS OHSAS 18001:2007 (Occupational Health & Safety Management System) certifications from Deutsch Quality System(DQS) India, partner of UL (Underwriters Laboratories) LLC, a global safety certification company having head quarter in Northbrook, Illinois, United States.

During the financial year 2019-20, surveillance audit was conducted by DQS for ISO 9001:2015 (Quality Management System), ISO

14001:2015 (Environment Management System) and ISO BS OHSAS 18001:2007 (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 director. In accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mrs. Bhadrabala Dhimant Joshi (DIN: 07244587) Non-Executive Director is liable to retire by rotation and offer herself 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 Mrs. Bhadrabala Dhimant Joshi as Director of the company. Brief profile of Mrs. Bhadrabala Dhimant Joshi has been given in the Notice convening the 11th Annual General Meeting. During the year 2019-20 there was a change in Directors/Key Managerial Personnel as stated below:

- Mr. Affan Faruk Patel (DIN: 08576337) was appointed as Additional Director (Whole Time Director) in the Board Meeting held on 26th December, 2019.
- Mr. Salim Suleman Yahoo (DIN: 08648805) was appointed as Additional Director (Non-Executive Independent Director) in the Meeting held on 26th December, 2019.

• 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:

- Mr. Farukbhai Gulambhai Patel, Managing Director
- Mr. Ashish Ashwin Mithani, Whole Time Director
- Mr. Karmit Haribhadrabhai Sheth, Company Secretary
- Mr. Pravin Radhekanth Singh, Chief Financial Officer

*Mr. Affan Faruk Patel, subject to appointment in the ensuing Annual General Meeting by the members of the Company shall be the Whole Time Director of the Company. Accordingly, he shall be Key Managerial Personnel of the Company.

13. Declaration by 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 has carried out performance evaluation of itself, its Committees and each of the Directors (without participation of the concerned Director). Independent Directors collectively evaluated the Board's performance, performance of the Chairperson and other non-independent Directors. The Nomination and Remuneration Committee also reviewed the performance of the Board, its Committees and of the Directors. The performance evaluation concluded on the note that each of the individual directors, Committees and the Board as a whole, were performing efficiently and effectively and shared a common vision to turning organization goals into reality.

15. Meetings of Board:

The Board of Directors of your Company met Eleven (11) times during the year 2019-20. The meetings were held on May 25, 2019, June 28, 2019, July 25, 2019, August 08, 2019, August 20, 2019, August 30, 2019, October 05, 2019, November 12, 2019, December 26, 2019, February 13, 2020 and March 05, 2020. The maximum time gap between any two consecutive meetings did not exceed one hundred and twenty days.

16. 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.

17. Subsidiaries, Joint Ventures and Associate Companies:

As on March 31, 2020, 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, 2020, there are no joint ventures/associates of the Company.

The list of Subsidiaries and Associates of your Company as on March 31, 2020, 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-4 which forms part of this report.

18. Auditors and Auditor's Report:

• Statutory Auditors:

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.

• 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 2019-20 in Meeting of Board of Directors held on May 25, 2019. A Secretarial Audit Report in "Form MR-3" provided by M/s. SJV & Associates, Practicing Company Secretaries has been provided in an "Annexure-2" 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 2019-20 in Meeting of Board of Directors held on May 25, 2019.

• 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 2019-20 in Meeting of Board of Directors held on August 30, 2019. 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.

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 3" to this report. Approved CSR policy is also available on the Company's website www.kpenergy.in.

20. 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.

21. 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.

22. 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.

23. 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

24. Extract of Annual Return:

As per the requirements of Section 92(3) of the Act and Rules framed thereunder, the extract of the annual return for FY 2019 is given in Annexure - I in the prescribed Form No. MGT-9, which is a part of this report. The same is available on website of the company www.kpenergy.in. The web link is provided below: http://www.kpenergy.in/kpdata/assets/uploads/MGT%20-%209_2019-20.pdf

25. Significant and material orders passed by the Regulators or Courts:

There were no significant and material orders passed by the Regulators/Courts that would impact the going concern status of the Company and its future operations.

26. Particulars of Loans, Guarantees or Investments:

During the financial year 2019-20, company has repaid the unsecured loan of INR 26.50 Lacs during the year which has been obtained from Mr. Ashish A Mithani, Whole Time Director of the Company, as per the provisions of section 185 of the Companies Act, 2013 read with The Companies (Acceptance of Deposits) Rules, 2014.

The loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review has been disclosed in the in the note to the Standalone and Consolidated Audit report which forms part of this Annual Report. Please refer to Note no. 2.26 of the Audit report.

27. Related Party Transactions:

None of the transactions with related parties falls under the scope of Section 188(1) of the Act. The information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are given in Annexure -5 in Form No. AOC-2 and the same forms part of this report.

28. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and outgo:

There was no technology absorption and no foreign exchange earnings or outgo, during the financial year 2019-20. Hence, the information as required under Section 134(3)(m) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, is to be regarded as Not Applicable. The Company has not entered into any technology transfer agreement.

29. Employees 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 6"

• Remuneration Policy

The Policy on Directors appointment and remuneration, including criteria for determining qualifications, positive attributes and independence of the Directors and other matters provided under sub-section (3) of Section 178 of the Companies Act, 2013 is annexed as "Annexure 6" and forms an integral part of this Report.

30. Directors' Responsibility Statement:

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of the Section 134(3)(c) of the Companies Act, 2013:

- I. That in the preparation of the annual financial statements for the year ended March 31, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- II. That such accounting policies, as mentioned in the Financial Statements as 'Significant Accounting Policies' have been selected and applied consistently and judgments 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 as at March 31, 2018 and of the profit of the Company for the year ended on that date;
- 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.

31. 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 www.kpenergy.in.

32. 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 Sexual Harassment Policy has been reviewed by the company and is also available on the Company's website www.kpenergy.in.

37. Other Disclosures:

- The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.
- 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.
- Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.

38. Acknowledgement:

The Directors wish to place on record their appreciation for the support and cooperation, which the Company continues to receive from the government of Gujarat, the Banks / Financial Institutions, shareholders, customers and suppliers, and all persons who are directly or indirectly associated with the company.

Your Directors appreciate and value the contribution made by every member of Team KP Energy and look forward to their continued support in future.

**For and on behalf of the Board of Directors
K.P. ENERGY LIMITED**

Place: Surat

Date: August 29, 2020

Farukbhai Gulambhai Patel

Managing Director

DIN: 00414045

Ashish Ashwin Mithani

Whole Time Director

DIN: 00152771

Annexure-I

FORM NO. MGT-9

Extract of Annual Return

as on financial year ended on 31st March, 2020

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management & Administration) Rules, 2014]

I. Registration & Other Details:

i	CIN	L40100GJ2010PLC059169
ii	Registration Date	08.01.2010
iii	Name of the Company	K.P. ENERGY LIMITED
iv	Category/Sub-category of the Company	Company Limited by Shares/ Indian Non-Government Company
v	Address of the Registered office & contact details	'KP House', Opp. Ishwar Farm Junction BRTS, Near Bliss IVF Circle, Canal Road, Bhatar Surat 395017 Gujarat. Phone No.: +91 261 2234757 Fax No.: +91 261 2234757 Email : info@kpenergy.in Website: www.kpenergy.in
vi	Whether listed company	Yes (Scrip Code: 539686)
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Bigshare Services Private Limited 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai-400059, Maharashtra, India Tel: +91 22 40430200 Fax: +91 22 28475207 Email : ipo@bigshareonline.com Website: www.bigshareonline.com

II. Principal Business Activities of the Company

All the business activities contributing 10% or more of the total turnover of the company shall be stated

Sr. No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Construction and maintenance of power plants	42201	84.37%
2	Electric power generation using other non-conventional sources (wind)	35106	12.60%

III. Particulars of Holding, Subsidiary & Associate Companies as on 31st March, 2020

Sr. No	Name & Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of Shares Held	Applicable Section
1	K.P Energy Mahua Windfarm Pvt. Ltd. 'KP House', Opp. Ishwar Farm Junction BRTS, Near Bliss IVF Circle, Canal Road, Bhatar Surat 395017 Gujarat.	U40105GJ2012PTC071287	Subsidiary	99.03%	2(87)

2	Wind Farm Developers Pvt. Ltd. 'KP House', Opp. Ishwar Farm Junction BRTS, Near Bliss IVF Circle, Canal Road, Bhatar Surat 395017 Gujarat.	U40101GJ2012PTC072081	Subsidiary	98.77%	2(87)
3	Ungarn Renewable Energy Pvt. Ltd. 'KP House', Opp. Ishwar Farm Junction BRTS, Near Bliss IVF Circle, Canal Road, Bhatar Surat 395017 Gujarat.	U40106GJ2014PTC079542	Subsidiary	98.20%	2(87)
4	Evergreen Mahuva Windfarms Pvt. Ltd. Shop No. HG/4, "A" Tower, Firdaus Tower Nr. Fazal Tower, Adajan Patiya Surat 395009 (Gujarat)	U40100GJ2018PTC100573	Subsidiary	51.00%	2(87)
5	VG DTL Transmission Projects Pvt. Ltd. A-1/2, Firdous Tower, Nr. Fazal Shopping Center, New Rander Road, Adajan Patia, , Surat-395009 (Gujarat)	U40300GJ2018PTC102551	Subsidiary	50.01%	2(87)
6	HGV DTL Transmission Projects Pvt. Ltd. A-1/2, Firdous Tower, Nr. Fazal Shopping Center, New Rander Road, Adajan Patia, , Surat-395009 (Gujarat)	U40300GJ2018PTC101886	Subsidiary	100.00%	2(87)

IV. Shareholding Pattern (Equity Share Capital break up as % to Total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (01-04-2019)				No. of Shares held at the end of the year (31-03-2020)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	

A. Promoters

(1) Indian

a) Individual/HUF	77,18,859	0	77,18,859	69.44	77,18,859	0	77,18,859	69.44	0
b) Central Govt. or State Govt.	0	0	0	0	0	0	0	0	0
c) Bodies Corporates	0	0	0	0	0	0	0	0	0
d) Bank/FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
SUB TOTAL: (A) (1)	77,18,859	0	77,18,859	69.44	77,18,859	0	77,18,859	69.44	0

(2) Foreign

a) NRI-Individuals	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any other...	0	0	0	0	0	0	0	0	0

SUB TOTAL (A) (2)	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (A)= (A)(1)+(A) (2)	77,18,859	0	77,18,859	69.44	77,18,859	0	77,18,859	69.44	0

B. Public Shareholding

(1) Institutions

a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks/FI	0	0	0	0	0	0	0	0	0
C) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt.	0	0	0	0	0	0	0	0	0
e) Venture Capital Fund	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIS	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
SUB TOTAL (B)(1):	0	0	0	0	0	0	0	0	0

(2) Non Institutions

a) Bodies corporate

i) Indian	8,00,649	0	8,00,649	7.20	774049	0	774049	6.96	0.2
ii) Overseas	0	0	0	0	0	0	0	0	0

b) Individuals

i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	6,62,535	4,725	6,67,260	6.00	6,07,551	2,030	609581	5.48	(0.52)
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	16,65,195	0	16,65,195	14.98	1755396	0	1755396	15.79	0.81
c) Others (Non-Resident Indian)	2,63,037	0	2,63,037	2.37	257115	0	257115	2.31	(0.06)

SUB TOTAL (B)(2):	33,91,416	4,725	33,96,141	30.55	33,94,111	2,030	33,96,141	30.55	0.04
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Total Public Shareholding (B)= (B)(1)+(B)(2)	33,91,416	4,725	33,96,141	30.55	33,94,111	2,030	33,96,141	30.55	0.04
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	1,11,10,275	4,725	1,11,15,000	100	11112970	2,030	11115000	100	0

(ii) Share holding of Promoters

Sr. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No of shares	% of total shares of the company	% of shares pledged/encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged/encumbered to total shares	
1	Farukbhai Gulambhai Patel	54,03,125	48.61	0	54,03,125	48.61	0	0
2	Ashish Ashwin Mithani	14,82,922	13.34	0	14,82,922	13.34	0	0
3	Jolly Ashish Mithani	5,07,812	4.57	0	5,07,812	4.57	0	0
4	Bhavnaben Ashwinbhai Mithani	2,43,750	2.19	0	2,43,750	2.19	0	0
5	Jagruti Niraj Mithani	81,250	0.73	0	81,250	0.73	0	0
	Total	77,18,859	69.44	0	77,18,859	69.44	0	0

(iii) Change in Promoters' shareholding (specify if there is no change)

Sr. No.	Name of Promoter	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
1	Farukbhai Gulambhai Patel				
	At the beginning of the year	54,03,125	48.61	54,03,125	48.61
	Date wise Increase / Decrease in shareholding during the year	0	0	0	0
	At the end of the year	54,03,125	48.61	54,03,125	48.61
2	Ashish Ashwin Mithani				
	At the beginning of the year	14,82,922	13.34	14,82,922	13.34
	Date wise Increase / Decrease in shareholding during the year	0	0	0	0
	At the end of the year	14,82,922	13.34	14,82,922	13.34
3	Jolly Ashish Mithani				
	At the beginning of the year	5,07,812	4.57	5,07,812	4.57
	Date wise Increase / Decrease in Shareholding during the year	0	0	0	0
	At the end of the year	5,07,812	4.57	5,07,812	4.57

4	Bhavnaven Ashwinbhai Mithani				
	At the beginning of the year	243750	2.19	243750	2.19
	Date wise Increase / Decrease in Shareholding during the year	0	0	0	0
	At the end of the year	243750	2.19	243750	2.19
5	Jagruti Niraj Mithani				
	At the beginning of the year	81250	0.73	81250	0.73
	Date wise Increase / Decrease in Shareholding during the year	0	0	0	0
	At the end of the year	81250	0.73	81250	0.73

(iv) Shareholding Pattern of top ten Shareholders as of March 31,2020

(Other than Directors, Promoters and holders of GDRs And ADRs):

Sr. No.	Name of Top Ten Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
1	Veer Value Ventures LLP				
	At the beginning of the year	6,50,000	5.85	6,50,000	5.85
	Date wise Increase / Decrease in shareholding during the year	0	0	0	0
	At the end of the year	6,50,000	5.85	6,50,000	5.85
2	Manish Kantilal Haria				
	At the beginning of the year	3,51,000	3.16	3,51,000	3.16
	Date wise Increase / Decrease in shareholding during the year 07.06.2019 Sale of Shares	(50000)	0.45	3,01,000	2.71
	At the end of the year	3,01,000	2.71	3,01,000	2.71
3	Ashit Mehta				
	At the beginning of the year	2,40,500	2.16	2,40,500	2.16
	Date wise Increase / Decrease in shareholding during the year	0	0	0	0
	At the end of the year	2,40,500	2.16	2,40,500	2.16
4	Hemali Arvindkumar Dagli				
	At the beginning of the year	1,82,000	1.64	1,82,000	1.64
	Date wise Increase / Decrease in shareholding during the year	0	0	0	0
	At the end of the year	1,82,000	1.64	1,82,000	1.64
5	Saurabh Nareshkumar Shah				
	At the beginning of the year	1,69,000	1.52	1,69,000	1.52
	Date wise Increase / Decrease in shareholding during the year	0	0	0	0
	At the end of the year	1,69,000	1.52	1,69,000	1.52

6	Sanjay M Sanghavi				
	At the beginning of the year	1,28,700	1.16	1,28,700	1.16
	Date wise Increase / Decrease in shareholding during the year	0	0	0	0
	At the end of the year	1,28,700	1.16	1,28,700	1.16
7	Atul Mansukhlal Shah				
	At the beginning of the year	61,787	0.56	61,787	0.56
	Date wise Increase / Decrease in shareholding during the year	0	0	0	0
	At the end of the year	61,787	0.56	61,787	0.56
8	Paul Asset				
	At the beginning of the year	58,680	0.53	58,680	0.53
	Date wise Increase / Decrease in shareholding during the year				
	20.12.2019 Sale of Shares	(1610)	0.01	57,070	0.50
	27.12.2019 Sale of Shares	(500)	0.00	56,570	0.50
	14.02.2020 Sale of Shares	(50)	0.00	56,520	0.50
	21.02.2020 Sale of Shares	(453)	0.00	56,067	0.50
	At the end of the year	56,067	0.50	56,067	0.50
9	Manish Pravinchandra Turakhia				
	At the beginning of the year	0	0	0	0
	Date wise Increase / Decrease in shareholding during the year	51,145	0.46	51,145	0.46
	05.07.2019 Purchase of Shares				
	At the end of the year	51,145	0.46	51,145	0.46
10	Ranjanben Nareshkumar Shah				
	At the beginning of the year	0	0	0	0
	Date wise Increase / Decrease in shareholding during the year				
	02.08.2019 Purchase of Shares	1751	0.02	1751	0.02
	23.08.2019 Purchase of Shares	3000	0.03	4751	0.05
	04.10.2019 Purchase of Shares	3749	0.03	8500	0.08
	11.10.2019 Purchase of Shares	15,500	0.13	24,000	0.21
	18.10.2019 Purchase of Shares	1000	0.01	25,000	0.22
	25.10.2019 Purchase of Shares	5000	0.04	30,000	0.26
	22.11.2019 Purchase of Shares	10,000	0.09	40,000	0.35
	29.11.2019 Purchase of Shares	1050	0.01	41,050	0.36
	20.12.2019 Purchase of Shares	2417	0.02	43,465	0.38
	03.01.2020 Purchase of Shares	4920	0.04	48,387	0.42
	24.01.2020 Purchase of Shares	1613	0.01	50,000	0.45
	At the end of the year	50000	0.45	50000	0.45

(v) Shareholding of Directors and Key Managerial Personnel (KMP):

Sr. No.	Name of Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
1	Farukbhai Gulambhai Patel				
	At the beginning of the year	54,03,125	48.61	54,03,125	48.61
	Date wise Increase / Decrease in shareholding during the year	-	-	-	-
	At the end of the year	54,03,125	48.61	54,03,125	48.61
2	Ashish Ashwin Mithani				
	At the beginning of the year	14,82,922	13.34	14,82,922	13.34
	Date wise Increase / Decrease in shareholding during the year	-	-	-	-
	At the end of the year	14,82,922	13.34	14,82,922	13.34
3	Affan Faruk Patel (Additional Director – Executive) Appointed on 26.12.2019				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in shareholding during the year	-	-	-	-
	At the end of the year	0	0.00	0	0.00
4	Bhadrabala Dhimant Joshi				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in shareholding during the year	-	-	-	-
	At the end of the year	0	0.00	0	0.00
5	Bhupendra Vadilal Shah				
	At the beginning of the year	6500	0.06	6500	0.06
	Date wise Increase / Decrease in shareholding during the year	-	-	-	-
	At the end of the year	6500	0.06	6500	0.06
6	Sajesh Bhaskar Kolte				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in shareholding during the year	-	-	-	-
	At the end of the year	0	0.00	0	0.00
7	Raghavendra Rao Bondada (Resigned on 28.08.2020)				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in shareholding during the year	-	-	-	-
	At the end of the year	0	0.00	0	0.00

8	Salim Suleman Yahoo (Additional Director – Non Executive Independent) Appointed on 26.12.2019				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in shareholding during the year	-	-	-	-
	At the end of the year	0	0.00	0	0.00
9	Karmit Haribhadrabhai Sheth				
	At the beginning of the year	1625	0.01	1625	0.01
	Date wise Increase / Decrease in shareholding during the year	-	-	-	-
	At the end of the year	1625	0.01	1625	0.01
10	Pravin Radhekant Singh				
	At the beginning of the year	12187	0.11	12187	0.11
	Date wise Increase / Decrease in shareholding during the year	-	-	-	-
	At the end of the year	12187	0.11	12187	0.11

(vi) **Indebtedness:**

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Particulars	No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
Indebtedness at the beginning of the financial year				
i) Principal Amount	30,78,14,789	0	0	30,78,14,789
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	30,78,14,789	0	0	36,40,24,789
Change in Indebtedness during the financial year				
Additions	70,55,000	0	0	70,55,000
Reduction	-5,57,85,441	0	0	-5,57,85,441
Net Change	-4,87,30,441	0	0	-4,87,30,441
Indebtedness at the end of the financial year				
i) Principal Amount	25,90,84,348	0	0	25,90,84,348
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	25,90,84,348	0	0	25,90,84,348

(vii) Remuneration of Directors and Key Managerial Personnel:

A. Remuneration to Managing Director, Whole Time Director and/or Manager:

Sr. No.	Particulars of Remuneration	Name of the MD/WT/Manager			Total Amount
		Farukbhai Gulambhai Patel (Managing Director)	Ashish Ashwin Mithani (Whole-Time Director)	*Affan Faruk Patel (Additional Director)	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	40,00,000	45,00,000		85,00,000
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	0	0		0
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0		0
2	Stock option	0	0		0
3	Sweat Equity	0	0		0
4	as % of profit others (specify)	0	0		0
5	Others, please specify (Other Benefits)	0	0		0
	Total (A)	40,00,000	45,00,000	1,50,000	86,50,000
	Ceiling as per the Act	As per the provisions of section 197 read with schedule V of Companies Act, 2013			

*Mr. Affan Faruk Patel was appointed as additional executive Director in the meeting of Board of Directors held on December 26, 2019.

B. Remuneration to other Directors :

Sr. No.	Particulars of Remuneration	Name of the Directors					Total Amount
		Mrs. Bhadrabala Joshi	Mr. Bhupendra Shah	Mr. Sajesh Kolte	Mr. Raghavendra Rao Bondada	**Mr. Salim Yahoo	
3.	Independent Directors						
(a)	Fee for attending Board/ Committee meetings	0	0	55,000	50,000	7,500	1,12,500
(b)	Commission	0	0	0	0	0	0
(c)	Others, please specify	0	0	0	0	0	0
	Total (1)	0	0	55,000	50,000	7,500	1,12,500
4.	Other Non-Executive Directors						
(a)	Fee for attending board committee meetings	35,000	27,500	0	0	0	62,500
(b)	Commission	0	0	0	0	0	0
(c)	Others, please specify.	0	0	0	0	0	0
	Total (2)	35,000	27,500	0	0	7,500	62,500
	Total (B)=(1+2)	35,000	27,500	55,000	50,000	7,500	1,75,000
	Total Managerial Remuneration	-	-	-	-	-	-
	Overall Ceiling as per the Act.	One Lac per Board/Committee Meeting					

**Mr. Salim Suleman Yahoo was appointed as additional non-executive Independent Director in the meeting of the Board of Director held on December 26, 2020.

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTM

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Mr. Karmit Sheth Company Secretary	Mr. Pravin Singh CFO	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	4,20,000	4,74,000	8,94,000
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	0		0
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0		0
2	Stock option	0		0
3	Sweat Equity	0		0
4	as % of profit others (specify)	0		0
5	Others, please specify (Other Benefits)	0		0
	Total (A)	4,20,000	4,74,000	8,94,000

(viii) Penalties/Punishment/Compounding of offences

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/ NCLT/ Court)	Appeal made if any (give details)
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A. Company

Penalty	None
Punishment	
Compounding	

B. Directors

Penalty	None
Punishment	
Compounding	

C. Other Officers In Default

Penalty	None
Punishment	
Compounding	

Annexure-II

FORM NO. MR-3

Secretarial Audit Report for the Financial Year Ended 31st March 2020

[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 Company, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on 31st March, 2020 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, 2020 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, 2014; (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, 2009; (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.

Place:- Ahmedabad
Date:- August 29, 2020

For SJV & Associates,
Company Secretaries

Proprietress
CS Janki Shah
Membership No.:- **ACS-29657**
COP No:- **10836**
UDIN: **A029657B000633986**

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 29, 2020

Proprietress
CS Janki Shah
Membership No.:- **ACS-29657**
COP No.:- **10836**
UDIN: **A029657B000633986**

Annexure-III

Annual Report on Corporate Social Responsibilities Activities

[Pursuant to Section 135 of the Companies Act, 2013]

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:

[http://kpenergy.in/kpdata/assets/uploads/Corporate%20Social%20Responsibility%20Policy\(1\).pdf](http://kpenergy.in/kpdata/assets/uploads/Corporate%20Social%20Responsibility%20Policy(1).pdf)

1. 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
1	Sajesh Bhaskar Kolte	Chairman
2	Farukbhai Gulambhai Patel	Member
3	Ashish Ashwin Mithani	member

The CSR Committee is responsible for:

- To Recommend the amount of expenditure to be incurred on the activities herein before.
- To monitor the implementation of Corporate Social Responsibility Policy of the Company from time to time.
- 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.
- The Board of Directors shall include an Annual Report on CSR activities in their report.

2. Financial Details:

Section 135 of the Companies Act, 2013 and Rules made under it prescribe that every company having a net worth of Rs. 500 Crore or more, or turnover of Rs. 1000 Crore or more or net profit of Rs. 5 Crore or more during any financial year shall ensure that it spends, in every financial year, at least 2% of the average net profit made during the three immediately preceding financial year, in pursuance of CSR policy. The provision pertaining to CSR as prescribed under the Companies Act, 2013 are applicable to K.P. Energy Limited.

Financial Details as sought by the Companies Act, 2013, for fiscal year 2020 are as follows:

Sr. No.	Particulars	Amount (Rs)
1	Average Net Profit of the Company for the last three financial year	16,14,61,902.62
2	Prescribed CSR Expenditure (2% of the average net profit as computed above)	32,29,238.05
3	Total amount to be spent for the financial year	32,29,238.05
4	Amount Spent	32,38,567.00
5	Amount Unspent	Nil
6	Manner in which amount spent during the financial year	Detail specified as under:

Manner in which amount spent during the financial year is detailed below:

Sr. No	CSR Project or Activities identified	Sectors in which project is covered	Projects or Programs in Area or Name of District	Amount Outlay (budget) project or program wise(in Lakhs)	Amount Spent on the Project or Programs (in Lakhs)	Amount Spent: Direct/through Implementation Agency
1	Promotion of Education and allied activities.	Education	Mahuva and Surat	10	10.15	Direct
2	Tree Plantation and afforestation.	Environment Protection and Sustainability	Mahuva and Gadhsisa (Bhavnagar and Kutch)	20	18.41	Direct
3	Gramya Jal & Swachhta Abhiyan.	Promoting Sanitation and making available safe drinking Water	Mahuva (Bhavnagar)	2	1.50	Direct
4	Protection of Birds, Animals, flora and Fauna.	Animal Welfare	Mahuva (Bhavnagar)	2	1.62	Direct
5	Distribution of grains, food packets, vegetables etc. to villagers.	Eradicating hunger	Mahuva (Bhavnagar)	1	0.70	Direct

OUR CSR RESPONSIBILITIES:

We hereby declare that implementation and monitoring of the CSR policy are in compliance with CSR objectives and policy of the Company

**For and on behalf of the Board of Directors
K.P. ENERGY LIMITED**

Place: Surat

Date: August 29, 2020

Farukbhai Gulambhai Patel

Managing Director

DIN: 00414045

Ashish Ashwin Mithani

Whole Time Director

DIN: 00152771

Annexure-IV

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, 2020	March 31, 2020	March 31, 2020	March 31, 2020	March 31, 2020	March 31, 2020
4	Reporting currency	INR	INR	INR	INR	INR	INR
5	Share capital (Rs.)	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 (Rs.)	70,18,332.60	60,44,837	36,84,000	23,68,01,381	49,27,72,808	1,15,400
8	Total Liabilities (Rs.)	19,91332.60	20,63,667	9,65,000	18,04,25,381	7,72,808	15,400
9	Investments	NIL	NIL	NIL	NIL	NIL	NIL
10	Turnover	NIL	NIL	NIL	NIL	NIL	NIL
11	Profit before taxation	NIL	NIL	NIL	NIL	NIL	NIL
12	Provision for taxation	NIL	NIL	NIL	NIL	NIL	NIL
13	Profit after taxation	NIL	NIL	NIL	NIL	NIL	NIL
14	Proposed Dividend	NIL	NIL	NIL	NIL	NIL	NIL
15	% of shareholding	99.03%	98.77%	98.20%	51.00%	50.01%	100%*

*As on March 31, 2020 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:

- Names of subsidiaries which are yet to commence operations: as above
- Names of subsidiaries which have been liquidated or sold during the year.: NIL

PART “B”: Associated 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 Consolidated	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 29, 2020

Farukbhai Gulambhai Patel

Managing Director

DIN: 00414045

Ashish Ashwin Mithani

Whole Time Director

DIN: 00152771

Annexure-V

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, 2020, which were not at arm's length basis.

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

(Rs.in lakhs)

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
1	K P Buildcon Private Limited (Mr. Farukbhai Gulambhai Patel, Managing Director of the Company is also a Director in K P Buildcon Private Limited)	Purchase of Goods	N.A	65.75	25.05.2019	NIL
2	K P Buildcon Private Limited (Mr. Farukbhai Gulambhai Patel, Managing Director of the Company is also a Director in K P Buildcon Private Limited)	Purchase of Services	N.A	460.22	25.05.2019	NIL
3	K P Buildcon Private Limited (Mr. Farukbhai Gulambhai Patel, Managing Director of the Company is also a Director in K P Buildcon Private Limited)	Sale of Goods or services	N.A	2.20	25.05.2019	NIL

**For and on behalf of the Board of Directors
K.P. ENERGY LIMITED**

Place: Surat
Date: August 29, 2020

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)	35.50:1
Ashish Ashwin Mithani (Whole Time Director)	36.98:1

(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	200
Mr. Ashish Ashwin Mithani	Whole Time Director	150
Mr. Pravin Radhekanth Singh	Chief Financial Officer	8.75
Mr. Karmit Haribhadra Sheth	Company Secretary	-

(iii) The percentage increase in the median remuneration of employees in the financial year: -23.21%

(iv) The number of permanent employees on the rolls of company: 117

(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 2019-20 is Nil whereas Remuneration of managerial personnel is increased by 172.22%

(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 29, 2020

Farukbhai Gulambhai Patel
Managing Director
DIN: 00414045

Ashish Ashwin Mithani
Whole Time Director
DIN: 00152771

Remuneration Policy for Directors, Key Managerial Personnel and other Employees

The Company has formulated the remuneration policy for its directors, key managerial personnel and other employees keeping in view the following objectives:

1. Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate, to run the company successfully.
2. Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks.
3. Ensuring that remuneration involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.

Remuneration to Executive Directors and Key Managerial Personnel

The Board, on the recommendation of the Nomination and Remuneration Committee, shall review and approve the remuneration payable to the Executive Directors of the Company within the overall limits approved by the shareholders.

The Board, on the recommendation of the Nomination and Remuneration Committee, shall also review and approve the remuneration payable to the Key Managerial Personnel of the Company. The remuneration structure to the Executive Directors and Key Managerial Personnel shall include Basic Pay, Perquisites and Allowances and Annual Performance Bonus.

Remuneration to Non-Executive Directors

The Board, on the recommendation of the Nomination and Remuneration Committee, shall review and approve the remuneration payable to the Non-Executive Directors of the Company within the overall limits approved by the shareholders.

Non-Executive Directors shall be entitled to conveyance/sitting fees for attending the meetings of the Board and the Committees thereof.

Remuneration to other employees

Employee's remuneration shall be based on their individual qualifications and work experience, competencies as well as their roles and responsibilities in the organization, job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

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.

2. Board of Directors:

The Board of Directors of the Company has an optimum combination of Executive and Non-Executive Directors as per SEBI (LODR) Regulations, 2015. The Board comprises of 8 Directors, which includes 3 Executive Directors, 2 Non-Executive 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 Women Director as a Chairperson.

a) The details of composition of Board, category of directors as well as their Directorship/membership in other companies/committees are given below:

The Board comprises of the following directors as at March 31, 2020

Sr. No	Name of Director	Designation	Executive / Non Executive/Promoter	Independent / non Independent
1	Mr. Farukbhai Gulambhai Patel	Managing Director	Executive and Promoter	Non Independent
2	Mr. Ashish Ashwin Mithani	Whole Time Director	Executive and Promoter	Non Independent
3	Mr. Raghavendra Rao Bondada	Director	Non-Executive	Independent
4	Mr. Sajesh Bhaskar Kolte	Director	Non-Executive	Independent
5	Mrs. Bhadrabala Dhimant Joshi	Chairperson and Director	Non-Executive	Non Independent
6	Mr. Bhupendra Vadilal Shah	Director	Non-Executive	Non Independent
7	Mr. Affan Faruk Patel	Additional Director	Executive	Non Independent
8	Mr. Salim Suleman Yahoo	Additional Director	Non-Executive	Independent

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, 2020.

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 Attendance of Directors

During the year, Eleven 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 25, 2019; June 28, 2019; July 25, 2019; August 08, 2019; August 20, 2019; August 30, 2019; October 05, 2019; November 12, 2019; December 26, 2019; February 13, 2020 and March 05, 2020.

The necessary quorum was present for all the meetings.

c) The composition of the Board of Directors as on 29th August, 2020 and number of other Directorships & Memberships/ Chairmanships of Committees held by them as on 31st March, 2020 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 2019-20		*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 28, 2019
			Held	Attended		Member	Chairperson	
1	Farukbhai Gulambhai Patel	Managing Director	11	11	2	2	0	Attended
2	Ashish Ashwin Mithani	Whole Time Director	11	11	0	0	0	Attended
3	Raghavendra Rao Bondada	Non-Executive, Independent Director	11	9	1	0	0	Attended
4	Sajesh Bhaskar Kolte	Non-Executive, Independent Director	11	10	0	0	0	Attended
5	Bhadrabala Dhimant Joshi	Chairperson & Non-Executive, Non-Independent Director	11	11	1	1	1	Attended
6	Bhupendra Vadilal Shah	Non-Executive, Non Independent Director	11	11	0	0	0	Attended
7	Affan Faruk Patel	Additional Director (Executive Director)	11	2	1	0	0	NA
8	Salim Suleman Yahoo	Additional Director (Non-Executive Independent)	11	2	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. Affan Faruk Patel and Mr. Salim Suleman Yahoo was appointed in the meeting of the Board of Directors held on December 26, 2019, accordingly eligible to attend only two meetings post their appointment as additional director of the Company.

*** Mr. Raghavendra Rao Bondada resigned from the post of Non-Executive Independent Director w.e.f August 28, 2020.

d) Details of name of other listed entities where Directors of the Company are Directors and the category of Directorship as on 31st March, 2020 are as under:

Sr.No.	Name of the 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	Raghavendra Rao Bondada	Not Applicable	Not Applicable
4	Sajesh Bhaskar Kolte	Not Applicable	Not Applicable
5	Bhadrabala Dhimant Joshi	K.P.I. Global Infrastructure Limited	Non-Executive, Non Independent Director
6	Bhupendra Vadilal Shah	Not Applicable	Not Applicable
7	Affan Faruk Patel	Not Applicable	Not Applicable
8	Salim Suleman Yahoo	Not Applicable	Not Applicable

e) Number of Shares or other convertible securities held by Non-Executive Directors

Mr. Bhupendra Vadilal Shah (Non-Executive Non-Independent Director) holds 6500 equity shares in the Company as on March 31, 2020.

f) 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.kpenenergy.in/kpdata/assets/uploads/124828.pdf>

g) 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.

h) 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.

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
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

b) Composition, name of Members and Chairperson

The Audit Committee consists of the two independent Directors and one Managing Director of the Company. The Audit Committee comprises of three members. The members are Mr. Sajesh Kolte (Chairman), Mr. Raghavendra Rao Bondada (Member) & Mr. Farukbhai Gulambhai Patel (Member).

c) Meetings and attendance during the year

During the year, Seven 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 25, 2019; August 08, 2019; August 30, 2019; November 12, 2019; December 26, 2019; February 13, 2020 and March 05, 2020.

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

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. Raghavendra Rao Bondada (Member).

c) Meetings and attendance during the year

During the year 2019-20, three meeting of Nomination & Remuneration Committee were held and the gap between two meetings did not exceed one hundred and twenty days. The said meetings were held on:

May 25, 2019; August 30, 2019 and December 26, 2019.

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

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 Rs. 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, 2020 are as under:

Name	Remuneration	Commission	Sitting Fees	Total
Mr. Farukbhai Gulambhai Patel	40,00,000	NIL	NIL	40,00,000
Mr. Ashish Ashwin Mithani	45,00,000	NIL	NIL	45,00,000

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.

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
10th	2019	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.

b) Composition, name of Members and Chairperson

The Stakeholder Relationship Committee comprises of Mr. Raghavendra Rao Bondada (Chairman), Mr. Ashish Ashwin Mithani (Member) and Mr. Sajesh Bhaskar Kolte (Member).

c) Meetings and attendance during the year

During the year 2019-20, one meeting of Stakeholders Relationship Committee was held on March 05, 2020 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 2019-20, one meeting of Corporate Social Responsibility Committee was held on March 05, 2020, and all the members were present in that meeting.

				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	2018	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.
8th	2017	Saturday, September 23, 2017 at 11:00 A.M	Hotel Lords Plaza, Ring Road, Near Delhi Gate, Surat, Gujarat - 395003	I. Increase in Authorised Share Capital of the Company and consequent alteration in the Memorandum of Association of the Company. II. Approval of 'K.P. Energy Limited Employee Stock Option Plan Tranche - I'. III. Issue of Equity shares to the employees of the subsidiary companies under K.P. Energy Limited Employees Stock Option Plan Tranche - I: IV. Approval under Section 180(1)(a) of Companies Act, 2013. V. Revision in Remuneration payable to Mr. Farukbhai Gulambhai Patel (DIN: 00414045), Managing Director of the Company VI. Revision in Remuneration payable to Mr. Ashish Ashwin Mithani (DIN: 00152771), Whole Time Director of the Company

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.kpenenergy.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.kpenenergy.in>.

10. General Shareholder Information

a) Annual General Meeting for the FY 2019-20:

Date	September 29, 2020
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

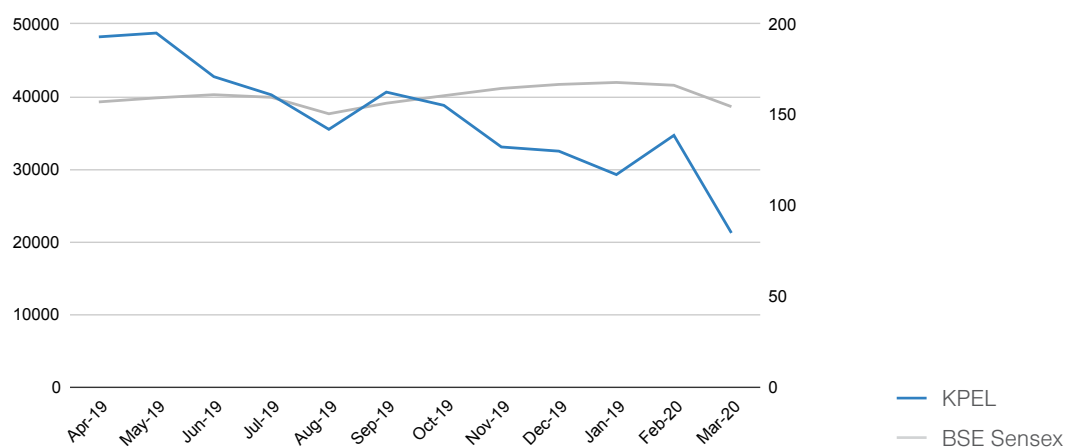
f) Corporate Identity Number (CIN) of the Company: L40100GJ2010PLC059169

g) Market Price Data:

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

(In Rs. per share)

Month	High (N)	Low (N)	Close (N)
April 2019	211	181.45	192.9
May 2019	207	182	195
June 2019	204.65	153.25	171
July 2019	182.7	147.25	161
August 2019	169	124	142
September 2019	195.3	138	162.45
October 2019	176.45	141.15	155.15
November 2019	149.1	124.45	132.25
December 2019	137.5	110.9	130
January 2020	136.1	111.15	117.05
February 2020	140.05	99.75	138.65
March 2020	145	83.05	85



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, 2020:

i. Distribution of Equity shareholding as on March 31, 2020:

Sr. No.	Shareholding of nominal value	No. of shareholders	% of Shareholders	Share Amount in Rs.	% of Shareholding
1	1-5000	217	40.8663	2,42,082	0.2178
2	5001-10000	107	20.1507	8,45,250	0.7605
3	10001-20000	48	9.0395	7,30,070	0.6568
4	20001-30000	23	4.3315	5,34,550	0.4809
5	30001-40000	30	5.6497	9,97,900	0.8978
6	40001-50000	15	2.8249	6,45,670	0.5809
7	50001-100000	35	6.5913	24,22,270	2.1793
8	100001 and Above	56	10.5461	10,47,32,210	94.2260
	Total	531	100.00	11,11,50,000	100.00

ii. Categories of Equity shareholding as on March 31, 2020:

Category	No. of Shares held	% of Shareholding
Promoters	77,18,859	69.45
Private Corporate Bodies	7,39,718	6.66
Clearing Members	38,048	0.34
Non-Resident Indians	2,57,115	2.31
Indian Public	23,61,260	21.24
Total	1,11,15,000	100.00

iii. Top ten Equity shareholders of the Company as on March 31, 2020:

Sr. No.	Name of the Shareholders	Number of equity shares	% of holding
1	Farukbhai Gulambhai Patel	54,03,125	48.61
2	Ashish Ashwinbhai Mithani	14,82,922	13.34
3	Veer Value Ventures LLP	6,50,000	5.85
4	Jolly Ashish Mithani	5,07,812	4.57
5	Manish Kantilal Haria	3,01,000	2.71
6	Bhavnaben Ashwinbhai Mithani	2,43,750	2.19
7	Ashit Mehta	2,40,500	2.16
8	Hemali Arvindkumar Dagli	1,82,000	1.64
9	Saurabh Nareshkumar Shah	1,69,000	1.52
10	Sanjay M Sanghavi	1,28,700	1.16

k) Dematerialization of shares and liquidity:

As on March 31, 2020, 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 2019-20 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.

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

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, 2020 are as follows:

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:

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, 2020 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/kpdata/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/kpdata/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:

(Rs. in Lakhs)

M/s. K A SANGHAVI AND CO LLP	FY 2019-20
Payment to Statutory Auditor	
Audit Fees	11.60
Other Services	0.48
Total	12.08

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:

- During the year ended 31st March, 2020, 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.
- 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.
- The auditors' report on financial statements of the Company are unqualified.
- 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 our statutory auditor, K A SANGHAVI AND CO LLP, Chartered accountants 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, 2020.

For and on behalf of the Board of Directors
K.P. ENERGY LIMITED

Place: Surat

Date: August 29, 2020

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 Radhekanth 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, 2020 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, 2020 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 29, 2020

Farukbhai Gulambhai Patel
Managing Director
DIN: 00414045

Pravin R. 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, 2020, 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, 2020.

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: A029657B000639728

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, 2020 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	Farukbhai Gulambhai Patel	00414045	08/01/2010
2	Ashish Ashwin Mithani	00152771	08/01/2010
3	Bhadrabala Dhimant Joshi	07244587	17/08/2015
4	Bhupendra Vadilal Shah	06359909	30/07/2016
5	Raghavendra Rao Bondada	01883766	17/08/2015
6	Sajesh Bhaskar Kolte	07277524	03/09/2015
7	Affan Faruk Patel	08576337	26/12/2020
8	Salim Suleman Yahoo	08648805	26/12/2020

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**

**Date: August 29, 2020
Place: Ahmedabad**

**CS Janki Shah
Proprietress
Membership No: ACS 29657
COP No: 10836**

UDIN: A029657B000639741

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 K P ENERGY LIMITED ("the Company"), which comprise the standalone balance sheet as at 31st March 2020, 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 31 March 2020, 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 be 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 2020 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.	<p>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.</p> <p>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.</p>

	<p>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</p> <p>Wind farm development contracts.</p>	<p>We have performed a retrospective review of costs incurred with estimated costs to identify</p> <p>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.</p>
3	<p>Right of Way Expenses incurred during the course of the development of EPCC contracts</p> <p>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.</p>	<p>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.</p> <p>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.</p> <p>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 2020, 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.</p>

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, 2020, taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2020, 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 31 March 2020 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 Higher Court of Gujarat
- Public Interest Litigation No. 241 of 2018 at Higher Court of Gujarat

- Public Interest Litigation No. 9120 of 2017 at Higher Court of Gujarat
- Public Interest Litigation No. 6303 of 2020 at Higher Court of Gujarat
- Public Interest Litigation No. 1050 of 2020 at Higher Court of Gujarat
- Public Interest Litigation No. 17093 of 2018 at Higher 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

Place : Surat
Date: 30/06/2020

Amish Ashvinbhai Sanghavi

Partner
M. No. 101413
ICAI UDIN : **20101413AAAACF8202**

Annexure A

To the Independent Auditor's Report on the Standalone financial statements of K.P. ENERGY LIMITED for the year ended 31ST March, 2020.

(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 Equipments" 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 not 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. Accordingly, provisions of clauses 3(iii) (a), (b) & (c) of the Order are not applicable to the Company and hence not commented upon.

IV. The company has not granted any loans or provided any guarantees or security to the parties covered under section 185 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, 2020 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, 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: 30/06/2020

Amish Ashvinbhai Sanghavi

Partner

M. No. 101413

ICAI UDIN : **20101413AAAACF8202**

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, 2020.

(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, 2020 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, 2020, 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: 30/06/2020

Amish Ashvinbhai Sanghavi

Partner

M. No. 101413

ICAI UDIN : 20101413AAAAACF8202

Standalone Balance Sheet

as at March 31, 2020

(All amounts are in Rs.lakhs unless otherwise stated)

	Note	As At March 31,2020	As At March 31,2019
Assets			
Non-Current Assets			
Property, Plant And Equipment	2.1	8,060.43	8,282.34
Capital Work-In-Progress		24.14	24.14
Intangible Assets			
Financial Assets			
Investments	2.2	2,583.25	124.25
Loan		-	-
Other Financial Assets	2.4	27.58	27.24
Deferred Tax Assets (Net)	2.13	-	-
Other Non Current Assets	2.8	42.69	40.00
Total Non Current Assets		10,738.10	8,497.97
Current Assets			
Inventories	2.5	6,123.47	2,650.00
Financial Assets			
Trade Receivable	2.6	761.95	2,752.73
Cash And Cash Equivalent	2.7	44.10	20.97
Other Bank Balance	2.7	669.07	665.70
Loan	2.3	44.93	44.01
Other Financial Assets	2.4	798.60	722.84
Current Tax Assets (Net)			
Other Current Assets	2.8	2,030.13	1,063.73
Total Current Assets		10,472.25	7,919.96
Total Assets		21,210.34	16,417.94
Equity And Liabilities			
Equity			
Equity Share Capital	2.9	1,111.50	1,111.50
Other Equity	2.10	4,282.55	4,306.54
Total Equity		5,394.05	5,418.04
Non Current Liabilities			
Financial Liabilities			
Borrowings	2.11	2,056.21	2,529.12
Other Financial Liabilities	2.12	5,000.00	-
Provisions			
Deferred Tax Liabilities (Net)	2.13	1,303.61	1,135.33
Other Non Current Liabilities	2.14	684.36	369.36

Total Non Current Liabilities		9,044.18	4,033.82
Current Liabilities			
Financial Liabilities			
Borrowings	2.11	534.64	495.18
Trade Payables	2.15	4,350.86	5,130.21
Other Financial Liabilities	2.12	626.34	595.63
Other Current Liabilities	2.14	1,207.50	193.26
Provisions		-	-
Current Tax Liabilities (Net)	2.16	52.76	551.80
Total Current Liabilities		6,772.10	6,966.08
Total Liabilities		15,816.29	10,999.90
Total Equity And Liabilities		21,210.34	16,417.94

for K A Sanghavi And Co LLP

Chartered Accountants
FRN : 120846W / W100289

For K. P. Energy Limited

Amish Ashvinbhai Sanghavi

M. NO. 101413
ICAI UDIN: 20101413AAAACF8202

Farukbhai Gulambhai Patel

Chairman and Managing Director
(DIN : 00414045)

Ashish Ashwin Mithani

Chief Executive Officer
(DIN : 00152771)

Place : Surat

Date: 30/06/2020

Karmit Haribhadrabhai Sheth

Company Secretary

Pravin Radhekant Singh

Chief Financial Officer

Standalone Statement Of Profit And Loss

for the year ended March 31, 2020

(All amounts are in Rs.lakhs unless otherwise stated)

	Note	As At March 31,2020	As At March 31,2019
Revenue			
Revenue From Operations	2.17	7,411.61	15,841.00
Other Income	2.18	59.73	47.36
Total Income		7,471.34	15,888.36
Expense			
Cost Of Material Consumed	2.19	4,599.86	10,024.14
Purchase Of Stock-In-Trade			-
Changes In Inventories Of Finished Goods And Stock In Trade			-
Employee Benefits Expense	2.19	702.91	772.05
Finance Cost	2.19	461.41	458.04
Depreciation And Amortisation Expense	2.1	397.01	383.99
Other Expenses	2.19	1,031.85	1,759.23
Total		7,193.04	13,397.46
Profit / (Loss) Before Tax		278.30	2,490.90
Tax Expenses			
Current Tax		52.76	551.80
Minimum Alternate Tax Entitlement		(52.76)	(285.96)
Deferred Tax (Credit) / Charge		168.28	281.38
Total Tax Expenses		168.28	547.22
Profit / (Loss) For The Year From Continuing Operations		110.02	1,943.68
Profit / (Loss) From The Discontinuing Operations			-
Tax Expenses Of Discontinuing Operations			-
Profit / (Loss) From The Discontinuing Operations (After Tax)			-
Profit / (Loss) For The Period		110.02	1,943.68
Earning Per Equity Share:			
(I) Basic*		0.99	17.49
(Ii) Diluted*		0.99	17.49

* Amounts are in absolute figures.

for K A Sanghavi And Co LLP

Chartered Accountants

FRN : 120846W / W100289

For K. P. Energy Limited

Amish Ashvinbhai Sanghavi

M. NO. 101413

ICAI UDIN: 20101413AAAAACF8202

Farukbhai Gulambhai Patel

Chairman and Managing Director

(DIN : 00414045)

Ashish Ashwin Mithani

Chief Executive Officer

(DIN : 00152771)

Place : Surat

Date: 30/06/2020

Karmit Haribhadrabhai Sheth

Company Secretary

Pravin Radhekant Singh

Chief Financial Officer

Standalone Cash Flow Statement

for the year ended March 31, 2020

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,2020	As At March 31,2019
Cash flow from operating activities		
Profit / (loss) before tax and exceptional items	278.30	2,490.90
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation and amortisation expense	397.01	383.99
Loss/(Profit) on sale of fixed assets	-	3.66
Amounts written off	-	38.77
Interest income	(51.53)	(44.29)
Liabilities written back	-	-
Dividend income from non trade investments	-	-
Operating profit / (loss) before working capital change	623.77	2,873.04
Changes in operating assets and liabilities		
Increase/ (Decrease) in trade payables	(779.36)	1,457.07
Increase/ (Decrease) in provisions and other liabilities	30.70	(47.46)
Increase/ (Decrease) in other current and other non-current liabilities	1,329.24	(306.95)
Decrease/ (Increase) in trade receivables	1,990.78	(411.73)
Decrease/ (Increase) in inventories	(3,473.47)	(1,677.22)
Decrease/ (Increase) in other current and other non-current financial assets	(77.02)	(679.18)
Decrease/ (Increase) in other current and other non-current assets	(1,097.56)	(220.39)
Cash (used in) / generated from operating activities	(1,452.90)	987.18
Income taxes paid (net of refunds)	(370.55)	(379.89)
Net cash (used in) / generated from operating activities (A)	(1,823.46)	607.29
Cash flow from investing activities		
Purchase of fixed assets including intangible assets, capital work in progress and capital advances	(175.10)	(222.53)
Proceeds from sale of fixed assets	-	3.50
Purchase of non-current investments	(2,459.00)	(2.00)
Interest received	51.53	44.29
Dividends received	-	-
Net cash (used in) / generated from investing activities (B)	(2,582.57)	(176.74)
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)	4,527.09	(523.16)
Proceeds/ (Repayment) of short term borrowings (net)	39.46	(58.96)
Dividends paid on equity shares	(111.15)	-
Tax on equity dividend paid	(22.85)	-
Net cash (used in) / generated from financing activities (C)	4,432.55	(582.12)

Net Increase / (decrease) in cash and cash equivalent (A+B+C)	26.52	(151.57)
Cash and cash equivalent at the beginning of the year	686.66	838.23
Cash and cash equivalent at the end of the year	713.18	686.66
Components of cash and cash equivalents (refer note 2.7)	713.18	686.66
Cash on hand	6.41	20.50
Balances with banks		
'-on current account	37.69	0.46
'-other bank balance	669.07	665.70
Total cash and cash equivalents	713.18	686.66

Notes :

1. The figures in brackets represent outflows.
2. Previous period's figures have been regrouped / reclassified, wherever necessary, to confirm to current year presentation.

for K A Sanghavi And Co LLP

Chartered Accountants
FRN : 120846W / W100289

For K. P. Energy Limited

Amish Ashvinbhai Sanghavi
M. NO. 101413
ICAI UDIN: 20101413AAAACF8202

Farukbhai Gulambhai Patel
Chairman and Managing Director
(DIN : 00414045)

Ashish Ashwin Mithani
Chief Executive Officer
(DIN : 00152771)

Place : Surat
Date: 30/06/2020

Karmit Haribhadrabhai Sheth
Company Secretary

Pravin Radhekant Singh
Chief Financial Officer

Standalone Statement of Changes in Equity

A. Equity Share Capital

(All amounts are in Rs.lakhs unless otherwise stated)

Balance as at April 01, 2018	855.00
Issued during the year	256.50
Balance as at March 31, 2019	1,111.50
Issued during the year	-
Balance as at March 31, 2020	1,111.50

B. Other Equity

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	Reserves and surplus		Other Components of Equity	Total
	Security premium reserve	Retained earnings		
Balance as at April 01, 2018	89.00	2,530.36	-	2,619.36
Profit for the year	-	1,943.68	-	1,943.68
Items of OCI for the year :-	-	-	-	-
Final dividend	-	-	-	-
Tax on dividend	-	-	-	-
Amount utilised for Bonus Issue	(89.00)	(167.50)		(256.50)
Balance as at March 31, 2019	-	4,306.54	-	4,306.54
				-
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

for K A Sanghavi And Co LLP

Chartered Accountants
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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. The Company is listed on The Bombay Stock Exchange (BSE) The company is primarily engaged in Wind Farm development, development of Wind Mills and allied services related to it along with generation of electricity through wind mill 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, 2020 were approved for issue in accordance with the resolution of the Board of Directors on June 30, 2020.

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 COVID-19 pandemic is an evolving human tragedy declared a global pandemic by the World Health Organisation with adverse impact on economy and business. Supply Chain disruptions in India as a result of the outbreak started with restrictions on movement of goods, closure of borders etc., in several states followed by a nationwide lockdown from the 25th of March 2020 announced by the Indian Government, to stem the spread of COVID-19. Due to this the operations at various sites of the Company has been temporarily disrupted. However, the Company's electric power sale business was not much affected and is considered essential services in these challenging times.

In light of these circumstances, the Company has considered the possible effects that may result from COVID-19 on the carrying amounts of financials assets, inventory, receivables, advances, property plant and equipment, Intangibles etc. as well as liabilities accrued. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company has used internal and external information such as our current contract terms, financial strength of partners, investment profile, future volume estimates from the business etc. Having reviewed the underlying data and based on current estimates the Company expects the carrying amount of these assets will be recovered and there is no significant impact on liabilities accrued. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

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 ratably 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

Functional currency

The functional currency of the Company is the Indian rupee. These financial statements are presented in Indian rupees.

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 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, 2020.

2.1. Property, Plant And Equipment

The changes in the carrying value of property, plant and equipment for the year ended March 31, 2020 are as follows:

(All amounts are in Rs.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

(All amounts are in Rs.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, 2018	339.10	204.98	8,180.09	41.09	23.64	77.78	71.19	8,937.87
Additions	111.39	19.46	62.54	7.71	3.94	13.90	3.58	222.53
Deletions	-	-	-	-	-	-	8.81	8.81
Gross Carrying Value As Of March 31, 2019	450.50	224.44	8,242.63	48.80	27.58	91.68	65.96	9,151.58
Accumulated Depreciation As Of April 01, 2018	-	10.32	423.82	9.51	12.52	17.88	12.85	486.90
Depreciation	-	4.01	354.66	4.48	5.54	8.08	7.22	383.99
Accumulated Depreciation On Deletions	-	-	-	-	-	-	1.65	1.65

Accumulated Depreciation As Of March 31, 2019	-	14.33	778.48	13.99	18.06	25.96	18.42	869.25
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
Carrying Value As Of March 31, 2018	339.10	194.66	7,756.27	31.57	11.12	59.90	58.34	8,450.97

- 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 2020 (31st march 2019). 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 Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Non Current Investments		
Equity Instruments Of Subsidiaries	2,583.25	124.25
Total Carrying Value	2,583.25	124.25

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Non Current Investments		
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	1.00
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	118.31
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	124.25

During the year the company has acquired shares of the subsidiary companies and accordingly the total percentage of holding of the Company in the subsidiary companies is as follows:

- VG DTL transmission projects pvt ltd 50% (100%)

2.3. Loans

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Current		
Unsecured, Considered Good		
Loan To Subsidiaries (Refer: Related Party Transaction Note 2.26)	42.43	33.08
Other Loans		
Loans To Employees	2.49	10.93
Total Loans	44.93	44.01

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Current		
Loan To Subsidiaries (Refer: Related Party Transaction Note 2.26)		
K P Energy Mahuva Windfarm Pvt Ltd	13.88	4.70
HGV DTL Transmission Projects Private Limited	0.15	-
Ungarn Renewable Energy Pvt Ltd	8.46	7.78
VG DTL Transmission Projects Private Limited	3.99	-
Wind Farm Developers Pvt Ltd	15.95	10.60
Total	42.43	33.08

2.4. Other Financial Assets

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Non Current		
Security Deposits	10.18	10.34
Rent Deposits	17.40	16.90
Total	27.58	27.24

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Current		
Unbilled Revenues	87.63	87.56
Others	710.97	635.28
Total	798.60	722.84

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
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
Vat Deposit	0.10	0.10
P.g.v.c.l. Deposit	5.35	6.85
Shri Hanumant Seva Medical	0.25	0.25
Manikaran Analytics Limited	0.82	-
Coffee Day Global Limited	0.52	
Total	10.18	10.34
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	2.50
Total	17.40	16.90

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Current		
Others		
Investments In Current Instruments (Current Capital) Of LLP		
Belampur Power Infra LLP	60.89	25.55
Hajipir Renewable Energy LLP	34.05	36.09
Mahuva Power Infra LLP	131.94	86.56
Manar Power Infra LLP	114.45	103.33

Miyani Power Infra LLP	255.22	226.69
Vanki Renewable Energy LLP	114.42	157.05
	710.97	635.28
Total	710.97	635.28

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 Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Closing Stock	6,123.47	2,650.00
Total	6,123.47	2,650.00

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 Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Current		
Unsecured		
Considered Good (1)	761.95	2752.73
Considered Doubtful		-
Total	761.95	2,752.73

(1) Includes due from related parties (refer: related party transaction note 2.26)

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 Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Balances With Banks		
In Current Accounts	37.69	0.46
Cash On Hand	6.41	20.50
Total	44.10	20.97

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
In Current Accounts		
Axis Bank Account	2.04	0.14
State Bank Of India	35.65	0.32
Total	37.69	0.46

Other Bank Balance

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
In Unpaid Dividend Accounts		
State Bank Of India Unpaid Dividend Account	0.11	0.09
In Deposit Accounts		
Fixed Deposit With State Bank Of India (1)	315.48	333.99
Fixed Deposit With Sidbi (1)	353.48	331.61
Total	669.07	665.70

(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 Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Non Current		
Others		
Advances For Land	39.68	36.58
Prepaid Transmission Line Expense	3.01	3.42
Total	42.69	40.00

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Current		
Others		
Prepaid Expenses	12.51	16.39
Withholding Taxes And Others	2,017.61	1,047.34
Total	2,030.13	1,063.73

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Prepaid expenses		
Prepaid insurance expense	11.37	10.52
Prepaid interest expense	-	4.18
Prepaid internet expense	0.02	0.42
Prepaid metmast expense	0.23	0.51
Prepaid rent expense	0.47	0.28
Prepaid software expense	0.02	0.06
Prepaid transmission line expense	0.42	0.42
Total	12.51	16.39
Withholding taxes		
TDS receivable fy 2017-18	-	134.75
TDS receivable fy 2018-19	-	157.82
TDS receivable fy 2019-20	111.32	-
Others		
GST credit receivable	393.16	193.10
ADITYA BIRLA Finance TDS Receivable	-	0.56
Capital First Limited TDS Receivable	0.22	
Magma Fincorp Ltd	-	0.97
Works contract payable 0.6%	14.42	14.42
MAT Credit entitlement	598.45	545.68
Receivables from Subsidiaries (1)	900.00	-
Fast Tag A/c	0.02	-
My biz a/c	0.03	0.03
Total	2017.61	1047.34

(1) Amount due from Evergreen Mahuva Windfarms Pvt. Ltd. (refer: related party transaction note 2.26)

2.9. Quity

Equity Share Capital

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Authorized		
Equity shares, Rs. 10 par value		
1,25,00,000	1250.00	1250.00
(1,25,00,000) (1)		
Issued, subscribed and paid up		
Equity shares, Rs. 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, 2019

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 Declared And Paid Dividend For F.y. 2018-19. However, The Company Has Not Declared Any Interim Dividend Nor Proposed Any Final Dividend For The Year Ended On 31st March, 2020.

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, 2020 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 Rs.lakhs unless otherwise stated)

Particulars	31-Mar-2020		31-Mar-2019	
	Number of shares	% held	Number of shares	% held
Ashish Ashwin Mithani	14,82,922	13.34%	14,82,922	13.34%
Farukbhai Gulambhai patel	54,03,125	48.61%	54,03,125	48.61%
Veer value ventures LLP	6,50,000	5.85%	6,50,000	5.85%

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	31-Mar-2020	31-Mar-2019	31-Mar-2018	31-Mar-2017	31-Mar-2016
Number of equity shares bought back	-	-	-	-	-
Number of preference shares redeemed	-	-	-	-	-
Number of equity shares issued as bonus share	-	25,65,000	-	51,30,000	15,00,000
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 Rs.lakhs unless otherwise stated)

Particulars	31-Mar-2020		31-Mar-2019	
	Number of shares	% held	Number of shares	% held
Number of shares at the beginning	1,11,15,000	11,11,50,000	85,50,000	8,55,00,000
Add: Bonus Issue	-	-	25,65,000	2,56,50,000
Less: Bought back	-	-	-	-
Others	-	-	-	-
Number of shares at the end	1,11,15,000	11,11,50,000	1,11,15,000	11,11,50,000

2.10. Other Equity

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Retained earnings (1)	4,282.55	4,306.54
General reserve	-	-
Security premium reserve (2)	-	-
Total	4,282.55	4,306.54

Retained Earnings

Retained earnings are the profits that the Company has earned till the year end 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 Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Opening Balance	4,306.54	2,530.36
Add: Profit earned during the year	110.02	1,943.68
Less: Dividend Paid	111.15	-
Dividend distribution tax paid	22.85	-
Bonus shares issued	-	167.50
Closing Balance	4,282.55	4,306.54

(2) Security premium reserve

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Opening Balance	-	89.00
Add: Premium on issue of shares received during the year	-	-
Less: Bonus shares issued	-	89.00
Closing Balance	-	-

2.11. Long Term Borrowing

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Secured		
Term Loans		
From Banks	2,042.52	2,523.80
Vehicle Loans		
From Banks	13.69	5.32
Total	2,056.21	2,529.12

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Current maturities of long term debts		
Term Loans		
From Banks	528.52	473.52
Vehicle Loans		
From Banks	6.12	3.14
Construction Equipment Loans		
From Banks	-	8.41
Business Loans		
From Financial Institutions	-	10.11
Total	534.64	495.18

Details of borrowings are as follows:

(All amounts are in Rs.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,	
					2020	2019
Rupee term loans						
(refer point A part (i) for interest rate)						
SBI term loan1	1725.00	Refer note 1 below.	Refer note 1 below.	Refer note 1 below.	698.37	963.67
SIDBI term loan2	1990.00	Refer note 2 below.	Refer note 2 below.	Refer note 2 below.	1,344.15	1,560.12
					2,042.52	2,523.80
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	5.32
HDFC hyndai creta loan	15.55	2019-20	60	0.32	11.83	-
					13.69	5.32

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, 2020 the interest rates ranges from 8.95 % to 10.30 % per annum (March 31, 2019: 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, 2020 the interest rates ranges from 9.00 % to 9.25 % per annum (March 31, 2019: 9.25 % per annum).

B. Details of guarantee for each type of borrowings

(All amounts are in Rs.lakhs unless otherwise stated)

	As At March 31,	
	2020	2019
Guaranteed by directors		
Rupee Term loans	3,715.00	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.

D. Reconciliation of liabilities arising from financing activities:

The changes in the Company's liabilities arising from financing activities can be classified as follows:

(All amounts are in Rs.lakhs unless otherwise stated)

	Liabilities from financial activities		
	Long term borrowings	Short term borrowings	Total
Net debt as at April 01, 2018	3,652.58	-	3,652.58
- Proceeds	-	-	-
- Repayment	959.67	-	959.67
- Interest paid	306.32	-	306.32
- Interest expense	331.39	-	331.39
Net debt as at March 31, 2019	3,024.30	-	3,024.30
Net debt as at April 01, 2019	3,024.30	-	3,024.30
- Proceeds	15.55	55.00	70.55
- Repayment	775.67	-	775.67
- Interest paid	267.48	-	267.48
- Interest expense	271.67	-	271.67
Net debt as at March 31, 2020	2,535.85	55.00	2,590.85

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Current maturities of long term debts		
Term Loans		
From Banks		
State bank of India	264.00	264.00
SIDBI	209.52	209.52
SBI working capital loan ¹	55.00	-
	528.52	473.52
Vehicle Loans		
From Banks		
State bank of India safari loan	3.44	3.14
HDFC hyndai creta loan	2.68	-
	6.12	3.14
Construction equipment loan		
From Banks		
Axis bank batching plant	-	8.41
	-	8.41
Business loans		
From Financial Instituions		
Aditya birla finance limited	-	-
Magma fincorp limited	-	-
Tata capital finance service limited	-	3.32
Capital first limited	-	6.79
	-	10.11
Total	534.64	495.18

1

(All amounts are in Rs.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,	
					2020	2019
SBI term loan II	825.00	2015-16	90	8.00	365.99	473.92
SBI term loan II	900.00	2016-17	69	13.00	332.39	489.75
SBI working capital loan	55.00	2019-20	12	4.59	55.01	-

2

(All amounts are in Rs.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,	
					2020	2019
SIDBI term loan I	995.00	2017-18	114	8.73	663.43	759.48
SIDBI term loan II	995.00	2017-18	114	8.73	680.72	800.64

2.12. Other Financial Liabilities

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Non-Current		
Ge India Industrial Private Limited	5,000.00	-
Total	5,000.00	-

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Current		
Others		
State Bank Of India Slc (1) (3)	179.97	181.73
State Bank Of India Cash Credit Account (2) (3)	398.58	367.29
Salary Payable (4)	46.17	40.19
Pf Payable	1.41	1.61
Pt Payable	0.21	0.23
Worker Wages Payable	-	4.58
Total	626.34	595.63

(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, 2020

(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.

(4) Includes due to related parties (refer: related party transaction note 2.26)

2.13. Deferred Tax Liabilities

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Deferred tax liabilities arising on account of		
Property, plant and equipment and intangible assets	1,303.61	1,135.33
	1,303.61	1,135.33
Deferred tax assets arising on account of	-	-
Net Deferred tax liabilities	1,303.61	1,135.33

Calculation of Deferred Tax

(All amounts are in Rs.lakhs unless otherwise stated)

Deferred tax liabilities	
Depreciation	604.89
Tax on deferred liabilities @27.82%	168.28
Deferred Tax Liabilities / Assets Transferred to Balance Sheet	
Opening Balance of Deferred Tax (Liabilities)	1,135.33
Differed Tax (Liabilities) Charged to P & L A/c	168.28
Differed Tax (Liabilities) transferred to Balance sheet	1,303.61

2.14. Other Liabilities

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Non Current		
Deposit		
Aspen Infrastructures Limited	100.00	100.00
Clp India Private Limited	350.00	-
Others		
Simms Engineering Private Limited	234.36	269.36
Total	684.36	369.36

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Current		
Unearned Revenue	-	-
Others		
Clp India Pvt. Ltd.	1,135.07	
Lease Rent Payable	21.10	9.42
Withholding Taxes And Others		
Tds Payable	40.87	60.99
Gst Payable	-	121.61
Bhadra Joshi Director Sitting Fees Payable	0.32	-
Bhupendra Shah Director Sitting Fees Payable	0.25	-
Sajesh Kolte Director Sitting Fees Payable	0.50	-
Raghavendra Rao Director Sitting Fees Payable	0.45	-
Salim Yahoo Director Sitting Fees Payable	0.07	-
K.p.i. Global Infrastructure Limited	1.54	-
Local Taxes Payable	5.38	-
Unpaid Dividend	0.08	0.003
Employee Imprest Account	1.90	1.24
Total	1,207.50	193.26

2.15. Trade Payables

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Trade Payables(1)	4,350.86	5,130.21
Total	4,350.86	5,130.21

As reported by the management, As at March 31, 2020 and March 31, 2019, 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 Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Current taxes	52.76	551.80
Income tax expenses	52.76	551.80

2.17. Revenue From Operations

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Revenue from sale of power	934.26	986.12
Revenue from operation and maintenance services	223.90	103.30
Revenue from contract	6,253.45	14,751.58
Total	7,411.61	15,841.00

2.18. Other Income

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Interest received on financial assets carried at amortization cost		
Interest on fixed deposit	51.53	44.29
Miscellaneous income, net		
Other income (1)	8.20	3.07
Total	59.73	47.36

(1) Other income includes prior period income of Rs. 0.77(0) .

2.19. Expenses

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Cost of material consumed		
Raw material		
Opening	2,650.00	972.77
Purchase(2)(5)	3,785.62	11,290.47
Adjustment		-
Closing	6,123.47	2,650.00
	312.15	9,613.25
Employee benefit expense		
Salary, wages and bonus		
Wages to workers(12)	367.70	495.52
Arrears of salary	-	12.96
Salary(22)	319.23	247.12
Contribution to provident fund		
Contribution to provident fund	9.03	7.01
Staff welfare expenses		
Staff welfare expenses(19)	6.95	9.45
	702.91	772.05
Finance cost		
Interest Expenses		
Interest on loan	306.28	359.38
Bank charges		
Bank charges	8.16	1.35
Other interest charges		
Interest on income tax	34.81	41.83
Interest on gst	22.03	-
Interest on tax deducted at source	3.77	11.38
Finance charges		
Bank guarantee charges	38.90	2.73
Stamp and franking charges	21.14	11.45
Inspection charges	-	0.02
LC charges	0.61	0.07
SLC interest	18.75	21.76
Processing charges	6.97	7.99
Pre closure charges	-	0.06
	461.41	458.04
Other expenses		
Accommodation expense	7.31	8.59
Advertisement expense	3.02	8.78

AGM expense	1.51	1.58
Application fees expense (13)	2.41	25.85
Auditor's remuneration (1)	12.08	8.25
Brokerage Expense	14.06	20.98
Business Promotion Expense	3.41	26.04
Canteen expense(3)	53.43	75.22
Certification charges(4)	1.51	1.40
Computer expense	1.14	1.19
Corporate social responsibility expense	37.81	69.81
Courier charges	2.24	4.11
Director remuneration	86.50	54.40
Discount	1.87	40.29
Donation expense	3.37	20.87
Dump yard rent(14)	0.95	1.32
Electricity expense(15)	11.87	5.99
House keeping expense	4.00	4.86
Insurance expense	21.81	17.14
Interest on delay payment	-	13.83
Internal audit fees	0.88	0.20
Internet expense(6)	3.67	2.14
ISO audit fees	1.61	3.70
ISO fees	-	0.61
Labour expenses	34.09	176.35
Labour tax	0.03	0.02
Late filing fees	0.20	2.95
Late payment charges	0.02	0.00
Lease rents	31.31	31.83
Legal and professional fees(16)	39.74	55.54
Local taxes	24.99	39.62
Loss on sale of fixed assets	-	3.66
Miscellaneous expense	1.40	1.03
Miscellaneous purchase for site	8.78	24.15
Municipal tax	0.07	0.18
O & M charges(7)	37.99	48.62
Office expense(18)	2.87	5.45
Petrol and diesel expenses(8)	38.02	185.65
Power generation debit note	-	200.00
Preliminary and preoperative expense	-	38.77
Processing fees for geda(23)	13.77	12.99
Professional tax	0.02	0.02
Registration fees	1.92	0.25
Rent expenses(9)	78.67	90.36

Repairing and maintenance expense	7.30	20.84
Research and development expense(17)	19.13	19.86
ROC expense	43.32	1.63
Security service charges	165.78	93.28
Seminar fees	0.29	-
Site expenses(21)	4,301.85	489.36
Sitting fees to director	1.75	1.35
Sldc charges(10)	0.95	1.00
Software expense	0.66	3.13
Stamp duty	12.33	1.29
Stationary and printing expense	8.28	10.45
Stipend expense	3.97	3.25
Telephone expenses	4.16	4.38
Testing charges	-	0.57
Training expense	0.62	5.41
Transfer fees expense of geda(24)	1.32	0.62
Transmission charges(11)	75.79	52.96
Transportation expenses	47.36	99.97
Travelling and conveyance expense(20)	17.34	26.13
BOCW Cess	6.83	-
N.A. Charges	7.26	-
Power Generation Deviation charges	2.96	-
	5,319.56	2,170.12

(2) This expenditure includes credit note for land of Rs. 87.65(0)

(3) This expenditure includes prior period expense of Rs. 0.82(0.33)

(4) This expenditure includes prior period expense of Rs. 0.65(0.49)

(5) This expenditure includes prior period expense of Rs. 21.07(29.27)

(6) This expenditure includes prior period expense of Rs. 0.00(0.0116)

(7) This expenditure includes prior period expense of Rs. 0.00(0.07)

(8) This expenditure includes prior period expense of Rs. 0.04(0.015)

(9) This expenditure includes prior period expense of Rs. 0.00(0.23)

(10) This expenditure includes prior period expense of Rs. 0.02(0.62)

(11) This expenditure includes prior period expense of Rs. -5.22(0.04)

(12) This expenditure includes prior period expense of Rs. 0.00(2.39)

(13) This expenditure includes prior period expense of Rs. 0.86(0.00)

(14) This expenditure includes prior period expense of Rs. 0.01(0.00)

(15) This expenditure includes prior period expense of Rs. 0.07(0.00)

(16) This expenditure includes prior period expense of Rs. 5.31(0.00)

(17) This expenditure includes prior period expense of Rs. 0.15(0.00)

(18) This expenditure includes prior period expense of Rs. 0.001(0.00)

(19) This expenditure includes prior period expense of Rs. 0.04(0.00)

(20) This expenditure includes prior period expense of Rs. 0.01(0.00)

(21) This expenditure includes prior period expense of Rs. 2.02(0.00)

(22) This expenditure includes prior period expense of Rs. 0.12(0.00)

(23) This expenditure includes prior period expense of Rs. 13.52(0.00)

(24) This expenditure includes prior period expense of Rs. 0.70(0.00)

2.20. Fair Value Disclosures

i) Financial instruments by category

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As at March 31, 2020			As at March 31, 2019		
	Fvtpl	Fvoci	Amortised Cost	Fvtpl	Fvoci	Amortised Cost
Financial assets						
Investments	-	-	-	-	-	-
Security deposits	-	-	10.18	-	-	10.34
Rental deposits	-	-	17.40	-	-	16.90
Trade receivables	-	-	761.95	-	-	2,752.73
Cash and cash equivalents	-	-	44.10	-	-	20.97
Other bank balances	-	-	669.07	-	-	665.70
Loans	-	-	44.93	-	-	44.01
Derivative asset	-	-	-	-	-	-
Other financial assets	-	-	798.60	-	-	722.84
Total	-	-	2,346.23	-	-	4,233.48
Financial liabilities	-	-		-	-	
Borrowings	-	-	2,590.85	-	-	3,024.30
Trade payable	-	-	4,350.86	-	-	5,130.21
Other financial liabilities	-	-	5,626.34	-	-	595.63
Total	-	-	12,568.04	-	-	8,750.14

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 level 3.

Financial assets and liabilities measured at fair value - recurring fair value measurements

(All amounts are in Rs.lakhs unless otherwise stated)

March 31, 2020	Level 1	Level 2	Total
Financial assets			
-	-	-	-
Total financial assets	-	-	-

(All amounts are in Rs.lakhs unless otherwise stated)

March 31, 2019	Level 1	Level 2	Total
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:
- Asset approach - Net assets value method
 - Income approach - Discounted cash flows ("DCF") method
 - 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 Rs.lakhs unless otherwise stated)

Particulars	Level	March 31, 2020		March 31, 2019	
		Carrying value	Fair value	Carrying value	Fair value
Financial assets					
Security deposits	Level 3	10.18	10.18	10.34	10.34
Rental deposits	Level 3	17.40	17.40	16.90	16.90
Loans	Level 3	44.93	44.93	665.70	665.70
Other financial assets	Level 3	798.60	798.60	722.84	722.84
Total Financial assets		871.11	871.11	1,415.77	1,415.77
Financial liabilities					
Borrowings	Level 3	2,590.85	2,590.85	3,024.30	3,024.30
Other financial liabilities	Level 3	5,626.34	5,626.34	595.63	595.63
Total Financial liabilities		8,217.18	8,217.18	3,619.93	3,619.93

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

a) 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

Assets under credit risk –

Description	March 31, 2020	March 31, 2019
A: Low		
Loans	44.93	44.01
Investments	2,583.25	124.25
Other financial assets	826.19	750.08
Cash and cash equivalents	44.10	20.97
Other bank balances	669.07	665.70
Trade receivables	761.95	2,752.73

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.

March 31, 2020	Less than 1 year	1-3 year	More than 3 years	Total
Borrowings				
Deposit received	-	450.00	-	450.00
Trade payable	4,350.86	-	-	4,350.86
Other financial liabilities	626.34	-	-	626.34
Total	4,977.19	450.00	-	5,427.19

March 31, 2020	Less than 1 year	1-3 year	More than 3 years	Total
Borrowings				
Deposit received	-	100.00	-	100.00
Trade payable	5,130.21	-	-	5,130.21
Other financial liabilities	595.63	-	-	595.63
Total	5,725.84	100.00	-	5,825.84

Interest rate risk

i) Liabilities

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. As at March 31, 2020, 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:

Particulars	March 31, 2020	March 31, 2019
Variable rate borrowings	131.24	165.97
Fixed rate borrowings	175.03	193.40
Total borrowings	306.28	359.37

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.

Effect on profit after tax

Particulars	March 31, 2020	March 31, 2019
Total borrowings		
- Impact due to increase of 50 basis points*	₹ -12.95	₹ -17.97
- Impact due to decrease of 50 basis points*	₹ 12.95	₹ 17.97

*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:

Particulars	March 31, 2020	March 31, 2019
Total borrowings	2,590.85	3,024.30
Less : cash and cash equivalents	44.10	20.97
Net debt	2,546.74	3,003.33
Total equity	5,562.33	5,418.04
Adjusted net debt to adjusted equity ratio	0.6	0.58

Dividends

Particulars	March 31, 2020	March 31, 2019
Equity shares		
(i) Final Dividend		
For the year ended March 31, 2019 of Re 1.00 per share (excluding tax)	111.15	-
For the year ended March 31, 2018 of Re 0.00 per share (excluding tax)	-	-
(ii) Proposed Dividend		
For the year ended March 31, 2020 of Re 0.00 per share (excluding tax)	-	
For the year ended March 31, 2019 of Re 1.00 per share (excluding tax)		111.15

This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.

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	As At March 31, 2020	As At March 31, 2019
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
K P Sor-urja Limited	Group Company
K P Human Development Foundation	Group Company
K P I Global Infrastructure Limited	Group Company
K P Buildcon Private Limited	Group Company

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 -Executive Director

Relative Of Key Managerial Personnel

The details of amounts due to or due from related parties as at March 31, 2020 and March 31, 2019

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
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	1.00
Wind Farm Developers Private Limited	39.32	39.32
	2,583.25	124.25
Current Capital Contribution To LLP's		
Belampar Power Infra LLP	60.89	25.55
Hajipir Renewable Energy LLP	34.05	36.09
Mahuva Power Infra LLP	131.94	86.56
Manar Power Infra LLP	114.45	103.33
Miyani Power Infra LLP	255.22	226.69
Vanki Renewable Energy LLP	114.42	157.05

	710.97	635.28
Loans Given		
K P Energy Mahuva Windfarms Private Limited	13.88	14.70
HGV DTL Transmission projects Private Limited	0.15	-
VG DTL Transmission Projects Private Limited	3.99	-
Ungarn Renewable Energy Private Limited	8.46	7.78
Wind Farm Developers Private Limited	15.95	10.60
	42.43	33.08
Trade Receivables		
Evergreen Mahuva Windfarms Private Limited	382.45	386.45
VG DTL Transmission Projects Private Limited	3.74	-
K P Buildcon Private Limited	460.22	99.79
	4,334.20	486.23
Other Liabilities		
Ashish Ashwin Mithani	16.94	0.03
Faruk Gulambhai Patel	-	0.45
Affan faruk Patel	1.29	-
Pravin Singh	0.23	0.50
Karmit Haribhadrabhai Sheth	0.41	0.56
K P I Global Infrastructure Limited	1.54	-
	20.42	1.53
Other Current Assets		
Evergreen Mahuva Windfarms Private Limited	900.00	-
	900.00	-

The details of the related-party transactions entered into by the company, for the years ended March 31, 2020 and March 31, 2019 are as follows:

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Capital Transaction		
Financing transaction		
Equity		
HGV DTL Transmission projects Private Limited	-	1.00
VG DTL Transmission Projects Private Limited	2,459.00	1.00
	2,459.00	2.00
Current Contribution (Net of withdrawals)		
Belampar Power Infra LLP	35.34	25.55
Hajipir Renewable Energy LLP	-2.04	32.57
Mahuva Power Infra LLP	45.38	86.56
Manar Power Infra LLP	11.12	103.33
Miyani Power Infra LLP	28.53	138.06

Vanki Renewable Energy LLP	-42.63	154.33
	75.70	540.40
Loans (net of repayments)		
K P Energy Mahuva Windfarms Private Limited	-0.82	14.70
HGV DTL Transmission projects Private Limited	0.15	-
Ungarn Renewable Energy Private Limited	0.68	7.78
VG DTL Transmission Projects Private Limited	3.99	-
Wind Farm Developers Private Limited	5.35	10.60
	9.35	33.08
Revenue Transactions		
Purchases of Goods or Services		
K P Buildcon Private Limited	65.75	185.47
	65.75	185.47
Purchases of Fixed Asset		
K P Buildcon Private Limited	-	1.74
	-	1.74
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	-	386.45
	3,493.73	386.45
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	-
	1,698.46	-
Mangerial Remuneration		
KMP		
Ashish Ashwin Mithani	45.00	30.40
Faruk Gulambhai Patel	40.00	24.00
Affan F. Patel	1.50	-
Pravin Singh	4.74	4.30
Karmit Haribhadrabhai Sheth	4.20	3.57
	95.44	62.27

2.27. Contingent Liabilities

Claims Against The Company Not Acknowledged As Debts	As At Marh 31, 2020	As At Marh 31, 2019
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 Higher Court of Gujarat
- Public Interest Litigation No. 241 of 2018 at Higher Court of Gujarat
- Public Interest Litigation No. 9120 of 2017 at Higher Court of Gujarat
- Public Interest Litigation No. 6303 of 2020 at Higher Court of Gujarat
- Public Interest Litigation No. 1050 of 2020 at Higher Court of Gujarat
- Public Interest Litigation No. 17093 of 2018 at Higher 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 : 120846W / W100289

For K. P. Energy Limited

Amish Ashvinbhai Sanghavi

M. NO. 101413

ICAI UDIN: 20101413AAAACF8202

Farukbhai Gulambhai Patel

Chairman and Managing Director

(DIN : 00414045)

Ashish Ashwin Mithani

Chief Executive Officer

(DIN : 00152771)

Place : Surat

Date: 30/06/2020

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 2020, 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 2020, 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 be 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 2020 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.	<p>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.</p> <p>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.</p>

Sr. No.	Key Audit Matter	How the matter was addressed in our Audit
1	<p>Evaluation of procedure for recognizing the revenue from sale of power</p> <p>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.</p>	<p>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 2020 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.</p>
2	<p>Revenue recognition – Fixed price (EPCC) development contracts</p> <p>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.</p>	<p>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.</p> <p>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.</p>
	<p>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 customised and complex nature of these</p> <p>Windfarm development contracts.</p>	<p>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.</p>
3	<p>Right of Way Expenses incurred during the course of the development of EPCC contracts</p> <p>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.</p>	<p>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.</p> <p>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.</p> <p>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 2020, 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.</p>

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 2020, 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 2020, 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 be the Key Audit Matters to be communicated in our report.

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, 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 skepticism 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 31 March 2020 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 31 March 2020 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 31 March 2020 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 Higher Court of Gujarat
- Public Interest Litigation No. 241 of 2018 at Higher Court of Gujarat
- Public Interest Litigation No. 9120 of 2017 at Higher Court of Gujarat
- Public Interest Litigation No. 6303 of 2020 at Higher Court of Gujarat
- Public Interest Litigation No. 1050 of 2020 at Higher Court of Gujarat
- Public Interest Litigation No. 17093 of 2018 at Higher 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 : 20101413AAAAACF8202

Place : Surat

Date: 30/06/2020

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, 2020.

(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 2020, 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 2020, 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: 30/06/2020

Amish Ashvinbhai Sanghavi

Partner
M. No. 101413
ICAI UDIN : 20101413AAAACF8202

Consolidated Balance Sheet

as at March 31, 2020

(All amounts are in Rs.lakhs unless otherwise stated)

	Note	As At March 31,2020	As At March 31,2019
Assets			
Non-Current Assets			
Property, Plant And Equipment	2.1	8,060.43	8,282.34
Capital Work-In-Progress		4,951.50	1,037.61
Intangible Assets			
Financial Assets			
Investments		-	-
Loan		-	-
Other Financial Assets	2.3	27.58	27.24
Deferred Tax Assets (Net)	2.13	-	-
Other Non Current Assets	2.8	42.69	28.10
Total Non Current Assets		13,082.19	9,375.29
Current Assets			
Inventories	2.4	8,022.24	3,426.15
Financial Assets			
Trade Receivable	2.5	379.50	2,752.73
Cash And Cash Equivalent	2.6	91.97	81.04
Other Bank Balance	2.7	669.07	665.70
Loan	2.2	2.49	10.93
Other Financial Assets	2.3	87.63	87.56
Current Tax Assets (Net)			
Other Current Assets	2.8	2,476.13	1,521.63
Total Current Assets		11,729.04	8,545.75
Total Assets		24,811.23	17,921.04
Equity And Liabilities			
Equity			
Equity Share Capital	2.9	1,111.50	1,111.50
Other Equity	2.10	4,845.31	4,869.30
Minority Interest		2,462.02	2.02
Total Equity		8,418.83	5,982.82
Non Current Liabilities			
Financial Liabilities			
Borrowings	2.11	2,578.98	3,052.28
Other Financial Liabilities	2.12	5,000.00	-
Provisions			
Deferred Tax Liabilities (Net)	2.13	1,303.61	1,135.33

Other Non Current Liabilities	2.14	684.36	369.36
Total Non Current Liabilities		9,566.96	4,556.98
Current Liabilities			
Financial Liabilities			
Borrowings	2.11	534.64	495.18
Trade Payables	2.15	4,372.23	5,539.64
Other Financial Liabilities	2.12	626.34	595.63
Other Current Liabilities	2.14	1,239.47	198.99
Provisions		-	-
Current Tax Liabilities (Net)	2.16	52.76	551.80
Total Current Liabilities		6,825.43	7,381.24
Total Liabilities		16,392.39	11,938.22
Total Equity And Liabilities		24,811.23	17,921.04

for K A Sanghavi And Co LLP

Chartered Accountants
FRN : 120846W / W100289

For K. P. Energy Limited

Amish Ashvinbhai Sanghavi

M. NO. 101413
ICAI UDIN: 20101413AAAACI5651

Farukbhai Gulambhai Patel

Chairman and Managing Director
(DIN : 00414045)

Ashish Ashwin Mithani

Chief Executive Officer
(DIN : 00152771)

Place : Surat
Date: 30/06/2020

Karmit Haribhadrabhai Sheth

Company Secretary

Pravin Radhekant Singh

Chief Financial Officer

Consolidated Statement Of Profit And Loss

for the year ended March 31, 2020

(All amounts are in Rs.lakhs unless otherwise stated)

	Note	As At March 31,2020	As At March 31,2019
Revenue			
Revenue From Operations	2.17	7,499.25	15,841.00
Other Income	2.18	59.73	47.36
Total Income		7,558.98	15,888.36
Expense			
Cost Of Material Consumed	2.19	4,519.50	9,813.79
Purchase Of Stock-In-Trade			-
Changes In Inventories Of Finished Goods And Stock In Trade			-
Employee Benefits Expense	2.19	702.91	772.05
Finance Cost	2.19	462.13	463.88
Depreciation And Amortisation Expense	2.1	397.01	383.99
Other Expenses	2.19	1,199.13	1,963.74
Total		7,280.68	13,397.46
Profit / (Loss) Before Tax		278.30	2,490.90
Tax Expenses			
Current Tax		52.76	551.80
Minimum Alternate Tax Entitlement		(52.76)	(285.96)
Deferred Tax (Credit) / Charge		168.28	281.38
Total Tax Expenses		168.28	547.22
Profit / (Loss) For The Year From Continuing Operations		110.02	1,943.68
Profit / (Loss) From The Discontinuing Operations			-
Tax Expenses Of Discontinuing Operations			-
Profit / (Loss) From The Discontinuing Operations (After Tax)			-
Profit / (Loss) For The Period		110.02	1,943.68
Earning Per Equity Share:			
(I) Basic*		0.99	17.49
(Ii) Diluted*		0.98	17.31

* Amounts are in absolute figures.

for K A Sanghavi And Co LLP

Chartered Accountants

FRN : 120846W / W100289

For K. P. Energy Limited

Amish Ashvinbhai Sanghavi

M. NO. 101413

ICAI UDIN: 20101413AAAAACF8202

Farukbhai Gulambhai Patel

Chairman and Managing Director

(DIN : 00414045)

Ashish Ashwin Mithani

Chief Executive Officer

(DIN : 00152771)

Place : Surat

Date: 30/06/2020

Karmit Haribhadrabhai Sheth

Company Secretary

Pravin Radhekant Singh

Chief Financial Officer

Consolidated Cash Flow Statement

for the year ended March 31, 2020

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,2020	As At March 31,2019
Cash flow from operating activities		
Profit / (loss) before tax and exceptional items	278.30	2,490.90
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation and amortisation expense	397.01	383.99
Loss/(Profit) on sale of fixed assets	-	3.66
Amounts written off	-	44.80
Interest income	(51.53)	(44.29)
Liabilities written back	-	-
Dividend income from non trade investments	-	-
Operating profit / (loss) before working capital change	623.77	2,879.07
Changes in operating assets and liabilities		
Increase/ (Decrease) in trade payables	(1,167.41)	1,866.50
Increase/ (Decrease) in provisions and other liabilities	30.70	(47.46)
Increase/ (Decrease) in other current and other non-current liabilities	1,355.48	(317.33)
Decrease/ (Increase) in trade receivables	2,373.23	(1,238.68)
Decrease/ (Increase) in inventories	(4,596.09)	(2,253.50)
Decrease/ (Increase) in other current and other non-current financial assets	8.03	(105.70)
Decrease/ (Increase) in other current and other non-current assets	(1,097.56)	(200.23)
Cash (used in) / generated from operating activities	(2,469.85)	582.67
Income taxes paid (net of refunds)	(370.55)	(379.89)
Net cash (used in) / generated from operating activities (A)	(2,840.40)	202.78
Cash flow from investing activities		
Purchase of fixed assets including intangible assets, capital work in progress and capital advances	(4,088.98)	(430.50)
Proceeds from sale of fixed assets	-	3.50
Purchase of non-current investments	-	-
Interest received	51.53	44.29
Dividends received	-	-
Net cash (used in) / generated from investing activities (B)	(4,037.45)	(382.71)
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 compulsory convertible debenture	-	562.76
Proceeds/ (Repayment) from long-term borrowings (net)	4,526.70	(523.16)
Proceeds/ (Repayment) of short term borrowings (net)	39.46	33.84
Dividends paid on equity shares	(111.15)	-

Tax on equity dividend paid	(22.85)	
Net cash (used in) / generated from financing activities (C)	6,892.16	73.45
Net Increase / (decrease) in cash and cash equivalent (A+B+C)	14.30	(106.49)
Cash and cash equivalent at the beginning of the year	746.74	853.23
Cash and cash equivalent at the end of the year	761.04	746.74
Components of cash and cash equivalents (refer note 2.6 & 2.7)	761.05	
Cash on hand	47.16	71.12
Balances with banks		
'-on current account	44.82	9.92
'-other bank balance	669.07	665.70
Total cash and cash equivalents	761.05	746.74

Notes :

1. The figures in brackets represent outflows.
2. Previous period's figures have been regrouped / reclassified, wherever necessary, to confirm to current year presentation.

for K A Sanghavi And Co LLP

Chartered Accountants
FRN : 120846W / W100289

For K. P. Energy Limited

Amish Ashvinbhai Sanghavi
M. NO. 101413
ICAI UDIN: 20101413AAAAACF8202

Farukbhai Gulambhai Patel
Chairman and Managing Director
(DIN : 00414045)

Ashish Ashwin Mithani
Chief Executive Officer
(DIN : 00152771)

Place : Surat
Date: 30/06/2020

Karmit Haribhadrabhai Sheth
Company Secretary

Pravin Radhekant Singh
Chief Financial Officer

Consolidated Statement of Changes in Equity

A. Equity Share Capital

(All amounts are in Rs.lakhs unless otherwise stated)

Balance as at April 01, 2018	855.00
Issued during the year	256.50
Balance as at March 31, 2019	1,111.50
Issued during the year	-
Balance as at March 31, 2020	1,111.50

B. Other Equity

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	Reserves and surplus		Other Components of Equity	Total
	Security premium reserve	Retained earnings		
Balance as at April 01, 2018	89.00	2,530.36	-	2,619.36
Profit for the year	-	1,943.68	-	1,943.68
Items of OCI for the year :-	-	-	-	-
Final dividend	-	-	-	-
Tax on dividend	-	-	-	-
Amount utilised for Bonus Issue	(89.00)	(167.50)	-	(256.50)
Balance as at March 31, 2019	-	4,306.54	-	4,306.54
				-
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

for K A Sanghavi And Co LLP

Chartered Accountants
FRN : 120846W / W100289

Amish Ashvinbhai Sanghavi
M. NO. 101413
ICAI UDIN: 20101413AAAACF8202

Place : Surat
Date: 30/06/2020

For K. P. Energy Limited

Farukbhai Gulambhai Patel
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(DIN : 00414045)

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Chief Executive Officer
(DIN : 00152771)

Pravin Radhekanth Singh
Chief Financial Officer

Company Overview And Significant Accounting Policies

1.1. Group 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. The Company is listed on The Bombay Stock Exchange (BSE) The company is primarily engaged in Wind Farm development, development of Wind Mills and allied services related to it along with generation of electricity through wind mill primarily in India.

The Company and its subsidiaries (jointly referred to as the 'Group' herein under) considered in these consolidated financial statements are:

Name of Subsidiary	Country of Incorporation	Proportion (%) of Equity Interest	
		As at March 31, 2020	As at March 31, 2019
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%	100.00%
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, 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, 2020 were approved for issue in accordance with the resolution of the Board of Directors on June 30, 2020.

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 COVID-19 pandemic is an evolving human tragedy declared a global pandemic by the World Health Organisation with adverse impact on economy and business. Supply Chain disruptions in India as a result of the outbreak started with restrictions on movement of goods, closure of borders etc., in several states followed by a nationwide lockdown from the 25th of March 2020 announced by the Indian Government, to stem the spread of COVID-19. Due to this the operations at various sites of the Company has been temporarily disrupted. However, the Company's electric power sale business was not much affected and is considered essential services in these challenging times.

In light of these circumstances, the Group has considered the possible effects that may result from COVID-19 on the carrying amounts of financial assets, inventory, receivables, advances, property plant and equipment, Intangibles etc. as well as liabilities accrued. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Group has used internal and external information such as our current contract terms, financial strength of partners, investment profile, future volume estimates from the business etc. Having reviewed the underlying data and based on current estimates the Group expects the carrying amount of these assets will be recovered and there is no significant impact on liabilities accrued. The impact of COVID-19 on the Group's consolidated financial statements may differ from that estimated as at the date of approval of these financial statements and the Group will continue to closely monitor any material changes to future economic conditions.

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.

Significant Accounting Policies

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 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 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

Functional currency

The functional currency of the Group is the Indian rupee. These financial statements are presented in Indian rupees.

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, 2020.

2.1. Property, Plant And Equipment

The changes in the carrying value of property, plant and equipment for the year ended March 31, 2020 are as follows:

(All amounts are in Rs.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

(All amounts are in Rs.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, 2018	339.10	204.98	8,180.09	41.09	23.64	77.78	71.19	8,937.87
Additions	111.39	19.46	62.54	7.71	3.94	13.90	3.58	222.53
Deletions	-	-	-	-	-	-	8.81	8.81
Gross Carrying Value As Of March 31, 2019	450.50	224.44	8,242.63	48.80	27.58	91.68	65.96	9,151.58
Accumulated Depreciation As Of April 01, 2018	-	10.32	423.82	9.51	12.52	17.88	12.85	486.90
Depreciation	-	4.01	354.66	4.48	5.54	8.08	7.22	383.99
Accumulated Depreciation On Deletions	-	-	-	-	-	-	1.65	1.65

Accumulated Depreciation As Of March 31, 2019	-	14.33	778.48	13.99	18.06	25.96	18.42	869.25
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
Carrying Value As Of March 31, 2018	339.10	194.66	7,756.27	31.57	11.12	59.90	58.34	8,450.97

- 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 2020 (31st march 2019). 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. Loans

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Current		
Unsecured, Considered Good		
Other Loans		
Loans To Employees	2.49	10.93
Total Loans	2.49	10.93

2.3. Other Financial Assets

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Non Current		
Security Deposits	10.18	10.34
Rent Deposits	17.40	16.90
Total	27.58	27.24

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Current		
Unbilled Revenues	87.63	87.56
Total	87.63	87.56

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
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
Vat deposit	0.10	0.10
P.G.V.C.L. Deposit	5.35	6.85
Shri hanumant seva medical	0.25	0.25
Manikaran Analytics Limited	0.82	-
Coffee Day Global Limited	0.52	
Total	10.18	10.34
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	2.50
Total	17.40	16.90

2.4. Inventories

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Closing Stock	8022.24	3426.15
Total	8022.24	3426.15

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 actual basis. The closing inventory has been valued and certified by the management.

2.5. Trade Receivables

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Current		
Unsecured		

Considered Good (1)	379.50	2752.73
Considered Doubtful		-
Total	379.50	2752.73

Sundry debtors are trade receivables which are due in respect of goods sold in the normal course of the business.

2.6. Cash And Cash Equivalents

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Balances With Banks		
In Current Accounts	44.82	9.92
Cash On Hand	47.16	71.12
Total	91.97	81.04

Deposit with more than 12 months maturity

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
In Current Accounts		
Axis Bank Account	2.04	0.14
State Bank Of India	41.99	7.30
Yes Bank	0.03	1.74
Kotal Mahindra Bank	0.75	0.74
Total	44.82	9.92

2.7. Other Bank Balance

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
In Unpaid Dividend Accounts		
State Bank Of India Unpaid Dividend Account	0.11	0.09
In Deposit Accounts		
Fixed Deposit With State Bank Of India (1)	315.48	333.99
Fixed Deposit With Sidbi (1)	353.48	331.61
Total	669.07	665.70

(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 Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Non Current		
Others		
Advances For Land	39.68	24.68
Prepaid Transmission Line Expense	3.01	3.42
Total	42.69	28.10

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Current		
Others		
Prepaid Expenses	12.51	16.39
Withholding Taxes And Others	2,463.61	1,505.24
Total	2,476.13	1,521.63

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Prepaid expenses		
Prepaid insurance expense	11.37	10.52
Prepaid interest expense	-	4.18
Prepaid internet expense	0.02	0.42
Prepaid metmast expense	0.23	0.51
Prepaid rent expense	0.47	0.28
Prepaid software expense	0.02	0.06
Prepaid transmission line expense	0.42	0.42
Total	12.51	16.39
Withholding taxes		
TDS receivable fy 2017-18	-	134.75
TDS receivable fy 2018-19	-	157.82
TDS receivable fy 2019-20	111.32	-
Others		
GST credit receivable	393.16	193.10
ADITYA BIRLA Finance TDS Receivable	-	0.56

Capital First Limited TDS Receivable	0.22	
Magma Fincorp Ltd	-	0.97
Works contract payable 0.6%	14.42	14.42
MAT Credit entitlement	598.45	545.68
Advances for land	-	11.90
Advances to Suzlon Energy Limited	446.00	446.00
GUVNL (BG)	750.00	-
GETCO (BG)	150.00	-
Fast Tag A/c	0.02	-
My biz a/c	0.03	0.03
Total	2463.61	1505.24

2.9. Quity

Equity Share Capital

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Authorized		
Equity shares, Rs. 10 par value		
1,25,00,000	1250.00	1250.00
(1,25,00,000) (1)		
Issued, subscribed and paid up		
Equity shares, Rs. 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, 2019

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 declared and paid dividend for F.Y. 2018-19. However, the company has not declared any interim dividend nor proposed any final dividend for the year ended on 31ST March, 2020.

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, 2020 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 Rs.lakhs unless otherwise stated)

Particulars	31-Mar-2020		31-Mar-2019	
	Number of shares	% held	Number of shares	% held
Ashish Ashwin Mithani	1482922	13.34%	1482922	13.34%
Farukbhai Gulambhai patel	5403125	48.61%	5403125	48.61%
Veer value ventures LLP	650000	5.85%	650000	5.85%

Details Of Shares For Preceding Five Years

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	31-Mar-2020	31-Mar-2019	31-Mar-2018	31-Mar-2017	31-Mar-2016
Number of equity shares bought back	-	-	-	-	-
Number of preference shares redeemed	-	-	-	-	-
Number of equity shares issued as bonus share	-	25,65,000	-	51,30,000	15,00,000
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 Rs.lakhs unless otherwise stated)

Particulars	31-Mar-2020		31-Mar-2019	
	Number of shares	% held	Number of shares	% held
Number of shares at the beginning	1,11,15,000	11,11,50,000	85,50,000	8,55,00,000
Add: Bonus Issue	-	-	25,65,000	2,56,50,000
Less: Bought back	-	-	-	-
Others	-	-	-	-
Number of shares at the end	1,11,15,000	11,11,50,000	1,11,15,000	11,11,50,000

2.10. Other Equity

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Retained earnings (1)	4,282.55	4,306.54
General reserve	-	-
Security premium reserve (2)	-	-
0% Compulsory Convertible Debentures	562.76	562.76
Total	4,845.31	4,869.30

Retained Earnings

Retained earnings are the profits that the Company has earned till the year end 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 Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Opening Balance	4,306.54	2,530.36
Add: Profit earned during the year	110.02	1,943.68
Less: Dividend Paid	111.15	-
Dividend distribution tax paid	22.85	-
Bonus shares issued	-	167.50
Closing Balance	4,282.55	4,306.54

(2) Security premium reserve

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Opening Balance	-	89.00
Add: Premium on issue of shares received during the year	-	-
Less: Bonus shares issued	-	89.00
Closing Balance	-	-

2.11. Long Term Borrowing

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Secured		
Term Loans		
From Banks	2,042.52	2,523.80
Vehicle Loans		
From Banks	13.69	5.32
From Related & Others		
Faruk G. Patel	1.05	1.05
Ashish A. Mithani	0.80	0.80
Evergreen power mauritius private limited	44.85	45.34
Evergreen renewable energy	476.08	475.98
Total	2,578.98	3,052.28

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Current maturities of long term debts		
Term Loans		
From Banks	528.52	473.52
Vehicle Loans		
From Banks	6.12	3.14
Construction Equipment Loans		
From Banks	-	8.41
Business Loans		
From Financial Institutions	-	10.11
Total	534.64	495.18

Details of borrowings are as follows:

(All amounts are in Rs.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,	
					2020	2019
Rupee term loans						
(refer point A part (i) for interest rate						
SBI term loan1	1725.00	Refer note 1 below.	Refer note 1 below.	Refer note 1 below.	698.37	963.67
SIDBI term loan2	1990.00	Refer note 2 below.	Refer note 2 below.	Refer note 2 below.	1,344.15	1,560.12
					2,042.52	2,523.80
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	5.32
HDFC hyundai creta loan	15.55	2019-20	60	0.32	11.83	-
					13.69	5.32

A. Details of interest rate for each type of borrowings

- 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, 2020 the interest rates ranges from 8.95 % to 10.30 % per annum (March 31, 2019: 8.95 % to 10.00 % per annum).
- 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, 2020 the interest rates ranges from 9.00 % to 9.25 % per annum (March 31, 2019: 9.25 % per annum).

B. Details of guarantee for each type of borrowings

(All amounts are in Rs.lakhs unless otherwise stated)

	As At March 31,	
	2020	2019
Guaranteed by directors		
Rupee Term loans	3,715.00	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.

D. Reconciliation of liabilities arising from financing activities:

The changes in the Company's liabilities arising from financing activities can be classified as follows:

(All amounts are in Rs.lakhs unless otherwise stated)

	Liabilities from financial activities		
	Long term borrowings	Short term borrowings	Total
Net debt as at April 01, 2018	3,652.58	-	3,652.58
- Proceeds	-	-	-
- Repayment	959.67	-	959.67
- Interest paid	306.32	-	306.32
- Interest expense	331.39	-	331.39
Net debt as at March 31, 2019	3,024.30	-	3,024.30
Net debt as at April 01, 2019		-	3,024.30
- Proceeds	15.55	55.00	70.55
- Repayment	775.67	-	775.67
- Interest paid	267.48	-	267.48
- Interest expense	271.67	-	271.67
Net debt as at March 31, 2020	2,535.85	55.00	2,590.85

(All amounts are in Rs.lakhs unless otherwise stated)

Name of the bank	As At March 31,	
	2020	2019
Current maturities of long term debts		
Term Loans		
From Banks		
State bank of India	264.00	264.00
SIDBI	209.52	209.52
SBI working capital loan 1	55.00	-
	528.52	473.52
Vehicle Loans		
From Banks		
State bank of India safari loan	3.44	3.14
HDFC hyundai creta loan	2.68	-
	6.12	3.14
Construction equipment loan		
From Banks		

Axis bank batching plant	-	8.41
	-	8.41
Business loans		
From Financial Institutions		
Aditya birla finance limited	-	-
Magma fincorp limited	-	-
Tata capital finance service limited	-	3.32
Capital first limited	-	6.79
	-	10.11
Total	534.64	495.18

1

(All amounts are in Rs.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,	
					2020	2019
SBI term loan II	825.00	2015-16	90	8.00	365.99	473.92
SBI term loan II	900.00	2016-17	69	13.00	332.39	489.75
SBI working capital loan	55.00	2019-20	12	4.59	55.01	-

2

(All amounts are in Rs.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,	
					2020	2019
SIDBI term loan I	995.00	2017-18	114	8.73	663.43	759.48
SIDBI term loan II	995.00	2017-18	114	8.73	680.72	800.64

2.12. Other Financial Liabilities

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Non-Current		
Ge India Industrial Private Limited	5,000.00	-
Total	5,000.00	-

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Current		
Others		
State Bank Of India Slc (1) (3)	179.97	181.73
State Bank Of India Cash Credit Account (2) (3)	398.58	367.29

Salary Payable (4)	46.17	40.19
Pf Payable	1.41	1.61
Pt Payable	0.21	0.23
Worker Wages Payable	-	4.58
Total	626.34	595.63

- (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, 2020
- (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 Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Deferred tax liabilities arising on account of		
Property, plant and equipment and intangible assets	1,303.61	1,135.33
	1,303.61	1,135.33
Deferred tax assets arising on account of	-	-
Net Deferred tax liabilities	1,303.61	1,135.33

Calculation of Deferred Tax

(All amounts are in Rs.lakhs unless otherwise stated)

Deferred tax liabilities	
Depreciation	604.89
Tax on deferred liabilities @27.82%	168.28
Deferred Tax Liabilities / Assets Transferred to Balance Sheet	
Opening Balance of Deferred Tax (Liabilities)	1,135.33
Differed Tax (Liabilities) Charged to P & L A/c	168.28
Differed Tax (Liabilities) transferred to Balance sheet	1,303.61

2.14. Other Liabilities

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Non Current		
Deposit		

Aspen Infrastructures Limited	100.00	100.00
Clp India Private Limited	350.00	-
Others		
Simms Engineering Private Limited	234.36	269.36
Total	684.36	369.36

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
CURRENT		
Unearned revenue	-	-
Others		
CLP India Pvt. Ltd.	1,135.07	
Lease rent payable	48.60	9.42
Withholding taxes and others		
TDS payable	41.00	66.72
GST payable	-	121.61
Bhadra Joshi Director sitting fees payable	0.32	-
Bhupendra Shah Director sitting fees payable	0.25	-
Sajesh Kolte Director sitting fees payable	0.50	-
Raghavendra Rao Director sitting fees payable	0.45	-
Salim yahoo Director sitting fees payable	0.07	-
K.P.I. Global infrastructure limited	1.54	-
Local taxes payable	9.71	-
Unpaid dividend	0.08	0.003
Employee imprest account	1.90	1.24
Total	1,239.47	198.99

2.15. Trade Payables

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Trade Payables(1)	4,372.23	5,539.64
Total	4,372.23	5,539.64

As reported by the management, As at March 31, 2020 and March 31, 2019, there are no outstanding dues to micro and small enterprises. There are no interest due or outstanding on the same.

2.16. Current Tax Liabilities

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Current taxes	52.76	551.80
Income tax expenses	52.76	551.80

2.17. Revenue From Operations

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Revenue from sale of power	934.26	986.12
Revenue from operation and maintenance services	223.90	103.30
Revenue from contract	6341.09	14751.58
Total	7499.25	15841.00

2.18. Other Income

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Interest received on financial assets carried at amortization cost		
Interest on fixed deposit	51.53	44.29
Miscellaneous income, net		
Other income (1)	8.20	3.07
Total	59.73	47.36

(1) Other income includes prior period income of Rs. 0.77(0) .

2.19. Expenses

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Cost of material consumed		
Raw material		
Opening	4,439.42	1,172.66
Purchase(2)(5)	8,102.33	12,067.29
Adjustment		-
Closing	8,022.24	3,426.15
	4,519.50	9,813.79
Employee benefit expense		
Salary, wages and bonus		

Wages to workers(12)	367.70	495.52
Arrears of salary	-	12.96
Salary(22)	319.23	247.12
Contribution to provident fund		
Contribution to provident fund	9.03	7.01
Staff welfare expenses		
Staff welfare expenses(19)	6.95	9.45
	702.91	772.05
Finance cost		
Interest Expenses		
Interest on loan	306.28	359.38
Bank charges		
Bank charges	8.37	1.55
Other interest charges		
Interest on income tax	34.81	41.83
Interest on gst	22.03	-
Interest on tax deducted at source	4.27	11.38
Finance charges		
Bank guarantee charges	38.90	2.73
Stamp and franking charges	21.14	17.09
Inspection charges	-	0.02
LC interest		
LC charges	0.61	0.07
SLC interest	18.75	21.76
Processing charges	6.97	7.99
Pre closure charges	-	0.06
	462.13	463.88
Other expenses		
Accommodation expense	7.31	8.59
Advertisement expense	3.02	10.22
AGM expense	1.51	1.58
Application fees expense (13)	2.41	25.85
Auditor's remuneration (1)	12.28	8.25
Brokerage Expense	68.04	40.00
Business Promotion Expense	3.41	26.04
Canteen expense(3)	53.43	75.22
Certification charges(4)	1.51	1.40
Computer expense	1.14	1.19
Corporate social responsibility expense	37.81	69.81
Courier charges	2.24	4.11
Director remuneration	86.50	54.40

Discount	1.87	40.29
Donation expense	3.37	20.87
Dump yard rent(14)	0.95	1.32
Electricity expense(15)	11.87	5.99
House keeping expense	4.00	4.86
Insurance expense	21.81	17.14
Interest on delay payment	-	13.83
Internal audit fees	0.88	0.20
Internet expense(6)	3.67	2.14
ISO audit fees	1.61	3.70
ISO fees	-	0.61
Labour expenses	34.09	176.35
Labour tax	0.03	0.02
Late filing fees	0.29	2.95
Late payment charges	0.02	0.00
Lease rents	86.20	59.78
Legal and professional fees(16)	40.94	66.22
Local taxes	45.39	162.61
Loss on sale of fixed assets	-	3.66
Miscellaneous expense	1.44	1.03
Miscellaneous purchase for site	8.78	24.15
Municipal tax	0.07	0.18
O & M charges(7)	37.99	48.62
Office expense(18)	2.87	5.45
Petrol and diesel expenses(8)	38.02	185.65
Penalty expense	1.29	-
Power generation debit note	-	200.00
Preliminary and preoperative expense	-	44.80
Processing fees for geda(23)	13.77	12.99
Professional tax	0.20	0.02
Registration fees	1.92	0.25
Rent expenses(9)	78.67	90.36
Repairing and maintainance expense	7.30	20.84
Research and development expense(17)	19.13	19.86
ROC expense	43.50	1.64
Security service charges	165.78	93.28
Seminar fees	0.29	-
Site expenses(21)	14.13	78.46
Sitting fees to director	1.75	1.35
Sldc charges(10)	0.95	1.00

Software expense	0.66	3.13
Stamp duty	20.06	17.68
Stationary and printing expense	8.28	10.45
Stipend expense	3.97	3.25
Telephone expenses	4.16	4.38
Testing charges	-	0.57
Training expense	0.62	5.41
Transfer fees expense of geda(24)	1.32	0.62
Transmission charges(11)	75.79	52.96
Transportation expenses	47.36	99.97
Travelling and conveyance expense(20)	17.34	26.13
BOCW Cess	6.83	-
N.A. Charges	34.36	-
Power Generation Deviation charges	2.96	-
	1,199.13	1,963.74

(1) Auditor's remuneration:	March 31, 2020	March 31, 2019
As a statutory auditor :	11.60	7.77
As a GST consultant :	0.68	0.48
Total	12.28	8.25

(2) This expenditure includes credit note for land of Rs. 87.65(0)

(3) This expenditure includes prior period expense of Rs. 0.82(0.33)

(4) This expenditure includes prior period expense of Rs. 0.65(0.49)

(5) This expenditure includes prior period expense of Rs. 21.07(29.27)

(6) This expenditure includes prior period expense of Rs. 0.00(0.0116)

(7) This expenditure includes prior period expense of Rs. 0.00(0.07)

(8) This expenditure includes prior period expense of Rs. 0.04(0.015)

(9) This expenditure includes prior period expense of Rs. 0.00(0.23)

(10) This expenditure includes prior period expense of Rs. 0.02(0.62)

(11) This expenditure includes prior period expense of Rs. -5.22(0.04)

(12) This expenditure includes prior period expense of Rs. 0.00(2.39)

(13) This expenditure includes prior period expense of Rs. 0.86(0.00)

(14) This expenditure includes prior period expense of Rs. 0.01(0.00)

(15) This expenditure includes prior period expense of Rs. 0.07(0.00)

(16) This expenditure includes prior period expense of Rs. 5.31(0.00)

(17) This expenditure includes prior period expense of Rs. 0.15(0.00)

(18) This expenditure includes prior period expense of Rs. 0.001(0.00)

(19) This expenditure includes prior period expense of Rs. 0.04(0.00)

(20) This expenditure includes prior period expense of Rs. 0.01(0.00)

(21) This expenditure includes prior period expense of Rs. 2.02(0.00)

(22) This expenditure includes prior period expense of Rs. 0.12(0.00)

(23) This expenditure includes prior period expense of Rs. 13.52(0.00)

(24) This expenditure includes prior period expense of Rs. 0.70(0.00)

2.20. Fair Value Disclosures

i) Financial instruments by category

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As at March 31, 2020			As at March 31, 2019		
	Fvtpl	Fvoci	Amortised Cost	Fvtpl	Fvoci	Amortised Cost
Financial assets						
Investments	-	-	-	-	-	-
Security deposits	-	-	10.18	-	-	10.34
Rental deposits	-	-	17.40	-	-	16.90
Trade receivables	-	-	379.50	-	-	2,752.73
Cash and cash equivalents	-	-	91.97	-	-	81.04
Other bank balances	-	-	669.07	-	-	665.70
Loans	-	-	2.49	-	-	10.93
Derivative asset	-	-	-	-	-	-
Other financial assets	-	-	87.63	-	-	87.56
Total	-	-	1,258.25	-	-	3,625.20
Financial liabilities	-	-		-	-	
Borrowings	-	-	3,113.62	-	-	3,547.46
Trade payable	-	-	4,372.23	-	-	5,539.64
Other financial liabilities	-	-	5,626.34	-	-	595.63
Total	-	-	13,112.18	-	-	9,682.73

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, 2020	Level 1	Level 2	Total
Financial assets			
-	-	-	-
Total financial assets	-	-	-
March 31, 2019	Level 1	Level 2	Total
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 Rs.lakhs unless otherwise stated)

Particulars	Level	March 31, 2020		March 31, 2019	
		Carrying value	Fair value	Carrying value	Fair value
Financial assets					
Security deposits	Level 3	10.18	10.18	10.34	10.34
Rental deposits	Level 3	17.40	17.40	16.90	16.90
Loans	Level 3	2.49	2.49	665.70	665.70
Other financial assets	Level 3	87.63	87.63	87.56	87.56
Total Financial assets		117.70	117.70	780.50	780.50
Financial liabilities					
Borrowings	Level 3	3,113.62	3,113.62	3,547.46	3,547.46
Other financial liabilities	Level 3	5,626.34	5,626.34	595.63	595.63
Total Financial liabilities		8,739.95	8,739.95	4,143.09	4,143.09

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

a) 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

Assets under credit risk –

Description	March 31, 2020	March 31, 2019
A: Low		
Loans	2.49	10.93
Investments	-	-
Other financial assets	115.21	114.80
Cash and cash equivalents	91.97	81.04
Other bank balances	669.07	665.70
Trade receivables	379.50	2,752.73

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.

March 31, 2020	Less than 1 year	1-3 year	More than 3 years	Total
Borrowings				
Deposit received	-	450.00	-	450.00
Trade payable	4,372.23	-	-	4,372.23
Other financial liabilities	626.34	-	-	626.34
Total	4,998.56	450.00	-	5,448.56

March 31, 2020	Less than 1 year	1-3 year	More than 3 years	Total
Borrowings				
Deposit received	-	100.00	-	100.00

Trade payable	5,539.64	-	-	5,539.64
Other financial liabilities	595.63	-	-	595.63
Total	6,135.27	100.00	-	6,235.27

Interest rate risk

i) Liabilities

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. As at March 31, 2020, 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:

Particulars	March 31, 2020	March 31, 2019
Variable rate borrowings	131.24	165.97
Fixed rate borrowings	175.03	193.40
Total borrowings	306.28	359.37

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.

Effect on profit after tax

Particulars	March 31, 2020	March 31, 2019
Total borrowings		
- Impact due to increase of 50 basis points*	₹ -12.95	₹ -17.97
- Impact due to decrease of 50 basis points*	₹ 12.95	₹ 17.97

*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:

Particulars	March 31, 2020	March 31, 2019
Total borrowings	3,113.62	3,547.46
Less : cash and cash equivalents	91.97	81.04
Net debt	3,021.64	3,466.42
Total equity	8,418.83	5,982.82
Adjusted net debt to adjusted equity ratio	0.36	0.58

Dividends

Particulars	March 31, 2020	March 31, 2019
Equity shares		
(i) Final Dividend		
For the year ended March 31, 2019 of ₹ 1.00 per share (excluding tax)	111.15	-
For the year ended March 31, 2018 of ₹ 0.00 per share (excluding tax)	-	-
(ii) Proposed 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

This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.

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
K P Sor-urja Limited	Group Company
K P Human Development Foundation	Group Company
K P I Global Infrastructure Limited	Group Company
K P Buildcon Private Limited	Group Company

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 -Executive Director
- Surjeet Kumar - Director
- Samson Massey -Director

Relative Of Key Managerial Personnel

The details of amounts due to or due from related parties as at March 31, 2020 and March 31, 2019

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Borrowings		
-Non Current		
Ashish Ashwin Mithani	-	0.80
Faruk Gulambhai Patel	-	1.05
	-	1.85
Trade Receivables		
K P Buildcon Private Limited	460.22	99.79
	460.22	99.79
Other Liabilities		
Ashish Ashwin Mithani	16.94	0.03
Faruk Gulambhai Patel	-	0.45
Affan Faruk Patel	1.29	-
Pravin Singh	0.23	0.50
Karmit Haribhadrabhai Sheth	0.41	0.56
K P I Global Infrastructure Limited	1.54	-
	20.42	1.53

The details of the related-party transactions entered into by the company, for the years ended March 31, 2020 and March 31, 2019 are as follows:

(All amounts are in Rs.lakhs unless otherwise stated)

Particulars	As At March 31,	
	2020	2019
Revenue Transactions		
Purchases of Goods or Services		
K P Buildcon Private Limited	65.75	185.47
	65.75	185.47
Purchases of Fixed Asset		
K P Buildcon Private Limited	-	1.74
	-	1.74
Sale of Goods or Services		
K P Buildcon Private Limited	2.20	-
	2.20	-
Reimbursement of Expenses		
K P I Global Infrastructure Limited	-1.54	-
	-1.54	-

Mangerial Remuneration		
KMP		
Ashish Ashwin Mithani	45.00	30.40
Faruk Gulambhai Patel	40.00	24.00
Affan F. Patel	1.50	-
Pravin Singh	4.74	4.30
Karmit Haribhadrabhai Sheth	4.20	3.57
	95.44	62.27

2.27. Contingent Liabilities

Claims Against The Company Not Acknowledged As Debts	As At Marh 31, 2020	As At Marh 31, 2019
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 Higher Court of Gujarat
- Public Interest Litigation No. 241 of 2018 at Higher Court of Gujarat
- Public Interest Litigation No. 9120 of 2017 at Higher Court of Gujarat
- Public Interest Litigation No. 6303 of 2020 at Higher Court of Gujarat
- Public Interest Litigation No. 1050 of 2020 at Higher Court of Gujarat
- Public Interest Litigation No. 17093 of 2018 at Higher 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 windpark, Operation & Maintenance services of windpark 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 Rs.lakhs unless otherwise stated)

Particulars	Current Year March 31, 2020				Previous Year March 31, 2019			
	Infrastrutture Development	Power Sales	Operation & Maintenance	Total	Infrastrutture Development	Power Sales	Operation & Maintenance	Total
Revenue								
External Sales	6,341.09	934.26	223.90	7,499.25	14,751.58	986.12	103.30	15,841.00
Inter-Segment Sale	-	-	-	-	-	-	-	-
Total Revenue	6,341.09	934.26	223.90	7,499.25	14,751.58	986.12	103.30	15,841.00
Result								
Segment Result	(54.09)	600.42	194.10	740.43	2,169.39	744.91	40.48	2,954.78
Unallocated Corporate Exp.	-	-	-	-	-	-	-	-
Operating Profit	-	-	-	740.43	-	-	-	2,954.78
Interest Expenses	-	-	-	(462.13)	-	-	-	(463.88)
Interest Income	-	-	-	-	-	-	-	-
Income Tax	-	-	-	-	-	-	-	-
Deferred Tax	-	-	-	-	-	-	-	-
Profit From Ordinary Activities	-	-	-	278.30	-	-	-	2,490.90
Extraordinary Items	-	-	-	-	-	-	-	-
Net Profit	-	-	-	278.30	-	-	-	2,490.90
Other Information								
Segmental Assets	19,759.44	4,907.42	144.36	24,811.22	12,608.50	5,291.64	20.89	17,921.03
Common Assets	-	-	-	-	-	-	-	-
Enterprise Assets	-	-	-	-	-	-	-	-
Segmental Liabilities	13,874.48	2,516.04	1.88	16,392.40	8,913.88	3,018.98	5.35	11,938.21
Common Liabilities	-	-	-	-	-	-	-	-
Enterprise Liabilities	-	-	-	-	-	-	-	-
Capital expenditure during the year	165.52	9.58	-	-	-	-	-	-
Common capital expenditure	-	-	-	-	-	-	-	-
Total Capital expenditure during the year	165.52	9.58	-	175.10	48.60	173.93	-	222.53
Depreciation during the year	40.94	356.07	-	397.01	29.33	354.66	-	383.99
Depreciation on common assets used	-	-	-	-	-	-	-	-
Total depreciation during the year	40.94	356.07	-	397.01	29.33	354.66	-	383.99

for K A Sanghavi And Co LLP

Chartered Accountants
FRN : 120846W / W100289

Amish Ashvinbhai Sanghavi
M. NO. 101413
ICAI UDIN: 20101413AAAACF8202

Place : Surat
Date: 30/06/2020

For K. P. Energy Limited

Farukbhai Gulambhai Patel
Chairman and Managing Director
(DIN : 00414045)

Karmit Haribhadrabhai Sheth
Company Secretary

Ashish Ashwin Mithani
Chief Executive Officer
(DIN : 00152771)

Pravin Radhekant Singh
Chief Financial Officer

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KP Energy Limited

KP House, Opp. Ishwar Farm Junction
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Canal Rd, Surat, Gujarat 395017