This Preliminary Placement Document relates to an issue made to Eligible QIBs under Chapter VI of the SEBI ICDR Regulations and no offer is being made through this Preliminary Placement Document to the public or any other categories of investors other than the Eligible QIBs. This Preliminary Placement Document is not an offer to sell securities and is not soliciting an offer to buy securities in any jurisdiction where such offer or sale or subscription is not permitted. The information in this Preliminary Placement Document is not complete and may be changed.

Preliminary Placement Document
Subject to Completion
Not for circulation
Private and confidential
Serial No.________

KPI GREEN ENERGY LIMITED
(Formerly known as K.P.I. Global Infrastructure Limited)

KPI GREEN ENERGY LIMITED

KPI Green Energy Limited (our "**Company**" or the "**Issuer**") was incorporated as 'K.P.I. Global Infrastructure Limited' on February 1, 2008, as a public limited company under the Companies Act, 1956, as amended, pursuant to a certificate of incorporation and certificate of commencement of business granted by the Assistant Registrar of Companies, Maharashtra at Mumbai. Subsequently, the name of our Company was changed to 'KPI Green Energy Limited' and consequently, a fresh certificate of incorporation, dated April 6, 2022, was issued by the Registrar of Companies, Gujarat at Ahmedabad ("**RoC**"). For further details, see the sections titled, "***Organisational Structure of our Company***" and "***General Information***" on pages 224 and 448, respectively.

CIN: L40102GJ2008PLC083302
Registered Office: KP House, Near KP Circle, Opp. Ishwar Farm Junction BRTS, Canal Road, Bhatar, Althan, Surat - 395 017, Gujarat.
Tel.: +91 261 224 4757 **Email**: info@kpgroup.co; **Website:** www.kpigreenenergy.com
Company Secretary and Compliance Officer: Rajvi Upadhyay

Our Company is issuing up to [●] equity shares of face value of ₹ 5 each (the "**Equity Shares**") at a price of ₹ [●] per Equity Share, including a premium of ₹ [●] per Equity Share (the "**Issue Price**"), aggregating up to ₹ [●] million (the "**Issue**"). For further details, see "***Summary of the Issue***" on page 32.

THE ISSUE IS BEING UNDERTAKEN IN RELIANCE UPON CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS"), SECTION 42 OF THE COMPANIES ACT, 2013, AS AMENDED (THE "COMPANIES ACT, 2013"), READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED (THE "PAS RULES"), AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER.

The Equity Shares of our Company are listed on the National Stock Exchange of India Limited (the "**NSE**") and the BSE Limited (the "**BSE**" and together with NSE, the "**Stock Exchanges**"). The closing prices of the outstanding Equity Shares on the NSE and the BSE as on August 9, 2024, were ₹ 1,064.90 and ₹ 1,064.00 per Equity Share, respectively. Our Company has received in-principle approvals pursuant to Regulation 28(1)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "**SEBI Listing Regulations**") for listing of the Equity Shares to be issued pursuant to this Issue, from each of BSE and NSE on August 2, 2024. Our Company shall make applications to the Stock Exchanges for obtaining final listing and trading approvals for the Equity Shares to be issued pursuant to this Issue. The Stock Exchanges assume no responsibility for the correctness of any statements made, opinions expressed, or reports contained herein. Admission of the Equity Shares to be issued pursuant to this Issue for trading on the Stock Exchanges should not be taken as an indication of the merits of our Company or the Equity Shares.

OUR COMPANY HAS PREPARED THIS PRELIMINARY PLACEMENT DOCUMENT SOLELY FOR PROVIDING INFORMATION IN CONNECTION WITH THE PROPOSED ISSUE. THE ISSUE AND THE DISTRIBUTION OF THIS PRELIMINARY PLACEMENT DOCUMENT TO ELIGIBLE QIBs (AS DEFINED HEREINAFTER) IS BEING MADE IN RELIANCE UPON CHAPTER VI OF THE SEBI ICDR REGULATIONS, SECTION 42 OF THE COMPANIES ACT, 2013 READ WITH RULE 14 OF THE PAS RULES AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND OTHER RULES MADE THEREUNDER. THIS PRELIMINARY PLACEMENT DOCUMENT SHALL BE CIRCULATED TO ONLY SUCH ELIGIBLE QIBs WHOSE NAMES ARE RECORDED BY OUR COMPANY, PRIOR TO MAKING AN INVITATION TO SUBSCRIBE TO THE EQUITY SHARES. THIS PRELIMINARY PLACEMENT DOCUMENT IS PERSONAL TO EACH PROSPECTIVE INVESTOR AND DOES NOT CONSTITUTE AN OFFER OR INVITATION OR SOLICITATION OF AN OFFER TO THE PUBLIC OR ANY OTHER PERSON OR CLASS OF INVESTORS WITHIN OR OUTSIDE INDIA OTHER THAN TO QUALIFIED INSTITUTIONAL BUYERS AS DEFINED IN THE SEBI ICDR REGULATIONS. YOU ARE NOT AUTHORIZED TO AND MAY NOT (1) DELIVER THIS PRELIMINARY PLACEMENT DOCUMENT TO ANY OTHER PERSON; OR (2) REPRODUCE THIS PRELIMINARY PLACEMENT DOCUMENT, IN ANY MANNER WHATSOEVER; OR (3) RELEASE ANY PUBLIC ADVERTISEMENTS OR UTILIZE ANY MEDIA, MARKETING OR DISTRIBUTION CHANNELS OR AGENTS TO INFORM THE PUBLIC AT LARGE ABOUT THE ISSUE. ANY DISTRIBUTION OR REPRODUCTION OF THIS PRELIMINARY PLACEMENT DOCUMENT IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS INSTRUCTION MAY RESULT IN A VIOLATION OF THE SEBI ICDR REGULATIONS, THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER OR OTHER APPLICABLE LAWS OF INDIA AND OTHER JURISDICTIONS.

INVESTMENT IN EQUITY SHARES INVOLVES A HIGH DEGREE OF RISK AND PROSPECTIVE INVESTORS SHOULD NOT INVEST IN THE ISSUE UNLESS THEY ARE PREPARED TO TAKE THE RISK OF LOSING ALL OR PART OF THEIR INVESTMENT. PROSPECTIVE INVESTORS ARE ADVISED TO CAREFULLY READ "*RISK FACTORS*" BEGINNING ON PAGE 41 BEFORE MAKING AN INVESTMENT DECISION RELATING TO THE ISSUE. EACH PROSPECTIVE INVESTOR IS ADVISED TO CONDUCT ITS OWN DUE DILIGENCE ON US AND THE EQUITY SHARES AND CONSULT ITS OWN ADVISORS ABOUT THE PARTICULAR CONSEQUENCES OF AN INVESTMENT IN THE EQUITY SHARES BEING ISSUED PURSUANT TO THIS PRELIMINARY PLACEMENT DOCUMENT AND THE PLACEMENT DOCUMENT.

A copy of this Preliminary Placement Document (which includes disclosures prescribed under Form PAS-4 (as defined hereinafter) has been delivered to the Stock Exchanges and a copy of the Placement Document (which will include disclosures prescribed under Form PAS-4) will be delivered to the Stock Exchanges. Our Company shall also make the requisite filings with the Registrar of Companies, Gujarat at Ahmedabad ("**RoC**"), within the stipulated period as required under the Companies Act, 2013 and PAS Rules. This Preliminary Placement Document has not been reviewed by the Securities and Exchange Board of India ("**SEBI**"), the Stock Exchanges or any other listing or regulatory authority and is intended only for use by Eligible QIBs. This Preliminary Placement Document has not been and will not be filed as a prospectus with the RoC and will not be circulated or distributed to the public in India or any other jurisdiction and the Issue will not constitute a public offer in India or any other jurisdiction.

Invitations, offers and sales of the Equity Shares to be issued pursuant to this Issue shall only be made pursuant to this Preliminary Placement Document together with the Application Form, the Placement Document and the Confirmation of Allocation Note (each as defined hereinafter). For further details, please see the section titled "***Issue Procedure***" on page 236. The distribution of this Preliminary Placement Document or the disclosure of its contents without the prior consent of our Company to any person, other than Eligible QIBs to whom this Preliminary Placement Document is specifically addressed, and persons retained by such Eligible QIBs to advise them with respect to their purchase of Equity Shares is unauthorized and prohibited. Each prospective investor, by accepting delivery of this Preliminary Placement Document, agrees to observe the foregoing restrictions and make no copies of this Preliminary Placement Document or any documents referred to in this Preliminary Placement Document.

The information on the websites of our Company and Subsidiaries, or any other website directly or indirectly linked to the websites of our Company and Subsidiaries, or the website of the BRLM (as defined hereinafter) or its affiliates, does not constitute nor form part of this Preliminary Placement Document and prospective investors should not rely on such information contained in, or available through, any such websites for their investment in this Issue.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**"), and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares offered in the Issue are being offered and sold only outside the United States in "offshore transactions", as defined in and in reliance on Regulation S under the U.S. Securities Act ("**Regulation S**") and the applicable laws of the jurisdictions where those offers and sales are made. See "*Selling Restrictions*" on page 251 for information about eligible offerees for the Issue and "*Transfer Restrictions and Purchaser Representations*" on page 256 for information about transfer restrictions that apply to the Equity Shares sold in the Issue.

BOOK RUNNING LEAD MANAGER
SBICAPS Complete Investment Banking Solutions **SBI CAPITAL MARKETS LIMITED**

This Preliminary Placement Document is dated August 12, 2024.

TABLE OF CONTENTS

NOTICE TO INVESTORS 1
REPRESENTATIONS BY INVESTORS 3
OFFSHORE DERIVATIVE INSTRUMENTS 8
DISCLAIMER CLAUSE OF THE STOCK EXCHANGES 10
PRESENTATION OF FINANCIAL AND OTHER FINANCIAL INFORMATION 11
INDUSTRY AND MARKET DATA 13
FORWARD-LOOKING STATEMENTS 14
ENFORCEMENT OF CIVIL LIABILITIES 16
EXCHANGE RATE INFORMATION 17
DEFINITIONS AND ABBREVIATIONS 18
SUMMARY OF BUSINESS 25
SUMMARY OF THE ISSUE 32
SELECTED FINANCIAL INFORMATION 34
RELATED PARTY TRANSACTIONS 40
RISK FACTORS 41
MARKET PRICE INFORMATION 74
USE OF PROCEEDS 76
CAPITALISATION STATEMENT 82
CAPITAL STRUCTURE 83
DIVIDENDS 87
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS 88
INDUSTRY OVERVIEW 116
OUR BUSINESS 202
BOARD OF DIRECTORS AND SENIOR MANAGEMENT 215
ORGANISATIONAL STRUCTURE OF OUR COMPANY 224
SHAREHOLDING PATTERN OF OUR COMPANY 225
ISSUE PROCEDURE 236
PLACEMENT 249
SELLING RESTRICTIONS 251
TRANSFER RESTRICTIONS AND PURCHASER REPRESENTATIONS 256
THE SECURITIES MARKET OF INDIA 258
DESCRIPTION OF THE EQUITY SHARES 262
TAXATION 265
LEGAL PROCEEDINGS 270
STATUTORY AUDITORS 274
FINANCIAL INFORMATION 275
GENERAL INFORMATION 448
DETAILS OF PROPOSED ALLOTTEES 450
DECLARATION 451
APPLICATION FORM 454

NOTICE TO INVESTORS

Our Company has furnished and accepts full responsibility for all of the information contained in this Preliminary Placement Document and confirms that to the best of its knowledge and belief, having made all reasonable enquiries, this Preliminary Placement Document contains all information with respect to our Company and its Subsidiaries and the Equity Shares which our Company considers material in the context of the Issue. The statements contained in this Preliminary Placement Document relating to our Company, our Subsidiaries and the Equity Shares are, in all material respects, true and accurate and are not misleading, and the opinions and intentions expressed in this Preliminary Placement Document with regard to our Company and its Subsidiaries and the Equity Shares are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions and information presently available to us. There are no other facts in relation to our Company and its Subsidiaries and the Equity Shares, the omission of which would, in the context of the Issue, make any statement in this Preliminary Placement Document misleading in any material respect. Further, our Company has made all reasonable enquiries to ascertain such facts and to verify the accuracy of all such information and statements. Unless otherwise stated, all information in this Preliminary Placement Document is provided as of the date of this Preliminary Placement Document and neither our Company nor the BRLM have any obligation to update such information to a later date.

SBI Capital Markets Limited (the "**Book Running Lead Manager**" or the "**BRLM**") has made reasonable enquiries but not separately verified all of the information contained in this Preliminary Placement Document (financial, legal or otherwise).

Accordingly, neither the BRLM nor any of its affiliates or any of their shareholders, employees, counsel, officers, directors, representatives, agents or associates make any express or implied representation, warranty or undertaking, and no responsibility or liability is accepted by the BRLM or any of their shareholders, employees, counsel, officers, directors, representatives, agents, associates or affiliates as to the accuracy or completeness of the information contained in this Preliminary Placement Document or any other information supplied in connection with the Issue or the distribution of the Equity Shares. Each person receiving this Preliminary Placement Document acknowledges that such person has neither relied on the BRLM nor any of their shareholders, employees, counsel, officers, directors, representatives, agents, associates or affiliates other than the Company in connection with such person's investigation of the accuracy of such information or such person's investment decision, and each such person must rely on its own examination of us and the merits and risks involved in investing in the Equity Shares pursuant to the Issue.

Distribution of this Preliminary Placement Document to any person other than the Eligible QIBs specified by the BRLM or its representatives, and those persons, if any, retained to advise such investor with respect thereto, is unauthorised, and any disclosure of its contents, is prohibited. Any reproduction or distribution of this Preliminary Placement Document, in whole or in part, and any disclosure of its contents to any other person is prohibited. Each prospective investor, by accepting delivery of this Preliminary Placement Document, agrees to observe the foregoing restrictions and make no copies of this Preliminary Placement Document or any offering material in connection with the Equity Shares.

No person is authorised to give any information or to make any representation not contained in this Preliminary Placement Document and any information or representation not so contained must not be relied upon as having been authorised by, or on behalf of the BRLM. The delivery of this Preliminary Placement Document at any time does not imply that the information contained in it is correct as of any time subsequent to its date.

The information contained in this Preliminary Placement Document has been provided by our Company and other sources identified herein. The distribution of this Preliminary Placement Document or the disclosure of its contents without the prior consent of the Company to any person, other than Eligible QIBs specified by the BRLM or its representatives, and those retained by the Eligible QIBs to advise them with respect to their subscription of the Equity Shares is unauthorised and prohibited. Each prospective investor, by accepting delivery of this Preliminary Placement Document, agrees to observe the foregoing restrictions and to make no copies of this Preliminary Placement Document or any documents referred to in this Preliminary Placement Document. Any reproduction or distribution of this Preliminary Placement Document, in whole or in part, and any disclosure of its contents to any other person is prohibited.

The Equity Shares offered in the Issue have not been approved, disapproved or recommended by any regulatory authority in any jurisdiction, including the United States Securities and Exchange Commission ("SEC"), any other federal or state authorities in the United States, the securities authorities of any non-United States jurisdiction and any other United States or non- United States regulatory authority. No authority has passed on or endorsed the merits of this Issue or the accuracy or adequacy of this Preliminary Placement Document. Any representation to the contrary may be a criminal offence in certain jurisdictions.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any other applicable law of the United States and, unless so registered, and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares offered in the Issue are being offered and sold only outside the United States in "offshore transactions", as defined in and in reliance on Regulation S and the applicable laws of the jurisdictions where those offers and sales are made. The Equity Shares are transferrable only in accordance with the restrictions described under the sections "*Selling Restrictions*" and "*Transfer Restrictions and Purchaser Representations*" on pages 251 and 256, respectively.

The distribution of this Preliminary Placement Document and the Issue in certain countries or jurisdictions may be restricted by law. As such, this Preliminary Placement Document does not constitute, and may not be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. In particular, no action has been taken by our Company or the BRLM which would permit an offering of the Equity Shares in the Issue or distribution of this Preliminary Placement Document in any country or jurisdiction other than India where action for that purpose is required. Accordingly, the Equity Shares issued pursuant to the Issue may not be offered or sold, directly or indirectly, and neither this Preliminary Placement Document nor any Issue materials in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction that would require registration of the Equity Shares in such country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction.

In making an investment decision, investors must rely on their own examination of our Company, the Equity Shares and the terms of the Issue, including the merits and risks involved. Investors should not construe the contents of this Preliminary Placement Document as legal, business, tax, accounting or investment advice. Investors should consult their own counsel and advisors as to business, legal, tax, accounting and related matters concerning the Issue. In addition, neither our Company nor the BRLM are making any representation to any offeree or subscriber of the Equity Shares regarding the legality of an investment in the Equity Shares by such offeree or subscriber under applicable laws or regulations.

Each Bidder in the Issue is deemed to have acknowledged, represented and agreed that it is an Eligible QIB and is eligible to invest in India and in our Company under Indian laws, including Chapter VI of the SEBI ICDR Regulations and Section 42, other applicable provisions of the Companies Act, 2013 and Rule 14 of the PAS Rules and is not prohibited by SEBI or any other regulatory authority from buying, selling or dealing in securities. This Preliminary Placement Document contains summaries of certain terms of certain documents, which are qualified in their entirety by the terms and conditions of such documents and disclosures included in the section titled "*Risk Factors*" on page 41.

The information on our Company's website at www.kpigreenenergy.com or any website directly or indirectly linked to our Company's website or the website of the BRLM, its associates or affiliates, does not constitute or form part of this Preliminary Placement Document. Prospective investors should not rely on any such information contained in, or available through, any such websites.

Notice to Investors in certain other jurisdictions

This Placement Document is not an offer to sell securities and is not soliciting an offer to subscribe to or buy securities in any jurisdiction where such an offer, solicitation, sale or subscription is not permitted. For information relating to investors in certain other jurisdictions, see "*Selling Restrictions*" and "*Transfer Restrictions and Purchaser Representations*" on pages 251 and 256, respectively.

Any information about our Company available on any website of the Stock Exchanges, our Company or the BRLM, other than this Placement Document, shall not constitute a part of this Placement Document and no investment decision should be made on the basis of such information.

REPRESENTATIONS BY INVESTORS

All references to "you" and "your" in this section are to the prospective investors in the Issue. By Bidding for, and/or subscribing to, Equity Shares under the Issue, you are deemed to have made the representations, warranties, acknowledgements, and agreements set forth in the sections titled "***Notice to Investors***", "***Selling Restrictions***" and "***Transfer Restrictions and Purchase Representations***" on pages 1, 251 and 256, respectively, and represented, warranted, acknowledged and agreed with our Company, and the BRLM, as follows:

1. Your decision to subscribe to the Equity Shares to be issued pursuant to the Issue has not been made based on any information relating to our Company or Subsidiaries which is not set forth in this Preliminary Placement Document.

2. You are a "qualified institutional buyer" ("**QIB**") as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations and not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, having a valid and existing registration under the applicable laws and regulations of India, and undertake to (i) acquire, hold, manage or dispose of any Equity Shares that are Allotted to you in accordance with Chapter VI of the SEBI ICDR Regulations, the Companies Act, 2013 and (ii) undertake to comply with the SEBI ICDR Regulations and all other applicable laws including any reporting obligations, requirements/ making necessary filings, with appropriate regulatory authorities, including the RBI and Stock Exchanges, if any, in connection with the Issue;

3. You are eligible to invest in India and in the Equity Shares under applicable law, including the FEMA Rules (as defined hereinafter), and any notifications, circulars or clarifications issued thereunder, each as amended and have not been prohibited by SEBI or any other regulatory or statutory authority from buying, selling or dealing in securities or otherwise accessing capital markets in India. Further, you are subscribing to the Equity Shares to be issued pursuant to the Issue in accordance with applicable laws and by participating in this Issue, you are not in violation of any applicable law, including but not limited to the SEBI Insider Trading Regulations, the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003, as amended, and the Companies Act, 2013;

4. If you are not a resident of India, but a QIB, you are a foreign portfolio investor, and you confirm you are an Eligible FPI (as defined hereinafter) (and are not an individual, corporate body or a family office) having a valid and existing registration with SEBI under the applicable laws in India or a multilateral or bilateral development financial institution, and are eligible to invest in India and in the Issue under applicable law, including the FEMA Rules, and any notifications, circulars or clarifications issued thereunder, and have not been prohibited by SEBI or any other regulatory authority, from buying, selling, dealing in securities or otherwise accessing the capital markets. You confirm that you are not an FVCI;

5. You will make all necessary filings with appropriate regulatory authorities, including the RBI, as required pursuant to applicable laws;

6. You confirm that neither is your investment as an entity from a country which shares a land border with India nor is the beneficial owner of your investment situated in or is a citizen of such country (in each which case, investment can only be through the Government approval route), and that your investment is in accordance with the Consolidated FDI Policy, issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India and Rule 6 of the FEMA Rules;

7. You are aware that in terms of the FEMA Rules, and any notifications, circulars or clarifications issued thereunder, the total holding by each FPI including its investor group (which means common ownership of more than 50% or common control) shall be below 10% of the total paid-up equity share capital of our Company on a fully diluted basis and the total holdings of all FPIs put together shall not exceed the sectoral cap applicable to our Company, which is 100% under automatic route, in accordance with the FEMA Rules and the extant Consolidated FDI Policy. In terms of the FEMA Rules, for calculating the total holding of FPIs in a company, holding of all registered FPIs shall be included. Hence, Eligible FPIs may invest in such number of equity shares in the Issue such that (i) the individual investment of the FPI in our Company does not exceed 10% of the post-Issue paid-up equity share capital of our Company on a fully diluted basis, and (ii) the aggregate investment by FPIs in our Company does not exceed the sectoral cap applicable to our Company. In case the holding of an FPI or investor group increases to 10% or more of the total paid-up equity share capital, on a fully diluted basis, such FPI shall divest the excess holding within a period of five trading days from the date of settlement of the trades resulting in the breach, or such other time as may be prescribed by SEBI and the RBI from time to time. If however, such excess holding has not been divested within the specified period of five trading days, the entire shareholding of such FPI will be re-classified as FDI, subject to the conditions as specified by SEBI and the RBI in this regard and compliance by the Company and the investor with applicable reporting requirements;

8. You agree that our Company shall make necessary filings with the RoC (which shall include certain details such as your name, address and number of Equity Shares Allotted), in terms of Section 42 of the Companies Act, 2013 and Rule 14 of the PAS Rules, or other provisions of the Companies Act, 2013, and you consent to such disclosure being

made by us. You will provide the information as required under the Companies Act, 2013, the PAS Rules and the applicable provisions of the SEBI ICDR Regulations for record keeping by our Company, including your name, complete address, phone number, e-mail address, permanent account number and bank account details, and such other details as may be prescribed or otherwise required even after the closure of the Issue;

9. If you are Allotted the Equity Shares pursuant to the Issue, you shall not, for a period of one year from the date of Allotment, sell the Equity Shares so acquired except on the floor of the Stock Exchanges (additional restrictions apply if you are in certain other jurisdictions), and in accordance with any other resale restrictions applicable to you. For more information, please see the section titled "***Transfer Restrictions and Purchaser Representations***" on page 256;

10. You are aware that this Preliminary Placement Document and the Placement Document has not been, and will not be, registered as a prospectus with the RoC under the Companies Act, 2013, the SEBI ICDR Regulations or under any other law in force in India and, no Equity Shares will be offered in India or overseas to the public or any members of the public in India or any other class of investors, other than Eligible QIBs. This Preliminary Placement Document and the Placement Document have not been and will not be reviewed, verified or affirmed by RBI, SEBI, the Stock Exchanges, RoC or any other regulatory or listing authority and have not been and will not be filed with the RoC as a prospectus, and are intended only for use by Eligible QIBs. This Preliminary Placement Document and the Placement Document has been and will be filed with the Stock Exchanges only for the purposes of their records and will be displayed on the websites of the Company and the Stock Exchanges;

11. You are entitled to subscribe for and acquire the Equity Shares under the laws of all relevant jurisdictions which apply to you and you have the necessary capacity and that you have fully observed such laws and obtained all such governmental and other consents and authorisations, in each case which may be required thereunder and have complied with all necessary formalities, to enable you to commit to participation in the Issue and to perform your obligations in relation thereto (including, without limitation, in the case of any person on whose behalf you are acting, all necessary consents and authorizations to agree to the terms set out or referred to in this Preliminary Placement Document), and will honour such obligations;

12. You confirm that, either: (i) you have not participated in or attended any investor meetings or presentations by our Company or its agents ("**Company's Presentations**") with regard to our Company, the Equity Shares or the Issue; or (ii) if you have participated in or attended any Company's Presentations: (a) you understand and acknowledge that the BRLM may not have knowledge of the statements that our Company or its agents may have made at such Company's Presentations and are therefore unable to determine whether the information provided to you at such Company's Presentations may have included any material misstatements or omissions, and, accordingly you acknowledge that the BRLM has advised you not to rely in any way on any information that was provided to you at such Company's Presentations, and (b) confirm that, you have not been provided any material information that was not publicly available;

13. None of our Company, the BRLM or any of their respective shareholders, directors, officers, employees, counsel, representatives, agents, associates or affiliates is making any recommendations to you or advising you regarding the suitability of any transactions it may enter into in connection with the Issue and that participation in the Issue is on the basis that you are not and will not, up to the Allotment, be a client of the BRLM. Neither the BRLM nor any of their shareholders, employees, counsel, officers, directors, representatives, agents, associates or affiliates have any duties or responsibilities to you for providing the protection afforded to their clients or for providing advice in relation to the Issue and are in no way acting in a fiduciary capacity to you;

14. You are aware that if you are Allotted more than 5% of the Equity Shares in the Issue, our Company shall be required to disclose your name and the number of Equity Shares Allotted to you to the Stock Exchanges, and the Stock Exchanges will make the same available on their website and you consent to such disclosures;

15. All statements other than statements of historical facts included in this Preliminary Placement Document, including, without limitation, those regarding our financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to our business), are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause actual results to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and environment in which our Company will operate in the future. You should not place undue reliance on forward-looking statements, which speak only as on the date of this Preliminary Placement Document. Neither our Company, nor the BRLM or any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates assumes any responsibility to update any of the forward-looking statements contained in this Preliminary Placement Document;

16. You have been provided a serially numbered copy of this Preliminary Placement Document and have read them in their entirety, including, in particular, the section titled "***Risk Factors***" on page 41;

17. You are aware and understand that the Equity Shares are being offered only to Eligible QIBs and are not being offered to the general public and that the Allotment shall be on a discretionary basis;

18. You are aware that in terms of the requirements of the Companies Act, 2013 upon Allocation, the Company has disclosed names and percentage of post-Issue shareholding of the proposed Allottees in this Preliminary Placement Document. However, disclosure of such details in relation to the proposed Allottees in this Preliminary Placement Document will not guarantee Allotment to them, as Allotment in the Issue shall continue to be at the sole discretion of our Company;

19. You have made, or are deemed to have made, as applicable, the representations set forth under the sections titled "***Selling Restrictions***" and "***Transfer Restrictions and Purchaser Representations***" on pages 251 and 256, respectively;

20. You understand that the Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws of the United States and unless so registered, may not be offered, sold or delivered within the United States, except in reliance on an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws;

21. You are outside the United States, and you are purchasing the Equity Shares in an "offshore transaction" as defined in, and in reliance on, Regulation S of the U.S. Securities Act and in compliance with laws of all jurisdictions applicable to you;

22. You are not acquiring or subscribing for the Equity Shares as a result of any "directed selling efforts" (as defined in Regulation S);

23. In making your investment decision, you have (i) relied on your own examination of our Company, the Equity Shares and the terms of the Issue, including the merits and risks involved, (ii) made and will continue to make your own assessment of our Company, the Equity Shares and the terms of the Issue based solely on the information contained in this Preliminary Placement Document and as will be contained in the Placement Document, (iii) consulted your own independent advisors or otherwise have satisfied yourself concerning, without limitation, the effects of local laws, (iv) relied solely on the information contained in this Preliminary Placement Document and the Placement Document and no other disclosure or representation by our Company, its Directors, Promoters and affiliates, or any other party, (v) received all information that you believe is necessary or appropriate in order to make an investment decision in respect of our Company and the Equity Shares and (vi) relied upon your own investigation and resources in deciding to invest in the Issue;

24. You are a sophisticated investor and have such knowledge and experience in financial, business and investment matters as to be capable of evaluating the merits and risks of an investment in the Equity Shares. You and any accounts for which you are subscribing the Equity Shares (i) are each able to bear the economic risk of the investment in the Equity Shares; (ii) will not look to our Company or the BRLM or any of their respective shareholders, employees, counsel, officers, directors, representatives, agents, associates or affiliates for all or part of any such loss or losses that may be suffered; (iii) are able to sustain a complete loss on the investment in the Equity Shares; (iv) have no need for liquidity with respect to the investment in the Equity Shares; and (v) have no reason to anticipate any change in your or their circumstances, financial or otherwise, which may cause or require any sale or distribution by you or them of all or any part of the Equity Shares. You acknowledge that an investment in the Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment. You are seeking to subscribe to the Equity Shares in the Issue for your own investment and not with a view to resale or distribute;

25. The BRLM or any of its shareholders, directors, officers, employees, counsel, representatives, agents or affiliates have not provided you with any tax advice or otherwise made any representations regarding the tax consequences of the purchase, ownership and disposal of the Equity Shares (including but not limited to the Issue and the use of the proceeds from the Equity Shares). You will obtain your own independent tax advice and will not rely on the BRLM or any of its shareholders, employees, counsel, officers, directors, representatives, agents or affiliates or our Company when evaluating the tax consequences in relation to the Equity Shares (including but not limited to the Issue and the use of the proceeds from the Equity Shares). You waive and agree not to assert any claim against the BRLM or our Company with respect to the tax aspects of the Equity Shares or the Issue or as a result of any tax audits by tax authorities, wherever situated;

26. That where you are acquiring the Equity Shares for one or more managed accounts, you represent and warrant that you are authorised in writing, by each such managed account to acquire the Equity Shares for each managed account; and to make the representations, warranties, acknowledgements, undertakings and agreements herein for and on behalf of each such account, reading the reference to "you" to include such accounts;

27. You are not a ‘promoter’ (as defined under the SEBI ICDR Regulations) of our Company and are not a person related to our Promoters, either directly or indirectly, and your Bid does not directly or indirectly represent the promoters or promoter group (as defined under the SEBI ICDR Regulations) of our Company or persons or entities related thereto;

28. You have no rights under a shareholders’ agreement or voting agreement entered into with the Promoters or Promoter Group, no veto rights or right to appoint any nominee director on our Board of Directors other than the rights, if any, acquired in the capacity of a lender not holding any Equity Shares, the acquisition of which shall not deem you to be a person related to the Promoters;

29. The Bid made by you would not result in triggering a tender offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the “**SEBI Takeover Regulations**”) and you shall be solely responsible for compliance with all other applicable provisions of the SEBI Takeover Regulations;

30. You have no right to withdraw your Application or revise your Bid downwards after the Issue Closing Date (as defined hereinafter);

31. You are eligible to apply for and hold Equity Shares so Allotted and together with any securities of our Company held by you prior to the Issue. You further confirm that your aggregate holding upon the issue and Allotment of the Equity Shares shall not exceed the level permissible as per any applicable law;

32. To the best of your knowledge and belief, your aggregate holding together with other Bidders in the Issue that belong to the same group or that are under common control as you, pursuant to the Allotment under the Issue shall not exceed 50% of the Issue Size. For the purposes of this representation:

    - the expression ‘belongs to the same group’ shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and independent directors, amongst a QIB, its subsidiary or holding company and any other QIB; and

    - ‘control’ shall have the same meaning as is assigned to it under Regulation 2(1)(e) of the SEBI Takeover Regulations.

33. You shall not undertake any trade in the Equity Shares credited to your beneficiary account until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges;

34. You are aware and understand that the BRLM has entered into a Placement Agreement with our Company, whereby the BRLM has, subject to the satisfaction of certain conditions set out therein, severally and not jointly, agreed to manage the Issue and use reasonable efforts to procure subscriptions for the Equity Shares on the terms and conditions set forth therein;

35. The contents of this Preliminary Placement Document and that of the Placement Document are exclusively the responsibility of our Company and that neither the BRLM nor any person acting on their behalf has or shall have any liability for any information, representation or statement contained in this Preliminary Placement Document and the Placement Document or any information previously published by or on behalf of our Company and will not be liable for your decision to participate in the Issue based on any information, representation or statement contained in this Preliminary Placement Document and the Placement Document or otherwise. By participating in the Issue, you agree to the same and confirm that you have neither received nor relied on any other information, representation, warranty or statement made by or on behalf of the BRLM or our Company or any other person and none of the BRLM, our Company or any other person will be liable for your decision to participate in the Issue based on any other information, representation, warranty or statement that you may have obtained or received;

36. The only information you are entitled to rely on, and on which you have relied, in committing yourself to acquire the Equity Shares is contained in this Preliminary Placement Document and will be contained in the Placement Document, such information being all that you deem necessary to make an investment decision in respect of the Equity Shares and that you have neither received nor relied on any other information given or representations, warranties or statements made by the BRLM or our Company and neither the BRLM nor our Company will be liable for your decision to accept an invitation to participate in the Issue based on any other information, representation, warranty, statement or opinion that you have obtained or received;

37. You understand that the Equity Shares issued pursuant to the Issue shall be subject to the provisions of the Memorandum of Association and Articles of Association of our Company and will be credited as fully paid and will rank *pari passu* in all respects with the existing Equity Shares including the right to receive dividend and other distributions declared;

38. You agree to indemnify and hold our Company, the BRLM and their respective affiliates and their respective directors, officers, employees and persons in control harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of your representations, warranties, acknowledgements and undertakings in this Preliminary Placement Document and the Placement Document including this section. You agree that the indemnity set forth in this section shall survive the resale of the Equity Shares by or on behalf of the managed accounts;

39. You understand that the BRLM has no obligation to purchase or acquire all or any part of the Equity Shares which are subscribed by you in the Issue or to support any losses directly or indirectly sustained or incurred by you for any reason whatsoever in connection with the Issue, including non- performance by us of any of our respective obligations or any breach of any representations or warranties by us, whether to you or otherwise;

40. You are aware that (i) applications for in-principle approval, in terms of Regulation 28(1)(a) of the SEBI Listing Regulations for listing and admission of the Equity Shares and for trading on BSE and NSE, were made and such approvals have been received from BSE and NSE and (ii) the application for the final listing and trading approval will be made only after Allotment. There can be no assurance that the final approvals for listing of the Equity Shares will be obtained in time or at all. Our Company, and the BRLM shall not be responsible for any delay or non-receipt of such final approvals or any loss arising from such delay or non-receipt;

41. You are an investor who is seeking to purchase the Equity Shares for your own investment and not with a view to distribution. In particular, you acknowledge that (i) an investment in the Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment, (ii) you have sufficient knowledge, sophistication and experience in financial and business matters so as to be capable of evaluating the merits and risk of the purchase of the Equity Shares, and (iii) you are experienced in investing in private placement transactions of securities of companies in a similar stage of development and in similar jurisdictions and have such knowledge and experience in financial, business and investments matters that you are capable of evaluating the merits and risks of your investment in the Equity Shares;

42. Neither the BRLM nor any of its affiliates have any obligation to purchase or acquire all or any part of the Equity Shares purchased by you in the Issue or to support any losses directly or indirectly sustained or incurred by you for any reason whatsoever in connection with the Issue, including non-performance by our Company of any of its obligations or any breach of any representations and warranties by our Company, whether to you or otherwise;

43. You are aware and understand that you are allowed to place a Bid for Equity Shares. Please note that submitting a Bid for Equity Shares should not be taken to be indicative of the number of Equity Shares that will be Allotted to a successful Bidder. Allotment of Equity Shares will be undertaken by our Company, in its absolute discretion, in consultation with the BRLM;

44. You acknowledge that this Preliminary Placement Document and the Placement Document do not confer upon or provide you with any right of renunciation of the Equity Shares offered through the Issue in favour of any person;

45. You agree that any dispute arising in connection with the Issue will be governed by and construed in accordance with the laws of India, and the courts in Mumbai, India shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Preliminary Placement Document and the Placement Document;

46. Each of the representations, warranties, acknowledgements and agreements set out above shall continue to be true and accurate at all times, up to and including the Allotment, listing and trading of the Equity Shares in the Issue;

47. It is agreed that if any such representations, warranties, acknowledgements, agreements and undertakings are no longer accurate, you will promptly notify our Company and the BRLM;

48. You have made, or are deemed to have made, as applicable, the representations set forth in this section titled "***Representations by Investors***"; and

49. Our Company, the BRLM, their respective affiliates, directors, officers, employees and persons in control and others will rely on the truth and accuracy of the foregoing representations, warranties, acknowledgements and undertakings which are given to the BRLM on its own behalf and on behalf of our Company and are irrevocable.

OFFSHORE DERIVATIVE INSTRUMENTS

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines, and approvals in terms of Regulation 21 of the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended ("**SEBI FPI Regulations**"), FPIs, including the affiliates of the BRLM, who are registered as category I FPIs may issue, subscribe, or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it in India, as its underlying and herein referred to as "**P-Notes**") and persons who are eligible for registration as category I FPIs can subscribe to or deal in such P-Notes, provided that in the case of an entity that has an investment manager who is from a Financial Action Task Force member country, such investment manager shall not be required to be registered as a category I FPI. The abovementioned category I FPIs may receive compensation from the purchasers of such instruments. You should ensure that any P-Notes issued by you have been issued in compliance with all applicable laws (including KYC norms and such other conditions as specified by SEBI from time to time). An Eligible FPIs shall also ensure that no transfer of any instrument referred to above is made to any person unless such FPIs are registered as category I FPI, and such instrument is being transferred only to person eligible for registration as category I FPIs subject to requisite consents being obtained in terms of Regulation 21 of SEBI FPI Regulations. P-Notes have not been and are not being offered or sold pursuant to this Preliminary Placement Document. This Preliminary Placement Document does not contain any information concerning P- Notes or the issuer(s) of any P-Notes, including any information regarding any risk factors relating thereto.

For further details relating to investment limits of FPIs, please see the section titled "***Issue Procedure***" on page 236. P-Notes may be issued only in favour of those entities which meet the eligibility criteria as laid down in Regulation 4 of the SEBI FPI Regulations. Pursuant to its circular dated June 10, 2016, SEBI has introduced additional requirements applicable to P-Notes, including (i) KYC norms for issuers of P-Notes which require identification and verification of beneficial owners of entities subscribing to the P-Note holding more than a prescribed threshold; (ii) the requirement for issuers to file suspicious transaction reports with the Indian Financial Intelligence Unit; and (iii) the requirement for the issuer to report details of intermediate transfers in the monthly reports on P-Notes submitted to SEBI. An Eligible FPI shall also ensure that no further issue or transfer of any instrument referred to above is made by or on behalf of it to any person other than such entities regulated by appropriate foreign regulatory authorities. P-Notes have not been, and are not being offered, or sold pursuant to this Preliminary Placement Document. This Preliminary Placement Document does not contain any information concerning P- Notes or the issuer(s) of any P-notes, including, without limitation, any information regarding any risk factors relating thereto.

Subject to certain relaxations provided under Regulation 22(4) of the SEBI FPI Regulations, investment by a single FPI including its investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than 50% or common control) is not permitted to be 10% or above of our post-Issue equity share capital on a fully diluted basis. The SEBI has, vide a circular dated November 5, 2019, as amended issued the operational guidelines for FPIs, designated depository participants and eligible foreign investors (the "**FPI Operational Guidelines**"), to facilitate implementation of the SEBI FPI Regulations. In terms of such FPI Operational Guidelines, the above-mentioned restrictions shall also apply to subscribers P-Notes. Two or more subscribers of P-Notes having common ownership, directly or indirectly, of more than 50% or common control shall be considered together as a single subscriber of the P-Notes. In the event a prospective investor has investments as an FPI and as a subscriber of P-Notes, these investment restrictions shall apply on the aggregate of the FPI and P-Notes held in the underlying company.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 read with the Consolidated FDI Policy, issued by the Department for Promotion of Industry and Internal Trade, Government of India, investments where the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, can only be made through the Government approval route, as prescribed in the Consolidated FDI Policy. These investment restrictions shall also apply to subscribers of offshore derivative instruments.

Affiliates of the BRLM which are Eligible FPIs may purchase, to the extent permissible under law, the Equity Shares in the Issue, and may issue P-Notes in respect thereof. Any P-Notes that may be issued are not securities of our Company and do not constitute any obligation of, claims on, or interests in, our Company. Our Company has not participated in any offer of any P-Notes, or in the establishment of the terms of any P-Notes, or in the preparation of any disclosure related to any P-Notes. Any P-Notes that may be offered are issued by, and are the sole obligations of, third parties that are unrelated to our Company. Our Company and the BRLM do not make any recommendation as to any investment in P-Notes and do not accept any responsibility whatsoever in connection with any P-Notes. Any P-Notes that may be issued are not securities of the BRLM and do not constitute any obligations of, or claims on, the BRLM. Affiliates of the BRLM which are FPIs may purchase, to the extent permissible under law, the Equity Shares in the Issue, and may issue P-Notes in respect thereof.

Prospective investors interested in purchasing any P-Notes have the responsibility to obtain adequate disclosures as to the issuers of such P-Notes and the terms and conditions of any such P-Notes from the issuers of such P-Notes. Neither SEBI nor any other regulatory authority has reviewed or approved any P- Notes or any disclosure related thereto. Bidders are urged to consult with their own financial, legal, accounting and tax advisors regarding any contemplated investment in P-Notes, including whether P-Notes are issued in compliance with applicable laws and regulations.

Please also see the sections titled, "***Selling Restrictions***" and "***Transfer Restrictions and Purchaser Representations***" on pages 251 and 256, respectively.

DISCLAIMER CLAUSE OF THE STOCK EXCHANGES

As required, a copy of this Preliminary Placement Document has been submitted to each of the Stock Exchanges. The Stock Exchanges do not in any manner:

1) warrant, certify or endorse the correctness or completeness of the contents of this Preliminary Placement Document;

2) warrant that the Equity Shares issued pursuant to the Issue will be listed or will continue to be listed on the Stock Exchanges; or

3) take any responsibility for the financial or other soundness of our Company, its Promoter, its management or any scheme or project of our Company,

and it should not for any reason be deemed or construed to mean that this Preliminary Placement Document has been cleared or approved by the Stock Exchanges. Every person who desires to apply for or otherwise acquire any Equity Shares may do so pursuant to an independent inquiry, investigation and analysis and shall not have any claim against the Stock Exchanges whatsoever, by reason of any loss which may be suffered by such person consequent to or in connection with, such subscription/acquisition, whether by reason of anything stated or omitted to be stated herein, or for any other reason whatsoever.

PRESENTATION OF FINANCIAL AND OTHER FINANCIAL INFORMATION

Certain Conventions

In this Preliminary Placement Document, unless otherwise specified or the context otherwise indicates or implies, references to "you", "your", "offeree", "purchaser", "subscriber", "recipient", "investors", "prospective investors" and "potential investor" are to the Eligible QIBs in the Issue and references to the "Issuer", "KPI", "Company", "our Company" refers to KPI Green Energy Limited and references to "we", "us", or "our" are to our Company together with its Subsidiaries, on a consolidated basis.

Unless otherwise specified or the context otherwise requires, all references in this Preliminary Placement Document to (i) the 'US' or 'U.S.' or the 'United States' or the 'U.S.A' are to the United States of America and its territories and possessions; (ii) 'India' are to the Republic of India and its territories and possessions; and (iii) the 'UK' or 'U.K.' or the 'United Kingdom' are to the United Kingdom of Great Britain and its territories and possessions; and (iv) the 'Government' or 'GoI' or the 'Central Government' or the 'State Government' are to the Government of India, Central or State, as applicable.

In this Preliminary Placement Document, references to 'INR', '₹', 'Rs.', 'Indian Rupees' and 'Rupees' are to the legal currency of India, references to "GBP" or "£", are to the legal currency of Great Britain and references to 'USD', 'U.S. Dollars' and 'US$' are to the legal currency of the United States.

References to the singular also refer to the plural and one gender also refers to any other gender, wherever applicable. All the numbers in this Preliminary Placement Document have been presented in million or whole numbers, unless stated otherwise. The amounts in our Financial Statements included herein are presented in Rs. lakhs or in Rs. crores.

In this Preliminary Placement Document, references to "Lakh" represents "100,000", "million" represents "1,000,000", "crore" represents "10,000,000", and "billion" represents "1,000,000,000".

Certain figures contained in this Preliminary Placement Document, including financial information, have been subject to rounding adjustments. Any discrepancies in any table between the totals and the sum of the amounts listed are due to rounding off. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given, and (ii) the sum of the figures in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Unless otherwise specified, all financial numbers in parenthesis represent negative figures.

Page Numbers

Unless otherwise stated, all references to page numbers in this Preliminary Placement Document are to page numbers of this Preliminary Placement Document.

Financial and Other Information

The financial year of our Company commences on April 1 of each calendar year and ends on March 31 of the following calendar year, and, unless otherwise specified or if the context requires otherwise, all references to a particular 'Fiscal Year' or 'fiscal' or "financial year" or 'FY' are to the 12 months period ended on March 31 of that year.

Our Company publishes its financial statements in Indian Rupees. We have prepared our audited standalone and consolidated financial statements in accordance with Ind AS, as applicable, in accordance with the Companies Act, 2013, read with Companies (Accounts) Rules, 2014, and in compliance with the SEBI Listing Regulations.

As required under applicable regulations, we have included the following in this Preliminary Placement Document:

(i) the audited consolidated financial statements of the Company as at and for the year ended March 31, 2022 prepared in accordance with Ind AS, the Companies Act, 2013, read with Companies (Accounts) Rules, 2014, and in compliance with the SEBI Listing Regulations ("**Fiscal 2022 Audited Ind AS Consolidated Financial Statements**");

(ii) the audited consolidated financial statements of the Company as at and for the year ended March 31, 2023 prepared in accordance with Ind AS, the Companies Act, 2013, read with Companies (Accounts) Rules, 2014, and in compliance with the SEBI Listing Regulations ("**Fiscal 2023 Audited Ind AS Consolidated Financial Statements**");

(iii) the audited consolidated financial statements of the Company as at and for the year ended March 31, 2024 prepared in accordance with Ind AS, the Companies Act, 2013, read with Companies (Accounts) Rules, 2014, and in compliance with the SEBI Listing Regulations ("**Fiscal 2024 Audited Ind AS Consolidated Financial Statements**"); and

(iv) the unaudited consolidated financial results of the Company for the three-months period ended June 30, 2024, prepared in accordance with Ind AS, the Companies Act, 2013, read with Companies (Accounts) Rules, 2014, and in compliance with the SEBI Listing Regulations ("**Unaudited Consolidated Financial Results**").

The Fiscal 2024 Audited Ind AS Consolidated Financial Statements included in this Preliminary Placement Document are yet to be placed before the Shareholders which would be done at the next convening AGM, which will be scheduled in accordance with the requirements of the Companies Act, 2013.

K A Sanghavi & Co LLP, Chartered Accountants, our Statutory Auditor as required by the Companies Act, 2013, have been appointed pursuant to our Shareholder's approval in the General Meeting held on September 30, 2021 for a period of five years till Fiscal 2026.

Our consolidated financial statements for Fiscal 2022, Fiscal 2023 and Fiscal 2024, as included in this Preliminary Placement Document in "***Financial Information***" on page 275, have been audited by K A Sanghavi & Co LLP, Chartered Accountants.

In this Preliminary Placement Document, certain monetary thresholds have been subjected to rounding adjustments; accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

Non-GAAP Financial Measures

Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance such as EBITDA, EBITDA margin, PAT, PAT margin, ROE, ROCE, Debt to Equity Ratio, have been included in this Preliminary Placement Document. These Non-GAAP Financial Measures are not required by or presented in accordance with Indian GAAP or Ind AS. We compute and disclose such Non-GAAP Financial Measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of financial services businesses, many of which provide such Non-GAAP Financial Measures and other statistical and operational information when reporting their financial results. However, note that these non-GAAP financial measures and other statistical information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other financial services companies. Where Non-GAAP Financial Measures are referred to as being "under Ind AS", this means the numbers have been derived using underlying Ind AS numbers.

INDUSTRY AND MARKET DATA

Information regarding market position, growth rates, other industry data and certain industry forecasts pertaining to our business contained in this Preliminary Placement Document consists of estimates based on data reports compiled by government bodies, data from other external sources and knowledge of the markets in which we compete. Unless stated otherwise, the statistical information included in this Preliminary Placement Document relating to the industry in which we operate has been reproduced from various trade, industry and government publications and websites more particularly described in the section titled "***Industry Overview***" on page 116.

The industry, market and economic data included in this Preliminary Placement Document has been derived from the report titled "*Renewable Power Market and OM Services for Solar-Wind Energy*" dated July 2024 (the "**CRISIL Report**"). Our Company has commissioned and paid for the CRISIL Report pursuant to the engagement letter dated September 29, 2023 read with addendum dated June 29, 2024, which was prepared by CRISIL Research, a division of CRISIL Limited ("**CRISIL**"). CRISIL is not related in any manner to our Company, its Subsidiaries, Directors, Key Managerial Personnel, members of Senior Management or the Promoters.

This data in the CRISIL Report is subject to change and cannot be verified with certainty due to limits on the availability and reliability of the raw data and other limitations and uncertainties inherent in any statistical survey. In many cases, there is no readily available external information (whether from trade or industry associations, government bodies or other organizations) to validate market-related analysis and estimates, so we have relied on internally developed estimates. Similarly, while we believe its internal estimates to be reasonable, such estimates have not been verified by any independent sources and neither we nor the BRLM can assure Bidders as to their accuracy.

The extent to which the market and industry data used in this Preliminary Placement Document is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the section titled "***Risk Factors – Third party data in this Preliminary Placement Document may be incomplete or unreliable***" on page 63. The CRISIL Report is subject to the following disclaimer:

Disclaimer of the CRISIL Report

The **CRISIL Report** is subject to the following disclaimer:

*"CRISIL MI&A, a division of CRISIL Limited ("**CRISIL**") has taken due care and caution in preparing this report (the "**Report**"). This report may have been prepared by CRISIL at the request of a client of CRISIL (client). This report may include or refer to data, information and materials provided by the client and/or obtained by CRISIL from sources that it considers reliable (together, "**Data**"). However, CRISIL does not guarantee the accuracy, adequacy or completeness of the Data or the Report and is not responsible for any errors or omissions or for the results obtained from the use of the Data or the Report. The Report is not a recommendation to invest or divest in any entity covered in the Report and no part of this Report should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. CRISIL especially states that it has no liability whatsoever to the subscribers/users/transmitters/ distributors of this Report. Without limiting the generality of the foregoing, nothing in the Report is to be construed as CRISIL providing or intending to provide any services in jurisdictions where CRISIL does not have the necessary permission and/or registration to carry out its business activities in this regard. The Issuers will be responsible for ensuring compliances and consequences of non-compliances for use of the Report or part thereof outside India. CRISIL MI&A Consulting operates independently of and does not have access to information obtained by CRISIL Ratings Ltd., which may, in their regular operations, obtain information of a confidential nature. The views expressed in the Report are that of CRISIL MI&A Consulting and not of CRISIL Ratings Ltd. No part of the Report may be published or reproduced in any form without CRISIL's prior written approval."*

FORWARD-LOOKING STATEMENTS

Certain statements contained in this Preliminary Placement Document that are not statements of historical fact constitute "forward-looking statements". Investors can generally identify forward-looking statements by terminology such as "aim", "anticipate", "believe", "continue", "can", "could", "estimate", "expect", "intend", "may", "objective", "plan", "potential", "project", "pursue", "shall", "should", "will", "would", or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements.

The forward-looking statements appear in a number of places throughout this Preliminary Placement Document and include statements regarding the intentions, beliefs or current expectations of our Company concerning, amongst other things, the expected results of operations, financial condition, liquidity, prospects, growth, strategies and dividend policy of our Company and the industry in which we operate. In addition, even if the result of operations, financial conditions, liquidity and dividend policy of our Company, and the development of the industry in which we operate, are consistent with the forward-looking statements contained in this Preliminary Placement Document, those results or developments may not be indicative of results or developments in subsequent periods.

All statements regarding our Company's expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our Company's business strategy, planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), new business and other matters discussed in this Preliminary Placement Document that are not historical facts. These forward-looking statements contained in this Preliminary Placement Document (whether made by us or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. All forward-looking statements are subject to risks, uncertainties and assumptions about our Company that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause the actual results, performances and achievements of our Company to be materially different from any of the forward-looking statements include, among others:

- Reliance on transmission infrastructure for evacuation of the power generated at our projects;
- Projects or orders included in our Order Book may be modified or cancelled or there may be delays in execution or short closed, and letters of intent/award may be withdrawn before execution of definitive agreements or may not translate to confirmed orders, and we may face risks and uncertainties when developing our IPP and CPP projects;
- Significant working capital requirements and inability to meet working capital requirements;
- Exposure to counterparty credit risk and any delay in, or non-receipt of, payments may materially and adversely affect our cash flows;
- Fluctuation in operating results from quarter-to-quarter due to seasonality;
- Several of our key components are sourced from a limited group of third-party suppliers giving rise to supplier concentration risks;
- Operating in a competitive industry and as such we may not be successful in bidding for and winning bids for solar power projects to grow our business globally;
- Inability to accurately estimate costs under fixed-price EPCC contracts, failure to maintain the quality and performance guarantees under our EPCC contracts, experiencing delays in completing the construction of solar power projects, which may increase our construction costs and working capital requirements;
- Exposure of construction activities being subject to cost overruns or delays or completion risks;
- Loss of key customers or significant reduction in production and sales of, or demand for our products from, our significant customers may materially and adversely affect our business and financial performance; and
- Concentration of operations in Gujarat and any change in economic conditions could adversely impact our business and financial performance.

Additional factors that could cause actual results, performance or achievements of our Company to differ materially include, but are not limited to, those discussed under the sections titled "***Risk Factors***", "***Industry Overview***", "***Our Business***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 41, 116, 202 and 88, respectively.

By their nature, market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, any future gains, losses or impact on net income and net income could materially differ from those that have been estimated, expressed or implied by such forward-looking statements or other projections. The forward-looking statements contained in this Preliminary Placement Document are based on the beliefs of the management, as well as the assumptions made by, and information currently available to, the management of our Company. Although we believe that the expectations reflected in such forward-looking statements are reasonable at this time, we cannot assure investors that such expectations will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. In any event, these statements speak only as on the date of this Preliminary Placement Document or the respective dates indicated in this Preliminary Placement Document, and we undertake no obligation to update or revise any of them, whether as a result of new information, future events or otherwise. If any of these risks and uncertainties materialize, or if any of our Company's underlying assumptions prove to be incorrect, the actual results of operations or financial condition of our Company could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to us are expressly qualified in their entirety by reference to these cautionary statements. In accordance with SEBI and Stock Exchange requirements, our Company and the BRLM will ensure that the eligible equity shareholders are informed of material developments until the time of the grant of listing and trading permissions by the Stock Exchanges.

ENFORCEMENT OF CIVIL LIABILITIES

Our Company is a public limited liability company incorporated under the laws of India. All our Directors, the Key Managerial Personnel and the members of our Senior Management are residents of India and all or a substantial portion of the assets of our Company and such persons are located in India. As a result, it may be difficult or may not be possible for investors outside India to effect service of process upon our Company or such persons in India, or to enforce judgments obtained against such parties outside India predicated upon civil liabilities of our Company or such directors and executive officers under laws other than Indian laws, including judgments predicated upon the civil liability provisions of the federal securities laws of the United States.

Recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Code of Civil Procedure, 1908, as amended (the "**Civil Procedure Code**"), on a statutory basis. Section 13 of the Civil Procedure Code provides that a foreign judgment shall be conclusive regarding any matter directly adjudicated upon between the same parties or parties litigating under the same title, except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognise the law of India in cases in which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; or (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. India is not a party to any multilateral international treaty in relation to the recognition or enforcement of foreign judgments. However, Section 44A of the Civil Procedure Code provides that a foreign judgment rendered by a superior court (within the meaning of that section) in any jurisdiction outside India which the Government has by notification declared to be a reciprocating territory, may be enforced in India by proceedings in execution as if the judgment had been rendered by a competent court in India. Under Section 14 of the Civil Procedure Code, a court in India will, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the foreign judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record but such presumption may be displaced by proving want of jurisdiction. However, Section 44A of the Civil Procedure Code is applicable only to monetary decrees not being in the nature of any amounts payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalties and does not include arbitration awards.

Among other jurisdictions, the United Kingdom of Great Britain and Northern Ireland, Republic of Singapore, United Arab Emirates and Hong Kong have been declared by the Government to be reciprocating territories for the purposes of Section 44A of the Civil Procedure Code, but the United States of America has not been so declared. A judgment of a court in a jurisdiction which is not a reciprocating territory may be enforced only by a fresh suit upon the judgment and not by proceedings in execution. The suit must be brought in India within three years from the date of the foreign judgment in the same manner as any other suit filed to enforce a civil liability in India.

It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it viewed the amount of damages awarded as excessive or inconsistent with public policy of India. Further, any judgment or award in a foreign currency would be converted into Rupees on the date of such judgment or award and not on the date of payment. A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to repatriate outside India any amount recovered, and any such amount may be subject to income tax in accordance with applicable laws. We cannot assure that such approval will be forthcoming within a reasonable period of time, or at all, or that conditions of such approvals would be acceptable. Our Company and the BRLM cannot predict whether a suit brought in an Indian court will be disposed of in a timely manner or be subject to considerable delays.

EXCHANGE RATE INFORMATION

Fluctuations in the exchange rate between the Rupee and the U.S. dollar will affect the U.S. dollar equivalent of the Rupee price of the Equity Shares on the Stock Exchanges. These fluctuations will also affect the conversion into U.S. dollar of any cash dividends paid in Rupees on the Equity Shares.

INR TO USD

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Indian Rupee and the U.S. dollar (in ₹ per U.S.D) based on the reference rates released by the RBI and Financial Benchmark India Private Limited ("**FBIL**"), which are available on the website of FBIL. No representation is made that the Indian Rupee amounts actually represent such amounts in U.S. dollar or could have been or could be converted into USD at the rates indicated, any other rates, or at all.

	(₹ Per US$)			
	Period end(^)	**Average (1)**	**High(2)**	**Low(3)**
Financial Year:				
2022	75.81	74.51	76.92	72.48
2023	82.22	80.39	83.20	75.39
2024	83.37	82.79	83.40	81.65
Month ended:				
February 29, 2024	82.92	82.96	83.09	82.84
March 31, 2024	83.37	83.00	83.37	82.68
April 30, 2024	83.52	83.41	83.52	83.23
May 31, 2024	83.30	83.39	83.52	83.08
June 30, 2024	83.45	83.47	83.59	83.07
July 31, 2024	83.74	83.59	83.74	83.40

(Source: www.rbi.org.in and www.fbil.org.in)

(^) The price for the period end refers to the price as on the last trading day of the respective fiscal year or quarterly or monthly periods.

(1) Average of the official rate for each working day of the relevant period.

(2) Maximum of the official rate for each Working Day of the relevant period.

(3) Minimum of the official rate for each Working Day of the relevant period.

***Notes**:*

- *If the RBI/FBIL reference rate is not available on a particular date due to a public holiday, exchange rates of the previous working day have been disclosed.*
- *The RBI/FBIL reference rates are rounded off to two decimal places.*

DEFINITIONS AND ABBREVIATIONS

This Preliminary Placement Document uses the definitions and abbreviations set forth below, which you should consider when reading the information contained herein.

The following list of certain capitalised terms used in this Preliminary Placement Document is intended for the convenience of the reader/ prospective investor only and is not exhaustive.

Unless otherwise specified, the capitalised terms used in this Preliminary Placement Document shall have the meaning as defined hereunder. Further any references to any agreement, document, statute, rules, guidelines, regulations or policies shall include amendments made thereto, from time to time.

*The words and expressions used in this Preliminary Placement Document but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations framed thereunder. Notwithstanding the foregoing, terms used in the sections titled "**Taxation**", "**Industry Overview**", "**Financial Information**" and "**Legal Proceedings**" on pages 265, 116, 275 and 270, respectively, shall have the meaning given to such terms in such sections.*

General Terms

Term	Description
"Our Company", "the Company", "the Issuer" or "KPI"	KPI Green Energy Limited, a public limited company incorporated under the provisions of the Companies Act, 1956 and having its registered office at KP House, Near KP Circle, Opp. Ishwar Farm Junction BRTS, Canal Road, Bhatar, Althan, Surat - 395 017, Gujarat
"We", "Our", or "Us"	Unless the context otherwise indicates or implies, refers to our Company along with the Subsidiaries, on a consolidated basis.

Company related terms

Term	Description
Articles or Articles of Association	The Articles of Association of our Company, as amended from time to time.
Audit Committee	The Audit Committee constituted by the Board of our Company in accordance with the applicable provisions of the Companies Act, 2013, the SEBI Listing Regulations and as disclosed in the section titled "***Board of Directors and Senior Management***" on page 215.
Auditors or Statutory Auditors or Independent Auditors	Statutory auditors of the Company namely, M/s. K A Sanghavi & Co LLP, Chartered Accountants.
Board of Directors or Board	The board of directors of our Company, including any duly constituted committee thereof.
CFO	Chief Financial Officer, i.e., Salim Suleman Yahoo.
Chairman and Managing Director	The Chairman and Managing Director of our Board of Directors, i.e., Farukbhai Gulambhai Patel.
Corporate Social Responsibility Committee	The corporate social responsibility committee constituted by the Board of our Company in accordance with the applicable provisions of the Companies Act, 2013 and as disclosed in the section titled "***Board of Directors and Senior Management***" on page 215.
CSR Policy	Corporate Social Responsibility Policy
Director(s)	The directors on the Board of our Company, as may be appointed from time to time.
ESOP 2023	KPI Green Energy Limited - Employee Stock Option Plan 2023.
Equity Shares	The equity shares of a face value of ₹ 5 each of the Company.
Financial Statements	Unaudited Consolidated Financial Results, Fiscal 2024 Audited Ind AS Consolidated Financial Statements, Fiscal 2023 Audited Ind AS Consolidated Financial Statements and Fiscal 2022 Audited Ind AS Consolidated Financial Statements
Fiscal 2024 Audited Ind AS Consolidated Financial Statements	Audited consolidated financial statements for Fiscal 2024, read along with the notes thereto, prepared in accordance with Indian Accounting Standards (Ind AS), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India, and in compliance with the SEBI Listing Regulations.
Fiscal 2023 Audited Ind AS Consolidated Financial Statements	Audited consolidated financial statements for Fiscal 2023, read along with the notes thereto, prepared in accordance with Indian Accounting Standards (Ind AS), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India, and in compliance with the SEBI Listing Regulations.
Fiscal 2022 Audited Ind AS Consolidated Financial Statements	Audited consolidated financial statements for Fiscal 2022, read along with the notes thereto, prepared in accordance with Indian Accounting Standards (Ind AS), prescribed under

Term	Description
	Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India, and in compliance with the SEBI Listing Regulations.
Independent Director(s)	Independent directors of our Company, unless otherwise specified.
Industry Report Provider	CRISIL Limited
Key Managerial Personnel	The key managerial personnel of our Company in accordance with the provisions of the Companies Act, 2013 and Regulation 2(1)(bb) of the SEBI ICDR Regulations. For details, please see the section titled "***Board of Directors and Senior Management***" on page 215.
KP Group	KP Group refers to entities which are owned, controlled and/or promoted by Faruk Gulambhai Patel, our Promoter, including our Company and our Subsidiaries.
Memorandum or Memorandum of Association	The Memorandum of Association of our Company, as amended from time to time.
Nomination and Remuneration Committee	The nomination and remuneration committee constituted by the Board of our Company in accordance with the applicable provisions of the Companies Act, 2013, the SEBI Listing Regulations and as disclosed in the section titled "***Board of Directors and Senior Management***" on page 215.
Non-Executive Director(s)	Non-executive directors of our Company, unless otherwise specified.
Promoter	The Promoter of our Company, being, Farukbhai Gulambhai Patel
Promoter Group	The individuals and entities forming part of our promoter group in accordance with Regulation 2(1) (pp) of the SEBI ICDR Regulations.
Registered Office	The registered office of the Company situated at KP House, Near KP Circle, Opp. Ishwar Farm Junction BRTS, Canal Road, Bhatar, Althan, Surat - 395 017, Gujarat.
Risk Management Committee	The Risk Management Committee constituted by the Board of our Company in accordance with the applicable provisions of the Companies Act, 2013, the SEBI Listing Regulations and as disclosed in the section titled "***Board of Directors and Senior Management***" on page 215.
Senior Management	The members of the senior management of our Company in accordance with Regulation 2 (1) (bbb) of the SEBI ICDR Regulations.
Shareholders	Shareholders of our Company.
Stakeholders Relationship Committee	The stakeholders relationship committee constituted by the Board of our Company in accordance with the applicable provisions of the Companies Act, 2013, the SEBI Listing Regulations and as disclosed in the section titled "***Board of Directors and Senior Management***" on page 215.
Subsidiaries	The wholly-owned subsidiaries of our Company in accordance with the Companies Act, 2013, being: (i) KPIG Energia Private Limited; (ii) Sun Drops Energia Private Limited; (iii) KPark Sunbeat Private Limited; and (iv) Miyani Power Infra LLP The term "Subsidiary" shall be construed accordingly.
Unaudited Consolidated Financial Results	Unaudited consolidated financial results of the Company for the three-months period ended June 30, 2024, prepared in accordance with Ind AS, the Companies Act, 2013, read with Companies (Accounts) Rules, 2014, and in compliance with the SEBI Listing Regulations

Issue related terms

Term	Description
Allocated or Allocation	The allocation of Equity Shares, by our Company in consultation with the BRLM, following the determination of the Issue Price to Eligible QIBs on the basis of the Application Forms submitted by them, in consultation with the BRLM and in compliance with Chapter VI of the SEBI ICDR Regulations.
Allot/ Allotment/ Allotted	Allotment and issue of Equity Shares pursuant to the Issue.
Allottees	Eligible QIBs to whom Equity Shares are issued pursuant to the Issue.
Application Amount	With respect to a Bidder shall mean the aggregate amount paid by such Bidder at the time of submitting a Bid in the Issue.
Application Form	Form (including any revisions thereof) which will be submitted by the Eligible QIBs for registering a Bid in the Issue.

Term	Description
Bid Amount	The amount determined by multiplying the price per Equity Share indicated in the Bid by the number of Equity Shares Bid for by a Bidder and payable by the Bidder in the Issue on submission of the Application Form.
Bid(s)	Indication of an Eligible QIB's interest, including all revisions and modifications of interest, as provided in the Application Form, to subscribe for the Equity Shares pursuant to the Issue. The term "Bidding" shall be construed accordingly.
Bidder	Any prospective investor, being an Eligible QIB, who makes a Bid pursuant to the terms of this Preliminary Placement Document and the Application Form.
Book Running Lead Manager or BRLM	SBI Capital Markets Limited.
CAN/ Confirmation of Allocation Note	Note, advice or intimation confirming Allocation of Equity Shares to such Successful Bidders after determination of the Issue Price.
Closing Date	The date on which Allotment of Equity Shares pursuant to the Issue shall be made, i.e., on or about [●], 2024.
Designated Date	The date on which the Equity Shares issued pursuant to the Issue, are listed on the Stock Exchanges pursuant to receipt of the final listing and trading approvals for the Equity Shares from the Stock Exchanges or the date on which Form PAS-3 is filed by our Company with the RoC, whichever is later.
Eligible FPIs	FPIs that are eligible to participate in this Issue in terms of applicable laws, other than individuals, corporate bodies and family offices.
Eligible QIBs	QIBs, as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations that are eligible to participate in the Issue and which are not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations and are not restricted from participating in the Issue under the applicable laws. In addition, QIBs, outside the United States in "offshore transactions", as defined in, and in reliance on Regulation S under the U.S. Securities Act. Further, FVCIs are not permitted to participate in the Issue.
Escrow Account	Special non-interest bearing, no-lien, current bank account without any cheques or overdraft facilities, to be opened in the name and style "KPI GREEN ENERGY LIMITED- QIP ESCROW ACCOUNT 2024" with the Escrow Bank, subject to the terms of the Escrow Agreement into which the Application Amount payable by the Bidders in connection with the subscription to the Equity Shares pursuant to the Issue shall be deposited.
Escrow Agreement	Agreement dated July 31, 2024, entered into by and amongst our Company, the Escrow Bank and the BRLM for collection of the Application Amounts and remitting refunds, if any, of the amounts collected, to the Bidders.
Escrow Bank	State Bank of India
Floor Price	Floor price of ₹ 983.24 for each Equity Share, calculated in accordance with Chapter VI of the SEBI ICDR Regulations. Our Company may offer a discount on the Floor Price in accordance with the approval of our Board dated May 13, 2024, and the Shareholders on June 28, 2024, and in terms of Regulation 176(1) of the SEBI ICDR Regulations.
Gross Proceeds	The gross proceeds of the Issue that will be available to our Company.
Issue	Offer and issuance of the Equity Shares to Eligible QIBs, pursuant to Chapter VI of the SEBI ICDR Regulations and the applicable provisions of the Companies Act, 2013 and the rules made thereunder.
Issue Closing Date	[●], 2024, the date after which our Company (or BRLM on behalf of our Company) shall cease acceptance of Application Forms and the Application Amount.
Issue Opening Date	August 12, 2024, the date on which our Company (or the BRLM on behalf of our Company) shall commence acceptance of the Application Forms and the Application Amount.
Issue Period	Period between the Issue Opening Date and the Issue Closing Date, inclusive of both days during which Eligible QIBs can submit their Bids along with the Application Amount.
Issue Price	A price per Equity Share of ₹ [●].
Issue Size	Aggregate size of the Issue, up to ₹ [●] million.
Monitoring Agency	ICRA Limited, being a credit rating agency registered with SEBI.
Monitoring Agency Agreement	Monitoring agency agreement dated July 23, 2024, entered into between our Company and ICRA Limited.
Net Proceeds	The net proceeds from the Issue, after deducting fees, commissions and expenses of the Issue.

Term	Description
Placement Agreement	Placement agreement dated August 12, 2024, by and among our Company and the BRLM.
Preliminary Placement Document	This Preliminary Placement Document dated August 12, 2024, issued in accordance with Chapter VI of the SEBI ICDR Regulations and the provisions of the Companies Act, 2013 and the rules prescribed thereunder.
Placement Document	The placement document to be issued in accordance with Chapter VI of the SEBI ICDR Regulations and the provisions of the Companies Act, 2013 and the rules prescribed thereunder.
QIBs or Qualified Institutional Buyers	Qualified institutional buyers, as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
QIP	Qualified institutions placement under Chapter VI of the SEBI ICDR Regulations and applicable provisions of the Companies Act, 2013 read with applicable rules.
Regulation S	Regulation S under the Securities Act.
Refund Amount	The aggregate amount to be returned to the Bidders who have not been Allocated Equity Shares for all, or part, of the Application Amount submitted by such Bidder pursuant to the Issue.
Refund Intimation	The intimation from the Company to relevant Bidders confirming refund of the Refund Amount to their respective bank accounts.
Relevant Date	August 12, 2024, which is the date of the meeting in which our Board decided to open the Issue
Stock Exchanges	NSE and BSE.
Successful Bidders	The Bidders who have Bid at or above the Issue Price, duly paid the Application Amount with the Application Form and who are Allocated Equity Shares pursuant to the Issue.
U.S. / United States	The United States of America.
U.S. Securities Act	The United States Securities Act of 1933, as amended.
Working Day	Any day other than second and fourth Saturday of the relevant month or a Sunday or a public holiday or a day on which scheduled commercial banks are authorized or obligated by law to remain closed in Mumbai, India.

Business and Industry related terms

Term	Description
BOP	Balance of Plant
CAGR	Compound annual growth rate
CMS	Central Monitoring System
CPP	Captive power producers
CRISIL	CRISIL Limited
CRISIL Report	The report titled "*Renewable Power Market and OM Services for Solar-Wind Energy*" dated July 2024 that has been prepared by CRISIL Research.
CRISIL Research / Industry Report Provider	A division of CRISIL
CSR	Corporate social responsibility
DSRA	Debt service reserve account
EBITDA	EBITDA shall mean the profit for the period / year, plus tax expenses (consisting of current tax, deferred tax and current taxes relating to earlier years), exceptional items, finance costs and depreciation and amortization expenses
EBITDA Margin	EBITDA margin is calculated as EBITDA as a percentage of revenue from operations
EMS	Environmental management systems
EPC	Engineering, procurement and construction
FiT	Feed-in-tariff
GDP	Gross domestic product
GEDA	Gujarat Energy Development Agency
GETCO	Gujarat Energy Transmission Corporation Limited
GSECL	Gujarat State Electricity Corporation Limited.
GUVNL	Gujarat Urja Vikas Nigam Limited.
GW	Giga Watts
GT	High tension
HR	Human resource
HSAT	Horizonatal single axis solar tracker
IPP	Independent power producer

Term	Description
ISA	Implementation and Support Agreement
LT	Low tension
IMF	International Monetary Fund
MMS	Module mounting structure
MMT	Million metric tons
MNRE	Ministry of New and Renewable Energy, Government of India
MoP	Ministry of Power
MVA	Megavolt-ampere
MW	Mega Watts
MW_{AC}	Mega Watts Alternating Current
MW_{P}	Mega Watts Peak
NCP	National Commission on Population
NCR	National Capital Region
O&M	Operations And Maintenance
OEM	Original Equipment Manufacturer
OH&S	Occupational Health and Safety
PAT	Profit after tax
PAT Margin	PAT margin shall be calculated as the profit for the period/ year as a percentage of total income
PPAs	Power Purchase Agreements
Q1	Quarter 1
Q2	Quarter 2
Q3	Quarter 3
Q4	Quarter 4
R&D	Research and development
Revenue from IPP	Revenue from IPP shall mean the revenue generated from supplying of power to corporate clients through PPAs
Revenue from CPP	Revenue from CPP shall mean the revenue from sale of lease, operation and maintenance services for CPP plant constructed for respective customers
Revenue land	Land which is owned by the government
RGOs	Renewable energy obligations
ROCE	Return on Capital Employed
ROE	Return on equity
RPO	Renewable purchase obligation
SAP	Systems, Applications & Products in Data Processing
SCADA	Supervisory Control and Data Acquisition
SECI	Solar Energy Corporation of India
SME	Small and Medium Enterprises
T&D	Transmission and distribution
UK	United Kingdom
USA	United States of America
USD	US Dollars
UT	Union Territory
YTD	Year to Date

Conventional and general terms

Term	Description
₹, Rs., INR, Rupees	Indian Rupees
AGM	Annual General Meeting
AS or Accounting Standards	Accounting Standards issued by the Institute of Chartered Accountants of India
BSE	BSE Limited
CAGR	Compound annual growth rate
Calendar Year	Year ending on December 31
CDSL	Central Depository Services (India) Limited
CESTAT	Customs, Excise and Service Tax Appellate Tribunal
CIN	Corporate Identification Number
Civil Procedure Code	The Code of Civil Procedure, 1908
Companies Act	The Companies Act, 2013 and applicable provisions of the Companies Act, 1956
Companies Act, 1956	The Companies Act, 1956 along with the relevant rules made thereunder

Term	Description
Companies Act, 2013	The Companies Act, 2013, along with the relevant rules made and clarifications issued thereunder
Consolidated FDI Policy	Consolidated Foreign Direct Investment Policy notified by the DPIIT by way of circular bearing number DPIIT file number 5(2)/2020-FDI Policy dated October 15, 2020 effective from October 15, 2020
Cr.PC	The Code of Criminal Procedure, 1973
Depositories	CDSL and NSDL
Depositories Act	The Depositories Act, 1996
Depository Participant or DP	A depository participant as defined under the Depositories Act
DP ID Number	Depository participant identification number
DPIIT	Department for Promotion of Industry and Internal Trade
EGM	Extraordinary general meeting
Eligible FPIs	FPIs that are eligible to participate in this Issue
EU	European Union
FDI	Foreign Direct Investment
FEMA	The Foreign Exchange Management Act, 1999, together with rules and regulations issued thereunder
FEMA Rules	The Foreign Exchange Management (Non-debt Instruments) Rules, 2019, as amended
FIR	First information report
Financial Year or Fiscal	The period of 12 months ended March 31 of that particular year, unless otherwise stated
Form PAS-4	Form PAS-4 as prescribed under the Companies (Prospectus and Allotment of Securities) Rules, 2014
FPIs	Foreign portfolio investors as defined under the SEBI FPI Regulations and includes a person who has been registered under the SEBI FPI Regulations
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
FVCI	Foreign Venture Capital Investor, as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, registered with SEBI
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
General Meeting	AGM or EGM
GoI or Government	Government of India
GST	Goods and Services Tax
HUF	Hindu Undivided Family
HNI	High net-worth individual
I.T. Act	The Income-tax Act, 1961
ICAI	Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
Ind AS	Indian accounting standards, as per the roadmap issued by the Ministry of Corporate Affairs, Government of India, notified by the MCA under section 133 of the Companies Act, 2013, read with Companies (Indian Accounting Standards) Rules, 2015, as amended
IRDAI	Insurance Regulatory and Development Authority of India
MAT	Minimum Alternate Tax
MCA	Ministry of Corporate Affairs, GoI
MoEF	Ministry of Finance, GoI
MoU	Memorandum of Understanding
Mutual Funds	Mutual funds registered under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
NEFT	National Electronic Fund Transfer
Non-Resident Indian or NRI	An individual resident outside India who is citizen of India
Non-Resident or NR	A person resident outside India, as defined under the FEMA
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
P.A. or p.a.	Per annum
PAN	Permanent Account Number allotted under the I.T. Act
PAS Rules	The Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended
PAT	Profit after tax

Term	Description
RBI	Reserve Bank of India
RoC or Registrar	Registrar of Companies, Gujarat at Ahmedabad
SCR (SECC) Regulations	The Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations), Regulations, 2018
SCRA	The Securities Contracts (Regulation) Act, 1956
SCRR	The Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India established under the SEBI Act
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI FPI Regulations	The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
SEBI Listing Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Mutual Fund Regulations	The Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
U.S.	United States of America
Wilful Defaulter or Fraudulent Borrower	Wilful defaulter or fraudulent borrower as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations

SUMMARY OF BUSINESS

Overview

We are a renewable energy player focused on expanding our power generation capacities to deliver reliable energy and help expedite India's march to a net-zero carbon future. We are a part of the KP group, a prominent business group with significant experience in the renewable energy (solar, wind and hybrid) sector (*source: CRISIL Report).* We commenced our operations in 2008 and specialise in solar and hybrid power generation. We are one of the leading renewable energy power producers in the solar and hybrid segment in Gujarat, in terms of return on equity, and operating and net margins for Fiscal 2024 (*source: CRISIL Report*).

We develop, build, own, operate and maintain solar and hybrid power plants as an independent power producer ("**IPP**") and as an engineering, procurement and construction ("**EPC**") service provider to captive power producers ("**CPP**").

As of June 30, 2024, our cumulative commissioned capacity across our IPP and CPP verticals was ~473 MW and our evacuation capacity was ~1,845 MW. Our projects are located across 38 sites in Gujarat, where the state government has set a target of achieving ~100 GW of renewable energy capacity by 2030, which will make it a leader in renewable energy development in India (*source: CRISIL Report*). This serves as one of our key catalysts and focus areas.

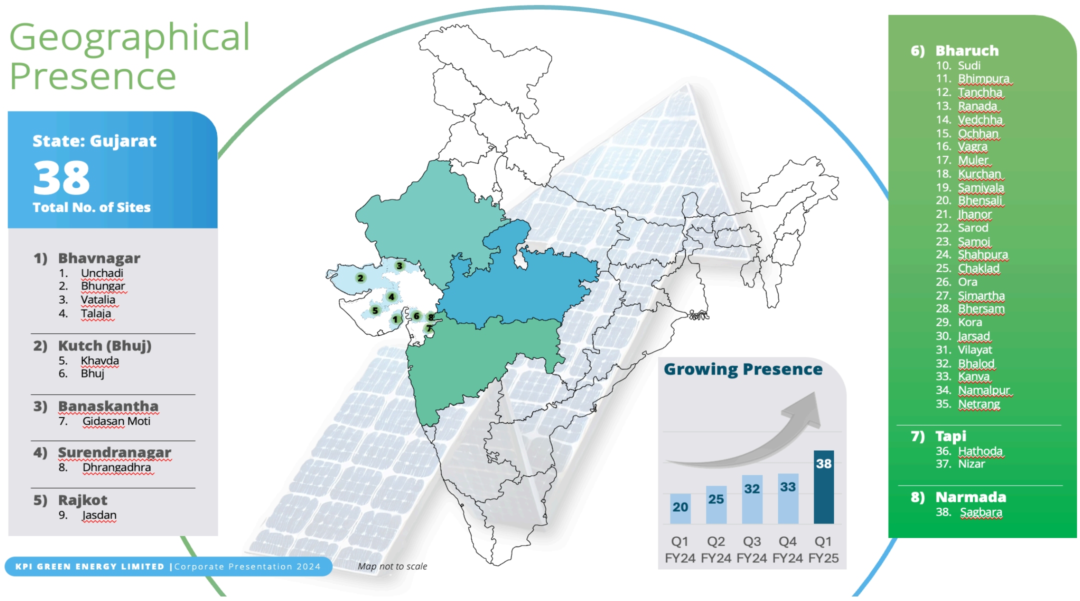
As of June 30, 2024, our IPP portfolio comprises grid connected projects with a total commissioned capacity of 171 MW. We have entered into power purchase agreements ("**PPAs**") with various commercial and industrial off-takers with an average term of 18 years. Our long-term PPAs ensure a predictable and stable cash flow. Some of our key IPP customers include J B Ecotex Limited, Urvashi Paper Mills Private Limited, CSCI Steel Corporation India Private Limited and Best Paper Mills Private Limited. In March, 2024, our Company has signed a PPA with GUVNL for ~ 200 MW grid connected solar photovoltaic power project won through competitive bidding issued by GUVNL for solar park at Khavda, with greenshoe option of additional capacity up to ~ 800 MW. Our IPP projects are connected to sub-stations and grid infrastructure provided by the Gujarat Energy Transmission Corporation Limited ("**GETCO**").

Our CPP portfolio projects had a total commissioned capacity of 302 MW as of June 30, 2024. As part of our CPP vertical, we set up captive power projects for our commercial and industrial clients on land parcels belonging to our land bank, which are thereafter leased to the respective customers on a long term lease rental basis. Some of our key CPP customers include Colourtex Industries Private Limited, Aether Industries Limited, General Polytex Private Limited and Devang Paper Mills Private Limited.

Set out below are the details of our land bank for the respective financial periods, comprising owned and leased parcels, which are utilised for our various CPP and IPP projects:

Particulars	As of March 31, 2022	As of March 31, 2023	As of March 31, 2024	As of June 30, 2024
Total approximate area (in acres)	850	1,374	2,217	2,686

Set out below is geographic map of the state of Gujarat with our project sites:



As of June 30, 2024, we had (a) an installed capacity of 473 MW, comprising 302 MW in CPP projects and 171 MW in IPP projects, and (b) a capacity of 1,311 MW across secured projects where we have executed binding contracts or letters of intent ("**Order Book**"), making our cumulative capacity 1,784 MW, including a cumulative hybrid capacity of 381 MW.

Further, we provide operation and maintenance ("**O&M**") services to all our CPP projects. Our lease agreements and O&M contracts have an average term of 25 years, providing us with long term cash flow visibility. As of June 30, 2024, our O&M operations were supported by a team of 100 personnel.

Set out below are the details of our installed capacity, for our IPP and CPP verticals, which also showcases our portfolio growth:

Particulars	As of / for Fiscal 2022	As of / for Fiscal 2023	As of / for Fiscal 2024	As of June 30, 2024
IPP Installed Capacity (MW)	100	137	158	171
CPP Installed Capacity (MW)	65	175	287	302
Total installed capacity	**165**	**312**	**445**	**473**

We had a cumulative power evacuation capacity of ~240 MW, ~846 MW, ~1,657 MW and 1,849 MW as of March 31, 2022, March 31, 2023, March 31, 2024, and June 30, 2024, respectively.

We are also focused on hybrid energy solutions across both IPP and CPP verticals, with a cumulative commissioned capacity of ~68 MW, as of June 30, 2024.

Our Renewable Project Portfolio

Set out below is a summary of our commissioned projects portfolio and Order Book as of June 30, 2024:

Type of project	Commissioned (A)	As part of Order Book (B)	Cumulative capacity (A + B)
Solar	405	998	1,403
Hybrid[1]	68	313	381
Total	473	1,311	1,784

[1] Our hybrid projects produce both solar and wind energy

Key Performance Indicators

Set forth below are our key performance indicators for the periods indicated:

(₹ in million, unless otherwise stated)

Particulars	Fiscal 2022	Fiscal 2023	Fiscal 2024	Three- months period ended June 30, 2024
Total income	2,315.17	6,470.35	10,308.16	3,498.54
Revenue from IPP[1]	575.93	947.34	1,769.95	457.72
Revenue share from IPP	24.88%	14.64%	17.17%	13.08%
IPP EBITDA	432.28	700.51	1,341.62	359.31
IPP EBITDA margin (%)	75.06%	73.94%	75.80%	78.50%
Revenue from CPP[2]	1,683.88	5,479.70	8,449.33	3,020.51
Revenue share from CPP	72.73%	84.69%	81.97%	86.34%
CPP EBIDTA	616.11	1,384.28	2,053.19	978.65
CPP EBITDA margin (%)	36.59%	25.26%	24.30%	32.40%
EBITDA[3]	1,104.68	2,117.38	3,437.59	1,339.54
EBITDA margin (%)[4]	47.71%	32.72%	33.35%	38.29%
Profit for the year ("**PAT**")	432.45	1,096.28	1,616.57	661.11
PAT margin (%)[5]	18.68%	16.94%	15.68%	18.90%
Return on Capital Employed ("**ROCE**") (%)[6]	19.65%	24.27%	18.19%	N.A.
Return on Equity ("**ROE**")(%)[7]	28.13%	42.51%	19.34%	N.A.
Debt to Equity Ratio (x)[8]	2.19	2.02	1.00	0.89

1. *Revenue from IPP includes the revenue generated from supplying of power to corporate clients through Power Purchase Agreement (PPA).*

2. *Revenue from CPP includes revenue from sale of lease, operation and maintenance services for CPP plant constructed for respective customers.*
3. *EBITDA is calculated as profit for the period / year, plus tax expenses (consisting of current tax, deferred tax and current taxes relating to earlier years), exceptional items, finance costs and depreciation and amortization expenses.*
4. *EBITDA Margin is calculated as EBITDA as a percentage of Total Income.*
5. *PAT Margin is calculated as profit for the period / year as a percentage of Total Income.*
6. *ROCE (Return on Capital Employed) is calculated as profit before tax plus finance costs divided by total net worth and total debt.*
7. *ROE (Return on Equity) is calculated as profit after tax for the period/year divided by total net worth.*
8. *Debt to Equity Ratio is calculated total net worth divided by total debt for the period/year.*

COMPETITIVE STRENGTHS

Established track record of strong execution capabilities

We have a strong track record of developing, constructing and operating renewable power projects, driven by our experienced teams across all stages of the process. Since incorporation, we have completed 62 IPP projects and 119 CPP projects with a cumulative commissioned capacity of 473 MW as of June 30, 2024, across 38 sites in Gujarat.

Our ability to execute projects in a disciplined manner has aided our growth while supporting our aim of meeting our targeted return from future projects. In the case of solar energy projects, we have developed effective turnkey engineering, procurement and construction ("**EPC**") capabilities and expertise in project design, construction, procurement and installation, which we also offer to third party businesses with captive power requirements as part of our CPP vertical. Our in-house EPC team has executed approximately 302 MW of capacity as of June 30, 2024. Accordingly, we harness these capabilities for our IPP projects as well. We deploy our execution capabilities to understand and conduct wind forecasting surveys and acquire land parcels with high wind velocity and sizeable plot sizes which are conducive to construct wind far Harnessing our wind and solar execution capabilities, our cumulative hybrid capacity as at June 30, 2024 stands at 68 MW.

Our execution capabilities are also demonstrated in our transmission infrastructure. Our IPP projects are supported by an evacuation capacity of ~171 MW which is connected to GETCO substations and grid infrastructure. Our land acquisition team has evacuated power from sub-stations for the transmission lines for our projects, helping us deliver our projects within their scheduled timelines and access to evacuation infrastructure, helping us to ensure a safe working environment for our workers. Our power evacuation capacity has increased from ~240 MW in March 31, 2021 to ~2,686 MW as of June 30, 2024. Before making significant investments in our solar power facilities, we focus on building the essential power evacuation infrastructure. Our evacuation infrastructure helps us integrate our renewable energy sources into the grid infrastructure and ensure reliable energy delivery to the customers. Moreover, a strong power evacuation system ensures that the generated electricity is efficiently transmitted and distributed which minimizes transmission losses and maximizes the amount of energy injected into the grid.

We have made significant strides in expanding our IPP power generation capacity increasing it to 171 MW as of June 30, 2024. Additionally, in March, 2024, we have also signed a PPA with GUVNL for ~ 200 MW grid connected solar photovoltaic power project with greenshoe option of additional capacity up to ~ 800MW. Our CPP capacity also grew considerably by reaching a consolidated capacity of 302 MW as of June 30, 2024.

We carefully evaluate evacuation infrastructure and grid availability at our project locations and our project execution capabilities include building and maintaining the necessary evacuation and transmission infrastructure. In addition, we evaluate the regulatory landscape (including any curtailment issues) as well as the quality of the off takers for our projects. We also ensure that we partner as required with reputed OEMs with appropriate resources to support our execution efforts including provision of transmission infrastructure, technical support and maintenance services.

Strong order book, well-established land bank with approvals, and a committed pipeline for future projects

As of June 30, 2024, we had an Order Book of 1,311 MW comprising solar and hybrid projects. Our Order Book is an important indicator of future revenues and growth. Our Order Book has grown from ~57 MW as of March 31, 2021, to 1,311 MW as of June 30, 2024. Some of the key clients who are a part of our Order Book are Colourtex Industries Private Limited, Aether Industries Limited, General Polytex Private Limited and Devang Paper Mills Private Limited.

For the development of solar and wind hybrid power projects, land is an essential resource with a requirement for acquisition of land parcels on lease and outright sale basis. With a land bank of approximately 2,686 acres, which includes owned and leased land, we are well poised to expand our project portfolio.

We build CPP projects for commercial and industrial off-takers on parcels from our land bank, which are leased out to such customers for a period of 25 years. In addition to revenue earned from building the CPP projects, we generate lease rental and O&M income from such projects for a period of 25 years. By securing land within the vicinity of efficient power evacuation infrastructure, we streamline project development and minimise transmission losses thereby minimising capital and operational expenditure.

The availability of transmission infrastructure and access to a power grid or network are critical to a power project's feasibility. Further, it is also crucial to obtain relevant approvals from the regulators and transmission companies. We have received approvals from GETCO to inject the solar power produced by our facilities into the grid, aggregating to 1,849 MW as of June 30, 2024. Accordingly, we have approvals in place for evacuating power generated by our IPP as well as CPP projects. We have also installed 33 KV and 11 KV transmission lines for internal connectivity, and 66 KV and 11 KV transmission lines to connect our projects nearby GETCO sub-stations. Accordingly, we believe the availability of such approvals and infrastructure makes our land bank an attractive proposition for corporate off-takers.

Our pipeline of projects comprises a proposed capacity of ~1,311 MW for both our IPP and CPP projects, giving us visibility on our future cash flows.

Harnessing technological prowess to augment performance and efficiency

We are continuously working on introducing the latest, high-quality products. Our goal is to accelerate the adoption of solar technology across India to conserve our environment and provide an environmentally friendly and sustainable source of energy through economical and sustainable solar renewable energy generating models for our customers. Set out below are our key technological capabilities:

Bi-facial solar panels: By introducing bifacial solar panels that capture sunlight from both the front and rear sides, we have achieved significantly higher yields, as compared to the mono-facial panels. We have increased the overall energy generation capacity and system efficiency by employing the hybrid model of using wind turbine along with solar panels for generating energy and integrating them before injecting the combined energy into the grid. This also facilitates an uninterrupted power supply.

Water-less robotic cleaning of solar panels: Our investment in research and development for and adopting of water-less robotic cleaning of solar panels has streamlined maintenance operations, increased cleaning frequency by saving substantial amount of cleaning water and mitigated risks associated with manual labour at elevated heights.

Single axis trackers: We also use single-axis trackers to optimise the efficiency of solar panels by maximising their exposure to sunlight throughout the day. A single-axis tracker is a device that allows solar panels to follow the trajectory of the sun from the east to the west, as the sun moves across the sky. The tracking capability enables the solar panels to maintain an optimal angle relative to the sun, which results in an increase in energy generation by more than 15%.

Drone and thermal imagery*:* We use drones to regularly capture thermal images of our plants using IR thermal imaging systems and monitor any potential damage to the solar panels. This is a quick and effective way to find potential fault points, losses, little flaws and abnormalities, improving the efficiency and precision of the data collected, compared to the manual data collection. We utilise thermal imaging system using IR thermal cameras to assess our solar installations on-site, enabling us to efficiently identify any potential concerns in specific areas. This method effectively detects localised faults and the data and images obtained assist us in devising strategies to enhance the overall performance of the solar plants.

Supervisory control and data acquisition: ("**SCADA**"): We use SCADA for real-time monitoring of the key performance parameters of all plants. The system helps in timely fault detection in the solar plant, which helps the control room at the site take corrective actions. The system also helps analyse real-time data of energy generation, including radiation, temperature and wind speed for informed decision-making. We also introduced systems application and products ("**SAP**") for better project management from centralized repository.

SAP for better project management from centralized repository: We have introduced SAP for product management and enhancing our operational capabilities. We are in the process of implementing a centralised monitoring system ("**CMS"**) across all the locations for remote monitoring and management of multiple solar installations and systems from a single location.

These technological advancements have not only enhanced our efficiency but have also contributed to the broader objective of reducing our environmental impact. We are also in the process of introducing SAP for product management to further enhance our operational capabilities.

Professional and experienced leadership team with strong corporate governance

We are led by a professional management team with extensive experience in the renewable energy industry, in-depth understanding of managing renewable energy projects and a proven performance track record. Our senior management is led by Farukbhai Gulambhai Patel (our Chairman and Managing Director) and is supported by able professionals. Our senior management has extensive experience in the fields of renewable energy, finance, land revenue, and power. For further details, please see "***Board of Directors and Senior Management***" on page 215.

Our high corporate governance standards are monitored by independent directors, which comprises half of our board strength. We have a well-developed organisational structure, which includes experienced mid-level and field-level personnel. We maintain a focus on implementing and strengthening the requisite project bidding, financing, execution and O&M capabilities across our organisation. We employ a significant number of qualified technical personnel and as of June 30, 2024, our personnel included a team of 82 dedicated engineers engaged in developing and managing our projects. We also have a strong O&M and projects team, with 100 and 136 personnel, respectively.

The management team's capabilities and core understanding of the renewable energy business, as well as the related regulatory environment, enables us to continue to operate efficiently and manage risk effectively. We believe our competitive position compared to our competitors and continuing reputation for operational excellence is a significant competitive advantage.

We benefit from this experience, support, vision, relationships and resources of the KP group for executing projects that we have won or acquired. To supplement our project execution capabilities, we invest in the technology standards that are sustainable, thereby giving us a sustainable competitive advantage, efficiency in operations and improve time realizations, respect, talent traction and profitability.

Consistent growth with robust operational and financial metrics

As a result of our focus on business expansion and capital efficiency, we have been able to achieve sustained growth with respect to various financial indicators. We consider our ability to evolve and address the needs of our marquee customer base as a key factor in our growth. Our growth is reflected in our improved financial performance. For example, our total income grew at a CAGR of 111.01 % from ₹ 2,315.17 million in Fiscal 2022 to ₹ 10,308.16 million in Fiscal 2024. Similarly, our PAT grew from ₹ 432.45 million in Fiscal 2022 to ₹ 1,616.57 million in Fiscal 2024, growing at a CAGR of 93.34 %. Our total income was ₹3,498.54 million and our PAT was ₹661.11 million, respectively, for the three months ended June 30, 2024.

Our strong financial performance is also indicative in our credit worthiness. In this regard, we have been assigned a credit rating of A- from ICRA as of June 30, 2024.

We strive to maintain a robust financial position with emphasis on having a strong balance sheet and increased profitability. Our strong balance sheet enables us to pursue opportunities for growth and better manage unanticipated cash flow variations. For further details on a comparative analysis of our financial position and revenue from operations, see the "***Management's Discussion and Analysis of Financial Position and Results of Operations***" on page 88.

Our growth has also been enabled by the long term nature of our PPAs, O&M contracts and leases, from which we benefit significantly. In terms of our PPAs, our power purchase tariffs are linked to unit rates offered by power distribution companies ("**DISCOM**"), where we typically offer an average discount of 7% to our customers. Our O&M contracts also have fixed service charges which provide for escalations through their term.

Our lease agreements also have an average of 25 years as the lease period. Under our leasing arrangements, our customers pay us fixed tariffs annually, which are subject to escalation on a yearly basis. The average annual escalation of rent is 2% for our lease agreements. The aforesaid factors provide us with cash flow visibility which enables us to plan our growth, capital management and financial performance efficiently.

For further details of our key financial and operations metrics, please see *"- **Key Performance Indicators***" on page 203.

OUR STRATEGIES

Pursue portfolio growth and build a strong position in solar projects with specific focus on large scale projects

We intend to strengthen our position in the Indian renewable energy sector by further growing our portfolio across both CPP and IPP verticals and ensuring steady cash flows.

We have made significant strides in expanding our power generation capacity, by adding ~109 MW of operational capacity to our IPP segment since March 31, 2021, and achieving a consolidated capacity of 171 MW as of June 30, 2024. Additionally, our CPP segment grew considerably by 293 MW since March 31, 2021, reaching a consolidated capacity of 302 MW as of June 30, 2024. Further, we have projects in our Order Book with a proposed capacity of ~1,311 MW as of June 30, 2024. While the existing projects and our current Order Book are in Gujarat, we also intend to further focus on integrating and expanding our IPP and CPP projects across various states in India such as Maharashtra and Uttarakhand, to widen our customer base across different geographies.

We plan to expand the portfolio of our solar projects by leveraging our existing customer base and by adopting a targeted approach to win contracts for provision of solar power on the basis of our competitive strengths and cost efficiencies that we will be able to offer to such customers. We also intend to utilise our available land resources and our land acquisition skills to build our portfolio. As of June 30, 2024, we had a land bank of 2,686 acres of owned and leased parcels, which is or proposed to be utilised for our expansion plans.

Our capital management philosophy is to ensure that our projects are well funded, and there is seamless transformation of capital requirements at each stage of a project's development process, in order to maximize stakeholder value and reduce project execution risk with disciplined capital management.

We intend to achieve up to ~ 1,000 MW of cumulative capacity by 2025. To build a strong position in solar and hybrid projects, we intend to additionally focus on large scale projects going forward.

While we will focus on large scale projects, we intend to continue to grow our business for smaller power projects (i.e. less than ~ 10 MW), primarily catering to the MSME segment. MSMEs constitute ~95% of total industrial units in India. (*source: CRISIL report*) MSMEs in Gujarat play a pivotal role in the state's advancement and significantly contribute to India's socio-economic growth (*source: CRISIL report*). We believe this has better margins and quicker turnaround time to complete the projects.

To focus on our hybrid portfolio projects and leveraging our experience in wind projects

We commissioned our first hybrid (wind and solar) project as part of our IPP vertical, comprising ~16.10 MW of wind and ~10 MW of solar capacity under the Gujarat Wind-Solar Hybrid Power Policy, 2018. As part of our CPP segment, we have a total of 231 MW as of June 30, 2024, in under-construction solar and hybrid projects. As of June 30, 2024, we have commissioned 24 MW of hybrid projects.

Initially, India has set a target of 450 GW renewable energy installed capacity by 2030. Now, as per the revised target, India is expected to have 500 GW non fossil fuel-based capacity installed by 2030. The estimated total installed capacity of India is expected to reach to 777 GW by March 2030. (*source: CRISIL Report*). As we look forward and contribute further to the nation's renewable energy targets with the government's tendering for solar, we believe that hybrid projects will be a key focus to participate in India's net zero ambition. The hybrid model brings both solar and wind energy together to provide a more reliable, efficient and sustainable approach to renewable energy generation. This model also enables the commercial optimization of transmission charges and the effective utilization of grid capacity. (*source: CRISIL Report*). Our expertise in solar and wind project development will be instrumental in advancing hybrid projects under the Gujarat Wind-Solar Hybrid Policy, which not only aligns with our commitment to clean energy but also offers other ancillary benefits, flexibility and grid stability.

We aim to grow our market position by leveraging our presence across wind-resource rich states. We plan to expand our portfolio to enter new products and markets, including those for offshore wind energy. Due to its long coastline measuring 7,600 km India has potential of 140 GW in the offshore wind segment (*source: CRISIL Report*). Further, as part of the increasing focus on renewable energy pursuant to the national policy of the Indian Government, including the waiver of inter-state transmission system charges for projects commissioned until June 30, 2025 (*source: CRISIL Report*), we also intend to use our existing infrastructure to bid for hybrid renewable energy projects, i.e., projects with wind and solar energy components.

Focus on timely execution of projects

We continue to enhance our practices by moving from conventional reactive maintenance to predictive and proactive maintenance through the use of advanced analytics, artificial intelligence and machine learning. Currently, all of our plants in Gujarat are equipped with SCADA systems for monitoring. We are also implementing SAP and CMS across all our business operations.

We seek to further enhance our project execution efforts in order to control our costs and optimise the output of our projects. We intend to develop in-house capabilities such as robotic panel cleaning, and solar panel trackers to track the direction of the sun to increase economic viability of the project. We will seek to implement new technologies, including newer versions / capacities of turbine and solar module technologies, which are capable of higher generation levels. Our in-house team of technical designers intends to continue to refine and enhance our solar plant design and execution capabilities and to continue to work with leading wind OEMs to deploy new turbine technologies.

We also intend to utilise drones and new maintenance technologies as part of enhanced project monitoring and O&M efforts.

We intend to strengthen our diagnostics and performance monitoring capabilities across our wind and solar energy projects. In addition, we intend to invest in advanced monitoring and tracking and predictive and preventive analytics technologies with specific applications in operational areas including monitoring equipment condition, advanced failure detection and forecasting and scheduling energy generation. Our asset management team will also continue to focus on maximising the operating efficiency of our assets as measured by plant load factor ("**PLF**"). We intend to continue to build our in-house transmission capabilities in respect of our solar energy projects, relying on our own EPC teams for the development of transmission lines in addition to external EPC providers to further control costs on such projects. This will enable us to evaluate new energy storage solutions and associated technologies to further increase project operational efficiencies.

Focus on strategic acquisitions of land within the vicinity of the electric sub-stations

Land is one of the key resources for renewal power projects. One of the most crucial aspects of successfully land acquisition is identifying land parcels with sufficient irradiation levels and access to grid infrastructure.

With a land bank of approximately 2,686 acres, which includes owned and leased land, we generate and supply power as an IPP and CPP producer. We offer land tracts to third parties who subsequently lease the offered land back to us for a period of 25 years to build solar power facilities. Following the term of our lease, we pay a fixed lease rental to the landowners, thereby continuously improving our leasing portfolio as owned land parcels streamline financing of solar projects.

We intend to focus on acquiring land parcels with pre-approved permissions. For example, we have acquired 100.00% equity share capital of KPark Sunbeat Private Limited which proposes to set up a ~70 MW solar park at Dhrangadhra, Surendranagar, Gujarat and a ~30 MW solar park at Kantvav, Surat, Gujarat, aggregating up to ~100 MW of solar power projects, which will form part of our IPP vertical. KPark Sunbeat Private Limited also owns ~52 acres of land at Surendranagar, Gujarat on freehold basis for development for solar power projects and has secured necessary approvals from GETCO to evacuate the power generated at the respective solar power plant to the nearest 66KV / 220KV sub-station. To this end, KPark Sunbeat Private Limited has already built a capacity of ~ 10MW as part of our IPP business.

We will continue to focus on identifying and acquiring potential land parcels which will help us grow our project portfolio. We believe our present land bank and our expertise and track record of land acquisition provides us with a competitive edge with regards to one of the most essential resources in renewable projects, being land parcels.

Focus on expansion of geographic footprint

We intend to focus on geographic expansion and bidding and acquiring new projects in other states in India which have potential for renewable energy development. For instance, under our CPP segment, we have recently signed a memorandum of understanding with Mahatma Phule Renewable Energy and Infrastructure Technology Limited ("**Mahapreit**"), a subsidiary of Maharashtra's MPBCDC, to work on various projects centered around renewable energy and technological advancement. We believe such strategic partnerships will help us expand our geographic footprint in Maharashtra. In March, 2024, we won the tender by Maharashtra State Power Generation Company Limited for the development of ~100 MW solar power project in the state of Maharashtra. We have also signed a memorandum of understanding with the Government of Uttarakhand for development of a ~500 MW solar park on a CPP basis, in line with the state government's renewable policy to empower the state with green and sustainable energy.

According to Crisil, there is huge untapped potential across the states for solar energy, as mentioned below:

States	Potential (GW)	Installed capacity (GW)	Potential achieved (%)
Andhra Pradesh	38	4.58	12.1%
Gujarat	36	13.54	37.6%
Karnataka	25	8.54	34.2%
Madhya Pradesh	62	3.99	6.4%
Maharashtra	64	6.24	9.8%
Punjab	3	1.32	44.0%
Rajasthan	142	21.34	15.0%
Tamil Nadu	18	8.21	45.6%
Telangana	20	4.75	23.8%
Uttar Pradesh	23	2.92	12.7%

(Source: Crisil Report)

We intend to leverage our existing project execution capabilities coupled with our experience in O&M for becoming attractive project partners in new geographies. In addition, we plan to apply the skills and experience we gained through our significant operating portfolio and operating history to identify and develop new projects, as well as supplement our organic growth and enhance the scale of our operations by selectively pursuing strategic acquisitions of additional power businesses and assets and entering into alliances and partnerships with strategic partners.

SUMMARY OF THE ISSUE

The following is a general summary of the terms of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Preliminary Placement Document, including the sections titled "***Risk Factors***", "***Use of Proceeds***", "***Placement***", "***Issue Procedure***" and "***Description of the Equity Shares***" on pages 41, 76, 249, 236 and 262, respectively.

Issuer	KPI Green Energy Limited
Face Value	₹ 5 per Equity Share
Issue Size	Issue of up to [•] Equity Shares of face value of ₹ 5 each at a price of [•] per Equity Share, including a premium of ₹ [•], aggregating to up to ₹ [•] million. A minimum of 10% of the Issue Size i.e., at least up to [•] Equity Shares of face value of ₹ 5 each, shall be made available for Allocation to Mutual Funds only and the balance [•] Equity Shares of face value of ₹ 5 each shall be made available for Allocation to all QIBs, including Mutual Funds. In case of under-subscription in the portion available for Allocation to Mutual Funds, such undersubscribed portion or part thereof may be Allotted to other Eligible QIBs.
Date of Board Resolution	May 13, 2024
Date of Shareholders' Resolution	June 28, 2024
Floor Price	₹ 983.24 per Equity Share The Floor Price for the Issue has been calculated in accordance with Chapter VI of the SEBI ICDR Regulations. Our Company may offer a discount of not more than 5% on the Floor Price in accordance with the approval of our Board dated May 13, 2024 and the shareholders of our Company accorded through their special resolution passed by way of postal ballot on June 28, 2024, and in terms of Regulation 176(1) of the SEBI ICDR Regulations.
Issue Price	₹ [●] per Equity Share of the Company (including a premium of ₹ [●] per Equity Share)
Eligible Investors	Eligible QIBs, to whom this Preliminary Placement Document and the Application Form are delivered and who are eligible to bid and participate in the Issue. For further details, please see the sections titled "***Issue Procedure – Eligible Qualified Institutional Buyers***" and "***Transfer Restrictions and Purchaser Representations***" on pages 240 and 256, respectively. The list of Eligible QIBs to whom this Preliminary Placement Document and the Application Form is delivered shall be determined by the BRLM in consultation with the Company, at their sole discretion.
Equity Shares issued and outstanding immediately prior to the Issue	120,565,216 Equity Shares of face value of ₹ 5 each, being fully paid-up
Subscribed and paid-up Equity Share capital prior to the Issue	₹ 602,826,080
Equity Shares issued and outstanding immediately after the Issue	[●] Equity Shares of face value of ₹ 5 each, being fully paid-up
Issue Procedure	The Issue is being made only to Eligible QIBs in reliance on Section 42 of the Companies Act read with Rule 14 of the PAS Rules, and all other applicable provisions of the Companies Act, read with Chapter VI of the SEBI ICDR Regulations. For details, please see the section titled "***Issue Procedure***" on page 236.

Listing	Our Company has received in-principle approvals dated August 2, 2024, from BSE and NSE respectively in terms of Regulation 28(1)(a) of the SEBI Listing Regulations for listing of the Equity Shares to be issued pursuant to the Issue. Our Company shall make applications to each of the Stock Exchanges after Allotment to obtain final listing approval for the Equity Shares.
Trading	The trading of the Equity Shares would be in dematerialized form and only in the cash segment of each of the Stock Exchanges. Our Company will make applications to each of the Stock Exchanges after credit of Equity Shares to the beneficiary account with the Depository Participant to obtain final trading approval for the Equity Shares to be issued pursuant to this Issue.
Lock-up	See "***Placement – Lock-up***" on page 249 for a description of restrictions on our Company and Promoters in relation to Equity Shares.
Transferability Restrictions	The Equity Shares being Allotted pursuant to this Issue shall not be sold for a period of one year from the date of Allotment, except on the floor of the Stock Exchanges. For further details, please see the section titled "***Transfer Restrictions and Purchaser Representations***" on page 256.
Use of Proceeds	The Gross Proceeds aggregate to ₹ [•] million. Subject to compliance with applicable laws, the net proceeds from the Issue, after deducting fees, commissions and the estimated expenses of the Issue of approximately ₹ [•] million, shall be approximately ₹ [•] million. For details, please see the section titled "***Use of Proceeds***" on page 76.
Risk Factors	For details, please see the section titled "***Risk Factors***" on page 41 for a discussion of risks you should consider before deciding whether to subscribe for the Equity Shares.
Dividend	See "***Description of the Equity Shares***" and "***Dividends***" on pages 262 and 87, respectively
Taxation	Please see the section titled "***Taxation***" on page 265.
Closing Date	The Allotment is expected to be made on or about [●].
Status, Ranking and dividends	The Equity Shares being issued pursuant to the Issue shall be subject to the provisions of the Memorandum of Association and Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares, including rights in respect of dividends. Our Shareholders (as on record date) will be entitled to participate in dividends and other corporate benefits, if any, declared by our Company after the Closing Date, in compliance with the Companies Act, 2013, the SEBI Listing Regulations and other applicable laws and regulations. Our Shareholders may attend and vote in shareholders' meetings on the basis of one vote for every Equity Share held. For details, please see the sections titled "***Description of the Equity Shares***" and "***Dividends***" on pages 262 and 87 respectively.
Voting Rights	See "***Description of the Equity Shares – Voting Rights***" on page 264.
Security Codes for the Equity Shares	ISIN: INE542W01025 BSE Code: 542323 NSE Symbol: KPIGREEN

SELECTED FINANCIAL INFORMATION

The following tables set out selected financial information as extracted from our Financial Statements, prepared in accordance with the applicable accounting standards (Ind AS), Companies Act, 2013 and the requirements of SEBI Listing Regulations, as applicable, and presented in "***Financial Information***" on page 275. The selected financial information presented below should be read in conjunction with "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" and "***Financial Information***", on pages 88 and 275, respectively, for further details.

SUMMARY OF BALANCE SHEET AS AT MARCH 31, 2022, MARCH 31, 2023, AND MARCH 31, 2024

(₹ in million)

Particulars	**As at March 31,**		
	2022 (Audited consolidated)	**2023 (Audited consolidated)**	**2024* (Audited consolidated)**
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	4,812.95	8,003.57	8,981.38
(b) Capital work-in-progress	313.33	2.84	1,013.92
(c) Other intangible assets	2.90	2.68	812.21
(d) Financial assets			
(i) Investment	0.00	15.00	0.00
(ii) Other Financial Assets	22.05	78.42	211.28
(e) Other non-current assets	1.80	1.80	1.80
Total Non-current assets	**5,153.02**	**8,104.30**	**11,020.57**
Current assets			
(a) Inventories	1,066.60	1,649.76	3,338.63
(b) Financial Assets			
(i) Trade receivables	367.84	1,467.30	4,271.32
(ii) Cash and cash equivalents	64.37	130.35	543.05
(iii) Bank balances other than (iii) above	192.04	393.62	1,157.09
(iv) Loans	1.82	1.85	3.12
(v) Others financial assets	12.89	19.42	2.52
(c) Other current assets	914.83	783.15	4,023.05
Total Current Assets	2,620.39	4,445.45	**13,338.77**
TOTAL ASSETS	**7,773.42**	**12,549.75**	**24,359.34**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	180.67	361.34	602.83
(b) Other Equity	1,356.69	2,217.82	7,754.01
(c) Minority Interest	0.00	0.00	0.00
Total Equity	**1,537.36**	**2,579.16**	**8,356.84**
LIABILITIES			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	2,892.92	4,091.21	4,171.28
(ii) Lease liabilities	1,095.79	1,543.45	2,046.16
(iii) Other financial liabilities	5.00	5.00	5.00
(b) Provisions	4.93	3.75	6.35
(c) Deferred tax (Net)	407.98	626.84	824.52
Total Non-current liabilities	**4,406.62**	**6,270.25**	**7,053.31**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	476.09	1,120.39	4,147.31
(ii) Trade payables	468.43	2,273.82	4,166.10
(iii) Other financial liabilities	19.82	87.58	267.90
(b) Other current liabilities	864.80	187.44	178.36
(c) Provisions	0.29	0.41	0.68
(d) Current tax Liabilities	-	30.70	188.84
Total Current liabilities	**1,829.44**	**3,700.34**	**8,949.20**

Particulars	As at March 31,		
	2022 (Audited consolidated)	**2023 (Audited consolidated)**	**2024* (Audited consolidated)**
TOTAL EQUITY AND LIABILITIES	**7,773.42**	**12,549.75**	**24,359.34**

** Subsequent to March 31, 2024, our Company acquired stake in our subsidiary, Miyani Power Infra LLP, aggregating to 100% of its capital contribution as on the date of this Preliminary Placement Document.*

SUMMARY OF STATEMENT OF PROFIT AND LOSS FOR THE FISCAL YEARS ENDED MARCH 31, 2022, MARCH 31, 2023, AND MARCH 31, 2024, AND THREE-MONTHS PERIOD ENDED JUNE 30, 2024

(₹ in million)

Particulars	For the financial year ended March 31,			For three-months period ended June 30, 2024 (Unaudited consolidated)^
	2022 (Audited consolidated)	2023 (Audited consolidated)	2024* (Audited consolidated)	
I. Revenue from Operations				
(a) Net Sales/Income from Operations	2,299.41	6,437.86	10,239.00	3,480.12
(i) Revenue from sales of plot	39.60	10.82	19.72	1.89
(ii) Revenue from sale of power	575.93	947.34	1,769.95	457.72
(iii) Revenue from sales of captive power project	1,679.28	5,428.80	8,319.04	2,991.32
(iv) Revenue from sales of solar panel	3.09	0.00	0.00	-
(v) Revenue from Sale of lease, operation and maintenance services	1.52	50.89	130.29	29.19
II. Other Income	**15.76**	**32.48**	**69.15**	**18.42**
III. Total Revenue (I+II)	**2,315.17**	**6,470.35**	**10,308.16**	**3,498.54**
IV. Expenses:				-
(a) Cost of materials consumed	914.12	3,796.79	5,331.59	1,682.28
(b) Purchase of stock-in-trade	33.93	44.52	31.88	4.69
(c) Changes in inventories of finished goods, work in progress and stock in trade	(7.04)	(21.75)	(2.95)	-1.83
(d) Employee benefits expense	42.61	80.73	143.90	113.82
(e) Finance costs	369.33	467.64	860.62	274.99
(f) Depreciation and amortisation expense	140.60	226.18	403.74	142.55
(g) Other expenses	226.87	452.67	1,366.15	360.05
Total Expenses	**1,720.42**	**5,046.79**	**8,134.93**	**2,576.55**
V. Profit before exceptional items and tax (III-IV)	**594.75**	**1,423.56**	**2,173.23**	**922.00**
VI. Exceptional Items	**1.14**	**4.86**	**3.05**	**(15.04)**
VII. Profit/(Loss) before tax (VII-VIII)	**593.60**	**1,418.70**	**2,170.17**	**906.95**
VIII. Tax expense	**161.15**	**322.42**	**553.61**	**245.85**
(1) Current tax (net)	0.00	103.60	356.16	201.15
(2) MAT credit entitlement	0.00	0.00	0.00	-
(3) Deferred Tax	161.15	218.82	197.45	44.69
IX. Profit / (Loss) for the period from continuing operations (IX-X)	**432.45**	**1,096.28**	1,616.57	**661.11**
X. Profit / (Loss) from discontinuing operations	0.00	0.00	0.00	-
XI. Tax expense from discontinuing operations	0.00	0.00	0.00	-
XII. Profit / (Loss) from discontinuing operations (after tax) (XII-XIII)	0.00	0.00	0.00	-
XIII. Profit / (Loss) from the period (XI + XIV)	**432.45**	**1,096.28**	1,616.57	**661.11**
XIV. Other Comprehensive Income (After tax)				

Particulars	For the financial year ended March 31,			For three-months period ended June 30, 2024 (Unaudited consolidated)^
	2022 (Audited consolidated)	2023 (Audited consolidated)	2024* (Audited consolidated)	
A. Items that will not be reclassified to profit or loss	(0.15)	0.13	(0.76)	-
Income tax on above	0.04	(0.03)	(0.19)	-
B. Items that will reclassified to profit or loss	0.00	0.00	0.00	-
Income tax on above	0.00	0.00	0.00	-
Total Other Comprehensive Income (net of tax)	(0.11)	0.10	-0.95	-
XV. Total Comprehensive Income for the period comprising Net Profit / (Loss) for the period and Other Comprehensive Income (XV+XVI)	**432.34**	**1,096.37**	**1,615.62**	**661.11**
Paid-up equity share capital	180.67	361.34	602.83	602.83
Earnings per share				
(i) Basic	23.93(1)	30.33(1)	28.17	10.97
(ii) Diluted	23.93(1)	30.33(1)	28.17	10.97

** Subsequent to March 31, 2024, our Company acquired stake in our subsidiary, Miyani Power Infra LLP, aggregating to 100% of its capital contribution as on the date of this Preliminary Placement Document.*

^ Based on the Unaudited Consolidated Financial Results.

Notes:

(1) Before adjusting for bonus issue.

- After September 30, 2023, our Company has issued 1,518,480 Equity Shares by way of a preferential allotment on a private placement basis on December 4, 2023.

- After September 30, 2023, our Company has issued 2,535,925 Equity Shares of face value of ₹ 10 each by way of qualified institutional placement.

SUMMARY OF STATEMENT OF CASH FLOW THE FISCAL YEARS ENDED MARCH 31, 2022, MARCH 31, 2023, AND MARCH 31, 2024

(₹ in million)

Particulars	For the financial year ended March 31,		
	2022 (Audited consolidated)	2023 (Audited consolidated)	2024* (Audited consolidated)
CASH FLOW FROM OPERATING ACTIVITIES			
Profit / (loss) before tax and exceptional items	593.60	1,418.70	2,170.17
Non-cash adjustments to reconcile profit before tax to net cash flows			
Depreciation and amortisation expenses	140.60	226.18	403.74
Interest income	(12.37)	(26.53)	(58.39)
Interest expense	369.33	467.64	860.62
Amount directly debited to OCI / reserves	(0.15)	0.13	0.11
(Profit) / Loss on sale of fixed assets	0.00	(0.24)	0.00
Loss/ (Profit) on sale of investments	0.00	0.00	(1.85)
Insurance claim received	0.00	0.00	(2.52)
Loss on derecognition of asset	0.00	0.00	3.03
Operating profit / (loss) before working capital change	1,091.01	2,085.88	3,374.91
Changes in operating asset and liabilities			
Increase/(decrease) in trade payables	250.32	1,805.39	1,820.55
Increase/(decrease) in provisions and other liabilities	3.16	(1.06)	2.87
Increase/(decrease) in other current and non-current financial liabilities	(25.43)	67.76	179.62
Increase/(decrease) in other current and non-current liabilities	864.80	(677.36)	(9.08)
(Increase)/decrease in trade receivables	130.88	(1,099.46)	(2,804.02)
(Increase)/decrease in inventories	(663.92)	(583.16)	(1,688.87)
(Increase)/decrease in other current financial and non-current financial assets	0.00	(62.93)	(117.22)
(Decrease)/increase in current and other assets	(616.27)	131.68	(1,135.64)
Cash (used in) / generated from operating activities	**1,034.57**	**1,666.73**	(376.89)
Direct taxes paid / net of refund	(10.78)	(72.89)	(198.02)
Net cash flow (used in) / generated from operating activities (A)	**1,023.78**	**1,593.84**	(574.91)
CASH FLOW FROM INVESTING ACTIVITIES			
Payment for purchase of fixed assets and CWIP (excluding ROU Asset)	(1,670.90)	(2,662.77)	(1,305.70)
Acquisition of ROU Asset	(235.48)	(455.81)	(560.73)
Advance to capital creditors	0.00	0.00	(2,100.27)
Interest Income received	12.37	26.53	58.39
Proceeds from sale of fixed assets	0.00	12.74	2.52
Proceeds from sale of mutual funds	0.00	0.00	16.85
Investment in subsidiaries	0.00	0.00	21.09
Investments	0.00	(15.00)	0.00

Particulars	For the financial year ended March 31,		
	2022 (Audited consolidated)	2023 (Audited consolidated)	2024* (Audited consolidated)
Net cash (used in) / generated from investing activities (B)	**(1,894.00)**	**(3,094.32)**	(3,867.85)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from issuance of share capital	0.00	0.00	3,000.00
Proceeds / (repayment) of lease liability, net	304.76	447.67	502.71
Proceeds / (repayment) of short-term borrowings, net	183.27	644.30	3,026.92
Proceeds / (repayment) from long-term borrowings, net	809.11	1,198.29	46.57
Interest expense	(369.33)	(467.64)	(860.62)
Expenses incurred on issue of shares	0.00	0.00	(78.21)
Dividend paid	(18.00)	(54.57)	(18.43)
Net cash (used in) / generated from financing activities (C)	**909.81**	**1,768.04**	**5,618.93**
Net increase/(decrease) in cash and cash equivalents (A + B + C)	39.59	267.55	1,176.17
Cash and cash equivalents at the beginning of the year	216.83	256.42	523.97
Cash and cash equivalents at the end of the year	**256.41**	**523.97**	**1,700.14**
Components of cash and cash equivalents			
Cash on hand	0.67	2.03	3.29
Balance with banks:			
- on current account	63.70	128.32	539.76
- other bank balance	192.04	393.62	1,157.09
Total cash and cash equivalents	**256.41**	**523.97**	**1,700.14**

** Subsequent to March 31, 2024, our Company acquired stake in our subsidiary, Miyani Power Infra LLP, aggregating to 100% of its capital contribution as on the date of this Preliminary Placement Document.*

RELATED PARTY TRANSACTIONS

For details of the related party transactions during (i) the Financial Year ended March 31, 2022; (ii) the Financial Year ended March 31, 2023; and (iii) the Financial Year ended March 31, 2024, as per the requirements under Ind AS, please see the section titled "***Financial Information***", on page 275 for the above-mentioned fiscal years respectively.

RISK FACTORS

This Preliminary Placement Document contains certain forward-looking statements that involve risks and uncertainties. Our results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Preliminary Placement Document.

Prospective investors should carefully consider the following risk factors as well as other information included in this Preliminary Placement Document prior to making any decision as to whether or not to invest in the Equity Shares.

*The risks described below are those that we consider to be most significant to our business, results of operations and financial conditions as of the date of this Preliminary Placement Document. However, they are not the only risks relevant to us or the Equity Shares or the industry in which we currently operate. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may also impair our business prospects, results of operations and financial condition. As a result, the trading price of the Equity Shares could decline and investors may lose part or all of their investment. In order to obtain a complete understanding about us, you should read this section in conjunction with the sections titled "**Our Business**", "**Industry Overview**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**", on pages 202, 116 and 88, respectively, as well as the other financial and statistical information contained in this Preliminary Placement Document. In making an investment decision, prospective investors must rely on their own examination of us on a consolidated basis and the terms of the Issue, including the merits and risks involved. Investors should consult their respective tax, financial and legal advisors about the particular consequences of an investment in this Issue. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment, which may differ in certain respects from that of other countries.*

*In this section, unless the context otherwise requires, "we", "us" and "our", includes our Subsidiaries. See "**Our Business — Overview**" on page 202. Unless otherwise stated, all financial numbers are presented in million.*

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled "Renewable Power Market and OM Services for Solar-Wind Energy" dated July 2024 ("**CRISIL Report**") prepared and issued by CRISIL Research, appointed by us and exclusively commissioned and paid for by us in connection with the Issue. CRISIL has used various primary and secondary sources including government sources as well as international agencies to prepare the report. The data included herein includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed Issue), that has been left out or changed in any manner. Unless otherwise indicated, financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant calendar year.*

INTERNAL RISKS

Risks related to our business and industry

1. ***We are reliant on transmission infrastructure for evacuation of the power generated at our projects. Any constraints in the availability of the electricity grid, including our inability to obtain access to transmission lines in a timely and cost-efficient manner, could adversely affect our business, results of operations and cash flows.***

   We are reliant on transmission infrastructure for evacuation of the power generated at our facilities and further distribution to our clients and end users. The availability, reliability and capacity of interconnection facilities and transmission systems affect our ability to deliver electricity to our various counterparties. We are responsible for supplying power to a purchaser. We generally rely on interconnection facilities and transmission and distribution networks that are owned and operated by the state governments or public entities. Our IPP projects are connected to sub-stations and grid infrastructure provided by the Gujarat Energy Transmission Corporation Limited ("**GETCO**"). Such infrastructure may not be available.

   India's physical infrastructure, including its electricity grid, is less developed than that of many developed countries. As a result of grid constraints, such as grid congestion and restrictions on transmission capacity of the grid, the transmission and dispatch of the full output of our projects may be curtailed. We may have to stop producing electricity during the period when electricity cannot be transmitted, for instance, when the transmission grid fails to work. Our PPAs generally do not contain "take-or-pay" provisions and as a result any grid downtime will mean that we cannot supply electricity generated by us which will result in no payment of tariffs by the off-taker for that period and no recourse on our part against the off-taker. Such events outside of our control could reduce the net power generation of our solar power projects and adversely affect our revenues. To the extent that any of the foregoing affects our ability to sell electricity to the power grid, our business, financial condition and results of operations could be adversely affected.

   We may not be able to secure access to such infrastructure at reasonable prices, in a timely manner or at all. In such cases, we may need to engage contractors to build transmission lines and other related infrastructure. As a result, we may be exposed to additional costs and risks associated with developing transmission lines and other related infrastructure, such as the ability to obtain rights of way from land owners for the construction of our transmission grids, which may delay and increase the costs of our solar, wind or hybrid power projects.

Further, some of our projects may have limited access to transmission and distribution networks. Large-scale, grid-connected solar plants are usually located in far-flung areas devoid of transmission infrastructure. (*Source: CRISIL Report)* Thus, robust transmission planning to optimize costs, utilization levels and losses associated with transmission system, to transmit the power generated from the solar plants to load centers (cities and industrial areas) is critical. (*Source: CRISIL Report)* The industry had been raising concerns regarding connectivity for renewable projects. Taking the same into consideration, nodal agencies (PGCIL, SECI) have planned various schemes to alleviate grid congestion and improve connectivity to RE projects. (*Source: CRISIL Report)* We may have to stop producing electricity during the period when electricity cannot be transmitted. Such events could reduce the net power generation of our projects. If the construction of renewable energy projects outpaces the transmission capacity of electricity grids, we may be dependent on the construction and upgrade of grid infrastructure by the GoI or public entities. We cannot assure you that the relevant government or public entities will complete such construction or upgrade works in a timely manner, or at all. The consequential curtailment of our power projects' output levels will reduce our electricity output and limit our operational efficiencies, which in turn could have an adverse effect on our business, prospects, financial condition, results of operations and cash flows. Any failure of disruptions in the transmission infrastructure could have an adverse effect on our business, prospects, financial condition, results of operations and cash flows.

If construction of our IPP and CPP projects outpaces transmission capacity of electricity grids, we may be dependent on the construction and upgrade of grid infrastructure by the relevant state government or public entities. We cannot assure you that the relevant government or public entities will do so in a timely manner, or at all. The curtailment of our power projects' output levels will reduce our electricity output and limit operational efficiencies, which in turn could have an adverse effect on our business, results of operations and cash flows.

2. Projects or orders included in our Order Book may be modified or cancelled or there may be delays in execution or short closed, and letters of intent/award may be withdrawn before execution of definitive agreements or may not translate to confirmed orders, and we may face risks and uncertainties when developing our IPP and CPP projects which could materially and adversely affect our business, financial condition, cash flows and results of operations.

As at June 30, 2024, our Order Book included orders from our IPP and CPP projects with aggregate capacity of approximately 1.31 GW. These orders comprise of execution and commissioning of solar and wind power projects.

While our Order Book comprises business that we consider 'firm orders' that we have received from customers by means of a letter of intent / binding agreements, there can be no assurance that such orders will not be short closed, cancelled or reduced, or that customers will fulfil their payment obligations and other obligations, in a timely manner or at all, in accordance with the agreements, or that customers will not dispute the amounts owed to us. While our Order Book generally represents business that we expect to materialize in the foreseeable future, cancellations or modifications or schedule adjustments may, and do occur. Adverse conditions in financial markets, any delay or failure to obtain the necessary permits, authorizations, permissions or other factors beyond our control or the control of our customers may cause our customers to postpone or cancel a project or may hamper the timely delivery of the order and may result in late delivery chares being payable to our customers if the delay is attributable to us. However, it should be noted that a firm order cancellation also results in potential penalties levied on the customer. There is also the possibility of cancellations or changes in the scope and schedule of the project because of the exercise of customer discretion, technology issues, or problems encountered by us in the timely execution of the project for reasons outside our control or our customers. Further, in addition to the industry in which we operate, our Order Book is also dependent upon the market size of the wind industry which in turn is highly dependent upon the quantum and frequency of auctions administered by central and state governments. Accordingly, our Order Book should not be considered as representative of future revenues.

Even relatively short delays or minor difficulties in the execution of a project could result in the non-payment or late payment to us of customer dues in respect of a project. Any delay, reduction in scope, cancellation, execution difficulty, payment postponement or payment default in relation to Order Book projects, or disputes with customers in respect of any of the above, could materially and adversely affect our business, financial condition, cash flows and results of operations.

Further, the development and construction of our IPP and CPP projects which include solar and wind hybrid projects involve numerous risks and uncertainties and require extensive research, planning and due diligence. Before we can determine whether a project is economically, technologically or otherwise feasible, we may be required to incur significant capital expenditure for land and interconnection rights, regulatory approvals, preliminary engineering, equipment procurement, legal and other work.

Success in developing a project depends on many factors, including:

- securing appropriate land with satisfactory land use permissions, on reasonable terms, in a timely manner;
- accurately assessing resource availability at levels deemed acceptable for project development and operations;
- receiving critical components and equipment (that meet our design specifications) and making it available at a project site on schedule and on acceptable commercial terms;
- securing necessary project approvals, licenses and permits in a timely manner;
- availability of adequate grid infrastructure and obtaining rights to interconnect the project to the grid or to transmit energy;
- obtaining financing on competitive terms, and in a timely manner;
- completing construction on schedule; and
- entering into PPAs or other off-take arrangements on acceptable terms.

While we have not faced any delays in the past, there may be delays or unexpected difficulties in completing our projects as a result of these or other factors, in the future. We may also reduce the size of some of our projects due to the occurrence of any of these factors. If we experience such problems, our business, financial condition, results of operations and prospects could be materially and adversely affected.

3. ***We have significant working capital requirements and our inability to meet our working capital requirements may adversely affect our business, financial condition and results of operations.***

Our business of providing O&M services to all our CPP projects requires a significant amount of working capital as there is considerable time lag between purchase of raw materials and realization from sale of our finished goods and our inability to meet our working capital requirements may adversely affect our cash flow cycle. We primarily use cash flows from our operations and certain fund and non-fund based facilities (including bank guarantees) to meet our working capital requirements, which could increase if there is a considerable difference between the holding levels of our trade payables and our trade receivables. Set forth below are details relating to holding levels of our trade payables, trade receivables and working capital cycle, as at the dates indicated. The table below contains the details of the holding levels (days) considered:

Particulars	As of and for the financial year ended March 31, 2022	As of and for the financial year ended March 31, 2023	As of and for the financial year ended March 31, 2024
Inventory days	225	126	186
Trade receivables days	70	33	90
Other current assets days	67	50	111
Trade payables days	117	102	177
Other current liabilities	148	59	11

As certified by M/s. K A Sanghavi & Co LLP, Chartered Accountants, vide certificate dated August 12, 2024.

*(1) Inventory days: Average of inventory for the current and previous period / Total Direct Cost for the current period * 365*

*(2) Trade receivable days: Average of trade receivables for the current and previous period/ revenue from operations * 365*

*(3) Other current assets days: Average of other current assets for the current and previous period/ revenue from operations * 365*

*(4) Trade payable days: Average of trade payables for the current and previous period / Total Direct Cost for the current period * 365*

*(5) Other current liabilities days: Average of other current liabilities for the current and previous period / Total Operating Cost for the current period * 365*

Further, we are exposed to counterparty credit risk in the usual course of our business due to the nature of, and the inherent risks involved in, dealings, agreements and arrangements with our counterparties who may delay or fail to make payments or perform their other contractual obligations. In accordance with the tender terms or contracts that we enter into in respect of sale of our products and services, we may grant certain credit terms to customers, and in certain cases, we may experience delays in payments by our customers even beyond the credit period afforded to them. Our working capital requirements may further increase if credit period against sales or services rendered is increased. We have, and may continue to have, high levels of outstanding receivables.

Our working capital facilities are typically availed to match the gaps in cash flow on account of inventory holding to eliminate any kind of price fluctuation and timely availability of inventory. While our payable days have been higher than our receivable days, i.e., having our suppliers give us higher credit days than what we grant to our customers, there can be no assurance that this trend will continue in the future. In the event such trend was to reverse, it woul have a negative impact on our operations and adversely impact our inventory management. While we try to maintain sufficient stock to meet our manufacturing and O&M service requirements affecting our working capital requirements, there could be situations where the total funds available to us may not be sufficient to fulfil our commitments, and hence we may be required to incur additional indebtedness or utilize internal accruals to meet our working capital requirements. Further, our trade payable may increase with the increase in the number of IPP projects we undertake. If we fail to properly manage the possible cash flow mismatches, our cash flows, financial condition and results of operations could be materially and adversely affected.

In connection with our business operations, we may be required to furnish bank and corporate guarantees in the ordinary course of our business towards fulfilment of purchase orders. In the event of a breach or default by us of our contractual obligations, our lenders typically pay an amount not exceeding the guaranteed amount to the customer. We may also be subject to legal proceedings in the event such bank guarantees are invoked and the concerned banks are unable to pay the guaranteed amounts. If we are unable to procure bank guarantees on account of scarcity of working capital requirements, we may be required to furnish corporate guarantees in favor of our customers.

Our working capital facilities are typically availed to match the gaps in cash flow on account of inventory holding to eliminate any kind of price fluctuation and timely availability of inventory. While our payable days have been higher than our receivable days, i.e., having our suppliers give us higher credit days than what we grant to our customers, there can be no assurance that this trend will continue in the future. In the event such trend was to reverse, it would have a negative impact on our operations and adversely impact our inventory management. While we try to maintain sufficient stock to meet our manufacturing and O&M service requirements affecting our working capital requirements, there could be situations where the total funds available to us may not be sufficient to fulfil our commitments, and hence we may be required to incur additional indebtedness or utilize internal accruals to meet our working capital requirements. Further, our trade payable may increase with the increase in the number of IPP projects we undertake. If we fail to properly manage the possible cash flow mismatches, our cash flows, financial condition and results of operations could be materially and adversely affected. In the event we are required to repay any working capital facilities upon receipt of a demand from any of our lenders, we may have negative cash flows and may be unable to satisfy our working capital requirements.

4. ***We are exposed to counterparty credit risk and any delay in, or non-receipt of, payments may materially and adversely affect our cash flows.***

The credit period offered by our business partners and suppliers is generally lesser than what we generally grant our customers, which may potentially result in certain cash flow mismatches. There can be no assurance that we will not experience any significant cash flow mismatches in the future or that our cash flow management measures will function properly, or at all. This risk may be exacerbated if there is a further decrease in holding period of trade payables or there is a requirement to pay higher price for raw materials, spares and components or a requirement to pay excessive advances for procurement of materials.

The financial condition of our customers, business partners, suppliers and other counterparties may be affected by the performance of their business which may be impacted by several factors including general economic conditions which may be beyond our control. A slowdown in the general economy or a potential credit crisis could cause our customers, business partners or suppliers to suffer disruptions in their businesses or experience financial distress, their access to the credit markets could be limited, and they could file for insolvency or bankruptcy protection and there can be no assurance regarding the continued viability of our counterparties or that we will accurately assess their creditworthiness. Such conditions could cause our customers to delay payment, request modifications of their payment terms, or default on their payment obligations to us, all of which could increase our receivables.

There can be no assurance that we will be able to collect the whole or any part of any overdue payments and a significant delay in, or non-receipt of, large payments or non-performance by our customers, business partners, suppliers or other counterparties could adversely affect our cash flows and results of operations.

Timely collection of dues from customers also depends on our ability to complete our contractual commitments and subsequently bill for and collect from our customers. If we are unable to meet our contractual obligations, we may experience delays in the collection of, or be unable to collect, our customer balances, which could adversely affect our cash flows and results of operations. We may provide performance or bank guarantees in favour of some of the customers to secure obligations under our contracts. Further, letters of credit are often required to satisfy payment obligations to our suppliers. Some of these factors may result in an increase in our short-term borrowings.

5. ***Our operating results may fluctuate from quarter-to-quarter due to seasonality. There can be no assurance that our historical results are an indicator of our future performance and such fluctuations may have an adverse effect on our business operations and cash flows.***

Our quarterly operating results are difficult to predict and may fluctuate significantly in the future. We have experienced seasonal and quarterly fluctuations in the past, especially in the high and low wind seasons, winter months and monsoon seasons and we may experience the same in future. For example, we have historically booked majority of our revenue from operations in the second half of a particular Fiscal period.

As such, our past quarterly operating results may not be good indicators of our future performance.

In addition to the other risks described in this "*Risk Factors*" section, the following factors could cause our operating results to fluctuate:

- Climate change and extreme weather events can affect the performance and reliability of renewable energy systems, potentially leading to disruptions or damage to infrastructure; and

- Economic downturns and financial instability can reduce capital available for renewable energy investments.

For these or other reasons, the results of any prior quarterly or annual periods should not be relied upon as indications of our future performance. In addition, with respect to the above factors, our actual revenue, key operating and financial metrics and other operating results in future quarters may fall short of the expectations of investors and financial analysts.

6. ***Our Company, our Promoter, our Directors, and our Subsidiaries are involved in certain proceedings and alleged non compliances in the past under the SEBI LODR Regulations. Any adverse developments in relation to such proceeds and compliances could materially and adversely affect our business, reputation and cash flows.***

Our Company, our Promoter, our Directors, and certain of our Subsidiaries are involved in certain legal proceedings from time to time, mostly arising in the ordinary course of business, which are primarily in the nature of civil suits, title and land disputes, criminal complaints, tax disputes and other legal proceedings.

We have disclosed details of the outstanding material litigation pending against our Company and our Subsidiaries and Associates in "***Legal Proceedings***" at page 270. In relation to such outstanding material litigation involving our Company and our Subsidiaries, while the amounts and interests levied thereon to the extent ascertainable and involved in these matters have been mentioned therein, the amounts and interests involved in many pending litigations are not ascertainable or quantifiable and are hence not disclosed in this Preliminary Placement Document. Further, our Company does not consider the entire amount involved or unquantifiable amount in respect of outstanding material litigations to be a present or a potential liability and hence has not provided contingencies in our books for such amount. A materialization of such amount would affect our financial condition.

We have had instances of alleged non-compliances in the past, under the SEBI LODR Regulations on account of delay in half yearly submission of related party transactions. The BSE and NSE have imposed certain fines on us in light of these non-compliances. We have, in the past, been subject to certain penal actions and suspension and revocation of trading specified securities on account of delay in submission of the related party transactions for the half year ended March 31, 2022, and September 2023, wherein a fine of ₹ 60,000 + 18% GST and ₹ 5,000 + 18% GST was levied by the stock exchanges. While we have honoured such payments on July 8, 2024, and intimated the stock exchanges regarding the same. For further details please see- ***Legal Proceedings- Details of inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or the Companies Act, 1956 in the last three years immediately preceding the year of circulation of this Preliminary Placement Document involving our Company or our Subsidiaries, or any prosecutions filed (whether pending or not), fines imposed, compounding of offences in the last three years immediately preceding the year of this Preliminary Placement Document involving our Company or Subsidiaries*** on page 272. We cannot assure you that there may have an adverse effect on our business, results of operations, financial condition and cash flows.

We may in the future become involved in additional proceedings, many of which could be material to our business. For example, we may become subject to additional demands from the GoI or tax authorities on account of differing interpretations of central and state tax statutes in India, which are extensive and subject to change from time to time. Additionally, claims may be brought against or by us from time to time regarding, for example, personal injuries or deaths, damage to or destruction of property, breach of warranty, late completion of work, delayed payments, intellectual property rights or regulatory compliance, and may subject us to litigation, arbitration and other legal proceedings, which may be expensive, lengthy, disruptive to normal business operations and require significant attention from management. Moreover, legal proceedings, particularly those resulting in judgments or findings against us, may harm our reputation and competitiveness in the market.

Our involvement in legal proceedings, even those involving unsubstantiated claims, could divert management time and attention from business operations and consume our financial resources. Should any new developments arise, such as any rulings against us by appellate courts or tribunals, we may be required to make payments to third parties or make provisions in our financial statements that could increase expenses and current liabilities. Further, an adverse outcome in any of these proceedings may affect our reputation, standing and future business, and could have an adverse effect on our business, prospects, financial condition and results of operations. We cannot assure you that any of these proceedings will be decided in favor of our Company or our Subsidiaries and Associates, or that no further liability will arise out of these proceedings. We may also be subject to inspections, investigations and fines in the future, which may affect our business and operations.

7. ***Several of our key components are sourced from a limited group of third-party suppliers giving rise to supplier concentration risks. Any restrictions in supply or defects in quality could cause delays in project construction or implementation and impair our ability to provide our services to customers at a price that is profitable to us which could have a material adverse effect on our business, financial condition and results of operations.***

If we fail to obtain components for our projects that meet our quality, quantity and cost requirements in a timely manner could interrupt or impair our ability to provide our services or increase our operating costs. We depend on a limited number of suppliers for our key components. For example, in March 31, 2022, March 31, 2023 and March 31, 2024 and in June 30, 2024, our top 5 suppliers constituted 83%, 63.00%, 75.69% and 85.91% of our total purchases, respectively. As a result, any failure of any of our suppliers to perform could disrupt our global supply chain and materially and adversely affect our operations.

Success of our existing and planned operations depends on, among other things, our ability to source sufficient amounts of components, materials and spares at competitive prices for our CPP, IPP and O&M services.

The quality of our products (and consequently, customer acceptance of such products) depends on the quality of the raw materials, components and spares such as solar panels, inverters, battery systems, meters, for our solar projects, and steel, glass fiber, rotor blades, gear boxes, pitch drives, gear rims, for our hybrid projects, and the ability of suppliers to timely deliver such materials.

The prices and supply of such materials and components depend on factors beyond our control, including general economic conditions, competition, production levels, transportation costs and import duties. Suitable alternative suppliers who can meet our technical and quality standards, and who can supply the necessary quantities, may be hard to find in the event of a supply failure. The failure of any of our suppliers to deliver these materials or components in the necessary quantities, to adhere to delivery schedules for supply, or to comply with specified quality standards and technical specifications, could adversely affect our CPP and IPP projects, and O&M services. This, in turn, could give rise to contractual penalties or liabilities for us, loss of customers and damage to our reputation. In certain cases, this has led to, and can lead to, delay in supplying and commissioning or maintenance of break down and thus delay our ability to recognize revenues in relation to our ongoing projects and also may lead to payment of liquidated damages and performance guarantees. If we are unable to procure the requisite quantities of raw materials in a timely manner and within our budgeted costs, our business, financial condition and results of operations may be adversely affected. Further, the Government of India may change its laws from time to time. Recently, the Government of India has reimposed restrictions on procuring solar modules through imports, thereby aiding local capacities. We cannot assure you that such a move from the Government of India will not have an impact on our operations in terms of price.

We may also face instances where claims against suppliers for losses caused to customers by faulty components are disputed and recovery of such losses from the supplier is delayed, leading to us having to compensate the customer from our own revenue. Further, in the past, there have been instances where a supplier has delayed or stopped deliveries pending full settlement of all payments due or requires upfront payment or increases prices. If such events continue for extended periods of time, it could materially and adversely affect our ability to execute our orders, and in-turn, our business, cash flows, financial condition and results of operations.

We rely on equipment and machinery that are built by third parties and may be susceptible to malfunction. Although, in certain cases, we are entitled to be compensated by manufacturers for certain equipment failures and defects, such arrangements may not fully compensate us for the damage and loss suffered as a result thereof. We are also subject to mechanical failure and equipment shutdowns. In such situations, undamaged manufacturing units that are dependent on, or interact with, damaged sections of our facilities may also have to be shut down. Such events could materially and adversely affect our manufacturing capacity. If such shutdowns continue for extended periods, our business reputation, financial condition, cash flows and results of operations could be materially and adversely affected.

Additionally, some of our suppliers are small companies that may be unable to supply our increasing demand for raw materials and components as we expand our business. We may be unable to identify suppliers in new markets or qualify their products for use in our business in a timely manner and on commercially reasonable terms. We may also be subject to adverse local regulations for appointing suppliers. Any constraints on our suppliers may result in an inability for us to meet our development plans and our obligations under our customer contracts, which may have a material adverse effect on our business. In addition, reductions in our order volume may put pressure on suppliers and could result in increased material and component costs, materially and adversely affecting our business, financial condition and results of operations.

8. ***We operate in a competitive industry and as such we may not be successful in bidding for and winning bids for solar power projects to grow our business globally, which may have a material adverse effect our business, financial condition, results of operations and prospects.***

Our business depends on our ability to continually win bids for solar power projects and our current business strategy focuses on increasing the number of IPP and CPP projects and expanding our operations into new geographies. We bid for IPP and CPP projects and compete with other solutions/ power providers based on, among other things, pricing, technical and design and engineering expertise, financing capabilities, past experience, land bank availability and track-record. With rapid capacity additions and stiff competition, it becomes imperative for developers to acquire land at competitive costs and in areas with high levels of solar irradiance. The 40 GW solar park scheme is facilitative in this aspect; however, beyond that capital costs and, hence, tariffs do fluctuate state to state depending on land prices and irradiance quality.

The bidding and selection process is also affected by a number of factors, including factors which may be beyond our control, such as market conditions or government incentive programs. Our market position therefore depends on our financing, development and operation capabilities, reputation, experience and track-record. As we expand our operations in terms of geographies and scale of the projects we undertake, the competition that we may face with our competitors will increase. We believe our primary competitors are traditional global and local IPP and EPCC solutions providers and solar power companies that have their own in-house O&M operations. Our competitors may have greater financial resources, a more effective or established local business presence with specific regional advantages or a greater willingness or ability to operate with little or no operating margins for sustained periods of time. Some of our competitors may have advantages over us in terms of greater operational, technical, management or other resources in particular markets or in general, better track records, stronger lender relations, as well as know-how of regulatory and political challenges in the geographies in which we operate or into which we intend to expand our operations. Our competitors may also have more experience than us in this business and a longer track record of operations. Any increase in competition during the bidding process or reduction in our competitive capabilities could have a material adverse effect on our market share and on the margins we generate from our solar power project portfolio. We also compete with both conventional and renewable energy companies for the financing needed to develop and construct projects. In addition, we compete with other conventional and renewable energy companies in India for a limited pool of personnel with requisite industry knowledge and experience, as well as equipment supplies, permits and land to develop new projects. Our competitors include UOM, Adani Green Energy Limited, ReNew Power Limited, CleanMax Enviro Energy Limited, Gensol Engineering Limited, SVJN Limited, Continuum Green Energy Limited and Orient Green Power Limited. (*source: CRISIL Report*)

In addition, our competitors may choose to enter into strategic alliances or form affiliates with other competitors to our detriment. Suppliers or sub-contractors may merge with our competitors which may limit the choice of subcontractors we have available to us which may limit the flexibility of our overall service capabilities. There can be no assurance that our current or potential competitors will not offer the services we provide comparable or superior to those that we offer at the same or lower prices; adapt more quickly to industry challenges; or expand their operations at a faster pace than we do. Increased competition may result in price reductions, reduced profit margins and loss of market share, thereby causing a material adverse effect on our operations, prospects and financial condition.

9. ***We may be unable to accurately estimate costs under fixed-price EPCC contracts. Any failure to maintain the quality and performance guarantees under our EPCC contracts or experienced delays in completing the construction of solar power projects, may increase our construction costs and working capital requirements which may have a material adverse effect on our financial condition, cash flow and results of operations.***

We enter into fixed-price EPCC contracts with most of our customers. We estimate essential costs, such as the cost of construction materials and direct project costs, at the time we enter into an EPCC contract for a particular project and these are reflected in the overall fixed-price that we charge our customers for the solar power project. The costs estimated are fixed and there can be no deviation. However, these cost estimates are preliminary, and at the time we submit bids for a project or enter into EPCC contracts, we may not have finalized these costs in our related contracts with subcontractors, suppliers and other parties involved in the solar power project. We generally cannot reprice or renegotiate an EPCC contract once it has been entered into with our customer, unless mutually agreed between the parties. As a result, any failure to accurately estimate costs could result in our actual costs exceeding our estimated costs, thereby causing an increase in our construction costs and working capital requirements, and as a result, we may incur losses.

Under our EPCC contracts we also typically provide certain performance guarantees that require us to complete the solar power project in accordance with a specified timeline and generate a guaranteed minimum number of units. Any failure to maintain these performance guarantees may subject us to penalties under our EPCC contracts, such as requiring us to perform remediation work to meet the guarantees or allowing the counterparty to terminate the EPCC contract. As a result, we may face losses under a particular project, may not be able to achieve our expected margins and may record an overall loss in the relevant financial period.

While we believe we have recourse for an amount in excess of these losses in the form of contractual performance guarantees from the supplier, in the event we are unsuccessful in recovering these losses under the performance guarantees from the supplier it could have an adverse impact on our financial condition and results of operations. We may also fail to complete our solar power projects by the specified timeline due to construction delays as a result of various factors, including unanticipated changes in engineering design; increase in the cost of equipment, materials or manpower; shortages of skilled labour; supply shortages or delays in the delivery of equipment and materials to the project site; unforeseen conditions or occurrences, including the inability of the customer to obtain the requisite environmental and other approvals, resulting in delays and increased costs; adverse local weather conditions; suppliers' or subcontractors' failure to perform; disputes, delay or failure in obtaining required cash inflow and financial assistance from our customers; or delays caused by us or due to factors outside our control. Delays in project completion may subject us to penalties under our EPCC contracts and harm our reputation with our customers and other stakeholders. Furthermore, delays on our part, beyond a specified period stipulated in the contract, may require us to purchase the solar power project from the developer, which could have a material adverse effect on our financial condition, cash flow and results of operations.

10. Our construction activities may be subject to cost overruns or delays or completion risks which may have an adverse impact on our operations.

The construction of our projects has been and may be adversely affected by circumstances outside of our control, including inclement weather, adverse geological and environmental conditions, a failure to receive regulatory approvals on schedule, third party delays in providing supplies and other materials or the filing of injunctions by other parties to stop us from taking certain actions. These have resulted in substantial uncertainty in the implementation and timeline of these projects, which we have not included in our portfolio capacity calculations.

Submitting a competitive bid for our IPP and CPP projects auction requires extensive research, planning, due diligence and a willingness to operate with low operating margins for sustained periods of time. If we miscalculate or misjudge our tariff rates and incorrectly factor the costs of construction, development, land acquisition and price of the components, the economics of successful bids may be affected and the projects may become economically unviable. For instance, we estimate prices for system components and factor these costs into our bids, and if these prices vary from what was anticipated, the profitability of our successful bids may be adversely affected. Further, our suppliers may attempt to renegotiate supply contracts, if there is an increase in raw material prices, which may also increase our capital expenditures. We may also be required to incur unanticipated capital expenditures for interconnection rights, regulatory approvals, preliminary engineering permits, and legal and other expenses which could adversely affect the profitability of the solar power projects and, as a result, our profitability.

Construction of our IPP and CPP projects may be adversely affected by circumstances outside our control, including inclement weather, adverse geological and environmental conditions, failures to receive regulatory approvals on schedule or third party delays in providing supplies and other materials. Changes in project plans or designs, or defective or delayed execution, may increase our costs from our initial estimates. Increases in the prices of materials and components or shortages of materials and components may also increase procurement costs. Moreover, local political changes as well as demonstrations or protests by local communities or special interest groups could result in, or contribute to, project development time and cost overruns for us.

We utilize and rely on a limited number of third-party sub-contractors to construct and install portions of our IPP and CPP projects. While there have been no such instances of cost overruns in the past, we cannot assure you that, if our third-party contractors do not satisfy their obligations or do not perform work that meet our quality standards or if there is a shortage of third-party contractors or if there are labor strikes that interfere with the ability of our contractors to complete their work on time or within budget, we could not experience significant delays and potential cost overruns.

We may also breach the terms of our EPCC agreement. For example, if we are prevented from performing our obligation under the EPCC agreements by a force majeure event, a notice regarding the event or circumstances shall be given to the other party specifying the obligations and the performance which is prevented. We may not be able to provide such notices in a timely manner, or at all, preventing us from availing any force majeure related benefits, and result in breach of terms of the EPCC agreements.

See also "- *Our EPCC operations may expose us to certain risks such as changes in economic conditions, increasing cost of labour, delays and other unforeseen expenses that may materially and adversely affect our business, prospects, financial condition, results of operations and cash flows*".

We may face difficulties converting a construction project into an operational project, which is subject to the receipt of various licenses and approvals, among other factors. We incur substantial expenses in the construction and development of our projects and if these projects cannot be operationalized, we may have to write-off such expenses, which could have a material adverse effect on our business, prospects, financial condition, results of operations and cash flows.

11. Loss of any of our key customers or significant reduction in production and sales of, or demand for our products from, our significant customers may materially and adversely affect our business and financial performance.

Our customers comprise industrial and corporate off-takers. Set forth below are details of the revenue from operations attributable to our top customer, our top five customers and our top 10 customers (determined on the basis of their contribution to our revenue from contracts with customers), for the periods indicated.

Customer	Fiscal 2022		Fiscal 2023		Fiscal 2024		Three- months ended June 30, 2024	
	Revenue (in ₹ million)	% of revenue from contracts with customers (%)	Revenue (in ₹ million)	% of revenue from contracts with customers (%)	Revenue (in ₹ million)	% of revenue from contracts with customers (%)	Revenue (in ₹ million)	% of revenue from contracts with customers (%)
IPP								
Top five customers	388.97	68%	450.74	48%	857.09	48%	233.99	51%
Top ten customers	485.45	84%	591.04	62%	1,135.78	64%	307.73	67%
CPP								
Top five customers	1,193.84	71%	3,774.49	70%	3,334.94	39%	1,436.91	48%
Top ten customers	1,422.95	85%	4,640.22	85%	4,851.18	57%	1,761.67	58%

Since we are dependent on certain key customers for a significant portion of our sales in a particular reporting period, the loss of any of such customers or a reduction in demand from such customers, for any reason, including due to loss of contracts, delay in fulfilling existing orders, failure to negotiate acceptable terms in negotiations, disputes or a loss of market share or a downturn in such customers' business, if not suitably replaced with another customer, could adversely affect our business, financial condition and results of operations in that period.

Furthermore, the volume of our business with these customers may vary from period to period. Our business, operations, revenues and profitability may be adversely affected if these customers demand price reductions, set-off any payment obligations or if there is an adverse change in any of our customers' procurement strategies, including procurement from our competitors. Our revenues and profitability may also be adversely affected if there's a reduction in our customers' capacity volumes or if there is a significant reduction in the volume of our business with such customers, or if our customers prefer our competitors over us.

Our growth depends, among other factors, on the growth of our key customers and we are also exposed to fluctuations in the performance of the solar and hybrid energy sector. A decline in our customers' business performance may also lead to a corresponding decrease in demand for our products and services. The volume and timing of sales to our customers may vary due to various factors such as, unavailability of raw materials or components, logistical challenges, delays in site readiness, weather related issues and other factors affecting the economy in general, and our customers in particular. Unfavourable industry conditions can also result in an increase in commercial disputes and other risks of supply disruption. It is difficult to forecast the success or sustainability of any strategies undertaken by any of our key customers in response to the current economic or industry environment. Insufficient demand for renewable energy may also prevent growth in demand for our products and services, and consequently, materially and adversely affect our business, financial condition and results of operation.

12. Our Promoters own a majority shareholding in us, which allows them to exercise significant influence over us. Further, 29,130,232 Equity Shares of our Promoter, Farukhbhai Ghulambhai Patel are pledged in favour of the State Bank of India. Any default by our Promoter could let to change in control of the rights of our Promoter over the equity shares of our Company

Our Promoters and the members of our Promoter Group own approximately 53.09% of our Equity Share capital as of the date of this Preliminary Placement Document and therefore exercise significant influence over our business policies, affairs and all matters requiring shareholders' approval, including the composition of our Board of Directors, the approval of mergers, strategic acquisitions, joint ventures or the sale of substantially all of our assets and our policies regarding the payment of dividends, lending, investments and capital expenditures. This concentration of ownership also may delay, defer or even prevent a change in control of our Company and may make some transactions more difficult or impossible without the support of our Promoters and members of the Promoter Group. Further, As on the date of this Preliminary Placement Document, 29,130,232 equity shares constituting 45.56% of the total Equity Share capital of Farukhbhai Ghulambhai Patel, one of our Promoter and Managing Director in our Company, are pledged in favor of State Bank of India, to secure the borrowing obligations of our Company with this lender. Such shares are offered as collateral by our Promoter, in addition to our assets mortgaged with this lender, In case of a default by our Promoter, the lender may invoke the pledge and our Promoter may not be in control of the rights as a shareholder in relation to these Equity Shares. The interests of our Promoters and members of the Promoter Group may not necessarily be aligned with our interests or the interests of our creditors, especially since our Promoters may be interested in entities that are in similar lines of business as our business, which may give rise to conflicts of interest, We cannot assure you that such conflicts of interest will not result in an adverse effect on our business or operations or will be suitable resolved.

13. ***Our operations are concentrated in Gujarat, and any change in the economic conditions could adversely impact our business and financial performance.***

As of June 30, 2024, majority of our operational projects were located in Gujarat. Accordingly, we have geographic concentration in the State of Gujarat, and therefore are dependent on the general economic conditions and activities in the State. As of June 30, 2024, majority of our revenue from operations is from Gujarat. While we intend to expand into other states of India, our concentration in Gujarat currently exposes us to any adverse geological, ecological, environmental, economic and/or political circumstances in the region. If there is a sustained downturn in the economy of the region or a sustained change in financial patterns in the region, or any non-favourable environmental or geological changes, for any reason, our financial position may be adversely affected.

14. ***We may face significant competition from traditional and bigger renewable energy companies. Such competition may affect our business operations and cash flows.***

The solar power sector is characterized by aggressive competition given its attractiveness owing to strong government support. Additionally, there has been active participation from players with diverse profiles ranging from large domestic conglomerates, international energy producers/utilities to small regional players. Adani Green Energy leads the pack with the largest pipeline of solar projects followed by ReNew Power and Azure Power. Under the 12 GW allocated under SECI's manufacturing-linked solar tender, Adani and Azure had won 8 GW and 4 GW, respectively. (*Source: Crisil Report*)

The deregulation of the Indian power sector and increased private sector investment may exacerbate competition in our industry. The Electricity Act, 2003, as amended (the "**Electricity Act**") removed certain licensing requirements for power generation companies, including the requirement to obtain a license under such Act for the generation of electricity by power generation companies, provided open access to transmission and distribution networks and also facilitated additional capacity generation through captive power projects. These reforms provide opportunities for increased private sector participation in the power generation industry. The open access reform also enables private power generators to sell power directly to distribution companies and the end consumers, enhancing the financial viability and attractiveness of the power generation industry to private investors. In addition, in 2020, the GoI removed the upper ceiling on tariffs for solar power bids to facilitate greater participation in renewable energy auctions.

Our Company may, directly or indirectly through our Subsidiaries, participate in central and state-level renewable energy auctions. Increased competition in the renewable energy production space may affect our ability win such auctions and be awarded tenders for additional renewable energy capacity at profitable tariff rates or at all. Our competitors may have greater operational, financial, technical, management or other resources than we do and may be able to achieve better economies of scale and lower cost of capital, allowing them to submit more competitive bid. Our competitors may also have a more effective or established localized business presence or a greater willingness or ability to operate with little or no operating margins for sustained periods of time. Our competitors may also enter into strategic alliances or form affiliates with other competitors to our detriment. As our competitors grow in scale, they may establish in-house EPC and O&M capabilities, which may offset a current advantage we may have over them. Our ability to compete depends on our financing, development and operation capabilities, reputation and track record. Increased competition or a reduction in our competitive ability and our ability to complete effectively could have a significant adverse impact on our market share, the margins we generate from our projects, business, prospects, financial condition, results of operations and cash flows.

We also face competition from developers of conventional energy sources such as petroleum, coal, natural gas and nuclear energy, and other renewable energy sources, including biomass and hydropower. A reduction in the price of coal or diesel, technological progress in the exploitation of such other energy sources, government action to aid the development of such energy sources (such as the waiver of inter-state transmission charges on the transmission of power from hydropower projects which satisfy certain conditions by the Ministry of Power) or the discovery of new and significant oil, gas or coal deposits, could increase the competitiveness of electricity generated from such other energy sources, lead to a fall in demand for solar or wind energy, or result in a reduction of tariffs and make the development of solar or wind energy less economically attractive and have an adverse effect on our business.

15. Our operations are subject to extensive regulations, which require us to obtain, renew and comply with the terms of various approvals, licenses and permits. Failure to obtain such licenses and permits will adversely affect our operations and may have an impact on our cash flows.

The power generation business in India is subject to a broad range of environmental, health, safety and other laws and regulations. These laws and regulations require us to obtain and maintain a large number of approvals, licenses, registrations and permits in order to develop and operate power projects. For example, we require various approvals during the construction of our projects and prior to the issuing of a commissioning certificate, including approvals for capacity allocation and capacity transfer, evacuation and grid connectivity and approvals from local pollution control boards and the chief electrical inspector for the installation and energization of electrical installations at a project site. In addition, we are required to comply with state-specific requirements. We also require evacuation approvals from GETCO. The approvals we obtain for our 11 kV and 66 kV projects typically include a GEDA registration certificate, a connectivity approval from GETCO for evacuation of solar power, a charging approval from the Chief Electric Inspector of Government, a certificate of commissioning of a project, an approval from LTOA for transmission of power and a wheeling agreement.

There is an inherent risk that some of our operations may cause damage to the environment and violate applicable environmental laws and regulations and the conditions of our licenses. For example, the production of photovoltaic cells which we use in our projects generates toxic substances that may contaminate water resources. The establishment of power plants may also disrupt existing land use and wildlife habitat. Further, the disposal of solar panels can lead to the release of toxins into the earth and the atmosphere. In addition, our operations, which involve the installation of overhead powerlines to transmit electricity produced or wind turbines, even if compliant with applicable environmental standards, may negatively affect the living situation of wildlife and biodiversity in the area and we may suffer negative publicity and reputational harm as a result. While there have been no such instances in the past, if our operations violate environmental standards, we may incur costs to control and rectify the damage, legal liabilities including damages, penalties, loss of licenses, and damage to our reputation as a responsible operator, which may affect our ability to retain existing business and win new business. We are subject to extensive regulations regarding environmental standards and require various environmental licenses to operate our business, including licenses to handle certain potentially hazardous materials, and these licenses are often subject to numerous conditions. In the future, changes in law may result in even stricter regulation. Compliance with these requirements may add to our capital expenditures and operating expenses.

In addition, we may be affected by the adoption or implementation of new safety, health and environmental laws and regulations, new interpretations of existing laws, increased governmental enforcement of existing laws or other similar developments in the future. We could be adversely affected if existing legislations or regulations are expanded or amended to require changes in our business practices, or if such legislations or regulations are interpreted or implemented in ways that negatively affect our business, financial condition, cash flows, results of operations and prospects.

We cannot assure you that we will be able to apply for or renew any approvals, licenses, registrations or permits in a timely manner, or at all, and that the relevant authorities will issue any of such approvals, licenses, registrations or permits in the time frames anticipated by us. While we are required to obtain licenses and approvals before the commencement of the projects we undertake, any unforeseen delay can affect our operations. Further, we cannot assure you that the approvals, licenses, registrations and permits issued to us would not be subject to suspension or revocation for non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Our government approvals and licenses are subject to numerous conditions, some of which are onerous and require us to make substantial expenditure. Further, due to the nature of business activities undertaken by us, our employees are also required to comply with various regulations, such as the SEBI Insider Trading Regulations and the Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013. Even though we have established an internal framework to monitor the conduct of our employees, there is no assurance that none of our employees will violate the provisions of applicable laws in the course of their employment with us or that all such violations would be detected by us in a timely manner, or at all. Any failure to apply for, renew and obtain the required approvals, licenses, registrations or permits, or any suspension or revocation of any of the approvals, licenses, registrations and permits that have been or may be issued to us, or any onerous conditions made applicable to us in terms of such approvals, licenses, registrations or permits may adversely affect our business, prospects, reputation, financial condition, results of operations and cash flows.

16. Our EPCC operations expose us to certain risks such as changes in economic conditions, increasing cost of labour, delays and other unforeseen expenses, which may have an adverse impact on our business operations.

We undertake EPCC-related services in-house as well as through certain sub-contractors. We undertake process of our EPCC operations in-house as well as through third parties, ensuring back to back arrangements once our contracts have been secured. To the extent our EPCC operations are undertaken in-house which exposes us to certain risks that would be borne by third parties if we outsourced these services. For example, entering into third-party EPCC contracts on the basis of fixed price contracts would have insulated us from adverse price fluctuations for the equipment and materials we use for constructing solar power projects. As a result, we are exposed to construction cost risks that could be caused by various factors, including:

- changes in economic conditions;
- increases in the price and availability of labor, equipment and materials;
- inaccuracies of drawings and technical information;
- delays in the delivery of equipment and materials to project sites;
- unanticipated increases in equipment costs;
- delays caused by local and seasonal weather conditions; and
- any other unforeseen design and engineering issues, or physical, site and geological conditions, that may result in delays.

In addition, if in the event that the third parties in the third-party EPCC contracts fail to perform or default under such contracts, we may not be able to fulfill our obligations under such contracts.

While we aim to maintain a competitive cost of operations, increases in our cost structure could have a material adverse impact on our financial performance. Our cost of operations include expenses to comply with existing or new conditions imposed during re-licensing processes, property taxes and the costs of procuring materials and services required for our general operations and maintenance activities. Such costs may increase as a result of regulatory changes. As of June 30, 2024, our O&M expenses for our solar projects is typically ₹ 0.5 million per MW and escalates at a rate of 2% per annum.

A key driver of our profitability is our ability to manage costs during the terms of our project PPAs and to operate our solar projects at optimal levels. If we are unable to manage costs effectively or to operate our projects at optimal levels, our profit margins, and therefore our business and results of operations, may be adversely affected.

Additionally, we will be primarily responsible for all equipment defects and construction defects, potentially adding to the cost of construction of our solar power projects. Although we generally obtain warranties from our equipment suppliers, we are responsible for initiating claims against equipment suppliers during the warranty period which will also delay the construction of the project and divert personnel attention on the construction of the project. We cannot assure you that we will be successful with such claims against our suppliers or that these claims will be resolved in a timely manner, or at all.

Unanticipated capital expenditures associated with maintaining, upgrading or repairing our facilities may also reduce profitability, especially as we are unable to pass through any unexpected costs in relation to the IPP and CPP projects to the off-takers.

17. We may not be able to identify or correct defects or irregularities in title to the properties which we own, lease or intend to acquire in connection with the development of our solar power projects as land title in India can be uncertain. Such onerous conditions may adversely affect us.

There is no central title registry for real property in India and the documentation of land records in India has not been fully digitized. Property records in India are generally maintained at the state and district level and in local languages, and are updated manually through physical records. Therefore, property records may not be available online for inspection, may be illegible, untraceable, and incomplete, may not have been updated, may be inaccurate in certain respects, or may have been kept in poor condition, which may impede title investigations or our ability to rely on such property records. Title to land in India is often fragmented, and in many cases, land may have multiple owners. Title may also suffer from irregularities, such as non-execution or non-registration of conveyance deeds and inadequate stamping, and may be subjected to encumbrances that we are unaware of and that may not be apparent on the face of the relevant documentation. Any defects in, or irregularities of, title may result in a loss of development or operating rights over the land, which may prejudice the success of our power projects and require us to write off substantial expenditure in respect of our solar power projects.

Improperly executed, unregistered or insufficiently stamped conveyance instruments in a property's chain of title, unregistered encumbrances in favor of third parties, rights of adverse possessors, ownership claims of family members of prior owners or third parties, or other defects that a purchaser may not be aware of can affect title to a property. As a result, potential disputes or claims over title to the land on which our solar power projects are located or will be constructed may arise. However, an adverse decision from a court or the absence of an agreement with such third parties may result in additional costs and delays in the construction and operating phases of any solar power projects situated on such land. Also, such disputes, whether resolved in our favor or not, may divert management's attention, harm our reputation or otherwise disrupt our business.

Out of our land of 2,686 acres as of June 30, 2024, 2,156 acres of land area we currently utilize or intend to utilize for our projects is on leasehold land, and we may be subject to onerous conditions under the lease agreements through which we acquire rights to use such land and rights of way. All of this may adversely affect our business, results of operations and cash flows in the future.

18. Our funding requirements and the proposed deployment of Net Proceeds have not been appraised by any bank or financial institution or any other independent agency and our management will have broad discretion over the use of the Net Proceeds.

We intend to utilize the Net Proceeds of the Issue for repayment of loans availed by our Company, funding the working capital requirements of our Company and general corporate purposes. Our funding requirements mentioned in this Preliminary Placement Document have not been appraised by any bank or financial institution and are based on management estimates and internal management information systems and our business plan.

Based on the competitive nature of our industry, we may have to revise our business plan and/or management estimates from time to time and consequently our funding requirements may also change. Accordingly, prospective investors in the Issue will need to rely upon our management's judgment with respect to the use of Net Proceeds. The use of the Net Proceeds for purposes identified by our management may not result in actual growth of our business, increased profitability or an increase in the value of our business and your investment.

Further, certain other information contained in this Preliminary Placement Document, apart from our funding requirements and our intended use of Net Proceeds of the Issue, have not been appraised by any bank, financial institution or independent agency are based on management estimates and internal management information systems and our business plan. We may have to revise our funding estimates, future projects and the estimated commencement and completion dates of our projects depending on future contingencies and events, including, among others, changes in laws and regulations, competition, the receipt of statutory and regulatory approvals and permits, the ability of third parties to complete their services on schedule and on budget, delays, cost overruns or modifications to our future projects, the commencement of new projects and new initiatives and changes in our business plans due to prevailing economic conditions.

19. The generation of electricity from solar and wind sources depends heavily on suitable meteorological and climate conditions and our business prospects and future financial performance depends on such favourable and stable conditions. Unfavourable weather conditions could have a material adverse effect on our business, financial condition and results of operations.

The electricity produced and revenues generated by our solar and wind projects are highly dependent on suitable solar irradiation levels, wind speeds, associated weather conditions and other climate conditions (including conditions resulting from man-made causes, such as smog conditions from crop burning or industrial pollution), which are beyond our control. Unfavorable weather and atmospheric conditions could impair the effectiveness of our assets or reduce their output beneath their rated capacity or require the shutdown of key equipment, impeding the operations of our solar and wind assets and our ability to achieve certain performance thresholds pursuant to our PPAs, forecasted revenues and cash flows. The occurrence of natural disasters, which may lead to or exacerbate any existing technical defaults in our grid systems, may result in a complete shutdown of certain of our projects for a prolonged period of time. See also "*— Risks Related to Operations in India — Natural disasters could have a negative impact on the Indian economy and adversely affect our business and project operations*".

As part of our CPP vertical, we enter into engineering, procurement, construction and commissioning ("**EPCC**") agreements with our customers. Under the terms of our EPCC agreements, we are typically required to maintain certain minimum availability levels at our power plants, failing which, we are required to provide monetary compensation by paying for the shortfall at the average power purchase cost notified by GERC. While our EPCC agreements contain force majeure provisions which allow us to avail relief in case of any breach of our obligations on account of certain events, which include, amongst others, acts of god such as typhoons, floods, cyclones, earthquakes, tsunamis, there cannot be any assurance that we will be able to enforce any such relief. Accordingly, any failure to maintain power generation outputs could make us suffer monetary consequences, which may adversely affect our cash flows and financial condition.

We base our investment decisions with respect to each solar or wind project on the findings of related solar or wind resource assessments and other technical studies conducted on-site prior to construction. However, actual climatic conditions at a project site may not conform to the findings of these studies and therefore, our facilities may not meet the anticipated production levels or the rated capacity of our generation assets, which could adversely affect our business, prospects, financial condition, results of operations and cash flows. Sustained unfavorable weather could unexpectedly delay the installation of solar or wind energy systems, which could increase the cost of such projects.

20. Our development power projects may be restrained by our inability to identify or acquire suitable land banks and sites. Unidentified land banks or failure to acquire suitable land banks may adversely affect our ability to generate revenue and have a material adverse effect on our business operations.

We require suitable land banks and land sites upon which we develop our solar power projects. Suitable sites are determined on the basis of cost, solar radiation, grid connection infrastructure and other relevant factors. Acquiring ideal sites, which cater to all our requirements, is a costly and time consuming affair, the success of which cannot be assured. Even when we have identified a suitable site to set up a solar power project, our ability to obtain site control is subject to our ability to finance the transaction and competition from other solar power producers that may have better access to local government support or financial or other resources. Further, solar power projects must be interconnected to the power grid in order to deliver electricity, which requires us to find suitable sites with capacity on the power grid available.

In the event that the cost of land is more than anticipated, the economic viability of the project will be affected, thereby adversely affecting our results of operations and cash flows. If we are unable to find or obtain site control for suitable sites on commercially acceptable terms, our ability to develop new solar power projects on a timely basis or at all might be affected, which could result in the imposition of penalties and/or reductions in tariffs which could adversely affect our business, financial condition and results of operations.

21. We may be subject to significant risks and hazards when operating and maintaining our solar power projects, for which our insurance coverage might not be adequate. Failure to maintain adequate insurance coverage can trigger breach of the relevant EPCCs thereby having a material adverse impact on our operations.

We operate and maintain the solar power projects in our IPP and CPP portfolio. We generally perform scheduled and unscheduled maintenance and operating and other asset management services.

Power generation involves hazardous activities, including delivering electricity to transmission and distribution system. In addition to natural risks such as earthquake, flood, lightning, cyclones and wind, other hazards, such as fire, structural collapse and machinery failure are inherent risks in our operations. These and other hazards can cause significant personal injury or loss of life, severe damage to and destruction of property, plant and equipment and contamination of, or damage to, the environment and may result in the suspension of operations. While there have been no such instances in the past, the occurrence of any one of these events may result in our being named as a defendant in lawsuits asserting claims for substantial damages, including for cleanup costs, personal injury and property damage and fines and/or penalties.

We maintain an amount of insurance protection that we consider adequate but we cannot provide any assurance that our insurance will be sufficient or effective under all circumstances and against all hazards or liabilities to which we may be subject. As of March 31, 2024, our insurance coverage amounted to ₹ 6,142.54 million covering 61.04% of our total assets and 100% insurable assets. As of March 31, 2024, our insurance coverage for our employees amounted to ₹ 38.3 million. Our insurance coverage is subject to deductibles, caps, exclusions and other limitations. A loss for which we are not fully insured could have an adverse effect on our business, financial condition, results of operations or cash flows. Due to rising insurance costs and changes in the insurance markets, we cannot provide any assurance that our insurance coverage will continue to be available at all or at rates or on terms similar to those presently available. Any losses not covered by insurance could have an adverse effect on our business, financial condition, results of operations and cash flows. A failure to maintain adequate insurance can also trigger a breach of the relevant PPA which could impair our ability to operate. We cannot assure you that any of our insurance claims will be honoured fully or on time. Any payments we make to cover any losses, damages or liabilities or any delays we experience in receiving appropriate payments from our insurers could have an adverse effect on our business, financial condition, cash flows and results of operations.

For details regarding our insurance, see "***Our Business – Insurance***" on page 213.

22. ***Our PPAs and EPCC agreements may expose us to certain risks that may materially and adversely affect our business, prospects, financial condition, results of operations and cash flows.***

Our profitability is largely a function of our ability to manage our costs during the terms of our PPAs and EPCC agreements and operate our power projects at optimal levels. If we are unable to manage our costs effectively or operate our power projects at optimal levels, our business and results of operations may be adversely affected. See also "- *The cost of operating our projects could increase and we may not manage costs effectively.*".

For example, we are required to supply a minimum amount of power pursuant to our EPCC agreements. In the event we default in fulfilling such obligation, or other obligations under our EPCC agreements or PPAs, we may be liable for penalties under the terms of certain EPCC agreements or PPAs, and in certain specified events, customers may also terminate such EPCC agreements or PPAs.

There can be no assurance that, in the event of termination of an EPCC agreement or PPA, we will not be exposed to additional legal liability or be able to enter into a replacement EPCC agreement or PPA. Any replacement EPCC agreement or PPA may be on terms less favorable to us than the EPCC agreement or PPA that was terminated. Consequently, our results of operations may be adversely affected. In cases in which we are entitled to receive termination payments from a counterparty on termination of a EPCC agreement or PPA, there can be no assurance that such counterparty will make such termination payments on time or at all. Further, it is unlikely that any such termination payment would be adequate to pay any the outstanding third-party debt that we had incurred in the construction and development of the project. Any of these consequences would adversely affect our reputation, business, results of operations and cash flows.

Our PPAs are generally for a term of 18 years, which is less than the life of the power projects to which they are tied. In order to fully monetize these projects, we will need to enter into other off-take agreements, or seek renewals or extensions of the existing PPAs, for the remaining duration of those power projects. However, there are often other restrictions on our ability to, among other things, sell power to third parties and undertake expansion initiatives with other customers. While our PPAs consist of extension clauses enabling our PPAs to be extended beyond expiry period, we cannot assure you that the PPAs we will enter into in the future will provide us with such flexibility. Further, failure to enter into or renew off-take arrangements in a timely manner and on terms that are acceptable to us could adversely affect our business, prospects, financial condition, results of operations and cash flows. There could also be negative accounting consequences if we are unable to extend or replace expiring PPAs, including writing down the carrying value of assets at such power project sites.

Most of our customers are industrial and corporate off-takers. Under the PPAs, our remedies in case of delays in payment by our customers may also be limited. To the extent our customers do not fulfil their contractual obligations, our business, financial condition, results of operations and cash flows may be adversely affected.

It is unlikely that we would be able to renegotiate the terms of existing PPAs to take advantage any increase in tariffs or increased operational costs which could result from, among other things, inflation-based price increases. As a result, the prices at which we supply power may have little relationship with our costs incurred in generating power, which may lead to fluctuations in our margins. The above factors limit our business flexibility and expose us to an increased risk of unforeseen business and industry changes.

Under the terms of our existing PPAs, tariffs are generally not subject to downward revisions unless there is a delay in commissioning our projects. With commercial and industrial customers, our PPAs are typically for range of 15 to 20 years. Tariff rates for our PPAs for solar energy projects are determined based on the energy credit generated by DISCOM in the customers' bill against the sale of electricity. The majority of these PPAs provide for fixed discounts on the tariff rates. The tariff rates in some of our PPAs are subject to annual escalation provisions. Our PPAs include, among other things, minimum take-off provisions, imposing obligation on the customers to take off a minimum criterion of units ordered which ranges from 85 – 90% Events of default typically include breach or contravention of the terms and conditions under the agreements and failure to operate and maintain our projects in accordance with the terms of the PPAs. Upon the occurrence of an event of default, we may face certain consequences which include, among others, specific performance of the PPAs, termination of the PPAs, payment of pending balance etc. Most of our PPAs also provide for relief to the party affected by a *force majeure* event.

Nevertheless, there is no assurance that we may not face similar challenges in the future. Any curtailment in renewable energy production by states where our projects are situated could adversely affect our business, cash flows, financial condition and results of operation.

23. ***Any downgrade in our credit ratings may increase interest rates for refinancing our borrowings, which would increase our cost of borrowings, and adversely affect our ability to borrow on a competitive basis.***

Credit ratings reflect the opinions of ratings agencies on our financial strength, operating performance, strategic position and ability to meet our obligations. For instance, we have received a long-term rating of ICRA A- stable as at

June 30, 2024. Any future downgrade in our credit ratings may result in increased interest rates for refinancing our borrowings, which would increase our cost of borrowings, and may adversely affect our future issuances of debt and our ability to borrow on a competitive basis. Further, any downgrade in our credit ratings may also lead to an increase in the interest rate that we have to pay our lenders. If any of these risks materialize, it could materially and adversely affect our business, cash flows, financial condition and results of operations.

24. The applicable tariff in relation to a proportion of our renewable energy portfolio for which we have been issued letters of award but not yet entered into PPAs is uncertain. In the event such letters of award are not converted to binding PPAs, it could lead to an adverse effect on our financial condition and result of operation.

As of June 30, 2024, we had an Order Book of 1,311 MW comprising solar and hybrid projects. Our Order Book is an important indicator of future revenues and growth. Our Order Book has grown from ~57 MW as of March 31, 2021 to ~1,311 MW as of June 30, 2024. Some of the key clients who are a part of our Order Book are international companies and government bodies. Our Order Book comprises of our near construction projects, where we have not yet entered into PPAs for such capacities. This affects our ability to confirm the applicable tariff and projected revenue of such capacity of our renewable energy portfolio. There is no assurance that the applicable tariff in the PPA that is ultimately entered into in relation to such capacity will not be lower than the tariff contained in the letter of award. In such case, as we generally enter into long-term fixed-price PPAs, the lower tariff could have an adverse effect on our business, prospects, financial condition, results of operations and cash flows.

25. The reduction, modification or elimination of central and state government subsidies and economic incentives in India may reduce the economic benefits of our solar, wind and hybrid projects.

The development and profitability of our IPP and CPP projects in the locations in which we operate are largely dependent on the policy and regulatory frameworks that support such developments. The GoI and other government agencies have provided certain subsidies and incentives to solar and other renewable energy producers. These subsidies and incentives have been primarily in the form of preferential tariffs for wind and solar power assets under long-term PPAs, project cost subsidies, preferential charges on transmission, wheeling and banking facilities, generation-based incentive schemes, the ability to depreciate our wind and solar power assets on an accelerated timeframe, tax incentives, tax holidays, and other incentives to end users, distributors, system integrators and manufacturers of solar and wind energy products.

The availability and size of subsidies and incentives depend, to a large extent, on political and policy developments relating to environmental concerns in India, all of which are significantly impacted by prevailing government policy positions and priorities. Generally, the amount of government subsidies for solar and wind projects has been decreasing as the cost of producing solar energy has approached grid parity. Changes in central and state policies could lead to a significant reduction in or a discontinuation of the support for renewable energies. Such reductions may negatively affect our ability to develop and acquire new assets or may, in some cases, also apply retroactively to existing solar or wind projects, which could significantly reduce our financial position.

26. We do not own the "KP Group" trademark, name or logo and our ability to use the trademark, name or logo may be impaired. Further, our inability to protect our intellectual property or any claims that we infringe on the intellectual property rights of others could have a material adverse effect on us.

Our Company has entered into a trademark licensing agreement dated July 10, 2023 with our Promoter, Mr. Farukbhai Gulambhai Patel pursuant to which trademark and trade the name 'KP Group' trademark, under class 37, has been granted to us for use on a non-exclusive and non-transferable basis. We cannot assure you that the 'KP Group' trademark, name or logo will not be adversely affected in the future by events such as actions that are beyond our control, including action or inaction of entities using the 'KP Group' trademark, name or logo, regulatory actions against such companies or adverse publicity from any other source. Any damage to this trademark, name or logo, if not immediately and sufficiently remedied, could have an adverse effect on our financial condition, cash flows and results of operations. Further, as the 'KP Group' trademark, name or logo is not registered in our Company's name, we cannot assure you that we will continue to have the rights to use the same in the future.

We are also exposed to the risk that other entities may pass off their products as ours by imitating our brand name and attempting to create counterfeit products. There may be other companies or vendors using our tradename or brand names. Any such activities may harm the reputation of our brand and sales of our products, which could in turn adversely affect our financial performance. We rely on protections available under Indian law, which may not be adequate to prevent unauthorized use of our intellectual property by third parties. Notwithstanding the precautions we take to protect our intellectual property rights, it is possible that third parties may copy or otherwise infringe on our rights, which may have an adverse effect on our business, results of operations, cash flows and financial condition.

Further, we may be subject to claims by third parties, if we breach their intellectual property rights by using slogans, names, designs, software or other such rights that are of a similar nature to the intellectual property these third parties may have registered or are using. We might also be in breach of such third-party intellectual property rights due to accidental or purposeful actions by our employees where we may also be subjected to claims by such third parties. While we take care to ensure that we comply with the intellectual property rights of others, we cannot determine with certainty whether we are infringing any existing third-party intellectual property rights. Any claims of intellectual property infringement from third parties, regardless of merit or resolution of such claims, could force us to incur significant costs in responding to, defending and resolving such claims, and may divert the efforts and attention of our management and technical personnel away from our business. The risk of being subject to intellectual property infringement claims will increase as we continue to expand our operations and product offerings. As a result of such infringement claims, we could be required to pay third party infringement claims, alter our technologies, obtain licenses or cease some portions of our operations, stop using the relevant intellectual property (including by way of temporary or permanent injunction) or make changes to our marketing strategies or to the brand names of our products. The occurrence of any of the foregoing could result in unexpected expenses. In addition, if we are required to alter our technologies or cease production of affected items, our revenue could be adversely affected.

27. Changes in technology may render our current technologies obsolete or require us to make substantial capital investments, leading to a material adverse effect on our business operations.

There have been considerable technological advancements to renewable energy equipment such as solar PV modules, inverters and wind turbine machines. Changes in technology may require us to make additional capital expenditures to upgrade our facilities. The development and implementation of such technology entails technical and business risks and significant costs of employee implementation. The cost of upgrading or implementing new technologies could be significant and could adversely affect our results of operations. Failure to respond to current and future technological changes in the renewable industry in an effective and timely manner may have a material adverse effect on our business, prospects, financial condition, results of operations and cash flows.

28. We may be unable to enter into or renew lease agreements over land on which our projects are located. Our ability to develop additional renewable energy projects may be restricted by our inability to identify or acquire suitable land sites in India. This would adversely affect our business prospects and our capability to continue to undertake projects established on such leasehold land.

Our IPP projects are located on land that is owned by us and our CPP project are located on land that is leased by us. We had a land bank of ~850 acres, ~1,374 acres, ~ 2,217 acres and 2,686 acres as of March 31, 2022, March 31, 2023, March 31, 2024 and June 30, 2024, respectively. To the extent the lands are leased by us, there is no assurance that we will be able to renew such leases on favorable terms, which includes owned and leased land, or at all, in the event that the relevant landlord does not wish to renew the lease or sublease deed on existing terms, we may incur higher lease costs, or be forced to remove our equipment and power project at the end of the lease and incur costs as well as shut down an operational project and lose a revenue source in doing so, which may negatively affect our business, prospects, financial condition, results of operations and cash flows.

The success of our business is dependent on our ability to maintain and grow our land bank. Suitable sites for projects are determined on the basis of cost, solar radiation, wind resource, grid connection infrastructure and other relevant factors. Acquiring ideal sites which cater to all our requirements is costly, time-consuming and uncertain. Even when we have identified a suitable site to set up a power project, our ability to obtain site control is subject to our ability to finance the transaction and competition from other power producers that may have better access to local government support or financial or other resources, as well as our ability to obtain the necessary government approvals. Further, large, utility-scale renewable energy projects must be interconnected to the power grid in order to deliver electricity, which requires us to find suitable sites with capacity on the power grid available.

Once identified, there is also no assurance that we would be able to acquire suitable land sites at a competitive price. We are required to bear the costs of developing a renewable energy project. In the event that the cost of land is more than anticipated, the economic viability of the project will be affected, thereby adversely affecting our results of operations and cash flows. If we are unable to find or obtain site control for suitable sites on commercially acceptable terms, our ability to develop new power projects on a timely basis or at all might be affected, which could result in the imposition of penalties and/or reductions in tariffs which could adversely affect our business, prospects, financial condition, results of operations and cash flows.

29. If we are unsuccessful in implementing our strategies, particularly our growth strategy, our business, financial condition, results of operations and cash flows may be adversely affected.

The success of our business depends greatly on our ability to effectively implement our strategies, particularly our growth strategy. The key focus of our business strategies is portfolio growth. Our portfolio growth is dependent on our ability to bid and acquire future projects. Further, this is also dependent on our ability to grow our land bank. Further, our business has historically been concentrated in the state of Gujarat. Accordingly, we have limited experience in expanding our geographical footprint in pursuing portfolio growth. For more details, please refer to "*Our Business – Our Strategies*".

Even if we have successfully executed our business strategies in the past, we cannot assure you that we will be able to execute our strategies on time and within the estimated budget, or that we will achieve expected results. In particular, the implementation of our growth strategy depends on our ability to obtain the necessary funding. We expect our strategies to place significant demands on our management and other resources and require us to continue developing and improving our operational, financial and other internal controls as well as technology system. We may be unable to sustain such growth in revenues and profits or maintain a similar rate of growth in the future. Further, as we grow and diversify, we may be unable to execute our projects efficiently, which could result in delays, increased costs and diminished quality and may adversely affect our reputation. If we are unable to implement our growth strategy effectively, our business, financial condition, results of operations and cash flows may be adversely affected.

Implementing our growth strategy will also depend to a significant extent on our ability to obtain the necessary funding and maintain our access to multiple funding sources on acceptable terms.

We require significant capital to grow our business and fund the construction, operation and development of our projects. Historically, we have used loans, equity contributions, and government subsidies to fund our project development. We may refinance our current debt or incur additional debt with proceeds from third party financing options, including any bank loans, equity partners, financial leases and securitization. However, we cannot guarantee that we will be successful in refinancing our current debt or locating additional suitable sources of financing in the time periods required or at all, or on terms or at costs that we find attractive or acceptable. In addition, rising interest rates could adversely impact our ability to secure financing on favorable terms.

Installing and constructing solar, wind and hybrid projects requires significant upfront capital expenditure and there may be a significant delay before we can recoup our investments through the long-term recurring revenue of our projects. Our ability to obtain external financing is subject to a number of uncertainties, including:

- our existing and future business, prospects, financial condition, results of operations and cash flows our financial condition, results of operations and cash flows;
- interest rates;
- our credit ratings and past credit history;
- the general condition of global equity and debt capital and project finance markets;
- fluctuations in the value of the Indian Rupee compared to the U.S. dollar;
- regulatory and government support in the form of tax incentives, preferential tariffs, project cost subsidies and other incentives;
- the continued confidence of equity investors, banks, other financial institutions and specialized infrastructure lenders in us and the renewable energy industry;
- economic, political and other conditions in the jurisdictions where we operate; and
- our ability to comply with any of our existing financial covenants pursuant to financing.

Any additional equity financing may be dilutive to our shareholders and any debt financing may contain restrictive covenants that limit our flexibility going forward. Furthermore, our credit ratings may be downgraded, which would adversely affect our ability to refinance debt and increase our cost of borrowing. Failure to manage discretionary spending and raise additional capital or debt financing as required may adversely impact our ability to achieve our intended business objectives.

30. Our power projects may suffer equipment failure. If we fail to properly operate and maintain our equipment and power projects, such projects may experience decreased performance, reduced useful life or shut downs.

Our power generation assets may not continue to perform as they have in the past or as they are expected to. There is a risk of equipment failure due to local conditions, wear and tear, latent defect, design error or operator error, early obsolescence, force majeure events, inconsistencies in the quality of maintenance services, among other things. For example, solar modules degrade over time due to several external factors such as UV exposure and weather cycles. Similarly, multiple external factors such as fine particulates in the air and weather conditions may cause the degradation of wind turbine blades. While our contracts with suppliers generally include warranties to repair, replace or refund defective product for a certain period, there is no assurance that warranty claims brought by us against such suppliers or the relevant product manufacturer would be successful.

We may be unable to repair or replace damaged equipment parts on time or at all. Obtaining replacement solar modules, rotor blades or other equipment parts may require significant sourcing lead time, particularly if supplies are located outside of India. If we were to experience a shortage of or inability to acquire critical replacement parts at competitive prices or at all, we could incur significant costs and production delays, which could affect our ability to meet our minimum delivery commitments under our PPAs.

Our power projects require periodic upgrading and improvement. Any unexpected operational or mechanical failure, including failure associated with breakdowns and forced outages, and any decreased operational or management performance, could reduce our projects' generating capacity below expected levels and reduce our revenues as a result of generating and selling less power. Degradation of the performance of our projects above levels provided for in the relevant PPAs may also reduce our revenues. Unanticipated capital expenditures associated with maintaining, upgrading or repairing the equipment and facilities in our projects may also reduce profitability, especially because our operational costs are fixed in the PPAs and we may not pass through any unexpected costs to our customers. Furthermore, our ability to mitigate such project risks by shifting some or all of the risk to a third party EPC or O&M contractor is limited since we provide these services in-house in most cases.

Equipment failure may result in reduced output or require a shutdown of key equipment or our operations, and the costs of operating the project may increase, including costs related to labor, equipment, insurance and taxes. These could in turn adversely affect ability to achieve the performance thresholds in our PPAs, business, prospects, financial condition, results of operations and cash flows. Generally, if we fail to properly operate and maintain our equipment and power projects, such projects may experience decreased performance, reduced useful life or shut downs.

31. ***We may incur unexpected expenses if the suppliers of components in our power projects default on their warranty obligations. Warranties and guarantees may be subject to caps and limited by the ability of the vendor to satisfy its obligations under the warranty or guarantee. If we are unable to recover the expense and losses associated with faulty components from suppliers, it could have a material adverse effect on our business, prospects, financial condition, results of operations and cash flows.***

We enter into purchase orders with our suppliers. These purchase orders include warranty obligation on part of our suppliers. In the event such component fails to operate as required, we may be able to make a claim against the applicable warranty or guarantee to cover all or a portion of the expenses or losses associated with the faulty component. While there have been no such instances of unexpected expenses on account of default on warranty of suppliers in the past, we cannot assure you that such default will not have a negative impact on our business operations. In relation to our Subsidiaries, warranties and guarantees for solar panels and inverters are currently in favor of our Company, which is in the process of novating these warranties and guarantees to the relevant Subsidiary. Until such novations are complete, any claims under the applicable warranty or guarantee will be made by our Company. The warranties and guarantees may not be sufficient to cover all of the expenses and losses suffered as they are often subject to caps and our ability to recover is necessarily limited by the suppliers' ability to pay. These suppliers could cease operations and no longer honor the warranties and guarantees whether as a result of their financial conditions or otherwise, which would require us to make significant maintenance expenditures to cover the expense and losses associated with the faulty component. In addition, warranties have time limits and, if we are not ready for a replacement solar panel, wind turbine generator, or other system component to be installed at the time such component is received, we can lose that warranty protection. Our business, prospects, financial condition, results of operations and cash flows could be materially and adversely affected if we cannot recover the expense and losses associated with faulty components from suppliers.

32. ***The operation of our businesses is highly dependent on information technology, and we are subject to risks arising from any failure of, or inadequacies in, our information technology ("IT") system.***

Our operations rely heavily on the effectiveness of our IT systems and rely on our IT systems for various internal processes, such as procurement, staffing, customer relations and accounting. We also need to have sophisticated technology systems in place to anticipate and meet the further growth and expansion requirements of our business. Any failure of, or inadequacies in our IT systems would impair our ability to effectively carry out our business operations, which could materially and adversely affect our competitiveness, financial condition, cash flows and results of operations. While we regularly monitor and upgrade our IT systems, we cannot assure that we will be able to continue to do so in the future in a time and cost-efficient manner. Although we back up our business data regularly and have a contingency disaster recovery database / back up for our businesses, there is no assurance that our disaster recovery planning is adequate for all eventualities. Our technology operations are also vulnerable to disruptions from human error, catastrophic events including natural disasters, power failure, computer viruses, spam attacks, ransom ware, distributed denial of services attacks, unauthorized access, data leakage and other similar events, and we may not be able to adapt to the evolving technology in the industry. An external information security breach, such as hacker attacks, frauds, virus or worm infestation of our IT systems, or an internal problem with information protection, such as failure to control access to sensitive systems, could materially interrupt our business operations or cause disclosure or modification of sensitive or confidential information.

33. Security breaches, cyber-attacks, computer viruses and hacking activities may cause material adverse effects on our business, financial performance and results of operations and expose us to liability, which could adversely affect our business and our reputation.

Cyber-attacks, computer viruses or other unauthorized activity to our system, internal network, our customers' systems, third party's systems and information that they store and process, involving us or our third party service providers that we rely on for cloud storage or data processing may cause material adverse effects on our business, financial performance and results of operations. Any inadvertent transmission of computer viruses could expose us to a material risk of loss or litigation and possible liability. Hacking, computer viruses and phishing attacks could result in damage to our hardware and software systems and databases, disruptions to our business activities, including to our email and other communications systems, breaches of security and the inadvertent disclosure of confidential or sensitive information, interruptions in access to our website through the use of "denial of service" or similar attacks, and other material adverse effects on our operations. As techniques used to breach security change or evolve frequently and are often not recognized until launched against a target, we may not be able to implement new security measures in a timely manner or, if and when implemented, could be circumvented. Moreover, if a computer virus or hacking affects our systems and is highly publicized, our reputation and brand names could be materially damaged. Any attempts to gain access to our systems or facilities through various means, including hacking into our or our customers' systems or facilities, or attempting to fraudulently induce our employees, customers or others into disclosing usernames, passwords, or other sensitive information, which may in turn be used to access our IT systems and gain access to our or our customers' data or other confidential, proprietary, or sensitive information, could have a material adverse impact on our reputation, business and results of operations. While there have been no such instances of breach of security in the past, if security measures are breached because of employee theft, exfiltration, misuse or malfeasance, our or third party actions, omissions, or errors, unintentional events, deliberate attacks by cyber criminals or otherwise, or if design flaws in our software or systems are exposed and exploited, our relationships with customers could be damaged, and we could incur liability.

34. Stringent labor laws may impact our ability to have flexible human resource policies and labor union problems could negatively affect our processing capacity, cash flows and overall profitability.

India has stringent labor legislation, including legislation that sets forth detailed procedures for dispute resolution and employee removal, imposes financial obligations on employers upon employee layoffs and regulates contract labor. These laws may restrict our ability to put in place flexible human resource policies that allow us to respond quickly to the change needs of our business or discharge employees. We may also experience labor unrest in the future, which may disrupt our operations. If such delays or disruptions occur or continue for a prolonged period of time, our overall profitability could be negatively affected. We also depend on third party contract labor. It is possible under Indian law that we may be held responsible for wage payments to these laborers if their contractors default on payment. While there have been no instances of labor strikes in the past five years, we cannot assure you that there will be no such instances in the future which may negatively impact our operations. Further, we may be held liable for any non-payment by contractors and any such order or direction from a court or any other regulatory authority may harm our reputation, business, prospects, financial condition and results of our operations.

35. Employee shortages, rising employee costs and high attrition rates may harm our business and increase our operation costs, which could have a significant impact on the operations of our Company

As of June 30, 2024, we had 378 full-time employees who performed a variety of functions across the business and project operations of our Company. The low-cost workforce in India provides us with a cost advantage. However, we have observed an overall tightening of the employee market and an emerging shortage of skilled labour. Failure to obtain stable and dedicated employee support may cause disruption to our business that harms our operations. Furthermore, employee costs have increased in India in recent years and may continue to increase in the near future. To remain competitive, we may need to increase the salaries of employees to attract and retain them, which may in turn lead to increased costs and reduced margins.

36. We are dependent on our Directors, Senior Management and employees. If we are unable to retain our Directors, Senior Management and employees, it can have a material adverse impact on our business performance.

We are dependent on our Directors and Senior Management as well as persons with technical expertise for setting our strategic business direction and managing our business. In addition, we depend on the continued services and performances of management personnel at our Company and our Subsidiaries for project implementation, the management and running of our daily operations and the planning and the successful execution of our business strategy. The loss of one or more key executives could have a negative impact on our business. We have an attrition rate of 15% and 4% for employees who have been providing their services to our Company for a period less than 4 years and period more than 5 years, respectively, indicating higher attrition rate at the lower levels of our Company.

We cannot assure the shareholders that we, or any of our Subsidiaries, will be able to retain our employees or find adequate replacements in a timely manner, or at all. There is intense competition for experienced management personnel with technical and industry expertise in the renewable energy business. In particular, any loss or interruption in the services of our Senior Management would significantly affect our ability to effectively manage our operations and to meet our strategic objectives. In addition, we would incur additional expenses and need to devote significant time and resources to recruit and train replacement personnel, which could further disrupt our business and growth.

37. We have indebtedness and have also guaranteed, and provided collateral to secure, certain financing obligations of our subsidiaries, all these could adversely affect our business, prospects, financial condition, results of operations and cash flows.

As of June 30, 2024, we had term loans (excluding current maturity of term loans) of ₹ 3,994.10 million and working capital borrowings (including current maturity of term loans) of ₹ 3,992.84 million, with a debt-to-equity ratio of 88.57%. Our Company has maintained a debt-to-equity ratio of 0.89:1. Generally, these borrowings relate to the financing for our projects and are secured by project assets. Subject to the limits contained in agreements governing our existing borrowings, we and our Subsidiaries may incur substantial additional borrowings from time to time to finance working capital, capital expenditures, investments or acquisitions, or for other purposes in the future.

Our debt and leverage position could have significant consequences on our operations, including:

- reducing the availability of our cash flows to fund working capital, capital expenditures, acquisitions and other general corporate purposes as a result of our debt service obligations;
- limiting our ability to obtain additional financing;
- impact our credit rating;
- limiting our flexibility in planning for, or reacting to, changes in our business, the industry in which we operate and the general economy; and
- increasing the cost of any additional financing.

Our inability to generate sufficient cash flows to satisfy those obligations under the guarantees could result in an event of default which, if not cured or waived, could result in the acceleration of some or all our debt, and would materially and adversely affect our financial condition and results of operations. While some of these guarantees may be released, provided that certain conditions under the terms of the financing arrangements are met by the Subsidiaries, there can be no assurance that the Company's Subsidiaries will be able to meet those conditions and the Company's guarantee obligations will remain until such time these conditions are satisfied.

Our ability to meet our payment obligations under our outstanding debt depends on our ability to generate significant cash flows in the future. We are in the early stages of operations, with our operational projects only recently commencing operations and many of our projects capitalized in the recent financial years and currently in the construction stage. These projects are expected to be operational in subsequent periods. We expect to generate positive cash flows from operations in order to meet our external financial liabilities as they fall due. We use cash flow forecasting models in an effort to ensure that we have sufficient funds to meet our payments when due. These models consider the maturity of our financial investments, committed funding and projected cash flows from operations. However, our model is subject to uncertainties and assumptions and overall, our ability to generate cash flows is, to some extent, is subject to general economic, financial, competitive, legislative and regulatory factors, as well as other factors that are beyond our control. We may have difficulty in meeting our payment obligations, which could result in an event of default which, if not cured or waived, could result in the acceleration of some or all our debt.

38. If our contingent liabilities materialize, our results of operations could be adversely affected.

The following table sets forth the principal components of our contingent liabilities as of March 31, 2024:

Particulars	**As of March 31, 2024**
	(₹ in millions)
Income tax Assessment for A.Y. 2015-2016, pending before Comm. Of IT-Appeals-1, Surat	7.422
Income tax Assessment for A.Y. 2014-2015, pending before Comm. Of IT-Appeals-1, Surat	1.424

Our contingent liabilities include various matters pending with certain authorities, including service tax/GST authorities and income tax authorities, other claims against us that are not acknowledged as debt and continuing obligations to make certain payments. If these or any other contingent liabilities materialize, our results of operations could be adversely affected.

39. ***The audit reports on our audited consolidated and standalone financial statements for Fiscal 2024 issued by our Statutory Auditors contain certain remarks pursuant to the Companies (Auditors Report) Order, 2020 ("CARO Order").***

The audit reports on our audited consolidated and standalone financial statements for Fiscal 2024 issued by our Statutory Auditors contain certain remarks pursuant to clause II (b) of the CARO Order. These relate to differences in the value of book debts and inventories as reflected in books with that of submitted to banks in quarterly statements for working capital facilities. While there was no impact on our financial position, as corrective steps, the differences have been fully reconciled and the reasons for the differences have been disclosed in Note No. 50 (iii) and 51 (iii) in the audited standalone and consolidated financial statements for Fiscal 2024 by us. For further details, please see "Financial Information' on page 275. There can be no assurance that the audit reports for any future fiscal periods will not contain such matters or that such matters will not otherwise affect our results of operations in such future periods, as well as our financial condition, and the trading price of the Equity Shares. Investors should consider these remarks and observations of our Statutory Auditors in evaluating our financial condition, results of operations and cash flows.

40. ***Our ability to pay dividends in the future will depend upon our future results of operations, financial condition, cash flows and working capital and capital expenditure requirements.***

The declaration and payment of dividends, if any, is recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of the Articles of Association and other applicable law, including the Companies Act. There can be no assurance that we will pay any dividend in the future or that any dividend payout will be equal or comparable to any past dividend payout. The amount of future dividend payments by our Company, if any, will depend upon a number of factors, including but not limited to our current and future earnings, capital expenditure requirements, past performance, our Company's dividend history, resources required to fund acquisitions and/or new businesses, working capital requirements, cost of borrowing, our level of outstanding borrowings, return on capital invested and post dividend earnings per share, additional investments in the Subsidiaries of our Company, restrictive covenants under our existing contractual obligations, the state of the economy and statutory restrictions. There can be no assurance that we will be able to pay dividends in the future. We may decide to retain all of our earnings to finance the development and expansion of our business and, therefore, may not declare dividends on our Equity Shares. Additionally, in the future, we may be restricted by the terms of our financing agreements in making dividend payments unless otherwise agreed with our lenders. For details, see "***Dividends***" on page 87.

41. ***Certain of our Directors and Senior Management may have interests in the Company other than the reimbursement of expenses incurred and normal remuneration or benefits, which may have an impact on our business operations.***

Certain of our Directors and Senior Management may be regarded as having an interest in our Company other than reimbursement of expenses incurred and normal remuneration or benefits. Certain Directors and Senior Management, as applicable, may be deemed to be interested to the extent of Equity Shares held by them, as well as to the extent of any dividends, bonuses or other distributions on such Equity Shares and employee stock options held by them. We cannot assure you that our Directors and Senior Management will exercise their rights as shareholders to the benefit and best interest of our Company. For further details, see "***Capital Structure***" and "***Our Board of Directors and Senior Management***" on pages 83 and 215, respectively.

42. ***We may not be able to fully comply with insider trading rules and regulations and anti-corruption and anti-bribery laws and may fail to detect illegal or improper activities in our business operations on a timely basis, thereby affecting our business operations.***

We are required to comply with applicable insider trading laws and regulations, including the SEBI (Prohibition of Insider Trading) Regulations, 2015. These laws and regulations require us to establish sound internal control policies and reporting procedures with respect to insider trading. As we experience large volumes of transactions in our securities, the policies and procedures implemented by us may not always comprehensively detect or eliminate instances of insider trading.

We are also subject to anti-corruption and anti-bribery laws that prohibit improper payments or offers of improper payments to governments and their officials and political parties for the purpose of obtaining or retaining business or securing an improper advantage and require the maintenance of internal controls to prevent such payments. Although we maintain an anti-bribery compliance program and train our employees in respect of such matters, our employees might take unauthorized actions without our knowledge that could expose us to liability under anti-corruption and anti-bribery laws. In certain circumstances, we may be held liable for actions taken by our partners and agents, even though they are not always subject to our control. Any violation of anti-corruption and anti-bribery laws could result in penalties, both financial and non-financial, that could have a material adverse effect on our business and reputation.

Further, we are subject to various laws relating to the prevention of conflicts of interest. Conflicts of interest may exist between, (i) our departments; (ii) us and our vendors; (iii) different customers serviced by us; (iv) our employees and us; or between (v) our customers and our employees. Our Promoters may also be interested in entities that are in similar lines of business as our business, and conflicts of interest may arise as a result. Although we have internal controls and measures in place to address such conflicts of interest, there is no assurance that any conflicts arising will be suitably resolved or managed and in compliance with applicable laws and regulations.

If our controls and measures implemented are considered inadequate under applicable laws and regulations by any regulatory, governmental or judicial authority, we may be subject to penal action, freezing or attachment of our assets, imposition of fines, or both. In addition, an occurrence of insider trading or unresolved conflict situation may adversely affect our reputation, business operations, financial condition, cash flows and results of operations.

43. Third party data in this Preliminary Placement Document may be incomplete or unreliable.

Information regarding market position, growth rates and other industry data pertaining to our businesses contained in this Preliminary Placement Document consists of estimates based on data reports compiled by professional organizations and analysts, data from other external sources and our knowledge of the markets in which we compete.

In particular, this document includes information that is derived from the report titled "*Renewable Power Market and OM Services for Solar-Wind Energy*" dated July 2024 prepared by CRISIL ("**CRISIL Report**"). The CRISIL Report is subject to various limitations and based upon certain assumptions that are subjective in nature. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics in such report may be inaccurate or may not be comparable to statistics produced for other economies. We have not independently verified data obtained from such report, or other industry publications and other sources referred to in this Preliminary Placement Document and, therefore, while we believe them to be true, we cannot assure you that they are complete or reliable. Such data may also be produced on different bases from those used in other industry publications. Therefore, discussions of matters relating to India, its economy and the industries in which we currently operate in this Preliminary Placement Document are subject to the caveat that the statistical and other external data upon which such discussions are based may be incomplete or unreliable. In many cases, there is no readily available external information (whether from trade or industry associations, government bodies or other organizations) to validate market-related analyses and estimates, so we rely on internally developed estimates. Similarly, while we believe our internal estimates to be reasonable, such estimates have not been verified by any independent sources and we cannot assure potential investors as to their accuracy.

44. We have in this document included certain non-Ind AS financial measures and certain other selected statistical information related to our operations, cash flows and financial condition, which may not be comparable with financial or industry related statistical information of similar nomenclature computed and presented by other companies.

We track certain operational metrics, including our client counts and key business and non-IndAS/ operational metrics such as EBITDA (collectively, the "**Operational and Non-Ind AS Metrics**"). The Operational and Non-Ind AS Metrics are supplemental measures of our operations and financial performance and are not required by, or presented in accordance with, Ind AS, IFRS or US GAAP, and are prepared with internal systems and tools that are not independently verified by any third party and which may differ from estimates or similar metrics published by third parties due to differences in sources, methodologies, or the assumptions on which we rely. These Operational and non-Ind AS Metrics should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS and IFRS.

Our internal systems and tools have a number of limitations and our methodologies for tracking these metrics may change over time, which could result in unexpected changes to our metrics, including the metrics we publicly disclose. If the internal systems and tools we use to track these metrics under count or over count performance or contain algorithmic or other technical errors, the data we report may not be accurate. Limitations or errors with respect to how we measure data or with respect to the data that we measure may affect our understanding of certain details of our business, which could affect our long-term strategies. If our operating metrics are not accurate representations of our business, if investors do not perceive our operating metrics to be accurate, or if we discover material inaccuracies with respect to these figures, we expect that our business, reputation, financial condition and results of operations would be adversely affected.

45. The enactment of legislation implementing changes in tax legislation or policies in different geographic jurisdictions may impact the Company's business, financial condition and results of operations.

The Company's consolidated effective income tax rate could be materially adversely affected by several factors, including: changing tax laws, regulations and treaties, or the interpretation thereof; tax policy initiatives and reforms under consideration (such as those related to the OECD/G20 Inclusive Framework on Base Erosion and Profit Sharing or other projects); the practices of tax authorities in jurisdictions in which the Company and its subsidiaries operate; and the resolution of issues arising from tax audits or examinations and any related interest or penalties.

The Company is unable to predict what tax reforms may be proposed or enacted in the future or what effect such changes would have on its business, but such changes, to the extent they are brought into tax legislation, regulations, policies or practices in jurisdictions in which the Company and its subsidiaries operate, could increase the estimated tax liability that the Company and its subsidiaries have expensed to date and paid or accrued on its consolidated statements of operations and comprehensive loss, and otherwise affect the future results of operations, cash flows in a particular period and overall or effective tax rates in the future in countries where the Company and its subsidiaries have operations, reduce post-tax returns to shareholders and increase the complexity, burden and cost of tax compliance.

EXTERNAL RISKS

Risks related to India

46. Our financial performance will be affected by developments in or affecting India. Any factors adversely affecting India could have a material adverse effect on our business, operations and cash flows.

We are incorporated in India, and we conduct our corporate affairs and our business in India. We derive, and expect to continue to derive in the foreseeable future, most of our revenues and operating profits from India. Consequently, our business, operations and financial performance may be affected by changes in and other factors affecting India, some of which may be beyond our control. These include changes in investment patterns, budget announcements, policy announcements, political changes, changes in interest rates, inadequate monsoons, health pandemics, terrorist attacks, natural calamities and other acts of violence or war, which may adversely affect worldwide financial and Indian markets, including lowering investors' confidence in India's economy. Consequently, our business, results of operations, financial condition and cash flows may be adversely affected.

India has, from time to time, experienced instances of civil unrest and terrorist attacks, regional or international hostilities and other acts of violence as well as other adverse social, political and economic events. India has also experienced natural calamities such as earthquakes, tsunamis, floods and droughts in the past. If such events occur and lead to overall political and economic instability, it could have a material adverse effect on our business, financial condition, cash flows and results of operations. Further, any such events could lead to a shutdown of certain of our operations, which could result in a material adverse effect on our business, financial condition, cash flows and results of operations.

Other factors that may adversely affect the Indian economy, and hence our results of operations may include:

- any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;
- international trade wars or uncertain or unfavorable policies on international trade or (whether or not directly involving the Government of India);
- any scarcity of credit or other financing in India, resulting in an adverse effect on economic conditions in India and scarcity of financing for our expansions;
- prevailing income conditions among Indian customers and Indian corporations;
- the outbreak of epidemic or any other public health crisis in India or in countries in the region or globally, including in India's various neighbouring countries.
- macroeconomic factors and central bank regulations, including in relation to interest rates movements which may in turn adversely impact our access to capital markets and increase our borrowing costs;
- volatility in, and actual or perceived trends in trading activity on India's principal stock exchanges, that is, on the National Stock Exchange and the Bombay Stock Exchange;
- decline in India's foreign exchange reserves which may affect liquidity in the Indian economy;
- political instability, including terrorism or military conflict in India or in countries in the region or globally, including in India's various neighboring countries;
- civil unrest, acts of s or situations or war, which may adversely affect the financial markets;
- international business practices that may conflict with other customs or legal requirements in India and to which we are subject, including anti-bribery and anti-corruption laws;

- logistical and communication challenges;
- downgrading of India's sovereign debt rating;
- changes in government policies, including taxation policies, social and civil unrest and other political, social and economic developments in or affecting India;
- the occurrence of natural calamities and force majeure events;
- fluctuations in commodity and electricity prices; and
- a slowdown or recession in the economic growth of other major countries and regions or volatility in international securities markets, especially in the United States, Europe and China.

The occurrence of any of the above factors may lead to financial instability and increased volatility in the Indian financial markets and adversely affect the Indian economy and financial sector and us. Negative economic developments, such as rising fiscal or trade deficits, or a default on national debt, in other emerging market countries, may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. While recent Indian governments have been focused on encouraging private participation in the industrial sector, any adverse change in policy could result in a slowdown of the Indian economy and the GoI may introduce policy changes in response. In addition, these policies will need continued support from stable regulatory regimes that stimulate and encourage the investment of private capital into industrial development. Additionally, an increase in trade deficit, a downgrading in India's sovereign debt rating or a decline in India's foreign exchange reserves could negatively impact interest rates and liquidity, which could adversely impact the Indian economy and our business. Any downturn in the macroeconomic environment in India, or any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could materially adversely affect our business, prospects, financial condition and results of operations.

47. We are dependent on the availability and reliability on Indian infrastructure.

India's physical infrastructure is less developed than that of many developed nations. Any congestion or disruption with respect to communication systems or any public facility, including transportation infrastructure, could disrupt our normal business activity. Any deterioration of India's physical infrastructure would harm the national economy, disrupt the transportation of people, goods and supplies, and add costs to doing business in India. These disruptions could interrupt our business operations and materially harm our business, prospects, financial condition, results of operations and cash flows. For the risk of congestion or disruption with respect to India's power grid and its dispatch regime, see "*Risks Related to Our Business and Industry — The availability, reliability and capacity of interconnection facilities and transmission systems affects our ability to deliver electricity to our various counterparties.*".

48. Any downgrading of India's debt rating could have a negative impact on our business and the price of the equity shares.

Our borrowing costs and our access to the debt capital markets are affected by the credit ratings of India. India's sovereign debt rating could be downgraded due to various factors, including changes in tax or fiscal policy or a decline in India's foreign exchange reserves, which are outside our control.

Name of Agency	Rating	Outlook	Date
Fitch	BBB-	Stable	January 16, 2024
Moody's	Baa3	Stable	August 18, 2023
DBRS	BBB (low)	Positive	May 14, 2024
S&P	BBB-	Positive	May 29, 2024

Any adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional external financing is available. A downgrading of India's credit ratings may occur for reasons beyond our control, such as upon a change of government fiscal policy. This could have an adverse effect on our business and future financial performance, ability to obtain financing for capital expenditures and the trading price of the Equity Shares.

49. Compliance with present and changing laws, rules and regulations and legal uncertainties may adversely affect our business and financial performance.

The regulatory and policy environment in which we operate is evolving and subject to change. We are subject to compliance costs in relation to existing laws, such as the Land Acquisition Act, which covers various aspects related to the acquisition of land which may affect us, including provisions stipulating: (i) restrictions on acquisition of certain types of agricultural land; and (ii) compensation, rehabilitation and resettlement of affected people residing on such acquired land. The provisions of the Land Acquisition Act may limit our ability to acquire certain plots of land for our project development, or increase the applicable acquisition price. Additionally, the governments of India and different states have enacted regulations for forecasting and scheduling of all forms of renewable energy. Such regulations apply to all renewable projects commissioned and connected to the grid. The regulations require us to submit a schedule of electricity generation. If we fail to adhere to these regulations, we may be liable to pay penalties. The ambit of existing laws may also be uncertain and open to interpretation. Our business and financial performance could be adversely affected by any change in laws or interpretations of existing laws, or the promulgation of new laws, rules and regulations applicable to us. There can be no assurance that the GoI or any state government in India will not implement new regulations and policies which will require us to obtain additional approvals and licenses from the government and other regulatory bodies.

For example, there may be changes to India's labor laws with the introduction of the Code on Wages, 2019, the Occupational Safety, Health and Working Conditions Code, 2020, the Industrial Relations Code, 2020 and the Code on Social Security, 2020 which have received the assent of the President of India, and will come into effect on a date to be notified by the Central Government. The Code on Wages (Central Advisory Board) Rules, 2021 also provide for the constitution of a central advisory board to advise the Central Government on, *inter alia*, the fixing of minimum wages for certain kinds of employees, which may have an impact on our operational costs if our employees fall within the scope of employees regulated by such Code and the minimum wage level fixed is higher than the wages currently paid to such employees.

Further, the solar sector enjoys benefits in the form of concessions or the exemption of indirect taxes. Under the present norms, excise duty is exempted for solar projects and there is concession in the rate of custom duty payable for the materials imported for the solar project. Any adverse changes in the present norms or promulgation of new regulations may have a material adverse effect on the exemptions available to us and our business, prospects, financial condition and results of operations and cash flows.

Guidelines issued by the Ministry of Environment and Forests recommend (but do not mandate) a distance of at least 300 meters between wind power assets and habitation or highways. Such guidelines may be amended to place further restrictions on distance, limit the size or height of wind energy generators in a given area, prohibit the installation of wind energy generators at certain sites, or impose other restrictions, such as noise requirements. A significant increase in the extent of such legislation or other restrictions could cause significant constraints on the growth of the wind power industry as a whole. This would have an adverse effect on our business and results of operations.

Court rulings may also subject us to additional requirements, compliance with which may impact on our operations, project costs and operational costs. See "*—Risks Related to India — The recent order of the Supreme Court directing shifting of existing overhead transmission lines underground in certain environmentally protected areas might adversely impact our business and operations.*" There is no assurance that the courts in India may not make further proceedings in the future which may require adjustments to our operations, policies, development plans, among other areas, or result in constraints to our growth.

We have also been affected by the two major reforms in the area of India tax laws, namely the introduction of goods and services tax ("**GST**") and provisions relating to the General Anti-Avoidance Rules ("**GAAR**").

GST was implemented on July 21, 2017 and since then, tax rates on equipment used in solar power projects have increased. For example, as of March 31, 2024, the GST applicable for supply of equipment for a solar power generating system was 12% , value of which can be 70% of the plant cost. However, for the purpose of installation and engineering services, a separate works contract equivalent to 30% of the overall invoice is raised. The tax rates on services such as civil and general works and evacuation costs have also increased to 13.8%. As a result of such increases, our costs have also increased. Any future increases or amendments to the GST regime may affect our overall tax efficiency and we may be liable to pay additional taxes.

The provisions of GAAR came into effect on April 1, 2017. The GAAR provisions can be invoked once an arrangement is regarded as an "impermissible avoidance arrangement", which is any arrangement the main purpose of which is to obtain a tax benefit and which satisfies at least one of the following tests: (i) creates rights, or obligations, which are not ordinarily created between persons dealing at arm's length; (ii) results, directly or indirectly, in misuse, or abuse, of the provisions of the Income-tax Act; (iii) lacks commercial substance or is deemed to lack commercial substance, in whole or in part; or (iv) is entered into, or carried out, by means, or in a manner, which is not ordinarily employed for bona fide purposes. The onus to prove that the transaction is not an "impermissible avoidance agreement" is on the assessee, i.e. an arrangement shall be presumed "impermissible", unless it is proved to the contrary by the assessee. If GAAR provisions are invoked, then the tax authorities have wide powers, including denial of tax benefit or a benefit under a tax treaty, the consequences and effects of which are not determinable at present. In the absence of any precedents on the subject, the application of these provisions is uncertain. The invocation of GAAR provisions against us could materially and adversely affect our business, prospects, cash flows, financial condition and results of operations.

Further, tax and other levies imposed by the central and state governments in India that affect the Group's tax liability, including central and state taxes and other levies, income tax, goods and services tax, stamp duty and other special taxes and surcharges which are introduced on a temporary or permanent basis from time to time, may increase our operating costs. The statutory corporate income tax in India in the case of a domestic company, may range up to 30% exclusive of surcharge and health and education cess. However, a lower corporate tax rate of 25% (plus applicable surcharge and cess) is applicable for domestic companies in Fiscal Year 2023 whose annual turnover or gross receipt does not exceed Rs. 4 billion in Fiscal Year 2020. Additionally, the Income Tax Act, 1961 provides for a minimum alternate tax, or "MAT," of 15% (plus applicable surcharge and cess) on the book profits of the companies computed in the prescribed manner, if the normal corporate tax liability of the company is less than 15% of such book profits.

Recently, vide Taxation Laws (Amendment) Ordinance, 2019, the government has amended the IT Act, with effect from April 1, 2019, to provide an option to domestic companies to pay a reduced statutory corporate income tax of 22% exclusive of surcharge and health and education cess, provided such companies do not claim certain specified deductions or exemptions. However, in such circumstances, minimum alternate tax provisions would not be applicable. The Taxation Laws (Amendment) Ordinance, 2019 has also amended the IT Act, with effect from April 1, 2019, to reduce the minimum alternate tax rate to 15% (exclusive of surcharge and health and education cess). Thus, companies operating in India may choose not to claim any of the specified deductions or exemptions and claim the lower corporate tax, in which case minimum alternate tax provisions would not be applicable. Alternatively, such companies may choose to pay the higher of corporate tax i.e. 30% or 25% (as the case may be) plus applicable surcharge and cess, after claiming the applicable deductions and exemptions or minimum alternate tax at the rate of 15%.

Additionally, prior to Finance Act, 2020, distribution of dividends by a domestic company was subject to Dividend Distribution Tax ("**DDT**"), in the hands of the distributing company at an effective rate of 20.56% (inclusive of applicable surcharge and health and education cess). Such dividends were exempt from tax in the hands of the shareholders. However, the Finance Act, 2020, has amended the Tax Act to abolish the DDT regime and any dividend distributed by a domestic company shall now be subject to tax in the hands of the investor at the applicable rate. Additionally, the distributing company is required to withhold tax on such dividends distributed at the applicable rate.

Further, the statutory corporate income tax in India in the case of a domestic company, which includes a surcharge and a health and education cess on the tax, may range up to 25.17%. As of March 31, 2024, we paid a statutory corporate income tax at rate up to 25.17 per cent (including base rate of 22%, surcharge of 10% and ECS & HECS of 4%). In addition to the corporate income tax, any dividend distributed by a domestic company is subject to tax in the hands of the investor at the applicable rate. Non-resident investors may be able to claim benefit, if any, under the applicable Tax Treaty read with Multilateral Instrument ("**MLI**"), if and to the extent applicable. The Company is required to withhold tax on such dividend at specified rates. Any future changes to the taxability of dividends or corporate tax rates may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable.

Generally, a company is treated as tax resident of India if: (i) it is an Indian company; or (ii) its place of effective management ("**POEM**") in the relevant year is in India. POEM is defined in the Income-tax Act to mean a place where key management and commercial decisions that are necessary for the conduct of the business of an entity as a whole are, in substance, made. The GoI has issued the final guidelines for determining the POEM of a foreign company. The applicability of the POEM guidelines and the treatment of our subsidiaries outside India under such guidelines are uncertain and may have a material adverse effect on our business, financial condition, cash flows and results of operations.

Any future increases or amendments regarding the present tax regime may increase its ambiguity, affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. Additional tax exposure could adversely affect the Group's business and results of operations.

In some cases, we may be obliged under the terms of the relevant PPA to provide the counterparty compensation for any impact to the project timeline, parameters, or otherwise due to changes in applicable governing law, regulation or policy. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy in the jurisdictions in which we operate, including by reason of an absence or a limited body of administrative or judicial precedent, may be time consuming and costly for us to resolve and may impact the viability of our business currently or in the future.

Additionally, the Government of India has enacted the Finance Act, 2024 ("**Finance Act**"), which has introduced various amendments to the Income Tax Act. The Finance Act may have an impact on our business and operations or on the industry in which we operate. Unfavorable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals.

50. The recent order of the Supreme Court directing shifting of existing overhead powerlines underground in certain environmentally protected areas might adversely impact our business and operations of some of our Subsidiaries.

A writ petition had been filed in 2019, before the Supreme Court, seeking the conservation of two critically endangered species of birds, the Great Indian Bustard and the Lesser Florican, existing in the states of Rajasthan and Gujarat. The petitioner, through an interim application, had further sought directions to require the installation of predator-proof fencing, solar infrastructure in certain areas identified by the Wildlife Institute of India in the states of Rajasthan and Gujarat (the "**Designated Area**") and divertors for certain powerlines, and to bar the installation of overhead powerlines. On April 19, 2021, the Supreme Court issued an order directing that all low voltage overhead powerlines in the Designated Area shall be converted into underground powerlines and all future low voltage powerlines in the Designated Area shall be laid underground. In relation to the conversion of the high voltage overhead powerlines in the Designated Area into underground powerlines, the Supreme Court specified a list of powerlines where bird divertors shall be installed and a list of powerlines where an assessment shall be made by a committee with regards to the feasibility of converting such overhead powerlines into underground installations. Where conversion is deemed feasible, such conversion must be completed within a year. Where conversion is deemed not feasible, such powerlines shall be referred to a Technical Expert Committee ("**TEC**") appointed by the Supreme Court to grant an exemption from undergrounding, on a case by case basis. Until the TEC makes its decision, bird divertors must be installed on such lines. With respect to the recovery of costs of compliance with its order, the Supreme Court stated that the associated costs may be recovered by (i) passing on a portion of such costs to the ultimate consumer, subject to approval by the competent regulatory authority or (ii) mitigation mechanisms provided under specific contracts in accordance with their terms, or (iii) by utilizing funds earmarked for Corporate Social Responsibility. The Supreme Court issued a subsequent order dated April 21, 2022 under which it directed that bird diverters adhering to certain specifications must be installed by July 20, 2022.

The Supreme Court's orders impact the costs of our upcoming and existing projects in the Designated Area, especially due to the requirement to convert overhead powerlines into underground powerlines. As of December 31, 2022, the operational capacity of our projects located in Rajasthan and Gujarat which are affected by the Supreme Court order was 1,813.8 MW and the committed capacity of our under-development projects located in Rajasthan and Gujarat which are affected by the Supreme Court order, was 2,375 MW.

We are still evaluating the impact of the Supreme Court's orders on our current and planned projects, including additional costs. The amount of additional costs which we may incur as a result of such order remains uncertain, and is dependent on the TEC's findings in relation to some of our overhead powerlines. We may not be able to pass on our costs of complying with the Supreme Court's orders to our counterparties pursuant to terms under the relevant PPAs.

51. Natural disasters could have a negative impact on the Indian economy and our business and adversely affect our business and project operations.

Natural disasters such as floods, earthquakes or famines have in the past had a negative impact on the Indian economy. Potential effects may include damage to infrastructure and the loss of business continuity and business information. If our facilities are affected by any of these events, our operations may be significantly interrupted, which could materially adversely affect our business, prospects, financial condition and results of operations.

52. Financial difficulty and other problems relating to financial institutions in India could have a material adverse effect on our business, results of operations, cash flows and financial condition.

We are exposed to the risks of the Indian financial system which may be affected by the financial difficulties faced by certain Indian financial institutions whose commercial soundness may be closely related as a result of credit, trading, clearing or other relationships. This risk, which is sometimes referred to as a "systemic risk", may adversely affect financial intermediaries, such as credit rating agencies, banks, security trustees, and stock exchanges with which we interact on a daily basis. Any such difficulties or instability of the Indian financial system in general could create adverse market perceptions about the Indian financial institutions and banks and adversely affect our ability to obtain financing and consequently, our business. In addition, we deal with various financial institutions in our business. Any one of them could be negatively affected by financial difficulty as a result of occurrences over which we have no control. If one or more of our financial institutional counterparties or intermediaries suffers economic difficulty, this could have a material adverse effect on our business, results of operations, cash flows and financial condition.

53. Foreign investment laws in India include certain restrictions, which may affect our fundraising, future acquisitions and investments in India.

We are subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit our financing sources and hence could constrain our ability to obtain financings on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that the required approvals will be granted to us without onerous conditions, or at all. Limitations on raising foreign debt may have an adverse impact on our business, prospects, financial condition, results of operations and cash flows.

Further, India regulates ownership of Indian companies by non-residents, although some restrictions on foreign investment have been relaxed in recent years. For example, under its consolidated foreign direct investment policy, the GoI has set out additional requirements for foreign investments in India, including requirements with respect to downstream investments by Indian companies owned or controlled by non-resident entities, and the transfer of ownership or control from resident Indian persons or entities to non-residents of Indian companies in sectors with limits on foreign investment. Under current Indian regulations, transfers of shares between non-residents and residents are permitted (subject to certain exceptions) if they comply with, among other things, the guidelines specified by the RBI in relation to pricing and valuation of such shares and certain reporting requirements for such transactions specified by the RBI. If the transfer of shares is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions specified by the RBI, the prior approval of the RBI will be required before any such transfer may be consummated. We may not be able to obtain any required approval from the RBI or any other Indian regulatory authority on any particular terms or at all. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained with or without any particular terms or conditions.

Further, pursuant to applicable law, investments where the beneficial owner of the equity shares is situated in or is a citizen of a country which shares a land border with India, can only be made through a prescribed Government approval route. These investment restrictions shall also apply to subscribers of offshore derivative instruments. We cannot assure investors that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or conditions or at all.

54. Financial instability in other countries may cause increased volatility in Indian financial markets.

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including, but not limited to, the conditions in the United States, Europe and Asia. Financial turmoil or instability and loss of investor confidence in Asia and elsewhere in the world in recent years has adversely affected the Indian economy in the past. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and its business.

Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby adversely impact the Indian economy. Financial disruptions in the future could adversely affect our business, future financial condition and results of operations.

The global credit and equity markets have experienced substantial dislocations, liquidity disruptions and market corrections. These developments, and the uncertainty of the economic impact such developments may have may continue to have a material adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity, restrict the ability of key market participants to operate in certain financial markets or restrict our access to capital.

Further, trade tensions between the U.S. and major trading partners, most notably China, continue to escalate following the introduction of a series of tariff measures in both countries. Although China is the primary target of U.S. trade measures, value chain linkages mean that other emerging markets, primarily in Asia, may also be impacted. China's policy response to these trade measures also presents a degree of uncertainty.

In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, have implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term impact of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have had the intended stabilizing effects. Any significant financial disruption could have an adverse effect on our cost of funding, business, and financial performance.

. The long-term effect on the global economy remains uncertain. However, any reduction in global business activity may adversely affect economies and consumer spending, which may in turn affect our business.

55. If inflation were to rise in India, we might not be able to increase the prices of our services in order to pass costs on to our customers and our profits might decline.

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. Increasing inflation in India could cause a rise in the price of transportation, wages, raw materials and other expenses, and we may be unable to reduce our costs or pass the increased costs on to our customers by increasing the price that we charge for our services, and our financial condition, cash flows and results of operations may therefore be adversely affected.

56. ***We may be adversely affected by competition law in India and any adverse application or interpretation of the Competition Act could in turn adversely affect our business.***

The Competition Act, 2002, as amended (the "**Competition Act**"), regulates agreements having or likely to have an appreciable adverse effect on competition ("**AAEC**") in the relevant market in India.

The Competition Act aims to, among others, prohibit all agreements and transactions which may have an AAEC in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an AAEC in India. Given that we pursue strategic acquisitions, we may from time to time be affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, any enforcement proceedings initiated by the CCI, any adverse publicity that may be generated due to scrutiny or prosecution by the CCI, or any prohibition or substantial penalties levied under the Competition Act, which would adversely affect our business, results of operations, cash flows and prospects.

The Government of India has also introduced the Competition (Amendment) Bill, 2022 in the Lok Sabha in August 2022, which has proposed several amendments to the Competition Act, such as introduction of deal value thresholds for assessing whether a merger or acquisition qualifies as a "combination", expedited merger review timelines, codification of the lowest standard of "control" and enhanced penalties for providing false information or a failure to provide material information. As these are draft amendments, we cannot ascertain at this stage as to whether the proposed amendments will come into force in the form suggested or at all, their applicability in respect of our operations, partially or at all once they come into force, or the extent to which the amendments, if and when they come into force, will result in additional costs for compliance, which in turn may adversely affect our business, results of operations, cash flows and prospects.

57. ***Foreign Investors may have difficulty in enforcing foreign judgments against our Company or our management.***

Our Company is a limited liability public company incorporated under the laws of India. All of our directors and key managerial personnel named in this Preliminary Placement Document are residents of India. Further, most of our assets are located in India. As a result, it may be difficult for investors to effect service of process upon us or to enforce judgments obtained against us. The recognition and enforcement of foreign judgments in India is governed by Sections 13 and 44A of the Civil Code, which provide that a suit must be brought in India within three years of the date of the judgment sought to be enforced. Generally, there are considerable delays in the disposal of suits by Indian courts.

It is unlikely that a court in India would award damages on the same basis as a foreign court if an action were to be brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if that court was of the view that the amount of damages awarded was excessive or inconsistent with Indian practice. A party seeking to enforce a foreign judgment in India is required to obtain prior approval from the RBI under the FEMA to repatriate any amount recovered, and we cannot assure that such approval will be forthcoming within a reasonable period of time, or at all, or that conditions of such approvals would be acceptable. For further details, see "*Enforceability of Civil Liabilities*".

Risks related to the Equity Shares and the Issue

58. ***Investors will be subject to market risks until the Equity Shares credited to the investor's demat account are listed and permitted to trade.***

Investors can start trading in the Equity Shares allotted to them only after they have been credited to an investor's demat account and are listed and permitted to trade. In accordance with Indian law and practice, final approval for listing and trading of our Equity Shares will not be granted until after the Equity Shares have been issued and allotted. Such approval will require the submission of all other relevant documents authorizing the issuance of the Equity Shares. Accordingly, there could be a failure or delay in listing the Equity Shares on NSE and BSE, which would adversely affect your ability to sell the Equity Shares. Since the Equity Shares are currently traded on the BSE and the NSE, investors will be subject to market risk from the date they pay for the Equity Shares to the date when trading approval is granted for the same. Furthermore, there can be no assurance that the Equity Shares allocated to an investor will be credited to the investor's demat account in a timely manner or that trading in the Equity Shares will commence in a timely manner.

59. ***The trading volume and market price of the Equity Shares may be volatile following the Issue, and you may not be able to sell your Equity Shares at or above the Issue Price.***

The market price of the Equity Shares may fluctuate as a result of, among other things, the following factors, some of which are beyond our control:

- actual or anticipated variations in our results of operations, including compared to expectations of securities analysts and investors and those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates by analysts and investors;
- announcements about our earnings that are not in line with analyst expectations;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments;
- complaints from our customers, shortages or interruptions in the availability of raw materials, or reports of incidents of tampering of raw materials;
- additions or departures of senior management;
- changes in our dividend policy;
- changes in accounting standards, policies, guidance, interpretations or principles;
- the public's reaction to our press releases, other public announcements, and filings with the regulator;
- adverse media reports about us or our industry;
- changes / volatility in exchange rates;
- changes in the regulatory and legal environment in which we operate;
- fluctuations in stock market prices and volume; and
- general economic and stock market conditions.

Any of these factors listed above could result in large and sudden changes in the volume and trading price of the Equity Shares and adversely affect the price of the Equity Shares. The market price of the Equity Shares could be subject to significant fluctuations after the Issue and may decline below the Issue Price. We cannot assure you that you will be able to resell the Equity Shares at or above the Issue Price. Furthermore, the Issue Price which may include a discount of not more than 5% on the Floor Price in accordance with the SEBI ICDR Regulations, which will be determined by our Company in consultation with the Lead Manager may not be necessarily indicative of the market price of the Equity Shares after this Issue is complete.

60. An investor will not be able to sell any of the Equity Shares subscribed in the Issue other than on a recognized Indian stock exchange for a period of one year from the date of allotment of such Equity Shares.

Pursuant to the SEBI ICDR Regulations, for a period of one year from the date of the allotment of the Equity Shares in the Issue, investors subscribing the Equity Shares in the Issue may only sell such Equity Shares on NSE or BSE and may not enter into any off-market trading in respect of such Equity Shares. We cannot be certain that these restrictions will not have an impact on the price of the Equity Shares. This may affect the liquidity of the Equity Shares subscribed by investors and it is uncertain whether these restrictions will adversely impact the market price of the Equity Shares subscribed by investors.

61. Investors may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares or dividend paid thereon.

Our ability to pay dividends in the future will depend on our earnings, financial condition, cash flow, working capital requirements and capital expenditure. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant. We cannot assure you that we will be able to pay dividends in the future. Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares held as investments in an Indian company are generally taxable in India. Any capital gain realized on the sale of listed equity shares on a Stock Exchange held for more than 12 months immediately preceding the date of transfer will be subject to long term capital gains in India at the specified rates depending on certain factors, such as whether the sale is undertaken on or off the Stock Exchanges, the quantum of gains and any available treaty relief. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of Securities Transaction Tax ("**STT**"), on the sale of any Equity Shares held for more than 12 months immediately preceding the date of transfer. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Furthermore, any capital gains realized on the sale of listed equity shares held for a period of 12 months or less immediately preceding the date of transfer will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will not be chargeable to tax in India in cases where relief from such taxation in India is provided under a treaty between India and the country of which the seller is resident and the seller is entitled to avail benefits thereunder. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

62. Any future issuance of Equity Shares, or convertible securities or other equity linked instruments by us may dilute your shareholding. Furthermore, any such further issuance of our securities and/or sale of Equity Shares by the Promoters or members of our Promoter Group may adversely affect the trading price of our Equity Shares.

We cannot assure you that we will not issue additional Equity Shares. Any future equity issuances by us, including a primary offering of Equity Shares, convertible securities or securities linked to Equity Shares may lead to the dilution of your shareholding in our Company. Furthermore, any future equity issuances by us or sale of our Equity Shares by the Promoters or members of our Promoter Group or any of our other principal shareholders or any public perception regarding such issuance or sales may adversely affect the trading price of the Equity Shares, may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares. There can be no assurance that we will not issue Equity Shares, convertible securities or securities linked to Equity Shares or that our Shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

63. There may be less information available about companies listed on Indian securities markets than companies listed on securities markets in other countries.

There may be less publicly available information about Indian public companies, including our Company, than is regularly disclosed by public companies in other countries with more mature securities markets. There is a difference between the level of regulation and monitoring of the Indian securities markets and the activities of investors, brokers and other participants in those markets, and that of markets in other more developed economies. In India, while there are certain regulations and guidelines on disclosure requirements, insider trading and other matters, there may be less publicly available information about Indian companies than is regularly made available by public companies in many developed economies. As a result, you may have access to less information about our business, results of operations and financial condition, and those of our competitors that are listed on the Stock Exchanges, on an ongoing basis, than you may in the case of companies subject to the reporting requirements of certain other countries.

64. We may be subject to surveillance measures, such as the Additional Surveillance Measures and the Graded Surveillance Measures by the Stock Exchanges in order to enhance the integrity of the market and safeguard the interest of investors.

We may be subject to Additional Surveillance Measures ("**ASM**") and Graded Surveillance Measures ("**GSM**") by the Stock Exchanges. These measures are in place to enhance the integrity of the market and safeguard the interest of investors. The criteria for shortlisting any security trading on the Stock Exchanges for ASM is based on objective criteria, which includes market based parameters such as high low price variation, concentration of client accounts, close to close price variation, market capitalization, average daily trading volume and its change, and average delivery percentage, among others. Securities are subject to GSM when its price is not commensurate with the financial health and fundamentals of the issuer. Specific parameters for GSM include net worth, net fixed assets, price to earning ratio, market capitalization and price to book value, among others. Factors within and beyond our control may lead to our securities being subject to GSM or ASM. In the event our Equity Shares are subject to such surveillance measures implemented by any of the Stock Exchanges, we may be subject to certain additional restrictions in connection with trading of our Equity Shares such as limiting trading frequency (for example, trading either allowed once in a week or a month) or freezing of price on upper side of trading which may have an adverse effect on the market price of our Equity Shares or may in general cause disruptions in the development of an active trading market for our Equity Shares.

65. Under Indian law, foreign investors are subject to investment restrictions that may limit our ability to attract foreign investors, which may adversely affect the trading price of our Equity Shares.

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain restrictions), if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then a prior regulatory approval is required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. Furthermore, the Indian Government may impose foreign exchange restrictions in certain emergency situations, including situations where there are sudden fluctuations in interest rates or exchange rates, where the Indian Government experiences extreme difficulty in stabilizing the balance of payments or where there are substantial disturbances in the financial and capital markets in India. These restrictions may require foreign investors to obtain the Indian Government's approval before acquiring Indian securities or repatriating the interest or dividends from those securities or the proceeds from the sale of those securities. We cannot assure investors that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all.

66. Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

67. Investors may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby may suffer future dilution of their ownership position.

Under the Companies Act 2013, a company having share capital and incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages before the issuance of any new equity shares, unless the pre-emptive rights have been waived by adoption of a special resolution by holders of three-fourths of the equity shares voting on such resolution. However, if the law of the jurisdiction the investors are in, does not permit them to exercise their pre-emptive rights without our Company filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless our Company makes such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the investor's benefit. The value such custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that the investors are unable to exercise pre-emptive rights granted in respect of the Equity Shares held by them, their proportional interest in our Company would be reduced.

68. Applicants to the Issue are not allowed to withdraw or revise downwards their Bids after the Issue Closing Date

In terms of the SEBI ICDR Regulations, applicants in the Issue are not allowed to withdraw their Bids after the Issue Closing Date. The Allotment of Equity Shares in this Issue and the credit of such Equity Shares to the applicant's demat account with depository participant could take approximately seven days and up to 10 days from the Issue Closing Date. However, there is no assurance that material adverse changes in the international or national monetary, financial, political or economic conditions or other events in the nature of force majeure, material adverse changes in the business, results of operations and financial condition of our Company, or other events affecting the applicant's decision to invest in the Equity Shares, would not arise between the Issue Closing Date and the date of Allotment of Equity Shares in the Issue. Occurrence of any such events after the Issue Closing Date could also impact the market price of the Equity Shares. The applicants shall not have the right to withdraw their Bids in the event of any such occurrence. Our Company may complete the Allotment of the Equity Shares even if such events may limit the applicants' ability to sell the Equity Shares after the Issue or cause the trading price of the Equity Shares to decline.

69. Our Equity Shares are quoted in Indian rupees in India and investors may be subject to potential losses arising out of exchange rate risk on the Indian rupee and risks associated with the conversion of Indian rupee proceeds into foreign currency.

Investors are subject to currency fluctuation risk and convertibility risk since our Equity Shares are quoted in Indian rupees on the Indian stock exchanges on which they are listed. Dividends on the Equity Shares will also be paid in Indian Rupees and subsequently may need to be converted into the relevant foreign currency for repatriation. Any adverse movement in exchange rates during the time it takes to undertake such conversion may reduce the net dividend to investors. In addition, foreign investors that seek to sell Equity Shares will have to obtain approval from the RBI, unless the sale is made on a stock exchange or in connection with an offer made under regulations regarding takeovers. Any adverse movement in exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares, may reduce the net proceeds received by shareholders. The volatility of the Indian rupee against other currencies may subject investors who convert funds into Indian rupees to purchase our Equity Shares to currency fluctuation risks.

MARKET PRICE INFORMATION

As on the date of this Preliminary Placement Document, 120,565,216 Equity Shares of face value of ₹ 5 each, are subscribed and paid-up.

On August 9, 2024 the closing price of the Equity Shares on NSE and BSE was ₹ 1,064.90 and ₹ 1,064.00 respectively per Equity Share. Since the Equity Shares are available for trading on the Stock Exchanges, the market price and other information for each of BSE and NSE has been given separately.

(i) The following tables set forth the reported high, low and average market prices and the trading volumes of the Equity Shares on the Stock Exchanges on the dates on which such high and low prices were recorded for the Financial Years ended March 31, 2024, March 31, 2023, and March 31, 2022:

BSE									
Period	**High (₹)**	**Date of high**	**Number of Equity Shares traded on the date of high**	**Total turnover of Equity Shares traded on date of high (₹ million)**	**Low (₹)**	**Date of low**	**Number of Equity Shares traded on the date of low**	**Total turnover of Equity Shares traded on date of low (₹ million)**	**Average price for the period (₹)**
Fiscal 2024- April 1, 2023 - February 14, 2024[(4)]	2,311.30	February 06, 2024	1,75,816	394.53	425.95	April 03, 2023	13,448	5.75	949.13
Fiscal 2024- February 15, 2024 – March 31, 2024[(4)]	1,805.70	February 23, 2024	36,385	65.68	1,408.75	February 15, 2024	9,158	12.90	1,615.77
Fiscal 2023	951.30	November 30, 2022	25,839	24.35	393.70	March 28, 2023	36,398	14.60	678.78
Fiscal 2022	555.50	March 30, 2022	7,511	4.17	42.50	April 29, 2021	3,200	0.15	223.38

NSE									
Period	**High (₹)**	**Date of high**	**Number of Equity Shares traded on the date of high**	**Total turnover of Equity Shares traded on date of high (₹ million)**	**Low (₹)**	**Date of low**	**Number of Equity Shares traded on the date of low**	**Total turnover of Equity Shares traded on date of low (₹ million)**	**Average price for the period (₹)**
Fiscal 2024- April 1, 2023 - February 14, 2024[(4)]	2,302.65	February 06, 2024	6,48,417	1,448.69	426.95	April 03, 2023	1,29,244	55.20	948.92
Fiscal 2024- February 15, 2024 – March 31, 2024[(4)]	1,805.55	February 23, 2024	1,05,374	190.03	1,405.35	February 15, 2024	14,020	19.70	1,615.22
Fiscal 2023	952.60	November 30, 2022	3,80,467	358.64	393.80	March 28,2023	2,07,921	83.92	678.83
Fiscal 2022	556.00	March 31,2022	2,81,046	158.72	119.70	September 13, 2021	29,999	3.60	275.33

(Source: www.bseindia.com and www.nseindia.com)

Notes:

1. *High price indicates intraday high price, low price indicates intraday low price and average prices are based on the daily closing prices, for the respective periods.*
2. *In the case of a year, average represents the average of the closing prices of all trading days of each year presented.*
3. *In case of two days with the same high price, low price, the date with the higher traded volume has been chosen.*
4. *Stock market data has been shown separately for the periods prior and post the ex-bonus date i.e., February 15, 2024 for the bonus issue undertaken pursuant to a board resolution dated December 30, 2023 and Shareholders' resolution dated February 7, 2024.*

(ii) The following table sets forth the details of the number of Equity Shares traded on the Stock Exchanges and the turnover during Fiscals 2024, 2023 and 2022:

Financial period	**Number of Equity Shares Traded**		**Turnover (in ₹ million)**	
	BSE	**NSE**	**BSE**	**NSE**
Fiscal 2024	98,48,917	7,94,77,951	11,832.64	87,681.92
Fiscal 2023	5,380,413	45,704,827	3,735.93	31,291.39
Fiscal 2022	7,829,300	16,742,983	1,401.18	4,612.12

(Source: www.bseindia.com and www.nseindia.com)

The following tables set forth the reported high, low and average market prices and the trading volumes of the Equity Shares on the Stock Exchanges on the dates on which such high and low prices were recorded during each of the last six months:

BSE											
Month year	High (₹)	Date of high	Number of Equity Shares traded on date of high	Total turnover of Equity Shares traded on date of high (₹ million)	Low (₹)	Date of low	Number of Equity Shares traded on date of low	Total turnover of Equity Shares traded on date of low (₹ million)	Average price for the month (₹)	Equity Shares traded in the month	
										Volume	Turnover (₹ million)
July 1, 2024 – July 17, 2024[5]	2,038.75	July 16, 2024	68,263	138.68	1,760.55	July 2, 2024	76,496	136.18	1,848.55	3,92,658	734.35
July 18, 2024 – July 31, 2024[5]	1,070.35	July 18, 2024	2,45,989	261.96	919.00	July 25, 2024	21,146	19.49	961.84	10,93,950	1,081.62
June 2024	1,879.15	June 12, 2024	12,835	23.83	1,683.35	June 5, 2024	90,157	151.39	1,787.83	62,6714	1,110.31
May 2024	2062.10	May 7, 2024	2,72,492	560.34	1,763.85	May 30, 2024	46,934	83.57	1,882.00	20,20,259	3,868.42
April 2024	2,109.25	April 25, 2024	1,14,786	240.84	1,598.30	April 1, 2024	5,430	8.61	1,786.14	12,05,799	2,205.66
March 2024	1,757.85	March 2, 2024	24,612	43.41	1,453.35	March 15, 2024	46,884	68.65	1,599.55	12,58,967	2,049.35
February 1, 2024 – February 14, 2024[4]	2,311.30	February 06, 2024	1,75,816	394.53	1,915.80	February 13, 2024	40,964	78.73	2,109.98	6,97,280	1,478.77
February 15, 2024 – February 29, 2024[4]	1,805.70	February 23, 2024	36,385	65.67	1,408.75	February 15, 2024	9,158	12.90	1,643.80	8,79,108	1,486.55

NSE											
Month year	High (₹)	Date of high	Number of Equity Shares traded on date of high	Total turnover of Equity Shares traded on date of high (₹ million)	Low (₹)	Date of low	Number of Equity Shares traded on date of low	Total turnover of Equity Shares traded on date of low (₹- million)	Average price for the month (₹)	Equity Shares traded in the month	
										Volume	Turnover (₹ million)
July 1, 2024 – July 17, 2024[5]	2,038.65	July 16, 2024	10,41,727	2,116.22	1,763.45	July 2, 2024	2,14,510	383.51	1,848.76	37,79,157	7,173.20
July 18, 2024 – July 31, 2024[5]	1,070.30	July 18, 2024	14,98,178	1,594.15	920.95	July 25, 2024	1,76,269	162.49	962.46	62,42,669	6,167.85
June 2024	1,880.25	June 12, 2024	3,12,455	581.03	1,682.50	June 5, 2024	4,76,640	800.49	1,788.10	44,72,313	8,000.43
May 2024	2,061.65	May 7, 2024	10,53,257	2,164.70	1,762.40	May 30, 2024	3,06,194	545.31	1,881.80	1,20,99,165	22,988.82
April 2024	2,109.15	April 25, 2024	5,34,744	1,120.82	1,599.15	April 1, 2024	1,55,140	246.69	1,786.27	91,20,603	16,338.66
March 2024	1,760.95	March 2, 2024	87,531	154.48	1,452.75	March 15, 2024	8,35,214	1,222.73	1,599.27	84,29,259	13,683.46
February 1, 2024 – February 14, 2024[4]	2,302.65	February 06, 2024	6,48,417	1,448.69	1,912.05	February 13, 2024	2,74,564	527.45	2,105.21	43,77,661	9,161.84
February 15, 2024 – February 29, 2024[4]	1,805.55	February 23, 2024	1,05,374	190.03	1,405.35	February 15, 2024	14,020	19.70	1,642.76	45,49,746	7,725.20

(Source: www.bseindia.com and www.nseindia.com)

Notes:

1. *High price indicates intraday high price, low price indicates intraday low price and average prices are based on the daily closing prices, for the respective periods. High, low and average prices are based on the daily closing prices.*
2. *In the case of a year, average represents the average of the closing prices of all trading days of each year presented.*
3. *In case of two days with the same high price, low price, the date with the higher traded volume has been chosen.*
4. *Stock market data has been shown separately for the periods prior and post the ex-bonus date i.e., February 15, 2024 for the bonus issue undertaken pursuant to a board resolution dated December 30, 2023 and Shareholders' resolution dated February 7, 2024.*
5. *Stock market data has been shown separately for the periods prior and post the Sub-Division record date i.e., July 18, 2024 for the bonus issue undertaken pursuant to a board resolution dated May 23, 2024 and Shareholders' resolution dated June 28, 2024.*

(iii) The following table sets forth the market price on the Stock Exchanges on May 14, 2024, that is, the first working day following the approval dated May 13, 2024, of our Board of Directors for the Issue:

Date	BSE					
	Open	High	Low	Close	Number of Equity Shares traded	Volume (₹ million)
May 14, 2024	1,800.00	1,879.65	1,800.00	1,879.65	58,541	108.97

(Source: www.bseindia.com)

Date	NSE					
	Open	High	Low	Close	Number of Equity Shares traded	Volume (₹ million)
May 14, 2024	1,800.00	1,879.15	1,800.00	1,879.15	2,77,568	516.13

(Source: www.nseindia.com)

USE OF PROCEEDS

The Gross Proceeds aggregates to ₹ [•] million. Subject to compliance with applicable laws, the net proceeds from the Issue, after deducting fees, commissions and the estimated expenses of the Issue of approximately ₹ [•] million, shall be approximately ₹ [•] million (the "**Net Proceeds**").

Objects of the Issue

Subject to applicable laws and regulations, our Company intends to use the Net Proceeds to finance the following ("**Objects**"):

(*₹ in million*)

Sr No.	Particulars	Amount which will be financed from Net Proceeds
1.	Prepayment or repayment, in full or part, of all or a portion of certain of the outstanding borrowings availed by our Company	[●]
2.	Funding the working capital requirements of our Company	[●]
3.	General corporate purposes*	[●]
	Total Net Proceeds	[●]

* *To be determined upon finalisation of the Issue Price and updated in the Placement Document. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds.*

The main objects and objects incidental and ancillary to the main objects of the memorandum of association of our Company, enable us to undertake (i) existing activities and (ii) the activities proposed to be funded from the Net Proceeds.

Proposed schedule of implementation and deployment of Net Proceeds

We propose to deploy the Net Proceeds for the aforesaid objects in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below:

(₹ in million)

Sr. No.	Particulars	Amount to be funded from Net Proceeds	Proposed schedule for deployment of the Net Proceeds in Fiscal 2025
1.	Prepayment or repayment, in full or part, of all or a portion of certain of the outstanding borrowings availed by our Company	[●]	[●]
2.	Funding the working capital requirements of our Company	[●]	[●]
3.	General corporate purposes*	[●]	[●]
	Total Net Proceeds	[●]	[●]

* *To be determined upon finalisation of the Issue Price and updated in the Placement Document. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds.*

Our funding requirements, deployment of funds and the intended use of Net Proceeds indicated above is based on management estimates, current circumstances of our business, our existing business plans, the certificates each dated August 12, 2024, from M/s K A Sanghavi & Co LLP Chartered Accountants, our Statutory Auditor, the prevailing market conditions and other commercial and technical factors. Given the nature of our business, we may have to revise our funding requirements and intended deployment schedule on account of a variety of factors such as our financial condition, business strategy, delay in procuring and operationalizing assets or necessary licenses and approvals, and external factors such as market conditions, competitive environment, price fluctuations and interest or exchange rate fluctuations and other external factors which may not be within the control of our management. Depending upon such factors, we may have to reduce or extend the deployment period for the stated objects. This may entail rescheduling or revising the planned expenditure, implementation schedule and funding requirements, including the expenditure for a particular purpose, at the discretion of our management. Subject to applicable law, if the actual utilisation towards the objects is lower than the proposed deployment, such balance will be used for general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes will not exceed 25% of the Gross Proceeds. In case of a shortfall in raising requisite capital from the Net Proceeds, business considerations may require us to explore a range of options including utilising our internal accruals and seeking additional debt from existing and future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls. Further, in case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in the Issue, subject to compliance with applicable laws. For details, see "***Risk Factors – Our funding requirements and the proposed deployment of Net Proceeds have not been appraised by any bank or financial institution or any other independent agency and our management will have broad discretion over the use of the Net Proceeds. Further, the schedule of the***

implementation of the projects for which funds are being raised in the Issue, is subject to risk of unanticipated delays in implementation and cost overruns" on page 53.

Our Company proposes to deploy the entire Net Proceeds towards the Objects stated above. If the Net Proceeds are not utilized (in full or in part) for the Objects the period stated above due to any reason, including (i) the timing of completion of the Issue; (ii) market conditions outside the control of our Company; and (iii) any other economic, business and commercial considerations, the remaining Net Proceeds shall be utilized (in part or full) in subsequent periods in such manner as may be determined by our Company, in accordance with applicable laws. Further, our Company may also utilise any portion of or the entire the Net Proceeds, towards the aforementioned Objects, ahead of the estimated schedule of deployment specified above.

Details of the Objects

1. Prepayment or repayment, in full or part, of all or a portion of certain of the outstanding borrowings availed by our Company

Our Company has entered into various borrowing arrangements from time to time, with banks and financial institutions. The outstanding borrowing arrangements entered into by our Company includes debt in the form of, *inter alia*, availing term loans and working capital facilities, including fund based and non-fund-based borrowings.

As of June 30, 2024, we had total outstanding borrowings of ₹ 7,986.95 million on a consolidated basis. Our Company proposes to utilise an estimated amount of ₹ [●] from the Net Proceeds towards part or full repayment and/or pre-payment of certain borrowings availed by our Company.

Further, the outstanding amounts under these borrowings as well as the sanctioned limits are dependent on several factors and may vary with our business cycle with multiple intermediate repayments, drawdowns and enhancement of sanctioned limits. Accordingly, our Company may utilise the Net Proceeds for part and/or full prepayment of any such facilities.

We believe that such repayment and/or pre-payment will help reduce our outstanding indebtedness and debt servicing costs, improve our debt-to-equity ratio and enable utilisation of our accruals for further investment in our business growth and expansion. Additionally, we believe that since our debt-equity ratio will improve, it will enable us to raise further resources at competitive rates in the future to fund potential business development opportunities and plans to grow and expand our business in the future.

To the extent required, our Company has obtained necessary consents from the lenders of these borrowings as per the requirements under the borrowing arrangements. Further, certain of the financing facilities availed by our Company, provide for the levy of prepayment penalty up to 2% of the principal amount prepaid. In the event that there are any prepayment penalties required to be paid under the terms of relevant financing agreements, such prepayment penalties shall be paid by our Company out of the internal accruals of our Company. We have and will also take such provisions into consideration while deciding repayment and/ or pre-payment of loans from the Net Proceeds.

Details of utilization of our outstanding borrowings

The following table provides the details of outstanding term loans availed by our Company, any of which are proposed to be repaid or prepaid, in full or in part, from the Net Proceeds:

Sr. No.	Name of the lender	Date of sanction letter / loan agreement	Nature of borrowing	Total amount sanctioned (in ₹ million)	Tenor / repayment schedule	Principal amount outstanding as on June 30, 2024 (in ₹ million)	Rate of interest (p.a.)	Purpose for which amount was utilised	Prepayment penalty
1.	State Bank of India	December 20, 2021	Term loan	280.00	73 months (including 1 month moratorium)	162.00	9.05%	Funding of a 15.35 MW IPP solar plant	Not Applicable
2.	State Bank of India	December 20, 2021	Term loan	740.00	130 months (including 1 month moratorium)	569.00	9.05%	Funding of a 25 MW IPP solar plant	Not Applicable
3.	State Bank of India	December 20, 2021	Term loan	760.00	152 months (including 2-month moratorium)	611.50	9.05%	Funding of a 20 MW IPP solar plant	Not Applicable
4.	State Bank of India	July 29, 2022	Term loan	800.00	168 months (including 24-month moratorium)	768.84	9.35%	Funding of a 26.1 MW IPP wind solar hybrid plant	Not Applicable
5.	State Bank of India	December 31, 2020	Guarantee emergency credit line	67.50	60 months (including 12-month moratorium)	23.91	9.25%	Working capital - effect of COVID-19	Nil
6.	State Bank of India	February 11, 2022	Guarantee emergency credit line	480.00	72 months (including 24-month moratorium)	430.00	9.25%	Working capital - effect of COVID-19	Nil
7.	Union Bank of India	August 3, 2022	Term loan	520.00	169 months (including 25-month moratorium)	497.83	9.35%	Funding of a 26.1 MW IPP wind solar hybrid plant	Not applicable, however, subject to 15 days prior notice
8.	Bandhan Bank	March 9, 2023	Term loan	404.40	120 months (including 7-month moratorium)	379.48	9.75%	Funding of a 9.95 MW IPP solar wind hybrid plant	Not applicable, however, subject to 30 days prior notice
9.	Bandhan Bank	March 9, 2023	Term loan	83.60	120 months (including 7-month moratorium)	80.83	9.75%	Funding of a 9.95 MW IPP solar wind hybrid plant	Not applicable, however, subject to 30 days prior notice
10.	Vivriti Capital Limited	March 29, 2023	Term loan	300.00	36 months (including 6-month moratorium)	220.00	12.85%	Execution of CPP projects and working capital requirement	2% of outstanding amount with 15 days prior notice

Note: M/s. K A Sanghavi & Co LLP, Chartered Accountants, vide certificate dated August 12, 2024 certified that the utilisation of the borrowings is for the purposes availed, as per the respective sanction letters/loan agreements issued by the respective lender.

The following table provides the details of outstanding working capital loans availed by our Company, any of which are proposed to be repaid or prepaid from the Net Proceeds:

Sr. No.	Name of the lender	Date of sanction letter / loan agreement	Nature of borrowing	Fund based amount sanctioned as on June 30, 2024 (in ₹ million)	Non-fund-based amount sanctioned as on June 30, 2024 (in ₹ million)	Total amount sanctioned (in ₹ million)	Tenor / repayment schedule	Principal amount outstanding as on June 30, 2024 (in ₹ million)	Rate of interest (p.a.)	Purpose for which amount was utilised	Prepayment penalty
1	Poonawalla Fincorp Limited	December 30, 2023	Purchase Bill Financing	1,100	-	1,100	120 days	1,065.79	10%	Purchase bill financing for working capital	Nil

Note: M/s. K A Sanghavi & Co LLP, Chartered Accountants, vide certificate dated August 12, 2024 certified that the utilisation of the borrowings is for the purposes availed, as per the respective sanction letters/loan agreements issued by the respective lender.

Given the nature of the borrowings and the terms of repayment, the aggregate outstanding amounts under the borrowings may vary from time to time and our Company may, in accordance with the relevant repayment schedule, repay or refinance some of its existing borrowings prior to Allotment. Further, the amounts outstanding under the borrowings as well as the sanctioned limits are dependent on several factors and may vary with the business cycle of our Company with multiple intermediate repayments, drawdowns and enhancement of sanctioned limits.

Our Company has and will consider the following factors for identifying the loans that will be repaid out of the Net Proceeds: (i) costs, expenses and charges relating to the facility/borrowing including interest rates involved; (ii) presence of onerous terms and conditions under the facility; (iii) ease of operation of the facility; (iv) levy of any prepayment penalties and the quantum thereof; (v) provisions of any law, rules, regulations governing such borrowings; (vi) terms of pre-payment to lenders, if any; (vii) mix of credit facilities provided by lenders; and (viii) other commercial considerations including, among others, the amount of the loan outstanding and the remaining tenor of the loan.

2. Funding the working capital requirements of our Company

We propose to utilise ₹ [•] million from the Net Proceeds to fund the working capital requirement for business operations of our Company in Fiscal 2025. We have significant working capital requirements in the ordinary course of business, which we typically fund through internal accruals and by availing financing facilities from various banks and financial institutions. As on March 31, 2024, our Company has sanctioned fund-based limits of working capital facilities of ₹ 4,635.40 million and non-fund-based limits for working capital of ₹ 1,600 million.

Our Company requires additional working capital for funding future growth requirements of our Company and for other strategic, business, and corporate purposes.

Basis of estimation of working capital requirement

Existing working capital

Set forth below is the working capital of our Company, on a standalone basis, based on the audited financial statements of the Company with profit and loss statement and balance sheet for the financial years ended March 31, 2022, March 31, 2023, and March 31, 2024, as certified by M/s. K A Sanghavi & Co LLP, Chartered Accountants through their certificate dated August 12, 2024:

(in ₹ million)

Particulars	As of and for the financial year ended March 31, 2022	As of and for the financial year ended March 31, 2023	As of and for the financial year ended March 31, 2024
A. Current assets			
(a) Inventories	821.73	1,322.29	2,921.12
(b) Financial Assets		-	
(i) Investments	0	-	0
(ii) Trade receivables	343.03	533.32	3,026.52
(iii) Cash and cash equivalents	41.40	99.05	220.22
(iv) Bank balances (other than cash and cash equivalents)	145.46	332.48	1,036.04
(v) Loans	1.82	1.85	3.11
(vi) Other financial assets	11.98	18.24	2.30
(c) Other current assets	739.61	596.45	3,811.12
Net Current Assets (A)	**2,105.03**	**2,903.69**	**11,020.42**
B. Current liabilities			
a. Financial liabilities			
i. Borrowings	263.71	1,038.10	4,065.50
ii. Trade Payables	421.11	1,301.33	2,730.31
iii. Other Financial Liabilities	14.87	60.91	152.02
b. Other current liabilities	916.55	161.73	112.66
c. Provisions	0.29	0.41	0.67
d. Current tax liabilities	-	15.19	122.55
Net Current Liabilities (B)	**1,616.54**	**2,577.68**	**7,183.71**
Working Capital (C)=(A-B)	**488.49**	**326.01**	**3,836.71**
Funding pattern			
Internal accruals	488.49	-	359.70
Working capital facilities from banks	-	557.38	3,477.01

Note: As certified by M/s. K A Sanghavi & Co LLP, Chartered Accountants, vide certificate dated August 12, 2024.

Assumptions for working capital requirements:

The following table sets forth the details of the holding levels (days) for the Financial Years ended March 31, 2024, March 31, 2023, and March 31, 2022, which has been computed based on the audited standalone financial statements of the Company for the Financial Years ended March 31, 2024, March 31, 2023, and March 31, 2022, respectively.

Holding levels and justifications for holding period levels

The table below contains the details of the holding levels (days) considered:

Particulars	As of and for the financial year ended March 31, 2022	As of and for the financial year ended March 31, 2023	As of and for the financial year ended March 31, 2024
Inventory days	225	126	186
Trade receivables days	70	33	90
Other current assets days	67	50	111
Trade payables days	117	102	177
Other current liabilities	148	59	11

Note: As certified by M/s. K A Sanghavi & Co LLP, Chartered Accountants, vide certificate dated August 12, 2024.

1. *Inventory days: Average of inventory for the current and previous period / Total Direct Cost for the current period * 365*
2. *Trade receivable days: Average of trade receivables for the current and previous period/ revenue from operations * 365*
3. *Other current assets days: Average of other current assets for the current and previous period/ revenue from operations * 365*
4. *Trade payable days: Average of trade payables for the current and previous period / Total Direct Cost for the current period * 365*
5. *Other current liabilities days: Average of other current liabilities for the current and previous period / Total Operating Cost for the current period * 365*

On the basis of existing working capital requirement and holding levels of our Company for Fiscal 2022, 2023 and 2024, we have estimated the working capital requirements of our Company for Fiscal 2025. Our Company, pursuant to the resolution passed by our Board dated August 02, 2024, have approved the projected total working capital requirements for Fiscal 2025 as ₹8,750.09 million. Accordingly, we propose to utilize ₹ [●] million of the Net Proceeds in Fiscal 2025, towards the estimated incremental working capital requirements of our Company. The balance portion of working capital requirements of our Company for Fiscal 2025, shall be met through internal accruals and extending existing or additional working capital facilities from various banks, financial institutions and non-banking financial companies (including bill discounting) or equity.

3. **General corporate purposes**

The Net Proceeds will first be utilized towards the Objects as set out above. Subject to this, our Company intends to deploy any balance Net Proceeds towards general corporate purposes and the business requirements of our Company, as approved by our management, from time to time, subject to such utilization for general corporate purposes not exceeding 25% of the Gross Proceeds.

Such general corporate purposes may include, but are not restricted to meeting fund requirements which our Company may face in the ordinary course of business, any additional capital expenditure, repayment or pre-payment of our borrowings, strategic initiatives, partnerships, tie-ups, joint ventures or acquisitions, investment in our Subsidiaries, meeting working capital requirements of our Company incurred in the ordinary course of business, meeting exigencies and expenses, logistics expenses, installation expenses, accessories and other expenses in relation to our proposed capital expenditure, and any other purpose as may be approved by our Board or a duly appointed committee from time to time, subject to compliance with the necessary provisions of the Companies Act, 2013.

The allocation or quantum of utilization of funds towards the specific purposes described above will be determined by our Board, based on our business requirements and other relevant considerations, from time to time. Our Company's management shall have flexibility in utilising surplus amounts, if any, in accordance with applicable law.

Monitoring of utilisation of funds

Pursuant to Regulation 173A of the SEBI ICDR Regulations, our Company has appointed ICRA Limited, a credit rating agency registered with the SEBI, as the monitoring agency ("**Monitoring Agency**") by way of an agreement dated July 23, 2024, as the size of our Issue exceeds ₹ 1,000 million. The Monitoring Agency shall submit its report to our Company in the format specified in Schedule XI of the SEBI ICDR Regulations on a quarterly basis, till 100% of the proceeds of the Issue have been utilised. The board of directors and the management of our Company will provide their comments on the findings of the Monitoring Agency as specified in Schedule XI. Our Company shall, within 45 days from the end of each quarter, upload the report of the Monitoring Agency on our website and also submit the same to the Stock Exchanges.

The report of the Monitoring Agency shall be placed before our Audit Committee on a quarterly basis, promptly upon its receipt. Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the proceeds of the Issue from the Objects, as stated above; and (ii) details of category wise variations in the actual utilisation of the proceeds of the Issue from the Objects, as stated above. This information will also be published on our website simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our Director's report, after placing the same before the Audit Committee.

Other confirmations

In accordance with applicable laws, we undertake to not utilize proceeds from the Issue unless Allotment is made and the corresponding return of Allotment is filed with the RoC and final listing and trading approvals are received from each of the Stock Exchanges. The Net Proceeds shall be kept by our Company in a separate bank account with a scheduled bank and shall be utilised as approved by our Board and/ or a duly authorized committee of our Board, from time to time only for such purposes, as permitted under the Companies Act, prescribed Objects as disclosed above and other applicable laws.

Our Company will have flexibility in deploying the Net Proceeds received by our Company from the Issue in accordance with applicable laws. Pending utilisation for the purposes described above, our Company intends to temporarily invest funds in creditworthy instruments, including money market mutual funds and deposits with banks. Such investments would be in accordance with the investment policies as approved by our Board from time to time and applicable laws.

Subject to applicable laws, our Board shall determine the quantum of Net Proceeds to be deployed by our Company from the Issue, depending on business opportunities or requirements of our Company from time to time.

Neither our Promoter nor our Directors are making any contribution either as part of the Issue or separately in furtherance of the Objects. Further, neither our Promoters nor our Directors shall receive any proceeds from the Issue, whether directly or indirectly. Since the Issue is only made to Eligible QIBs, our Promoters, Directors, Key Managerial Personnel or members of Senior Management (including 'key managerial personnel' under the Companies Act, 2013) are not eligible to subscribe in the Issue.

CAPITALISATION STATEMENT

The following table sets forth our capitalization and total borrowings, on a consolidated basis, as at March 31, 2024 which has been derived from the Fiscal 2024 Audited Ind AS Consolidated Financial Statements, and as adjusted to give effect to the receipt of the Gross Proceeds of the Issue. This table should be read in conjunction with the sections titled "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" and "***Financial Information***" on pages 88 and 275, respectively.

(in ₹ million, unless otherwise stated)

Particulars	Pre-Issue (as at March 31, 2024) (on a consolidated basis)	Post-Issue (as adjusted for the Issue*# (on a consolidated basis)
1. Non-current borrowings (including current maturities of long-term debt):		
Secured	4,807.88	[●]
Unsecured	33.70	[●]
Total non-current borrowings	4,841.58	[●]
Less: current maturities	670.30	[●]
Non-current borrowings (A)	4,171.28	[●]
2. Current borrowings		
Secured	2,933.60	[●]
Unsecured	543.40	[●]
Total current borrowings	3,477.00	[●]
Add: current maturities	670.30	[●]
Current borrowings (B)	4,147.30	[●]
Total Borrowings (C = A+B)	8,318.58	[●]
3. **Shareholders' funds**		
I. Equity share capital**	602.83	[●]
II. Other Equity	7,754.01	[●]
Total Equity (D)	8,356.84	[●]
Total Capitalisation (C+D)	16,675.42	[●]
Non-current borrowings / Total Equity (A/D)	0.50	[●]
Total debt / Total equity (C/D)	1.00	[●]

As certified by M/s. K A Sanghavi & Co LLP, Chartered Accountants, vide certificate dated August 12, 2024.

** To be incorporated after determination of the Issue Price.*

 # As adjusted to reflect the number of Equity Shares issued pursuant to the Issue and proceeds from the Issue. Adjustments do not include Issue related expenses.

*** Pursuant to our Board resolution dated May 23, 2024, and our Shareholders' resolution dated June 28, 2024, the existing equity shares of face value of ₹ 10 each of our Company were sub-divided into equity shares of face value of ₹ 5 each. Consequently, the issued, subscribed and paid-up equity shares capital of our Company, comprising of 60,282,608 equity shares of face value of ₹ 10 each was sub-divided into 120,565,216 Equity Shares of face value of ₹ 5 each.*

CAPITAL STRUCTURE

The share capital of our Company as on the date of this Preliminary Placement Document is set forth below:

(in ₹ million, except share data)

	Particulars	Aggregate value at face value (except for securities premium account)
A	**AUTHORISED SHARE CAPITAL**	
	140,000,000 Equity Shares of face value of ₹ 5 each	700.00
B	**ISSUED CAPITAL BEFORE THE ISSUE**	
	120,565,216 Equity Shares of face value of ₹ 5 each	602.83
C	**SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE ISSUE^**	
	120,565,216 Equity Shares of face value of ₹ 5 each	602.83
D	**PRESENT ISSUE IN TERMS OF THIS PRELIMINARY PLACEMENT DOCUMENT^**	
	Up to [●] Equity Shares of face value of ₹ 5 each aggregating up to ₹ [●] million(1)(2)	[●]
E	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE ISSUE**	
	[•] Equity Shares of face value of ₹ 5 each (2)	[●]
F	**SECURITIES PREMIUM ACCOUNT**	
	Before the Issue	4,276.02
	After the Issue (3)	[●]

(1) This Issue has been authorised and approved by our Board of Directors on May 13, 2024, and by our Shareholders through a special resolution passed by way of postal ballot on June 28, 2024.

(2) To be determined upon finalisation of Issue Price.

(3) The securities premium account after the Issue is calculated on the basis of Gross Proceeds. Adjustments do not include Issue related expenses. To be updated upon finalisation of Issue Price.

Equity share capital history of our Company

The following table sets forth details of allotments of Equity Shares of our Company since the date of incorporation:

Date of Allotment	Number of equity shares allotted	Face value per equity share (in ₹)	Issue price per equity share (in ₹)	Nature of consideration	Nature of allotment
February 1, 2008	50,000	10	10	Cash	Initial subscription to the MOA(1)
February 15, 2014	700,000	10	10	Cash	Rights issue(2)
March 10, 2014	1,250,000	10	10	Cash	Rights issue(3)
March 31, 2014	1,000,000	10	10	Cash	Rights issue(4)
March 21, 2016	500,000	10	40	Cash	Rights issue(5)
February 15, 2017	2,000,000	10	50	Other than cash	Conversion of unsecured loans into Equity Shares(6)
January 24, 2018	972,222	10	140	Cash	Preferential allotment(7)
March 5, 2018	6,472,222	10	-	-	Bonus issue(8)
September 25, 2018	130,556	10	70	Cash	Preferential allotment(9)
January 18, 2019	4,992,000	10	80	Cash	Initial public offering by our Company
January 19, 2023	18,067,000	10	-	-	Bonus issue(10)
Allotments in the one year immediately preceding this Preliminary Placement Document					
December 4, 2023	1,518,480	10	830.15	Other than cash	Preferential allotment(11)

Date of Allotment	Number of equity shares allotted	Face value per equity share (in ₹)	Issue price per equity share (in ₹)	Nature of consideration	Nature of allotment
December 22, 2023	2,535,925	10	1,183.00	Cash	Qualified institutions placement
February 16, 2024	2,00,94,203	10	-	-	Bonus issue(12)
Pursuant to our Board resolution dated May 23, 2024, and our Shareholders' resolution dated June 28, 2024, the existing equity shares of face value of ₹ 10 each of our Company were sub-divided into equity shares of face value of ₹ 5 each. Consequently, the issued, subscribed and paid-up equity shares capital of our Company, comprising of 60,282,608 equity shares of face value of ₹ 10 each was sub-divided into 120,565,216 Equity Shares of face value of ₹ 5 each.					

(1) Allotment of 15,000 Equity Shares to Farukbhai Gulambhai Patel, 10,000 Equity Shares to Ilays Hasan Patel, 5,000 Equity Shares to Rashida Gulambhai Patel, 5,000 Equity Shares to Gulammahmad Alibhai Patel, 5,000 Equity Shares to Vahidabanu Farukbhai Patel, 5,000 Equity Shares to Janak P. Tailor, 5,000 Equity Shares to K.P. Buildcon Private Limited against subscription to MOA.

(2) Allotment of 500,000 Equity Shares to Musa Ismail Patel, 63,900 Equity Shares to Hasan Ibrahim Dashu, 127,800 Equity Shares to Salim M. Dudhwala, and 8,300 Equity Shares to Gulammahmad Alibhai Patel, in proportion of 14 Equity Shares for every 1 Equity Share held in our Company.

(3) Allotment of 100,000 Equity Shares to Irfan Mombasawala, 500,000 Equity Shares to Mirrikh Motors Private Limited, 500,000 Equity Shares to S&G Green and 150,000 Equity Shares to Dhimantrai Joshi, in proportion of 5 Equity Shares for every 3 Equity Shares held in our Company.

(4) Allotment of 10,00,000 Equity Shares to Farukbhai Gulambhai Patel, in proportion of 1 Equity Share for every 2 Equity Shares held in our Company.

(5) Allotment of 120,000 Equity Shares to Farukbhai Gulambhai Patel,45,000 Equity Shares to Rashida Gulambhai Patel, 45,000 Equity Shares to Gulammahmad Alibhai Patel, 45,000 Equity Shares to Vahida Farukbhai Patel, 45,000 Equity Shares to Ayesha Farukbhai Patel, 25,000 Equity Shares to Bhadraben D. Joshi, 1,750 Equity Shares to Rajnikant Harilal Shah, 30,375 Equity Shares to Karishma R. Shah, 53,125 Equity Shares to Maitri Mitul Shah, 37,500 Equity Shares to Mitul R. Shah and 52,250 Equity Shares to Mitul R. Shah HUF, in proportion of 1 Equity Share for every 6 Equity Shares held in our Company.

(6) Allotment of Equity Shares pursuant to conversion of unsecured loan into Equity Shares - 14,87,910 Equity Shares to Farukbhai Gulambhai Patel, 31,000 Equity Shares to Rashida Gulambhai Patel, 31,000 Equity Shares to Gulammahmad Alibhai Patel, 26,971 Equity Shares to Vahida Farukbhai Patel, 26,971 Equity Shares to Ayesha Farukbhai Patel, 85,714 Equity Shares to Dhimantrai Joshi, 14,291 Equity Shares Bhadraben D. Joshi, 6 Equity Shares to Pritiben Shah, 1,006 Equity Shares to Rajnikant Harilal Shah, 17,363 Equity Shares to Karishma R. Shah, 30,363 Equity Shares to Maitri Mitul Shah, 21,434 Equity Shares to Mitul R. Shah, 29,857 Equity Shares to Mitul R. Shah HUF, 41,000 Equity Shares to Shaheedul Hasan, 90,000 Equity Shares to Irfan Mombasawala, 10,000 Equity Shares to Mohammed Rafik D. Barma, 4,114 Equity Shares to Sarfaraz Yakub Patel, 10,000 Equity Shares to Rizwan Iqbal Haveliwala, 41,000 Equity Shares to Ashish Mithani.

(7) Allotment of 678,722 Equity Shares to Raisonneur Capital Limited and 293,500 Equity Shares to Aspire Emerging Fund.

(8) Allotment of 4,091,750 Equity Shares to Farukbhai Gulambhai Patel, 85,250 Equity Shares to Rashida Gulambhai Patel, 85,250 Equity Shares to Gulammahmad Alibhai Patel, 74,171 Equity Shares to Vahida Farukbhai Patel, 74,171 Equity Shares to Ayesha Farukbhai Patel, 235,714 Equity Shares to Dhimantrai Chandrashankar Joshi, 39,301 Equity Shares to Bhadrabala Dhimantrai Joshi, 16 Equity Shares to Priti Rajnikant Shah, 2,766 Equity Shares to Rajnikant Harilal Shah, 47,748 Equity Shares to Karishma Rajnikant Shah, 83,498 Equity Shares to Maitri Mitulkumar Shah, 58,944 Equity Shares to Mitul Rajinikant Shah, 82,107 Equity Shares to Mitul R. Shah HUF, 112,750 Equity Shares to Shaheedul Hasan, 247,500 Equity Shares to Irfan Mombasawala. 27,500 Equity Shares to Mohammed Rafik D. Barma, 11,314 Equity Shares to Sarfaraz Yakub Patel, 27,500 Equity Shares to Rizwan Iqbal Haveliwala, 112,750 Equity Shares to Ashish Mithani, 678,722 Equity Shares to Raisonneur Capital Limited and 293,500 Equity Shares to Aspire Emerging Fund in proportion of 1 Equity Share for every 1 Equity Share held in our Company.

(9) Allotment of 130,556 Equity Shares 97 allottees.

(10) Allotment of 18,067,000 Equity Shares to 37,582 allottees, in proportion of 1 Equity Share for every 1 Equity Share held in our Company.

(11) Allotment of 1,518,480 Equity Shares to Farukbhai Gulambhai Patel as against the consideration of 9,990 equity shares having face value of ₹ 10 each of KPark Sunbeat Private Limited transferred by Farukbhai Gulambhai Patel to our Company.

(12) Allotment of 20,094,203 Equity Shares, in proportion of 1 Equity Share for every 2 Equity Share held in our Company.

Except as stated in "***– Equity share capital history of our Company***" above, our Company has not made any allotment of Equity Shares in the one year immediately preceding the date of this Preliminary Placement Document, including for consideration other than cash, or made any allotment of Equity Shares pursuant to a preferential issue, private placement or a rights issue.

Preference shares

As on the date of this Preliminary Placement Document, our Company does not have any outstanding preference shares.

Employee Stock Option Plan

Pursuant to a Board resolution dated September 1, 2023, and shareholders' resolution dated September 29, 2023, our Company instituted the KPI Green Energy Limited - Employee Stock Option Plan 2023 ("**ESOP 2023**"). The total number of options to be offered and granted under the ESOP 2023 shall at all times not exceed 750,000* options convertible into Equity Shares and the maximum number of options that shall be granted to any specific employee or identified employees of our Company or of any of our group companies, including subsidiaries, during any one year, shall not equal to or exceed one per cent of the issued capital (excluding outstanding warrants and conversions) of our Company at the time of grant.

As of the date of this Preliminary Placement Document, details of options pursuant to ESOP 2023 are as follows:

Particulars	Nos. of stock options*
Total number of stock options	750,000
Options granted	601,399
Options vested	Nil
Options exercised	Nil
Options lapsed / forfeited / cancelled	Nil
Total options outstanding	601,399

** Please note that as of the date of this Preliminary Placement Document, our Company is in process of making an application to the Stock Exchanges for obtaining approval for ESOP 2023 on account of split of Equity Shares having the face value of ₹ 10 each to ₹ 5 each authorised by our Board resolution dated May 23, 2024, and our Shareholders' resolution dated June 28, 2024. Accordingly, the effect of the split of Equity Shares is not reflected in the ESOP table above.*

Proposed Allottees in the Issue

In compliance with the requirements of Chapter VI of the SEBI ICDR Regulations, Allotment shall be made at the sole discretion of our Company in consultation with the BRLM to Eligible QIBs. The names of the proposed Allottees and the percentage of the post-Issue Equity Share capital that may be held by them will be included in the Placement Document, in the section titled "***Details of Proposed Allottees***" on page 450.

Pre-Issue and post-Issue Equity Shareholding Pattern

The following table provides the pre-Issue shareholding pattern as of July 18, 2024 and the post-Issue shareholding pattern:

S. No.	Category	Pre-Issue (as on July 18, 2024)		Post-Issue*	
		Number of Equity Shares of face value of ₹ 5 each held	% of shareholding	Number of Equity Shares of face value of ₹ 5 each held	% of shareholding
A.	**Promoters' holding****				
1.	*Indian*				
	Individual	64,013,036	53.09	[●]	[●]
	Bodies corporate	0	0	[●]	[●]
	Sub-total	**64,013,036**	**53.09**	[●]	[●]
2.	*Foreign promoters*			[●]	[●]
	Sub-total (A)	**64,013,036**	**53.09**	[●]	[●]
B	**Non-Promoter holding^**				
1.	*Institutional investors*	85,63,048	7.10	[●]	[●]
2.	*Non-Institutional investors*			[●]	[●]
	Private corporate bodies	3,828,692	3.18	[●]	[●]
	Directors and relatives	2,587,510	2.15	[●]	[●]
	Indian public	37,839,236	31.38	[●]	[●]
	Others including Non- resident Indians (NRIs)	3,733,694	3.10	[●]	[●]
	Sub-total (B)	**56,552,180**	**46.91**	[●]	[●]
C.	**Non-Promoter-Non-Public holding**				
	Employee Benefit Trust	0	0		
	Sub-total (C)	0	0		
	Grand Total (A+B+C)	**120,565,216**	**100.00**	[●]	[●]

* *The post-Issue shareholding pattern has been intentionally left blank and will be filled in the Placement Document.*
** *Includes shareholding of the members of the Promoter Group.*
^ *Rounded off to two decimal places.*

Other confirmations

1. The Promoters, the Directors, the Key Managerial Personnel and members of the Senior Management of our Company do not intend to participate in the Issue. Since the Issue is only made to Eligible QIBs, our Promoters, Directors or members of Senior Management (including 'key managerial personnel' under the Companies Act, 2013) are not eligible to subscribe in the Issue.

2. There would be no change in control in our Company consequent to the Issue.

3. Our Company shall not make any subsequent qualified institutions placement until the expiry of two weeks from the date of the Issue. Further, Equity Shares allotted pursuant to this Issue cannot be sold by the Allottees for a period of one year from the date of Allotment, except on the Stock Exchanges.

4. Except as set forth in "—***Equity share capital history of our Company***" on page 83, our Company has not made any allotments for consideration other than cash, in the last one year preceding the date of this Preliminary Placement Document.

5. Our Equity Shares have been listed for a period of at least one year prior to the date of the issuance of the notice of the annual general meeting of our shareholders dated June 28, 2024, for approving the Issue.

6. Certain of our Promoters and members of our Promoter Group are subject to a lock-up on the Equity Shares held by them for a period commencing on the date of this Preliminary Placement Document and ending 90 days from the date of Allotment. For further details, see "***Placement – Lock-up***" on page 249.

DIVIDENDS

The declaration and payment of dividends by our Company is governed by applicable provisions of the Companies Act, 2013 and our Articles of Association. Our Board has approved and adopted a formal dividend distribution policy on May 7, 2022, in terms of Regulation 43A of the SEBI Listing Regulations. For further information, please see the section titled "***Description of the Equity Shares***" on page 262.

The following table provides details of the dividend declared / paid by our Company on the Equity Shares in the Fiscals 2022, 2023 and 2024:

Financial period	Face value per Equity share (₹)	Interim dividend per Equity Share (₹)	Final dividend per Equity Share (₹)	Total dividend (₹ in million)	Dividend rate (%)	Dividend distribution tax (in ₹ million)
Fiscal 2022	10	0.60	Nil	10.84	6.00	Nil
	10	0.40	Nil	7.23	4.00	Nil
Fiscal 2023	10	2.10	Nil	37.94	21.00	Nil
	10	0.30	Nil	5.42	3.00	Nil
	10	0.25	Nil	4.52	2.50	Nil
	10	0.20	Nil	7.23	2.00	Nil
Fiscal 2024	10	0.25	Nil	9.03	2.50	Nil
	10	0.25	Nil	9.03	2.50	Nil
Three months ended June 30, 2024	10*	Nil	Nil	Nil	Nil	Nil
July 1, 2024, till the date of this Preliminary Placement Document	5	0.20	NIL	Note 1	4.00	NIL

**Pursuant to a resolution of the Board dated May 23, 2024 and Shareholders' resolution dated June 28, 2024, the authorised capital of our Company, comprising of 700,000,000 equity shares of face value of ₹ 10 each of our Company were sub-divided into 140,000,000 Equity Shares of face value of ₹ 5 each.*
Note 1: The dividend of Rs 0.20 paisa per share was declared on August 08, 2024, and the same is yet to be paid to the eligible shareholders. The record date for the purpose of said dividend is August 21, 2024.

Future Dividends

The amounts paid as dividends in the past are not necessarily indicative of the dividend distribution policy of our Company or dividend amounts, if any, in the future. The form, frequency and amount of future dividends declared by our Company will depend on a number of internal and external factors, including, but not limited to, capital requirements, earnings, contractual restrictions, availability of adequate profits, investments in subsidiaries, business expansion plans, diversification of business, requirement of long-term capital and overall financial position of our Company, uncertainty in the economic conditions, change in provision of income-tax or other applicable taxes, volatility in the capital markets and applicable statutory and legal restrictions and any other relevant factors that the Board may deem fit to consider before declaring dividend.

The Equity Shares to be issued in connection with this Issue shall qualify for all dividends, including interim dividend, if any, that is declared in respect of the fiscal in which they have been allotted.

Please also see the sections titled "***Taxation***" and "***Risk Factors***" on pages 265 and 41, respectively.

Investors are cautioned not to rely on past dividends as an indication of the future performance of our Company or for an investment in the Equity Shares offered in the Issue.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion in conjunction with our Audited Financial Statements. Our financial year ends on March 31 of each year. Accordingly, all references to a particular financial year are to the 12-month period ended March 31 of that year.

Unless the context requires otherwise, the financial information in this section has been derived from the following sources:

- All financial information for Fiscal Year 2024 presented in this section has been derived from the Fiscal 2024 Audited Ind AS Consolidated Financial Statements.

- All financial information for Fiscal Year 2023 presented in this section has been derived from the Fiscal 2023 Audited Ind AS Consolidated Financial Statements.

- All financial information for Fiscal Year 2022 presented in this section has been derived from the Fiscal 2022 Audited Ind AS Consolidated Financial Statements.

*Our Audited Financial Statements and Unaudited Condensed Interim Consolidated Financial Statements have been prepared in accordance with Ind AS, as applicable. Accordingly, the degree to which financial statements included in this Preliminary Placement Document will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Preliminary Placement Document should accordingly be limited. This discussion contains forward – looking statements that involve risks and uncertainties and reflects our current view with respect to future events and financial performance. Actual results may differ from those anticipated in these forward-looking statements as a result of factors such as those set forth under "**Forward – looking Statements**" and "**Risk Factors**" on pages 14 and 41, respectively. Industry and market data used in this section are derived from the CRISIL Report, which was commissioned by our Company exclusively for the purpose of this Issue. Our Company has commissioned and paid for the CRISIL Report pursuant to the engagement letter dated June 4, 2024, CRISIL is not related in any manner to our Company, its Subsidiaries, Directors, Key Managerial Personnel, members of Senior Management or the Promoters. For more details, see "**Industry and Market Data**" beginning on page 13. For risks in relation to CRISIL Report, see "**Risk Factors – Third party data in this Preliminary Placement Document may be incomplete or unreliable**" on page 63.*

Overview

We are a renewable energy player focused on expanding our power generation capacities to deliver reliable energy and help expedite India's march to a net-zero carbon future. We are a part of the KP group, a prominent business group with significant experience in the renewable energy (solar, wind and hybrid) sector (*source: CRISIL Report)*. We commenced our operations in 2008 and specialise in solar and hybrid power generation. We are one of the leading renewable energy power producers in the solar and hybrid segment in Gujarat, in terms of return on equity, and operating and net margins for Fiscal 2024 (*source: CRISIL Report*).

We develop, build, own, operate and maintain solar and hybrid power plants as an independent power producer ("**IPP**") and as an engineering, procurement and construction ("**EPC**") service provider to captive power producers ("**CPP**").

As of June 30, 2024, our cumulative commissioned capacity across our IPP and CPP verticals was ~473 MW and our evacuation capacity was ~1,845 MW. Our projects are located across 38 sites in Gujarat, where the state government has set a target of achieving ~100 GW of renewable energy capacity by 2030, which will make it a leader in renewable energy development in India (*source: CRISIL Report*). This serves as one of our key catalysts and focus areas.

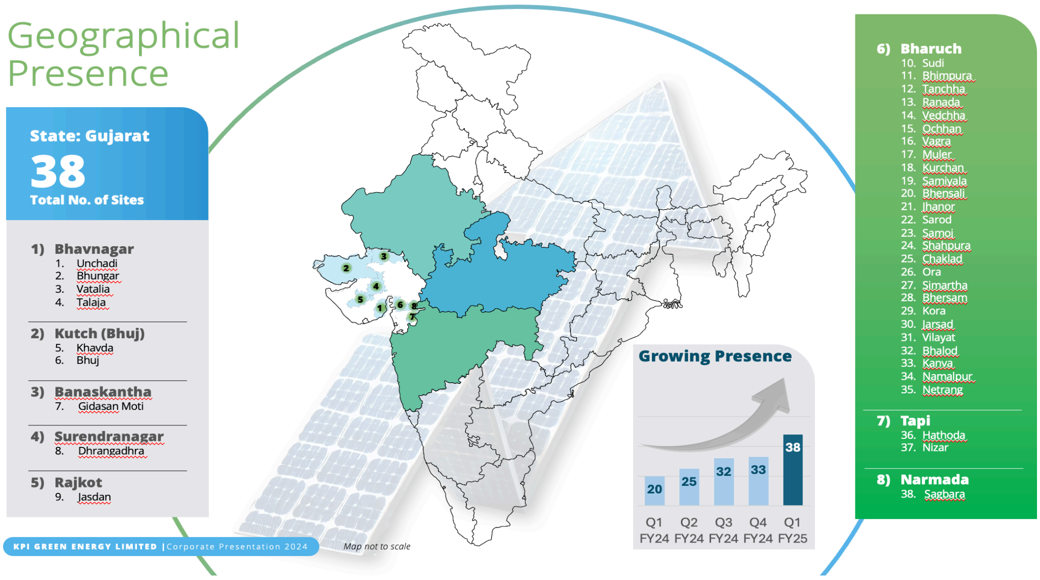
As of June 30, 2024, our IPP portfolio comprises grid connected projects with a total commissioned capacity of 171 MW. We have entered into power purchase agreements ("**PPAs**") with various commercial and industrial off-takers with an average term of 18 years. Our long-term PPAs ensure a predictable and stable cash flow. Some of our key IPP customers include J B Ecotex Limited, Urvashi Paper Mills Private Limited, CSCI Steel Corporation India Private Limited and Best Paper Mills Private Limited. In March, 2024, our Company has signed a PPA with GUVNL for ~ 200 MW grid connected solar photovoltaic power project won through competitive bidding issued by GUVNL for solar park at Khavda, with greenshoe option of additional capacity up to ~ 800 MW. Our IPP projects are connected to sub-stations and grid infrastructure provided by the Gujarat Energy Transmission Corporation Limited ("**GETCO**").

Our CPP portfolio projects had a total commissioned capacity of 302 MW as of June 30, 2024. As part of our CPP vertical, we set up captive power projects for our commercial and industrial clients on land parcels belonging to our land bank, which are thereafter leased to the respective customers on a long term lease rental basis. Some of our key CPP customers include Colourtex Industries Private Limited, Aether Industries Limited, General Polytex Private Limited and Devang Paper Mills Private Limited.

Set out below are the details of our land bank for the respective financial periods, comprising owned and leased parcels, which are utilised for our various CPP and IPP projects:

Particulars	As of March 31, 2022	As of March 31, 2023	As of March 31, 2024	As of June 30, 2024
Total approximate area (in acres)	850	1,374	2,217	2,686

Set out below is geographic map of the state of Gujarat with our project sites:



As of June 30, 2024, we had (a) an installed capacity of 473 MW, comprising 302 MW in CPP projects and 171 MW in IPP projects, and (b) a capacity of 1,311 MW across secured projects where we have executed binding contracts or letters of intent ("**Order Book**"), making our cumulative capacity 1,784 MW, including a cumulative hybrid capacity of 381 MW.

Further, we provide operation and maintenance ("**O&M**") services to all our CPP projects. Our lease agreements and O&M contracts have an average term of 25 years, providing us with long term cash flow visibility. As of June 30, 2024, our O&M operations were supported by a team of 100 personnel.

Set out below are the details of our installed capacity, for our IPP and CPP verticals, which also showcases our portfolio growth:

Particulars	As of / for Fiscal 2022	As of / for Fiscal 2023	As of / for Fiscal 2024	As of June 30, 2024
IPP Installed Capacity (MW)	100	137	158	171
CPP Installed Capacity (MW)	65	175	287	302
Total installed capacity	**165**	**312**	**445**	**473**

We had a cumulative power evacuation capacity of ~240 MW, ~846 MW, ~1,657 MW and 1,849 MW as of March 31, 2022, March 31, 2023, March 31, 2024, and June 30, 2024, respectively. We are also focused on hybrid energy solutions across both IPP and CPP verticals, with a cumulative commissioned capacity of ~68 MW, as of June 30, 2024.

Our Renewable Project Portfolio

Set out below is a summary of our commissioned projects portfolio and Order Book as of June 30, 2024:

Type of project	Commissioned (A)	As part of Order Book (B)	Cumulative capacity (A + B)
Solar	405	998	1,403
Hybrid[(1)]	68	313	381
Total	473	1,311	1,784

[(1)] Our hybrid projects produce both solar and wind energy

Key Performance Indicators

Set forth below are our key performance indicators for the periods indicated:

(₹ in million, unless otherwise stated)

Particulars	Fiscal 2022	Fiscal 2023	Fiscal 2024	Three- months period ended June 30, 2024
Total income	2,315.17	6,470.35	10,308.16	3,498.54
Revenue from IPP[(1)]	575.93	947.34	1,769.95	457.72
Revenue share from IPP	24.88%	14.64%	17.17%	13.08%
IPP EBITDA	432.28	700.51	1,341.62	359.31
IPP EBITDA margin (%)	75.06%	73.94%	75.80%	78.50%
Revenue from CPP[(2)]	1,683.88	5,479.70	8,449.33	3,020.51
Revenue share from CPP	72.73%	84.69%	81.97%	86.34%
CPP EBIDTA	616.11	1,384.28	2,053.19	978.65
CPP EBITDA margin (%)	36.59%	25.26%	24.30%	32.40%
EBITDA[(3)]	1,104.68	2,117.38	3,437.59	1,339.54
EBITDA margin (%)[(4)]	47.71%	32.72%	33.35%	38.29%
Profit for the year (“**PAT**”)	432.45	1,096.28	1,616.57	661.11
PAT margin (%)[(5)]	18.68%	16.94%	15.68%	18.90%
Return on Capital Employed (“**ROCE**”) (%)[(6)]	19.65%	24.27%	18.19%	N.A.
Return on Equity (“**ROE**”)(%)[(7)]	28.13%	42.51%	19.34%	N.A.
Debt to Equity Ratio (x)[(8)]	2.19	2.02	1.00	0.89

1. *Revenue from IPP includes the revenue generated from supplying of power to corporate clients through Power Purchase Agreement (PPA).*
2. *Revenue from CPP includes revenue from sale of lease, operation and maintenance services for CPP plant constructed for respective customers.*
3. *EBITDA is calculated as profit for the period / year, plus tax expenses (consisting of current tax, deferred tax and current taxes relating to earlier years), exceptional items, finance costs and depreciation and amortization expenses.*
4. *EBITDA Margin is calculated as EBITDA as a percentage of Total Income.*
5. *PAT Margin is calculated as profit for the period / year as a percentage of Total Income.*
6. *ROCE (Return on Capital Employed) is calculated as profit before tax plus finance costs divided by total net worth and total debt.*
7. *ROE (Return on Equity) is calculated as profit after tax for the period/year divided by total net worth.*
8. *Debt to Equity Ratio is calculated total net worth divided by total debt for the period/year.*

Principal Factors Affecting Our Financial Condition and Results of Operations

Our results of operations, financial condition and liquidity have been influenced in the periods discussed in this Preliminary Placement Document by the following events, facts, developments and market characteristics. We believe these factors are likely to continue to influence our operations in the future.

Tariffs for off-take from power projects

Climate change and extreme weather events can affect the performance and reliability of renewable energy systems, potentially leading to disruptions or damage to infrastructure. (*Source: Crisil Report*) To curb this risk, each of our operational IPP projects benefits from long-term, fixed-tariff PPAs with commercial and industrial off-takers India, which provide stable and predictable cash flows. The tariff rates under our PPAs are linked to the tariffs charged by DISCOM, with a pre-agreed discount. The average discount to the DISCOM tariff offered under our PPAs is around 7%. The amount of power supplied under our PPAs is measured on a monthly basis and is validated by our counterparties through a joint meter reading prior to billing. Under the terms of our PPAs, our counterparties are obligated to purchase the power generated at our plants, up to a capped capacity for a fixed tariff. The average term of our PPAs is 18 years. This enhances the offtake security and long-term visibility of our revenues. Tariff rates for our PPAs for solar energy projects are determined based on the energy credit generated by DISCOM in the customers’ bill against the sale of electricity. The tariff rates in some of our PPAs are subject to annual escalation provisions. Our PPAs include, among other things, minimum take-off provisions, imposing obligation on the customers to take off a minimum criterion of units ordered which ranges from 85% – 90%. If the tariffs are not stable and reasonable it may lead to reduction in our margins and may also, in the long run reduce market size which in turn will adversely affect our business and operations. Uncertainty in the structure or amount of tariffs has in the past, and could in the future, delay investment in solar power projects.

Availability of land bank

As part of our CPP vertical, we set up captive power projects for our commercial and industrial clients on land parcels belonging to our land bank, which are thereafter leased to the respective customers on a long-term lease rental basis.

Set out below are the details of our land bank for the respective financial periods, comprising owned and leased parcels, which are utilised for our various CPP and IPP projects:

Particulars	As of March 31, 2022	As of March 31, 2023	As of March 31, 2024	As of June 30, 2024
Total approximate area (in acres)	850	1,374	2,217	2,686

The land used for setting up solar power projects may be private land. Private land is purchased directly from its owner and if such land is agricultural land, it is converted into non-agricultural land if required by the applicable State Government. In the case of land owned by the government, it is made available by the respective State Governments on a long-term lease or outright sale basis as per the prevailing policies of the relevant State Government. Certain State Governments, like that of Gujarat and Rajasthan, have special policies for the allotment of revenue land for solar energy projects. The land so allotted can also be transferred to third parties, such as our customers, through either a lease or a sub-lease with the consent of the relevant State Government.

For our turnkey projects, once a suitable site is identified and the assessments and studies described above are complete, the land acquisition process is undertaken by the OEMs, in close consultation with our land team, and also by us for some of our projects that are currently under development.

Generally, the land title procurement process begins with land assessment and feasibility studies even before development of a given project while closing can occur at any point in the project development cycle. Upon successfully winning a bid, we commence the process to secure land titles or attain the relevant land rights for land needed to construct and operate our projects, including those associated with turbines or solar plant, transmission and interconnection lines and access roads and facilities. We receive assistance from land aggregators or intermediaries to help secure the rights to the land and facilitate the procurement process.

We generally enter into conveyance deeds with landowners to secure the necessary title to build on the site, including meteorological masts, roads, electric lines and substations, turbines or solar plant and O&M and other associated facilities. Ownership of each project site (wherein we enter into long-term leases) allows us to facilitate our efforts to ensure wind energy project optimization to maximize power generation. Non-availability of land or reduction in our land bank will adversely affect our operations, thereby impacting our revenue from our IPP and CPP projects.

Government Policies and Initiatives

Our customers depend on government policies and initiatives that support renewable energy and enhance the economic feasibility of developing clean energy projects. The development of grid interactive renewable power has essentially taken off with the Electricity Act 2003, which mandates the SERCs to promote cogeneration and generation of electricity from renewable energy (RE) sources by providing suitable measures for connectivity with the grid and sale of electricity and fix certain minimum percentages for purchase of renewable power in the area of each distribution licensee. (*Source: Crisil Report*) The regulatory and policy environment is evolving and has seen regular changes. (*Source: Crisil Report*) In addition, regulatory policies in each state in India currently provide a conducive framework for securing attractive returns on capital invested. (*Source: Crisil Report*) Through our customers, we derive benefit from such government incentives. Any adverse change or termination of these incentives could have an adverse effect on our results of operations and cash flow.

General economic and business conditions

We are affected by general global and Indian economic conditions. India's GDP, and the economic and other conditions of the Gujarat and other states, have been and will continue to be of importance in determining our operating results and future growth.

As per data released by the National Statistical Office ("**NSO"**) in May 2024, India's gross domestic product ("**GDP**") at constant (fiscal 2012) prices was estimated at Rs 173.82 lakh crore in fiscal 2024 vis-à-vis the first revised estimate for fiscal 2023 of Rs 160.71 lakh crore, which translated into a growth of 8.2% y-o-y. This was higher than the 7.0% growth in fiscal 2023. However, India has overtaken the United Kingdom's economy in terms of size, making it the fifth biggest. In fact, India's GDP growth is estimated to be the highest amongst the top 10 economies. (*Source: Crisil Report*)

In the past 11 years (during fiscal 2014 to 2024), India's GDP at constant (fiscal 2012) prices grew at a compounded growth of ~5.3% (CAGR). After strong GDP print in the past three years, CRISIL MI&A Consulting expects some moderation to 6.8% this fiscal 2025. The growth will still be higher than the pre-pandemic decadal average of 6.7%, continuing to position India as the fastest growing major economy. Investments, a key factor that boosts growth, are expected to moderate as the government focuses on fiscal consolidation. The extent of revival in private investment cycle will determine the investment momentum this fiscal. The other strong segment, urban demand, could moderate as credit conditions tighten this year. Transmission of past rate hikes to broader lending rates remains incomplete. As the wait for rate cuts from the Reserve Bank of India (RBI) prolongs, the transmission is expected to continue, raising the borrowing costs. In addition, the RBI's regulatory measures to clamp down on risky lending will weigh on credit support to consumption. That said, the forecast of an above-normal monsoon brings hope for the rural economy, which was a laggard in the country's growth story last year. The consequent possible easing in food inflation could also boost purchasing power and support consumption. However, the distribution of monsoon will be the determining factor. Freak weather events, such as heatwave and unseasonal rains, remain a risk. CRISIL MI&A expects a normalization of the net indirect tax impact on GDP, after strong growth in the last fiscal. Slower global growth can restrict upside to goods exports owing to normalization of supply chains and an expected pick-up in volume of trade in calendar 2024. S&P Global expects global GDP growth to slow to 3.2% in 2024 from 3.4% previous year, weighed by interest rates staying elevated for longer. Any spike in the prices of commodities — particularly crude oil — remains a risk for the country's growth. (*Source: Crisil Report*)

Power demand is closely associated with a country's GDP. A booming economy automatically leads to a surge in power demand. India is already the fastest-growing economy in the world, with average GDP growth of 5.5% over the past decade. The trickle-down effect of Aatmanirbhar Bharat relief package, government spending on infrastructure through the National Infrastructure Pipeline, commissioning of the dedicated freight corridors, expansion of the services industry, rapid urbanisation, and increased farm income from agriculture-related reforms are key macroeconomic factors fostering power demand. Significant policy initiatives such as 24x7 power for all, Sahaj Bijli Har Ghar Yojana ("**SAUBHAGYA**") scheme to provide electricity connections to all households, green energy corridor to facilitate evacuation of RE power, green city scheme to promote the development of sustainable and eco-friendly cities, Production-Linked Incentive ("**PLI**") scheme and low corporate tax rates among others have aided large scale manufacturing in India, further boosting power demand in the country. (*Source: Crisil Report*)

The global energy crisis is driving renewable installations worldwide, with total capacity growth set to almost double in the next five years, overtaking coal as the largest source of electricity generation. Some of the key drivers for this shift are reducing RE generation costs, favourable policies, improved emphasis on energy security and access, and socio-economic benefits. The last decade saw a remarkable evolution in solar PV industries, including higher installations, signification reductions in tariffs, and technological advancements. (*Source: CRISIL Report*) Concerns over climate change are at the heart of the energy shift towards RE and its increasing utilisation will be key for decarbonisation. Various initiatives, such as Kyoto Protocol, Paris agreement, Conference of Paris ("**COP**") 21, COP26, RE 100, ISA, and subsequent favourable policy interventions, have helped strengthen the RE segment. The transition towards RE is a critical part of meeting the goals of the Paris Agreement, which aims to limit the rise in global average temperatures to well below 2 degrees Celsius and ideally below 1.5 degrees Celsius above pre-industrial levels. (*Source: Crisil Report*)]

Such changes in Government policies and industry related factors and trends will continue to influence our business and results of operations. Any adverse impact on the global as well as Indian economy will adversely affect our business and financial condition.

Factors affecting our EPCC and O&M services

We provide operation and maintenance ("**O&M**") services to all our CPP projects. Our lease agreements and O&M contracts have an average term of 25 years, providing us with long term cash flow visibility. As of June 30, 2024, our O&M operations were supported by a team of 100 personnel.

We have entered into Engineering, Procurement, Construction and Commissioning ("**EPCC**") and O&M Contracts with commercial and industrial customers for our CPP projects. The price and payment terms for these contracts are fixed, which are to be released in tranches, upon achieving a certain milestone. Most of our contracts have delay in payment clause, wherein, an interest is charged for every delayed payment. EPCCs also provide for O&M of the project, which is usually for 25 years at a rate that is mutually agreed. These contracts also provide for a guarantee, wherein, our Company is required to produce a minimum of 85% of projected units.

Certain customers who operate on a requisite scale may find it more efficient to have in-house O&M capabilities rather than contracting these services out to an external services provider. If such customers choose to build their own O&M capabilities in-house, they may choose to terminate their existing O&M service contracts prior to the completion of its term, or choose not to renew any O&M service contracts that are expiring, or choose to restrict their O&M service contracts to common infrastructure facilities or choose to renew their O&M contracts but on terms less favourable to us than what is currently prevailing. A decrease in the sale of our services resulting from, for example, more of our customers electing to terminate their comprehensive O&M contracts with our Company or decrease in the rate of service renewal or the margins we derive from the sale of our services significantly affects our business, financial condition, cash flows and results of operations.

Changes in our order book and our ability to win and execute projects

As of June 30, 2024, we had an Order Book of 1,311 MW comprising solar and hybrid projects. Our Order Book is an important indicator of future revenues and growth. Our Order Book has grown from ~57 MW as of March 31, 2021, to ~1,311 MW as of June 30, 2024. Some of the key clients who are a part of our Order Book are Colourtex Industries Private Limited, Aether Industries Limited, General Polytex Private Limited and Devang Paper Mills Private Limited.

Set out below is a summary of our commissioned projects portfolio and Order Book as of June 30, 2024:

Type of project	Commissioned (A)	As part of Order Book (B)	Cumulative capacity (A + B)
Solar	405	998	1,403
Hybrid[(1)]	68	313	381
Total	**473**	**1,311**	**1,784**

(1) Our hybrid projects produce both solar and wind energy

Our pipeline of projects comprises a proposed capacity of ~1,311 MW, giving us visibility on our future cash flows.

While our Order Book comprises business that we consider 'firm orders' that we have received from customers by means of a letter of intent / binding agreements, there can be no assurance that such orders will not be short closed, cancelled or reduced, or that customers will fulfil their payment obligations and other obligations, in a timely manner or at all, in accordance with the agreements, or that customers will not dispute the amounts owed to us. Our Order Book generally represents business that we expect to materialize in the foreseeable future, cancellations or scope or schedule adjustments may, and do occur. Adverse conditions in the manufacturing sector, any delay or failure to obtain the necessary permits, authorizations, permissions or other factors beyond our control or the control of our customers may cause our customers to postpone or cancel a project or may hamper the timely delivery of the order and may result in late delivery chares being payable to our customers if the delay is attributable to us. Any cancellations, revisions, or modifications to any orders in our Order Book significantly impacts our operations.

Competition

Power project construction is a capital-intensive activity and the major costs are incurred in the initial stage. Submitting competitive bids at power project auctions requires extensive research, plan and due diligence at the pre-bidding stage. A proper calculation of price of component and costs of construction, development and land acquisition is required to bid appropriately to make the project economically viable. We incur development-related expenditure from the time when a project is under implementation until the project is commissioned. Therefore, the speed of execution of our projects is critical to our results of operation.

The renewable energy sector is highly competitive, with numerous players vying for market share. Established competitors along with capable new entrants can pose challenges. With rapid capacity additions and stiff competition, it becomes imperative for developers to acquire land at competitive costs and in areas with high levels of solar irradiance. The 40 GW solar park scheme is facilitative in this aspect; however, beyond that capital costs and, hence, tariffs do fluctuate state to state depending on land prices and irradiance quality. Increased competition may lead to pricing pressures, lower sales, loss of market share and increased inventory, which may result in longer working capital cycles and increase in downward price pressure. Although we have expended considerable resources on the design and development on technology we use for our IPP and CPP projects, some of our competitors have longer industry experience and greater financial, technical and other resources, as well as larger customer bases and greater brand recognition. Some competitors may also be able to react faster to technological developments, trends and changes in customer demand. Our competitors may be willing and able to spend more resources to develop products and sales and provide O&M services and may be able to provide comparable products and services faster or at a lower price than we can. Further, if our competitors consolidate through joint ventures or co-operative agreements with each other, or otherwise, we may have difficulty competing with them. Additionally, while these are important considerations, price is a major factor in most tender awards and negotiated contracts. Further, power project construction is a capital-intensive activity and the major costs are incurred in the initial stage. Submitting competitive bids at power project auctions requires extensive research, plan and due diligence at the pre-bidding stage. A proper calculation of price of component and costs of construction, development and land acquisition is required to bid appropriately to make the project economically viable. We incur development-related expenditure from the time when a project is under implementation until the project is commissioned. Therefore, the speed of execution of our projects is critical to our results of operation.

Key Performance Indicators and Certain Non-GAAP Measures

Set forth below are our key performance indicators for the periods indicated:

(₹ in million, unless otherwise stated)

Particulars	Fiscal 2022	Fiscal 2023	Fiscal 2024	Three- months period ended June 30, 2024
Total income	2,315.17	6,470.35	10,308.16	3,498.54
Revenue from IPP[(1)]	575.93	947.34	1,769.95	457.72
Revenue share from IPP	24.88%	14.64%	17.17%	13.08%
IPP EBITDA	432.28	700.51	1,341.62	359.31
IPP EBITDA margin (%)	75.06%	73.94%	75.80%	78.50%
Revenue from CPP[(2)]	1,683.88	5,479.70	8,449.33	3,020.51

Particulars	Fiscal 2022	Fiscal 2023	Fiscal 2024	Three- months period ended June 30, 2024
Revenue share from CPP	72.73%	84.69%	81.97%	86.34%
CPP EBIDTA	616.11	1,384.28	2,053.19	978.65
CPP EBITDA margin (%)	36.59%	25.26%	24.30%	32.40%
EBITDA(3)	1,104.68	2,117.38	3,437.59	1,339.54
EBITDA margin (%)(4)	47.71%	32.72%	33.35%	38.29%
Profit for the year ("**PAT**")	432.45	1,096.28	1,616.57	661.11
PAT margin (%)(5)	18.68%	16.94%	15.68%	18.90%
Return on Capital Employed ("**ROCE**") (%)(6)	19.65%	24.27%	18.19%	N.A.
Return on Equity ("**ROE**")(%)(7)	28.13%	42.51%	19.34%	N.A.
Debt to Equity Ratio (x)(8)	2.19	2.02	1.00	0.89

(1) Revenue from IPP includes the revenue generated from supplying of power to corporate clients through Power Purchase Agreement (PPA).

(2) Revenue from CPP includes revenue from sale of lease, operation and maintenance services for CPP plant constructed for respective customers.

(3) EBITDA is calculated as profit for the period / year, plus tax expenses (consisting of current tax, deferred tax and current taxes relating to earlier years), exceptional items, finance costs and depreciation and amortization expenses.

(4) EBITDA Margin is calculated as EBITDA as a percentage of Total Income.

(5) PAT Margin is calculated as profit for the period / year as a percentage of Total Income.

(6) ROCE (Return on Capital Employed) is calculated as profit before tax plus finance costs divided by total net worth and total debt.

(7) ROE (Return on Equity) is calculated as profit after tax for the period/year divided by total net worth.

(8) Debt to Equity Ratio is calculated total net worth divided by total debt for the period/year.

Significant Accounting Policies

The significant accounting policies adopted in the preparation of our Audited Consolidated Financial Statements are set forth below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(i) Basis of preparation of Financial Statements:

These consolidated financial statements of our Company have been prepared in accordance with the Generally Accepted Accounting Principles in India ('**Indian GAAP**') to comply with the Indian Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant provisions of the Companies Act, 2013 and guidelines issued by Securities and Exchange Board of India (SEBI) as amended from time to time. The financial statements have been prepared on a going concern basis under the historical cost convention on accrual basis, except in case of assets for which provision for impairment for certain financial instruments which are measured at fair value.

(ii) Presentation and disclosure of financial statements:

Our Company presents its financial statements as per the Schedule III notified under the Companies Act, 2013. The statement of Cash Flows has been prepared and presented as per requirements of Ind As 7 "*Statement of Cash Flows*". The disclosure requirements with respect to items in the Balance sheet and Profit & Loss Account, as prescribed in Schedule III of the Act are presented by way of notes forming part of the consolidated financial statements. Our Company has also reclassified the previous figures in accordance with the requirements applicable in the current year.

Accounting policies have been consistently applied except where a newly issued Indian Accounting Standard is initially adopted or a revision to an existing Indian Accounting Standard requires such change in the accounting policy hitherto in use.

(iii) Basis of Consolidation:

Our Company consolidates all entities which are controlled by it. The consolidated financial statements comprise the financial statements of our Company and its subsidiaries. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. The entities are consolidated from the date control commences until the date control ceases.

a. Subsidiaries:

The consolidated financial statements of our Company and subsidiaries are consolidated on a line-by-line basis and intra-group balances and transactions including unrealised gain/loss from such transactions are eliminated upon consolidation. These consolidated financial statements are prepared by applying uniform accounting policies in use at our Company. Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of our Company and to the non-controlling interests, even if this results in the non-controlling interest having a deficit balance.

Changes in our Company's holding that do not result in a loss of control are accounted for as equity transactions. The carrying amount of our Company's holding and the non-controlling interests are adjusted to reflect the changes in their relative holding. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of our Company.

As of March 31, 2024, our Subsidiary, KPark Sunbeat Private Limited has changed its method of depreciation from written down value to straight line method which has increased its profits and reserves by ₹ 0.34 million.

(iv) Use of Estimates:

In the application of our Company's accounting policies, management of our Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Consolidated Financial Statements.

(v) Recent accounting pronouncements

The Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1, Presentation of Financial Statements – This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. Our Company has evaluated the amendment and the impact of the amendment is insignificant in the consolidated financial statements.

Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors – This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. Our Company has evaluated the amendment and there is no impact on its consolidated financial statements.

Ind AS 12, Income Taxes – This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. Our Company has evaluated the amendment and there is no impact on its consolidated financial statements.

(vi) Property, Plant and Equipment:

a. Accounting Policy for recognition and measurement :

Property, plant and equipment are stated at acquisition cost less accumulated depreciation and accumulated impairment losses, if any. All costs, including borrowing costs incurred up to the date the asset is ready for its intended use, are capitalised along with the respective asset.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, write back of creditors over concern of performance of assets, any directly attributable cost of bringing the item to its working condition for its intended use. The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The residual values, useful lives and method of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

b. Subsequent measurement:

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to our Company.

c. Impairment:

Our Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, we estimate the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses of tangible and intangible assets are recognised in the statement of profit and loss. 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.

In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

d. Depreciation:

Depreciation commences when an asset is ready for its intended use. Freehold land and assets held for sale are not depreciated.

Depreciation is recognised on the cost of assets (other than freehold land and properties under construction) less their residual values over their estimated useful lives, using the straight-line method.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Our Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to us by the end of the lease term or the cost of the right-of-use asset reflects that we will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset.

Estimated Useful lives of Various Items of Property, Plant and Equipment are as follows:

Type of Asset	Useful Life (in years)
Building (including civil construction)	60
Solar Plant	25

Type of Asset	Useful Life (in years)
Plant and Machinery	15
Electrical Installation and Equipment	10
Furniture & Fixtures	10
Vehicle (Two-Wheeler)	10
Vehicle (Four-Wheeler)	8
Heavy Vehicles	8
Office Equipment	5
Computer & Related Accessories	3
Right of Use Assets	Period of Lease

e. Derecognition:

An item of Property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

(vii) <u>Intangible Assets:</u>

a. Accounting Policy:

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

The residual values, useful lives and method of depreciation of Intangible Assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

b. Amortisation:

Amortisation is recognised using Straight Line method over their estimated useful lives. Estimated useful life of the Computer Software is 10 years.

c. Derecognition of Intangible Assets:

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in statement of profit and loss when the asset is derecognised.

(viii) <u>Capital Work in Progress:</u>

Expenditure related to and incurred during implementation of capital projects to get the assets ready for intended use is included under "*Capital Work in Progress*". The same is allocated to the respective items of property plant and equipment on completion of construction/ erection of the capital project/property plant and equipment.

(ix) <u>Impairment of non-financial assets</u>

Our Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, we estimate the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Our Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of our CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, we extrapolate cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, we estimate the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior periods/ years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

(x) Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are recognised when we become a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities measured at fair value through profit or loss are recognised immediately in the statement of profit and loss.

(xi) Financial Assets:

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

a) Financial Assets at amortised cost:

Financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method if these financial assets are held within a business whose objective is to hold these assets 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.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

The effective interest method is a method of calculating the amortised cost of financial assets and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and transaction costs and other premiums or discounts) through the expected life of the financial assets, or where appropriate, a shorter period, to the net carrying amount on initial recognition. Interest is recognised on an effective interest basis for debt instruments other than those financial assets classified as at Fair Value through Profit and Loss (FVTPL).

b) Financial Assets at fair value through other comprehensive income (FVTOCI):

A financial asset is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; 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.

c) Financial Assets at fair value through profit or loss (FVTPL):

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, we may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Fair value changes related to such financial assets including derivative contracts are recognised in the Statement of Profit and Loss.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss

recognised in profit or loss incorporates any dividend or interest earned on the financial asset.

d) **Business Model Assessment:**

Our Company makes an assessment of the objectives of the business model in which a financial asset is held at portfolio level because it best reflects the way business is managed and information is provided to management.

The assessment of business model comprises the stated policies and objectives of the financial assets, management strategy for holding the financial assets, the risk that affects the performance etc.

e) **Derecognition:**

Our Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which we neither transfer nor retain substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the Statement of Profit and Loss if such gain or loss would have otherwise been recognised in the Statement of Profit and Loss on disposal of that financial asset.

f) **Impairment:**

Our Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. We recognise lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

(xii) **Financial Liabilities:**

a) **Classification as debt or equity:**

Debt and equity instruments issued by us are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

b) **Equity Instruments:**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by us are recognised at the proceeds received, net of direct issue costs.

c) **Financial Liabilities:**

All financial liabilities are measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item in the Statement of Profit and Loss.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Trade and other payables are recognised at the transaction cost, which is its fair value, and subsequently measured at amortised cost.

Financial liabilities at FVTPL

A financial liability may be designated as at FVTPL upon initial recognition if:

i) such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; and

ii) the financial liability whose performance is evaluated on a fair value basis, in accordance with our documented risk management;

Fair value changes related to such financial liabilities including derivative contracts like forward currency contracts and options to hedge our foreign currency risks are recognised in the Statement of Profit and Loss.

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Financial liabilities are classified as held for trading if these are incurred for the purpose of repurchasing in the near term. Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in the statement of profit and loss.

d) Derecognition:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

(xiii) Fair value of financial instruments:

In determining the fair value of its financial instruments, we use 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.

(xiv) Fair Value Measurement:

Our Company measures financial instruments at fair value at each balance sheet date.

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 principal or the most advantageous market must be accessible by us.

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.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Our Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised 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; and

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, we determine whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, we have determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained below.

(xv) Borrowing Costs:

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

(xvi) Inventories:

Inventories are stated at the lower of cost and net realisable value. Cost of Inventories comprises all cost of purchase and other cost incurred in bringing inventories to their present location and condition. Cost in case of work in progress is determined on the basis of the actual expenditure attributable to the said work till the end of the reporting period. In determining the cost of Plots, Weighted Average Method is used.

Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

(xvii) Revenue recognition:

Revenue from contracts with customers is recognised when control of the goods or services are rendered to the customer at an amount that reflects the consideration to which our Company expects to be entitled in exchange for those goods or services.

Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts and other incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes or other amounts collected from customers in its capacity as an agent. If the consideration in a contract includes a variable amount, we estimate the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

The accounting policies for the specific revenue streams of Our Company are summarised below:

a) We contract with customers for the sale of power plant generally include one performance obligation satisfied over a period of time. Revenue from sale of solar power plant is recognized over time based on output method where direct measurements of value to the customer based on milestones reached to date.

b) We contract with customers for the sale of goods generally include one performance obligation. Revenue from the sale of goods is recognised at the point in time when control of the asset is transferred to the customers, generally on delivery of the goods. The transaction price has been adjusted for significant financing component, if any and the adjustment is accounted as finance cost. The difference between the revenue recognised and amount invoiced has been presented as deferred revenue/unbilled revenue.

c) Revenue from Services rendered is recognised when the work is performed as per the terms of agreement.

d) Interest income is recognised on Effective Interest Rate (EIR) basis taking into account the amount outstanding and the applicable interest rate.

Contract Balances:

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If our Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents our Company's right to an amount of consideration that is unconditional i.e. only the passage of time is required before payment of consideration is due.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which our Company has received consideration (or an amount of consideration is due) from the customer. Contract liabilities are recognised as revenue when we perform obligations under the contract.

(xviii) <u>Employee Benefit Plan:</u>

a) <u>Defined Benefit Plan:</u>

Our Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. However, our Company has not made any such contributions during the year. The cost of providing benefits under the defined benefit plan is based on an independent acturial valuation carried out using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit and loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

Our Company recognises the following changes in the net defined benefit obligation as a charge to the capital work-in-progress till the capitalisation of the projects otherwise the same is charged to the Statement of Profit and Loss.

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and

- Net interest expense or income.

b) <u>Defined Contribution Plan:</u>

Retirement benefit in the form of Provident Fund is a defined contribution scheme. Our Company has no obligation, other than the contribution payable to the provident fund. Our Company recognizes contribution payable to the provident fund scheme as a charge to the Statement of Profit and Loss for the period in which the contributions to the respective funds accrue.

c) <u>Short Term Employee benefits:</u>

Short-term employee benefit obligations, if any are recognised at an undiscounted amount is charged to the Statement of Profit and Loss for the period in which the related services are received.

(xix) <u>Current and Non-Current Classification:</u>

Our Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

a. Expected to be realised or intended to be sold or consumed in normal operating cycle or

b. Held primarily for the purpose of trading or

c. Expected to be realised within twelve months after the reporting period, or

d. 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:

a. It is expected to be settled in normal operating cycle or

b. It is held primarily for the purpose of trading or

c. It is due to be settled within twelve months after the reporting period, or

d. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

Our Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. Our Company has identified twelve months as its operating cycle.

(xx) <u>Taxation:</u>

Tax on Income comprises current and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current Tax:

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the reporting period and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred Tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

(xxi) <u>Leases:</u>

Our Company as a lessee

Our Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Our Company recognises a right-of-use asset and a lease liability at the lease commencement date except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

Lease term is a non-cancellable period together with periods covered by an option to extend the lease if our Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if our Company is reasonably certain not to exercise that option.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to our Company by the end of the lease term or the cost of the right-of-use asset reflects that our Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments to be paid over the lease term at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, our Company's incremental borrowing rate. Generally, our Company uses its incremental borrowing rate as the discount rate. Subsequently, the lease liability is measured at amortised cost using the effective interest method.

Our Company as a lessor

Leases for which our Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When our Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.

(xxii) Provisions and Contingent Liabilities, Contingent Assets:

Provisions are recognised when our Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When we expect some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are not recognised but are disclosed in the notes where an inflow of economic benefits is probable.

(xxiii) Earning per share:

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of our Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of our 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 consolidated financial statements by the Board of Directors.

(xxiv) <u>Dividend distribution to equity shareholders of our Company:</u>

Our Company recognises a liability to make dividend distributions to its equity holders when the distribution is authorised and the distribution is no longer at its discretion. A corresponding amount is recognised directly in equity.

(xxv) <u>Cash Flow Statement:</u>

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 our Company are segregated.

(xxvi) <u>Segment Reporting:</u>

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 our Company's management to allocate resources to the segments and assess their performance. An operating segment is a component of our 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 our 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 our 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 our 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:**

  our Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of our Company as a whole.

(xxvii) <u>Cash and Cash Equivalents:</u>

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.

Principal Components of Statement of Profit and Loss

Income

Our total income comprises revenue from operation and other income. We generate majority of our revenue from the sale of captive power plants ("**CPP**").

Revenue from operation

Our revenue from operation primarily includes (i) sale of products and (ii) sale of services. Sale of products include (a) sale of power, (b) sale of captive power plant, (c) sale of plot and (d) sale of solar panel. Sale of services includes the sale of lease, operation and maintenance services.

Other income

Our other income primarily includes (i) interest income (ii) profit/loss on disposal of fixed assets, (iii) scrap sales and (iv) other income.

Expenses

Our total expenses include the below mentioned expenses:

Cost of materials consumed

Our cost of raw materials and components primarily represents amount incurred towards the construction of solar plant sold under CPP segment.

Purchase of stock-in-trade

Our cost of purchase of stock-in-trade primarily include (i) land purchase and (ii) power units purchase.

Changes in inventories of finished goods, stock-in-trade, and work-in-progress

Our cost of changes in inventories of finished goods, stock-in-trade, and work-in-progress primarily include Stock-in-trade of land.

Employee benefit expense

Our employee benefits expense primarily include (i) salaries, wages & bonus, (ii) contribution to gratuity, (iii) contribution to provident fund and ESIC and (iv) staff welfare expenses.

Finance costs

Our finance costs primarily include (i) interest expenses, (ii) lease finance cost, (iii) foreign exchange gain/loss and (iv) other finance charges.

Depreciation and amortisation expenses

Our depreciation and amortisation primarily include depreciation on plant & machinery and amortisation of ROU assets. Tangible and intangible assets are depreciated and amortised over periods corresponding to their estimated useful lives.

Other Expenses

Our other expenses primarily include (i) manufacturing service costs expenses comprising expense of power and fuel, evacuation and infrastructure expenses and other manufacturing costs, (ii) rent, rates and taxes, (iii) auditors remuneration, (iv) Director sitting fees, (v) managerial remuneration, (vi) repairs & maintenance expenses, (vii) travelling and conveyance expenses, (viii) legal and professional expenses, (ix) insurance expenses, (x) CSR and donation expenses, (xi) information technology expenses, (xii) other administrative and general expenses and (xiii) selling distribution expenses.

Exceptional Items

Exceptional items include prior period expense incurred.

Tax Expenses

Our tax expenses primarily include current tax and deferred tax.

Profit/loss for the period

Profit for the period represents profit after tax.

Results of Operations Based on Our Audited Consolidated Financial Statements

The following table sets forth select financial data from our statement of profit and loss for the Fiscals 2024, 2023 and 2022, the components of which are also expressed as a percentage of total income for such periods.

Particulars	As at and for Fiscal 2022		As at and for Fiscal 2023		As at and for the Fiscal 2024		As at and for three-months period ended June 30, 2024	
	(In ₹ million)	(As a % of total income)	(In ₹ million)	(As a % of total income)	(In ₹ million)	(As a % of total income)	(In ₹ million)	(As a % of total income)
I. Revenue from operation	2,299.41	99.32%	6,437.86	99.50%	10,239.00	99.33%	3,480.12	99.47%
II. Other Income	15.76	0.68%	32.48	0.50%	69.15	0.67%	18.42	0.53%
III. Total Income (I+II)	**2,315.17**	**100.00%**	**6,470.35**	**100.00%**	**10,308.16**	**100.00%**	**3,498.54**	**100.00%**
IV. Expenses								
a) cost of materials consumed	914.12	39.48%	3,796.79	58.68%	5,331.59	51.72%	1,682.28	48.09%
b) purchase of stock-in-trade	33.93	1.47%	44.52	0.69%	31.88	0.31%	4.69	0.13%
c) Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	(7.04)	-0.30%	(21.75)	-0.34%	-2.95	-0.03%	-1.83	-0.05%
d) Employee benefits expense	42.61	1.84%	80.73	1.25%	143.90	1.40%	113.82	3.25%
e) Finance costs	369.33	15.95%	467.64	7.23%	860.62	8.35%	274.99	7.86%
f) Depreciation and amortization expenses	140.60	6.07%	226.18	3.50%	403.74	3.92%	142.55	4.07%
g) Other expenses	226.87	9.80%	452.67	7.00%	1,366.15	13.25%	360.05	10.29%
Total expenses (IV)	**1,720.42**	**74.31%**	**5,046.79**	**78.00%**	**8,134.93**	**78.92%**	**2,576.55**	**73.65%**
V. Profit/(loss) before exceptional items and tax (I-IV)	**594.75**	**25.69%**	**1,423.56**	**22.00%**	**2,173.23**	**21.08%**	**922.00**	**26.35%**
VI. Exceptional Items	(1.14)	-0.05%	(4.86)	-0.08%	3.05	0.03%	-15.04	-0.43%
VII. Profit/(loss) after exceptions items and before tax (V-VI)	**593.60**	**25.64%**	**1,418.70**	**21.93%**	**2,170.17**	**21.05%**	**906.95**	**25.92%**
VIII. Tax expenses	**161.15**	**6.96%**	**322.42**	**4.98%**	**553.61**	**5.37%**	**245.85**	**7.03%**
a) Current tax	-	-	103.60	1.60%	356.16	3.46%	201.15	5.75%
b) Deferred tax	161.15	6.96%	218.82	3.38%	197.45	1.92%	44.69	1.28%
IX. Profit/(loss) for the period (VII-VIII)	**432.45**	**18.68%**	**1,096.28**	**16.94%**	**1,616.57**	**15.68%**	**661.11**	**18.90%**
X. Other Comprehensive income	**(0.11)**	**0.00%**	**0.10**	**0.00%**	**-0.95**	**-0.01%**	-	-
a) (i) Items that will not be reclassified to profit or loss	(0.15)	-0.01%	0.13	0.00%	-0.76	-0.01%	-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss	0.04	0.00%	(0.03)	0.00%	-0.19	0.00%	-	-
b) (i) Items that will be reclassified to profit or loss	-	-	-	-	-	-	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-	-	-
XI. Total Comprehensive Income for the period	**432.34**	**18.67%**	**1,096.37**	**16.94%**	**1,615.62**	**15.67%**	**661.11**	**18.90%**

Fiscal 2023 Compared to Fiscal 2022

Income

Our total income increased by 179.48% to ₹ 6,470.35 million for Fiscal 2023 from ₹ 2,315.17 million for Fiscal 2022, on account of the factors discussed below.

Revenue from operation

Our revenue from operation increased by 179.98% to ₹ 6,437.86 million for Fiscal 2023 from ₹ 2,299.41 million for Fiscal 2022, primarily due to the below factors:

Our revenue from operation from sale of power increased by 64.49% to ₹ 947.34 million for Fiscal 2023 from ₹ 575.93 million for Fiscal 2022 primarily due to commencement of sale of power units generated from IPP plants which were commissioned in later period of Fiscal 2022. The number of units generated grew from 10.39 crore kWh in Fiscal 2022 to 14.78 crore KwH in Fiscal 2023. Further, we started booking revenue from a gross basis to a net basis in Fiscal 2023.

Our revenue from operation from sale of captive power plant increased by 223.28% to ₹ 5,428.80 million for Fiscal 2023 from ₹ 1,679.28 million for Fiscal 2022 primarily due to increase in execution of CPP projects during the year. Our revenue from sale of captive power plant is on a milestone basis and hence, higher execution of CPP plant orders results in higher realised revenue.

Our revenue from operation from sale of plot decreased by 72.67% to ₹ 10.82 million for Fiscal 2023 from ₹ 39.60 million for Fiscal 2022 primarily due to change in our business strategy by shifting focus from sale of land to sale of power plants.

We did not earn any revenue from operations from sale of solar panel in Fiscal 2023, as compared to ₹ 3.09 million for Fiscal 2022. This was a one-off item where excess solar modules and panels that were available with us were sold off.

Our revenue from operation from sale of operation, lease and maintenance services increased by 3,248.03% to ₹ 50.89 million for Fiscal 2023 from ₹ 1.52 million for Fiscal 2022 primarily due to increase in sale of CPP plants in previous years. We generally offer one or two years of free O&M services after commencement of the power plant and hence the O&M revenue accrue in later periods. Accordingly, majority of our revenue from sales in earlier periods, being Fiscal 2020 and Fiscal 2021, started accruing in Fiscal 2023.

Other income

Our other income increased by 106.09% to ₹32.48 million for Fiscal 2023 from ₹15.76 million for Fiscal 2022, primarily due to increase in interest income by ₹ 14.16 million on account of increase in fixed deposit during the year.

Expenses

Our total expenses increased by 193.35% to ₹ 5,046.79 million for Fiscal 2023 from ₹ 1,720.42 million for Fiscal 2022, on account of the factors discussed below:

Cost of materials consumed

Our cost of materials consumed increased by 315.35% to ₹3,796.79 million for Fiscal 2023 from ₹914.12 million for Fiscal 2022, primarily due to increase in sale of captive power plants in Fiscal 2023 as compared to Fiscal 2022.

Purchase of stock-in-trade

Our cost of purchase of stock-in-trade increased by 31.22% to ₹44.52 million for Fiscal 2023 from ₹33.93 million for Fiscal 2022, primarily due to increase in purchase of land by ₹ 14.53 million on account of higher sales of captive power plants.

Changes in inventories of finished goods, Stock-In-Trade, and work-in-progress

Our cost of changes in inventories of finished goods, stock-in-trade, and work-in-progress increased by 208.95% to ₹ (21.75) million for Fiscal 2023 from ₹(7.04) million for Fiscal 2022, primarily due to increase in closing stock-in-trade of land to ₹ 96.58 million for Fiscal 2023 from ₹ 74.83 million for Fiscal 2022. The increase in land is due to acquisition of land parcels to support our business activities being, the new projects we plan to undertake in the future.

Employee benefits expense

Our employee benefits expense increased by 89.47% to ₹80.73 million for Fiscal 2023 from ₹42.61 million for Fiscal 2022, primarily due to increase in number of employees during Fiscal 2023 as compared to Fiscal 2022 following the expansion of our business operations.

Finance Costs

Our finance costs increased by 26.62% to ₹467.64 million for Fiscal 2023 from ₹369.33 million for Fiscal 2022, primarily due to increase in total borrowings during Fiscal 2023 as compared to Fiscal 2022 and increase in rate of interest during the year. We also capitalised ₹ 43.99 million during Fiscal 2023 for qualifying assets as per Ind AS – 23: Borrowing Costs.

Depreciation and amortisation expenses

Our depreciation and amortisation expenses increased by 60.86% to ₹ 226.18 million for Fiscal 2023 from ₹140.60 million for Fiscal 2022, primarily due to increase in the gross block of property, plant & equipment during the year.

Other expenses

Our other expenses increased by 99.53% to ₹452.67 million for Fiscal 2023 from ₹226.87 million for Fiscal 2022, primarily due to increase in evacuation and infrastructure expenses by ₹ 117.42 million, increase in CSR expenses by ₹ 25.20 million and increase in other administrative and general expenses by ₹ 22.49 million.

Exceptional item

Our exceptional item expense increased by 326.32% to ₹ (4.86) million for Fiscal 2023 from ₹(1.14) million for Fiscal 2022, primarily due to increase in prior period expenses which were accounted for in the previous year due to an erroneous accounting error.

Tax expense

Our tax expenses increased by 100.07% to ₹ 322.42 million for Fiscal 2023 from ₹ 161.15 million for Fiscal 2022, primarily due to increase in net deferred tax liability by ₹ 57.67 million on account of lower tax base of our assets due to higher depreciation rate allowed under tax laws and current tax provision of ₹ 103.60 million.

Profit for the year

As a result of the foregoing factors, our profit for the year increased by 153.50% to ₹1,096.28 million for Fiscal 2023 from ₹432.45 million for Fiscal 2022.

Fiscal 2024 Compared to Fiscal 2023

Income

Our total income increased by 59.31% to ₹ 10,308.16 million for Fiscal 2024 from ₹ 6,470.35 million for Fiscal 2023, on account of the factors discussed below: -

Revenue from operation

Our revenue from operation increased by 59.04 % to ₹10,239 million for Fiscal 2024 from ₹6,437.86 million for Fiscal 2023, primarily due to the below factors below:

Our revenue from operation from sale of power increased by 86.83 % to ₹ 1,769.95 million for Fiscal 2024 from ₹ 947.34 million for Fiscal 2023 primarily due to higher installed capacity of our IPP projects in Fiscal 2024 as compared to Fiscal 2023 resulting into higher unit generation. The number of units generated grew from 14.78 crore kWh in Fiscal 2023 to 21.26 crore. KwH in Fiscal 2024.

Our revenue from operation from sale of captive power plant increased by 53.24 % to ₹ 8,319.04 million for Fiscal 2024 from ₹ 5428.80 million for Fiscal 2023 primarily due to increase in execution of CPP projects during the year. Our revenue from sale of captive power plant is on a milestone basis and hence, higher execution of CPP plant orders results into higher realised revenue.

Our revenue from operation from sale of plot increased by 82.14% to ₹ 19.72 million for Fiscal 2024 from ₹ 10.82 million for Fiscal 2023 primarily due to increase in sale of number of plots as compared to previous year.

Our revenue from operation from sale of operation, lease and maintenance services increased by 156.02% to ₹ 130.29 million for Fiscal 2024 from ₹ 50.89 million for Fiscal 2023 primarily due to increase in sale of CPP plants in previous years. We generally offer one or two years of free O&M services after commencement of the power plant and hence the O&M revenue accrue in later periods. Accordingly, majority of our revenue from sales in earlier periods, being Fiscal 2021 and Fiscal 2022, started accruing in Fiscal 2024.

Other income

Our other income increased by 112.89% to ₹69.15 million for Fiscal 2024 from ₹ 32.48 million for Fiscal 2023, primarily due to increase in interest income by ₹ 31.86 million on account of increase in fixed deposit during the year.

Expenses

Our total expenses increased by 61.19 % to ₹ 8,134.93 million for Fiscal 2024 from ₹ 5,046.79 million for Fiscal 2023, on account of the factors discussed below:

Cost of materials consumed

Our cost of materials consumed increased by 40.42 % to ₹ 5,331.59 million for Fiscal 2024 from ₹ 3,796.79 million for Fiscal 2023, primarily due to increase in sale of captive power plants in Fiscal 2024 as compared to Fiscal 2023.

Purchase of stock-in-trade

Our cost of purchase of stock-in-trade decreased by 28.41 % to ₹ 31.88 million for Fiscal 2024 from ₹ 44.52 million for Fiscal 2023, primarily due to decrease in purchase of land by ₹ 8.55 million on account of shifting focus from sale of land to sale of power plants.

Changes in inventories of finished goods, Stock-In-Trade, and work-in-progress

Our cost of changes in inventories of finished goods, stock-in-trade, and work-in-progress decreased by 86.43 % to ₹ 2.95 million for Fiscal 2024 from ₹ 21.75 million for Fiscal 2023, primarily due to increase in closing stock-in-trade of land.

Employee benefits expense

Our employee benefits expense increased by 78.25 % to ₹ 143.90 million for Fiscal 2024 from ₹80.73 million for Fiscal 2023, primarily due to increase in number of employees during Fiscal 2024 as compared to Fiscal 2023 following the expansion of our business operations.

Finance Costs

Our finance costs increased by 84.03% to ₹ 860.62 million for Fiscal 2024 from ₹ 467.64 million for Fiscal 2023, primarily due to increase in total borrowings during Fiscal 2024 as compared to Fiscal 2023.

Depreciation and amortisation expenses

Our depreciation and amortisation expenses increased by 78.51% to ₹ 403.74 million for Fiscal 2024 from ₹ 226.18 million for Fiscal 2023, primarily due to increase in the gross block of property, plant & equipment during the year.

Other expenses

Our other expenses increased by 201.80% to ₹ 1,366.15 million for Fiscal 2024 from ₹ 452.67 million for Fiscal 2023, primarily due to increase in manufacturing service costs by ₹ 475.76 million and increase in royalty expense by ₹ 204.22 million.

Exceptional item

Our exceptional item expense decreased by 37.16% to ₹ (3.05) million for Fiscal 2024 from ₹ (4.86) million for Fiscal 2023, primarily due to primarily due to decrease in prior period expenses which were accounted for in the previous year due to an erroneous accounting error.

Tax expense

Our tax expenses increased by 71.70% to ₹553.61 million for Fiscal 2024 from ₹ 322.42 million for Fiscal 2023, primarily due to increase in the profit of the current year.

Profit for the year

As a result of the foregoing factors, our profit for the year increased by 47.46% to ₹ 1,616.57 million for Fiscal 2024 from ₹ 1,096.28 million for Fiscal 2023.

Liquidity and Capital Resources

Historically, our primary liquidity requirements have been to finance our working capital needs for our operations. We have met these requirements through cash flows from operations, equity infusions from shareholders and borrowings. As of March

31, 2024, we had ₹ 0.001 million in investments, ₹ 4,271.32 million as trade receivables, ₹ 543.05 million in cash and cash equivalents, ₹ 1,157.09 million as bank balances, ₹ 3,338.63 million as inventories, ₹ 3.12 million as loans and ₹ 4,025.57 million in other current and financial assets. We believe that, after taking into account the expected cash to be generated from operations, our borrowings and the proceeds from the Offer, we will have sufficient liquidity for our present requirements and anticipated requirements for capital expenditure and working capital for 12 months following the date of this Preliminary Placement Document.

In Fiscal 2022, 2023 and 2024 our total liabilities amounted to ₹ 6,236.06 million, ₹ 9,970.59 million and ₹ 16,002.51 million, respectively.

We have been assigned a credit rating of A- from ICRA as of June 30, 2024.

Cash Flows

The table below summarizes the statement of cash flows, as per our cash flow statements, for the periods indicated:

Particulars	**Fiscal**		
	2022	**2023**	**2024**
	(in ₹ million)		
Net cash (used in)/generated from operating activities	1,023.78	1,593.84	(574.91)
Net cash (used in)/generated from investing activities	(1,894.00)	(3,094.32)	(3,867.85)
Net cash (used in)/generated from financing activities	909.81	1,768.04	5,618.93
Net Increase / (decrease) in cash and cash equivalent during the period	**39.59**	**267.55**	**1,176.17**

Operating Activities

Fiscal 2024

Our net cash (used in)/ generated from operating activities was ₹ (574.91) million in Fiscal 2024. Our operating profit before working capital change was ₹ 3,374.91 million in Fiscal 2024. The changes in operating asset & liabilities in Fiscal 2024 primarily consisted of (i) an increase in trade receivable of ₹ 2,804.02 million primarily due to increase in sales in last quarters, (ii) an increase in other current and other assets of ₹ 1,135.64 million primarily due to increase in advance given to suppliers by ₹ 3,084.30 million, (iii) increase in trade payables of ₹ 1,820.55 million primarily due to increase in cost of material assumed on account on increase in operations during the year, (iv) increase in inventories of ₹ 1,688.87 million primarily due to increase in purchases during the year because of significant decrease in the price of panel, (v) increase in other current and other non-current financial liabilities of ₹ 179.62 million primarily due to increase in provision of expenses by ₹ 50.22 million and TDS/TCS/GST payable by ₹ 85.48 million, (vi) increase in other current and non-current financial assets of ₹ 117.22 million due to increase in other non-current financial assets by ₹ 132.86 million, (vii) decrease in other current and other non-current liabilities of ₹ 9.08 million and (viii) increase in provision and other liabilities of ₹ 2.87 million due to increase in provision of gratuity..

Fiscal 2023

Our net cash (used in)/ generated from operating activities was ₹ 1,593.84 million in Fiscal 2023. Our operating profit before working capital change was ₹ 2,085.88 million in Fiscal 2023. The changes in operating asset & liabilities in Fiscal 2023 primarily consisted of (i) an increase in trade payables of ₹ 1,805.39 million primarily due to increase in purchase of raw materials and stock-in-trade, (ii) an increase in other current and non-current financial liabilities of ₹ 67.76 million primarily due to increase in provision for accrued expenses by ₹ 63.96 million, (iii) decrease in other current and non-current liabilities of ₹ 677.36 million primarily due to decrease in advances received from debtors amounting to ₹ 736.79 million and increase in unearned revenue amounting to ₹ 59.43 million, (iv) increase in trade receivables of ₹ 1,099.46 million primarily due to increase in debtors in line with increase in sales of power and captive power plants, (v) increase in inventories of ₹ 583.16 million primarily due to increase in closing stock of captive power plants by ₹ 561.41 million, (vi) decrease in other current and non-current financial assets of ₹ 62.93 million due to increase in rent deposits amounting to ₹ 22.28 million and increase in other non-current financial assets by ₹ 32.63 million, (vii) increase in other current and non-current assets of ₹ 131.68 million primarily due to increase in fixed deposits amounting to ₹ 201.57 million, increase in GST credit receivable by ₹ 159.97 million and decrease in advances to suppliers by ₹ 297.96 million, and (viii) decrease in provision and other liabilities of ₹ 1.06 million due to increase in provision of gratuity.

Fiscal 2022

Our net cash (used in)/ generated from operating activities was ₹ 1,023.78 million in Fiscal 2022. Our operating profit before working capital change was ₹ 1,091.01 million in Fiscal 2022. The changes in operating asset & liabilities in Fiscal 2022 primarily consisted of (i) an increase in trade payables of ₹ 250.32 million primarily due to increase in sundry creditors amounting to ₹ 191.04 million, (ii) an decrease in other current and non-current financial liabilities of ₹ 25.43 million primarily due to decrease in customer advances amounting to ₹ 24.00 million, (iii) increase in other current and non-current liabilities of ₹ 864.80 million primarily due to increase in advances received from customers amounting to ₹ 864.75 million, (iv) decrease in trade receivables of ₹ 130.88 million primarily due to decrease in debtors for CPP sales by ₹ 164.87 million, (v) increase in inventories of ₹ 663.92 million primarily due to increase in closing stock of captive power plants by ₹ 656.89 million, (vi) increase in other current and non-current assets of ₹ 616.27 million primarily due to increase in advances given to suppliers amounting to ₹ 467.18 million and increase in GST credit receivable amounting to ₹ 104.33 million and (vii) increase in provision and other liabilities of ₹ 3.16 million primarily due to increase in provision of gratuity amounting to ₹ 2.93 million.

Investing Activities

Fiscal 2024

Our net cash (used in)/ generated from investing activities was ₹ (3,867.85) million in Fiscal 2024. This was primarily due to advance to capital creditor of ₹ 2100.27 million, payment for purchase of fixed asset and CWIP of ₹ 1305.70 million and acquisition of ROU Asset of ₹560.73 million.

Fiscal 2023

Our net cash (used in)/ generated from investing activities was ₹ (3,094.32) million in Fiscal 2023. This was primarily due to payment for purchase of fixed asset and CWIP of ₹ 2,662.77 million, acquisition of ROU Asset of ₹ 455.82 million, interest income received of ₹ 26.53 million, proceeds from sale of fixed assets of ₹ 12.74 million and investment in equity shares of subsidiary of ₹ 15.00 million.

Fiscal 2022

Our net cash (used in)/ generated from investing activities was ₹ (1,894.00) million in Fiscal 2022. This was primarily due to payment for purchase of fixed asset and CWIP of ₹ 1,670.90 million, acquisition of ROU Asset of ₹ 235.48 million and interest income received of ₹ 12.37 million.

Financing Activities

Fiscal 2024

Our net cash (used in)/generated from financing activities was ₹ 5,618.93 million in Fiscal 2024. This was primarily due to proceeds from issuance of share capital of ₹ 3,000.00 million, net proceeds from lease liability of ₹ 502.71 million, net proceeds from short term borrowings of ₹3,026.92 million and net proceeds from long term borrowings of ₹ 46.57 million.

Fiscal 2023

Our net cash (used in)/generated from financing activities was ₹ 1,768.04 million in Fiscal 2023. This was primarily due to net proceeds from lease liability of ₹ 447.67 million, net proceeds from short term borrowings of ₹ 644.30 million, net proceeds from long term borrowings of ₹ 1,198.29 million, interest expenses of ₹ 467.65 million and dividend paid of ₹ 54.57 million.

Fiscal 2022

Our net cash (used in)/generated from financing activities was ₹ 909.81 million in Fiscal 2022. This was primarily due to net proceeds from lease liability of ₹ 304.77 million, net proceeds from short term borrowings of ₹ 183.27 million, net proceeds from long term borrowings of ₹ 809.11 million, interest expenses of ₹ 369.33 million and dividend paid of ₹ 18.00 million.

Indebtedness

As of June 30, 2024, we had term loans (excluding current maturity of term loans) of ₹ 3,994.10 million and working capital borrowings (including current maturity of term loans) of ₹ 3,992.84 million, with a debt-to-equity ratio* of 88.57%. Some of our financing agreements include various conditions and covenants that require us to obtain lender consents prior to carrying out certain activities and entering into certain transactions. We cannot assure you that we will be able to obtain these consents and any failure to obtain these consents could have significant adverse consequences for our business.

Contractual Obligations

The table below sets forth our contractual obligations as of March 31, 2024.

	Total	**Less than 1 year**	**1 year to 3 years**	**More than 3 years**
	(₹ in millions)			
Borrowings	8,318.59	4,147.31	1,454.66	2,716.62
Trade Payables	4,166.10	4,166.10	-	-

	Total	Less than 1 year	1 year to 3 years	More than 3 years
	(₹ in millions)			
Other financial liabilities	272.90	267.90	-	5.00
Lease liabilities	2,046.17	-	309.84	1,736.33
Total	**14,803.76**	**8,581.31**	**1,764.50**	**4,457.94**

Contingent Liabilities

The following table sets forth the principal components of our contingent liabilities as of March 31, 2024:

Particulars	As of March 31, 2024
	(₹ in millions)
Income tax Assessment for A.Y. 2015-2016, pending before Comm. Of IT-Appeals-1, Surat	7.422
Income tax Assessment for A.Y. 2014-2015, pending before Comm. Of IT-Appeals-1, Surat	1.424

Related Party Transactions

We enter into various transactions with related parties. For further information see "***Financial Information***" on page 275.

Quantitative and Qualitative Disclosures about Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises various sub-types of risk: interest rate risk, foreign currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, foreign currency hedging instruments such as forward contracts and options. We have put in place appropriate risk management policies to limit the impact of these risks on its financial performance. We ensure optimization of cash through fund planning, robust cash management practices and negotiation of terms that reflect the market factors.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Majority of our borrowings, both term and working capital, are floating rate linked borrowings wherein interest rate is reset at different time intervals. Fluctuation in interest rates will therefore have a bearing on our debt service obligations.

The exposure of our borrowings to interest rate changes at the end of the reporting period is as follows:

	As of March 31, 2024
	(₹ in millions)
Variable rate borrowings	615.99
Fixed rate borrowings	2.71
Total borrowings	618.70
Sensitivity	
Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.	
Impact on profit after tax	
Interest rate (increase by 50 basis points)#	(41.59)
Interest rate (decrease by 50 basis points)#	41.59

\# Holding other variables constant.

Liquidity Risk

Ultimate responsibility for liquidity risk management rests with the Board, which has established an appropriate liquidity risk management framework for the management of our short, medium and long-term funding and liquidity management requirements. Our principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. We manage liquidity risk by maintaining adequate cash reserves, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. Accordingly, no liquidity risk is perceived.

The table below sets forth our undrawn borrowings facilities as at March 31, 2024.

	As at March 31, 2024
	(₹ in millions)
Expiring within one year (bank loans)	2,217.59
Expiring beyond one year (bank loans)	-

The amount expiring within one year (i.e., undisbursed funds) can be utilized in the upcoming year according to the sanction letter. However, it is also possible to renew it in the following year provided that renewal compliances are met.

Commodity risk

Inflationary factors such as increases in the costs of commodities and raw materials used in our operations may adversely affect our operating results. Raw material pricing can be volatile due to a number of factors beyond our control, volatility in fuel prices, and there are uncertainties inherent in estimating such variables, regardless of the methodologies and assumptions that we may use. Our inability to pass fluctuations in raw material prices on to our customers and/or any gap in time to revise prices to pass on increased costs could adversely affect our business, financial condition and results of operations. Based on our analysis of the periods presented, we believe that inflation has not had a material effect on our operating results as inflationary increases in raw material and employee costs have generally been offset through increases in price of our products and services.

Capital Expenditures

Our historical capital expenditures were, and we expect our future capital expenditures to be, primarily for purchase/construction of IPP solar projects and land. In Fiscal Years 2022, 2023 and 2024, our capital expenditures (including acquisition of ROU Assets) were ₹ 1,906.38 million, ₹ 3,118.59 million and ₹ 1866.44 million, respectively.

Significant Economic Changes

Other than as described above under the heading titled "*Principal Factors Affecting Our Financial Condition and Results of Operations*," to the knowledge of our management, there are no other significant economic changes that materially affect or are likely to affect income from continuing operations.

Unusual or Infrequent Events of Transactions

Except as described in this Preliminary Placement Document, there have been no other events or transactions that, to our knowledge, may be described as "unusual" or "infrequent".

Known Trends or Uncertainties

Our business has been affected and we expect will continue to be affected by the trends identified above in the heading titled "*Principal Factors Affecting Our Financial Condition and Results of Operations*" and the uncertainties described in the section titled "***Risk Factors***" beginning on page 41. To our knowledge, except as described or anticipated in this Preliminary Placement Document, there are no known factors which we expect will have a material adverse impact on our revenues or income from continuing operations.

Future Relationship Between Cost and Income

Other than as described in this Preliminary Placement Document, to the knowledge of our management, there are no known factors that might affect the future relationship between costs and revenues.

New Products or Business Segments

Other than as described in "***Our Business***" on page 202 of this Preliminary Placement Document, there are no new products or business segments in which we operate.

Seasonality of Business

Our business is subject to seasonal variations. Our quarterly operating results are difficult to predict and may fluctuate significantly in the future. We have experienced seasonal and quarterly fluctuations in the past, especially in the high and low wind seasons, winter months and monsoon seasons and we may experience the same in future. For example, we have historically booked majority of our revenue from operations in the second half of a particular Fiscal period.

In addition to the other risks described in this "*Risk Factors*" section, the following factors could cause our operating results to fluctuate:

- Climate change and extreme weather events can affect the performance and reliability of renewable energy systems, potentially leading to disruptions or damage to infrastructure;
- occurrences of low global horizontal irradiation and fluctuating wind speed that affects our generation of solar power and wind power, respectively; and
- the availability of sunlight and seasonality, particularly in the monsoon season, which impacts our solar power generation capacity. (*Source: Crisil Report*)

Suppliers or Customer Concentration

Several of our key components are sourced from a limited group of third-party suppliers giving rise to supplier concentration risks.

Reservations, Qualifications and Adverse Remarks Included by Auditors

There are no qualifications, reservations or adverse remarks included in the audited financial statements of our Company or the relevant reports thereon, for Fiscals 2020, 2021, 2022, 2023 and 2024.

Significant Developments After March 31, 2024

Except as disclosed below, no circumstances have arisen since March 31, 2024, being the last date of the financial statements, which materially and adversely affect or are likely to affect the trading, operations, or profitability of the Group, or the value of its assets, or its ability to pay its liabilities within the next twelve months:

1. Our Company has received new orders totalling ~100.45 MW for solar power projects. This includes ~27 MW for our Company, 30 MW for KPark Sunbeat Private Limited, and ~ 43.45 MW for Sun Drops Energia Private Limited under the Captive Power Producer segment, demonstrating significant expansion in their renewable energy portfolio.

2. Pursuant to a resolution of the Board dated May 23, 2024 and Shareholders' resolution dated June 28, 2024, the authorised capital of our Company, comprising of 700,000,000 equity shares of face value of ₹ 10 each of our Company were sub-divided into 140,000,000 Equity Shares of face value of ₹ 5 each. Consequently, the issued and subscribed share capital of our Company comprising 60,282,608 equity shares of face value of ₹ 10 each was sub-divided into 120,565,216 Equity Shares of face value of ₹ 5 each.

3. Our Company announced that pursuant to a resolution passed by the Board of Directors of Sun Drops Energia Private Limited, our wholly owned subsidiary, at their meeting held on June 7, 2024, it was approved to issue 10,66,098 equity shares of Sun Drops to Farukhbhai Gulambhai Patel on a private placement basis. This proposed issue, representing 16.62% of the expanded paid-up share capital of Sun Drops Energia Private Limited, is subject to the approval of the members of Sun Drops Energia Private Limited and other necessary approvals. Following the completion of this private placement, Sun Drops Energia Private Limited will cease to be a wholly owned subsidiary and will continue as a subsidiary representing 83.38% of the expanded paid-up share capital of Sun Drops Energia Private Limited. The share issuance is priced at ₹ 469 per share, amounting to ₹ 500.00 million/-, and will not bring direct consideration to our Company.

4. On April 2, 2024, our Company's Nomination and Remuneration Committee approved the grant of 601,399 stock options under the KPI Green Energy Limited Employee Stock Option Plan 2023 (KPI Green – ESOP 2023). These options are to be distributed among eligible employees of our Company, our subsidiaries, and associate companies. The stock options are priced at ₹ 106 each and are set to vest in multiple tranches over four years.

5. On July 25, 2024, our Company has received Letters of Intents from Gujarat Urja Vikas Nigam Limited for the development of 620 MWAC of grid-connected Solar and Hybrid Renewable Energy ("**RE**") projects. This achievement includes 250MWAC under Tender-I for Solar Photovoltaic Power Projects and 370MWAC under Tender-II for Hybrid RE Power Projects.

6. Our Company has acquired a significant stake in Miyani Power Infra LLP, with 99% stake held directly and the remaining 1% through its wholly owned subsidiary, i.e. M/s KPark Sunbeat Private Limited. Through this acquisition, Miyani Power Infra LLP has become a 100% subsidiary of KPI Green Energy Limited.

7. Our Board on August 8, 2024, approved the Unaudited Consolidated Financial Results for the quarter ended June 30, 2024, which have been published on the websites of the Stock Exchanges and our website. For details, see "*Financial Information – Unaudited Consolidated Financial Results*" on page 441.

8. On August 8, 2024, our Board has approved and declared interim dividend at 4% i.e. Re. 0.20 per Equity Share having face value of Rs. 5 each, Fiscal 2024-2025, with the record date being August 21, 2024.

INDUSTRY OVERVIEW

OVERVIEW OF INDIAN MACROECONOMIC LANDSCAPE

Economic indicators

As per data released by the National Statistical Office (NSO) in May 2024, India's gross domestic product (GDP) at constant (fiscal 2012) prices was estimated at Rs 173.82 lakh crore in fiscal 2024 vis-à-vis the first revised estimate for fiscal 2023 of Rs 160.71 lakh crore, which translated into a growth of 8.2% y-o-y. This was higher than the 7.0% growth in fiscal 2023. However, India has overtaken the United Kingdom's economy in terms of size, making it the fifth biggest. In fact, India's GDP growth is estimated to be the highest amongst the top 10 economies.

Table 1: GDP trajectory (% change)

At basic prices	FY19	FY20	FY21	FY22	FY 23E	FY 24E	At Basic prices	FY19	FY20	FY21	FY22	FY23E	FY 24E
							GDP	6.5%	3.9%	-5.8%	9.7%	7.0%	8.2%
Agriculture	2.1%	5.5%	3.3%	3.5%	4.7%	1.4%	Private consumption	7.1%	5.2%	-6.0%	11.1%	6.8%	4.0%
Industry	5.3%	-1.4%	-3.3%	14.8%	9.4%	7.5%	Govt. consumption	6.7%	3.4%	3.6%	6.6%	9.0%	2.5%
Manufacturing	5.4%	-2.9%	-0.6%	11.1%	-2.2%	9.9%	Fixed investment	11.2%	1.6%	-10.4%	14.6%	6.6%	9.0%
Mining and quarrying	-0.8%	-1.5%	-8.6%	7.1%	1.9%	7.1%	Exports	11.9%	-3.4%	-9.2%	29.3%	13.4%	2.6%
Services	7.2%	6.3%	-7.8%	9.7%	8.9%	8.4%	Imports	8.8%	-0.8%	-13.8%	21.8%	10.6%	10.9%

E: Estimated
Source: Central Statistics Office (CSO), CEIC, CRISIL MI&A Consulting

Q4 growth of fiscal 2024 was much stronger than 5.9% factored in in the second advance estimates (SAE) of the NSO in February 2024. This prompted the NSO to revise up the fiscal 2024 GDP growth estimate to 8.2% (which is the provisional estimate), from 7.6% in the SAE. GVA growth was also revised up to 7.2% from 6.9%. The provisional estimates provide a better estimate with updated data and have longer shelf life as the next estimate for fiscal 2024 from NSO will come only in 2025. Growth in fiscal 2024 was primarily driven by fixed investments on the demand side and industry on the supply side.

Table 2: Services, manufacturing, and government consumption lead GDP growth

Particulars	Demand Side		Particulars	Supply Side	
	FY23E	FY24E		FY23E	FY24E
GDP	7.0%	8.2%	GVA	6.7%	7.2%
GFCE	9.0%	2.5%	Manufacturing	-2.2%	9.9%
PFCE	6.8%	4.0%	Public Ad+	8.9%	7.8%
GFCF	6.6%	9.0%	Agriculture	4.7%	1.4%
Imports	10.6%	10.9%	Mining	1.9%	7.1%
Exports	13.4%	2.6%	Financial Services	9.1%	8.4%
			Electricity	9.4%	7.5%
			Construction	9.4%	9.9%
			THTC	12.0%	6.4%

Note: GFCE: Government final consumption expenditure, PFCE: Private final consumption expenditure; GFCF: Gross fixed capital formation; GVA: Gross value added; THTC refers to trade, hotels, transport, and communication services; financial services+ refers to financial, real estate and professional services; public ad+ refers to public administration, defence and other services
Source: NSO, CEIC, CRISIL MI&A Consulting

GDP growth slowed to 7.8% on-year in the Q4 of last fiscal from 8.6% previous quarter but was higher than 6.1% in the year-ago quarter. Growth for the third quarter was also revised up to 8.6% from 8.4%. The growth moderation was driven by the fixed investment segment on the demand side. Private consumption trailed overall GDP growth but improved its performance in the second half of the fiscal. Net exports also impacted GDP growth positively in Q4, driven by pick up in export growth and moderation in import growth. On the supply side, gross value added (GVA) growth at 6.3% was much lower than the GDP growth in Q4. A strong growth in net taxes pushed the GDP growth higher than GVA. The industrial and services sectors saw a moderation, while the agriculture and allied sector inched up slightly. Q4 growth was much stronger than 5.9% factored in in the SAE of the NSO in February. This prompted the NSO to revise up the fiscal 2024 GDP growth estimate to 8.2% (which is the provisional estimate), from 7.6% in the SAE. GVA growth was also revised up to 7.2% from 6.9%. The provisional estimates provide a better estimate with updated data and have longer shelf life as the next estimate for fiscal 2024 from NSO will come only in 2025. Growth in fiscal 2024 was primarily driven by fixed investments on the demand side and industry on the supply side.

India's GDP recovered with subsiding of the pandemic

In the past 11 years (during fiscal 2014 to 2024), India's GDP at constant (fiscal 2012) prices grew at a compounded growth of ~5.3% (CAGR).

After strong GDP print in the past three years, CRISIL MI&A Consulting expects some moderation to 6.8% this fiscal 2025. The growth will still be higher than the pre-pandemic decadal average of 6.7%, continuing to position India as the fastest growing major economy.

Investments, a key factor that boosts growth, are expected to moderate as the government focuses on fiscal consolidation. The extent of revival in private investment cycle will determine the investment momentum this fiscal. The other strong segment, urban demand, could moderate as credit conditions tighten this year. Transmission of past rate hikes to broader lending rates remains incomplete. As the wait for rate cuts from the Reserve Bank of India (RBI) prolongs, the transmission is expected to continue, raising the borrowing costs. In addition, the RBI's regulatory measures to clamp down on risky lending will weigh on credit support to consumption.

That said, the forecast of an above-normal monsoon brings hope for the rural economy, which was a laggard in the country's growth story last year. The consequent possible easing in food inflation could also boost purchasing power and support consumption. However, the distribution of monsoon will be the determining factor. Freak weather events, such as heatwave and unseasonal rains, remain a risk.

CRISIL MI&A expects a normalisation of the net indirect tax impact on GDP, after strong growth in the last fiscal. Slower global growth can restrict upside to goods exports owing to normalisation of supply chains and an expected pick-up in volume of trade in calendar 2024. S&P Global expects global GDP growth to slow to 3.2% in 2024 from 3.4% previous year, weighed by interest rates staying elevated for longer. Any spike in the prices of commodities — particularly crude oil — remains a risk for the country's growth.

Overall, CRISIL MI&A-Consulting[1] expects India's real GDP to grow 6.8% in fiscal 2025, compared with 8.2% past fiscal projected by NSO.

Table 3: CRISIL's key projections

	FY18	FY19	FY20	FY21	FY22	FY23E	FY24P	FY25P
GDP growth (%)	6.8%	6.5%	3.9%	-5.8%	9.1%	7.2%	8.2%	6.8%
CPI (%, average)	3.6%	3.4%	4.8%	6.2%	5.5%	6.8%	5.5%	4.5%
CAD/GDP (%)	1.8%	2.1%	0.9%	-0.9%	-1.2%	-2.0%	-1.0%	-1.0%
FAD/GDP (%)	3.5%	3.4%	4.6%	9.2%	6.7%	6.4%	5.6%#	5.1%
Exchange rate (Rs/$ March-end)	65.0	69.5	74.4	72.8	76.2	82.0	83.0	83.5
10-year G-sec yield (%, March-end)	7.6%	7.5%	6.2%	6.2%	6.8%	7.5%	7.0%	6.8%

 # Provisional
E: Estimated; P: Projected; CPI: Consumer Price Index-linked; CAD: Current account deficit; G-sec: Government security; FAD: Fiscal account deficit
Source: CSO, Reserve Bank of India (RBI), CRISIL estimates

Outlook on inflation, IIP, per capital national income and currency

Inflation

CPI-based inflation eased marginally to 4.8% in April from 4.9% in March. Despite the uptick in food, non-food components helped curtail headline inflation. Core CPI inflation eased to 3.2% from 3.3%. Food inflation picked up to 8.7% from 8.5%. Fuel inflation declined to -4.2% from -3.4%

Food inflation, however, edged up to 8.7% from 8.5%, driven by costlier cereals and meat; vegetables, which have been sticky at elevated levels, softened a touch. Prices of edible oils fell at a softer pace on-year.

CRISIL MI&A Consulting expects CPI inflation to broadly ease to 4.5% on-year this fiscal from 5.4%. Softer headline inflation forecast is primarily premised on lower food inflation assuming a normal monsoon and on the back of the high base of fiscal 2024.

1 Based on CRISIL Centre for Economic Research (C-CER) projections

Projections in this Chapter are as per the C-CER

Food inflation inches up compared with the previous month

Food inflation, which has a 39.1% weight in the CPI gauge, has remained well above 8% for six months now. Pressure on food prices continues, with the ongoing heatwaves being one factor. Inflation hardened in non-PDS (Public Distribution System) wheat (6% vs 4.7%) while it eased a tad in non-PDS rice (12.5% vs 12.7%)

Vegetables inflation softened a touch to 27.8% from 28.3%. TOP (tomatoes, onions, potatoes) and non-TOP inflation moved in opposite directions. While TOP inflation accelerated to 44.9% from 37.4%, driven by tomatoes (41.8% vs 32.6%) and potatoes (53.6% vs 40.9%), non-TOP inflation eased to 20.4% from 24.4.

Among protein categories, Inflation in pulses continued to ease to 16.8% in April from 17.8% in March. This was led by cooling inflation in arhar (31.4% vs 33.6%) and moong (10% vs 11.6%). Meat and fish accelerated for the third straight month to 8.2% from 6.4% driven by chicken (13.9% vs 8.6%).

Prices of edible oils declined 9.4% on-year in April compared with a 11.7% fall in the previous month. Spices inflation softened to 7.8% from 11.4%. This is the first time since May 2022 that spices have seen single-digit inflation. Inflation in sugar softened sharply to 5.9% from 7.3%.

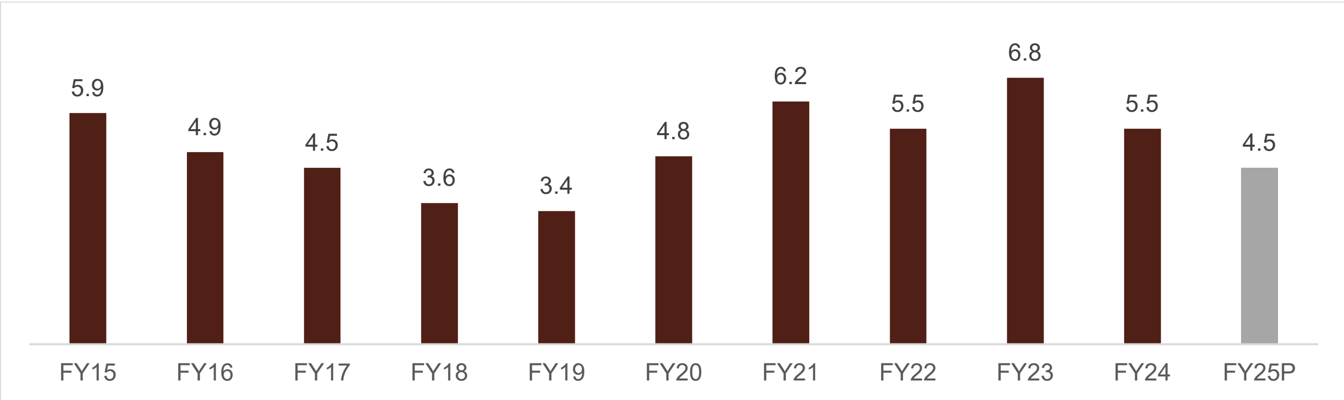
Fuel inflation hardens

Fuel inflation remained negative for the eight straight month, slipping to -4.2% in April from -3.4% in the previous month, led by the government's retail fuel price relaxations. But if crude oil prices surge and stay elevated in the wake of geopolitical concerns, inflation could trend upwards again. Liquefied petroleum gas prices deflated 24.9% on-year in April compared to a deflation rate of 22.7% in March. Inflation also eased in non-PDS kerosene (8.5% vs 9.5%) and fire and woodchips (2.8% vs 3.3%). Inflation in electricity remained sticky but edged down to 10.2% from 10.4%.

Core inflation records low

Core inflation inched down to 3.2% from 3.3% the previous month, the slowest pace on record. Inflation eased in education (4.2% vs 4.7%) while it was unchanged in health (4.3%) and housing (2.7%). The personal care and effects care and effects category saw inflation harden for the second straight month to 7.4% from 6%, as inflation in precious metals such as gold (17.7% vs 12.9%) and silver (11.3% vs 10.8%) accelerated.

Figure 1: CPI inflation (%, y-o-y)



P: Projected
Source: NSO, CEIC, CRISIL MI&A Consulting

Index of industrial production

IIP rose 4.9% on-year in March, down from 5.6% in February. The index contracted 1.0% on-month after seasonal adjustment. Meanwhile, February's reading was revised down marginally from the previous estimate of 5.7%. The slowdown was driven by mining, while manufacturing and electricity recorded an uptick.

IIP reflected uneven growth across major industrial sectors. While overall IIP growth moderated in March, manufacturing IIP rose. However, the increase in manufacturing was driven by merely two sectors – capital goods and consumer non-durables. Infrastructure and construction goods, a major driver of IIP growth in the past fiscal, slowed. Consumer durables slackened, reflecting moderation in urban demand.

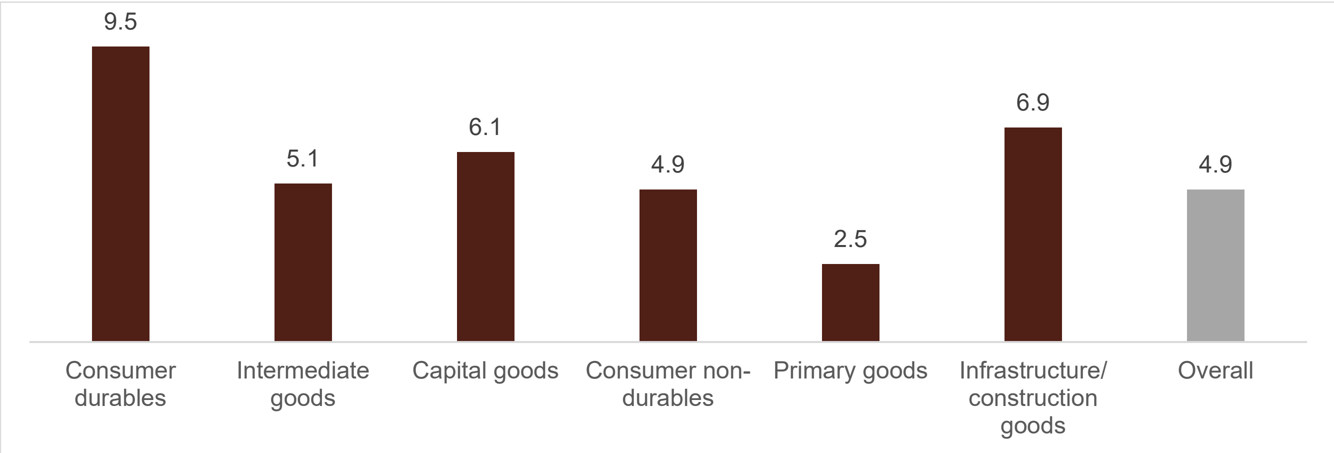
Growth in mining slowed sharply (1.2% on-year versus 8.1%) on account of a sharply unfavorable base while that in electricity (8.6% vs 7.5%) and manufacturing (5.2% vs 4.9%) picked up. Manufacturing growth was buoyed by a sharp pickup in capital goods (6.1% on-year versus 1.0%).

However, the overall performance of export-oriented sectors deteriorated in March, with output contracting for coke and refined petroleum products, chemicals and computer and electronic products. Output growth in basic metals moderated as well. This reflects the deteriorating performance of merchandise exports in March, which contracted 0.7% on-year after rising 11.8% in February. However, pharmaceuticals growth rose (16.7% vs - 10.6%)

Consumer durables recorded moderating on-year output growth (9.5% in March versus 12.4% in February), led by slowing output growth of automobiles (6.6% vs 11.6%) as well as a contraction of output in computer and electronic products (-1.0% vs 1.9%) and textiles (-0.8% vs 3.7%). While consumer non-durables rebounded (4.9% vs -3.5%), sequentially, output continued to decline (on a seasonally adjusted basis). The rise in on-year growth was driven by pharmaceutical products. However, food products continued to decline (-3.9% vs 2.0%).

Meanwhile, growth in infrastructure and construction goods (6.9% vs 8.5%), intermediate goods (5.1% vs 8.7%) and primary goods (2.5% vs 5.9%) decreased.

Figure 2: IIP in March 2024



Source: National Statistics Office, Ministry of Commerce and Industry, CEIC, CRISIL MI&A Consulting

The IIP data points to slowing GDP growth ahead. On average, IIP grew slower at 4.9% in the fourth quarter, compared with 6.2% in the third, which is likely to contribute to lower manufacturing GDP growth this quarter. d, industrial activity remains healthy, as indicated by the manufacturing Purchasing Managers' Index staying consistently in expansionary zone. As in April, manufacturing PMI stood at 58.8, the second-best reading in three-and-a-half years.

Per capita national income

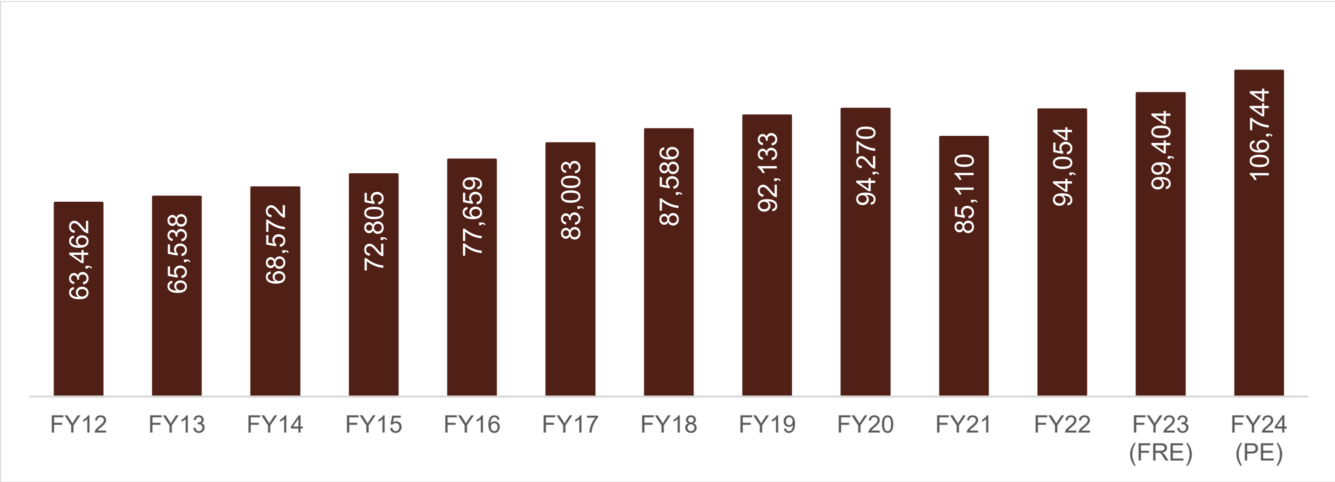
The national income is the total amount of income accrued to a nation from various economic activities during a specified period which is generally taken as a year's time. National income helps to understand the standard of living of the people residing in a nation. It also helps in economical decision making. The more the national income, the more the economic growth.

India's per capita income is expected to rise to Rs 106,744 in fiscal 2024 from Rs 63,462 in fiscal 2012 with a compound annual growth rate of 4.4%. In fiscal 2024, per capita income is expected to rise by 7.4% against 5.7% in fiscal 2023.

Some of the reasons for India's poor national income are its large population, largely agrarian economy, lack of industrial development as well as difference in socioeconomic conditions across the

states. However, recent fiscal measures, emphasis on manufacturing through 'Make in India' and various packages for economic revival have helped India to grow faster. Opportunities for employment, increased private consumption along with positive consumer sentiments are expected to support higher GDP growth and per capita national income in future.

Figure 3: All-India per capita NNI at constant prices (Rs.)

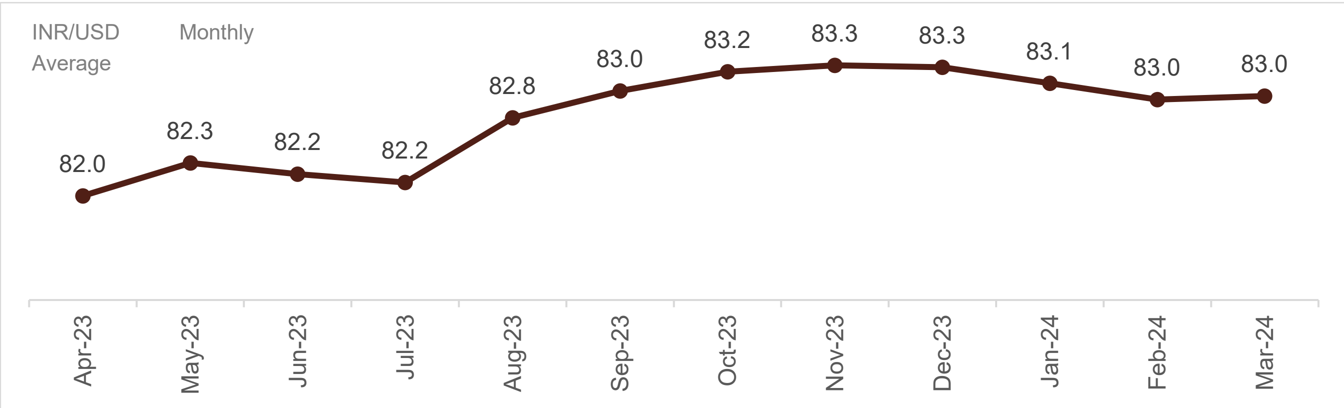


Note: PE - Provisional estimates; AE - Advance estimate
Source: RBI, Economic Survey 2022-23; CRISIL MI&A Consulting

Currency

US Dollar to Indian Rupee Exchange Rate was at around 83.0 as on March 2024 (annual average) up from 82.3 one year ago. This is a change of ~1.0% from one year ago. CRISIL MI&A-Consulting expects the rupee to average to 83.5 against the dollar by March 2025 compared with ~83 in fiscal 2024. While the currency is expected to get support from a narrower current account deficit, volatile external financing conditions could exert some pressure.

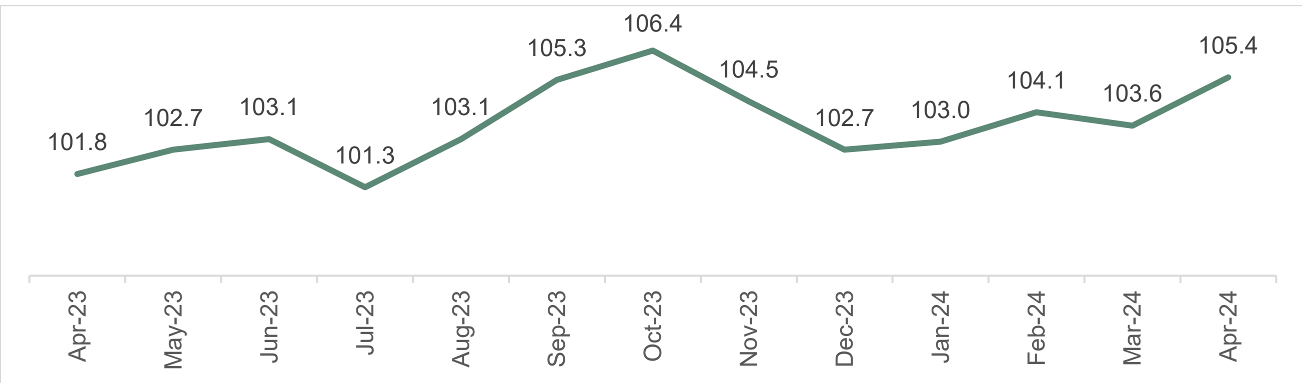
Figure 4: Rupee depreciated ~3% (y-o-y) in 2024



Source: Financial Benchmarks India Pvt Ltd, CEIC, CRISIL MI&A Consulting

The dollar index strengthened 1.7% on average on-month to 105.4 in April, compared with a 0.5% decrease in March to 103.6. The index gauges the greenback's strength against six major currencies (the euro, Swiss franc, Japanese yen, Canadian dollar, British pound and Swedish krona).

Figure 5: Dollar index strengthen in April 2024



Note: A fall in the index indicates depreciation

Source: Bloomberg, CRISIL MI&A Consulting

Aatmanirbhar Bharat Abhiyan

Production Linked Incentives (PLIs) in the 14 sectors for the *Aatmanirbhar Bharat* vision received outstanding response, with a potential to create 60 lakh new jobs.

The five focus points of the *Aatmanirbhar Bharat Abhiyan* are economy, infrastructure, system, vibrant demography, and demand. Its five phases are:

– Phase I: Businesses including MSMEs

– Phase II: Poor, including migrants and farmers.

– Phase III: Agriculture

– Phase IV: New horizons of growth

– Phase V: Government reforms and enablers

Table 4: Sector-wise focus of Atmanirbhar Bharat Vision

Sector	Government spend	Key schemes
Renewable energy	~Rs 1,30,000 crore	• Rs 4,500 crore Production Linked Incentive Scheme 'National Programme on High Efficiency Solar PV Modules'. This was further increased by Rs 19,500 crore in the budget for fiscal 2023, taking it to Rs 24,000 crore; in Tranche I 8.7 GW and in Tranche II 39.6 GW capacity were allocated for domestic solar module manufacturing capacity under PLI. • PM Surya Ghar Muft Bijli Yojna: This scheme has a proposed outlay of Rs. 75,000 Crore and aims to light up 1 crore households (rooftop solar) by providing up to 300 units of free electricity every month. • Public procurement (Preference for 'Make in India') to provide for purchase preference (linked with local content) in respect of renewable energy (RE) sector • Implementation of Pradhan Mantri Kisan Urja Suraksha Utthan Mahabhiyan (PM KUSUM) scheme; MNRE, in November 2020, scaled up and expanded the PM KUSUM scheme to add 30.8 GW by 2022 with central financial support of Rs 34,422 crore. The scheme has been extended till March 31, 2026 • Approved Models & Manufacturers of Solar Photovoltaic Modules (Requirement for Compulsory Registration) Order, 2019 • List of manufacturers and models of solar PV modules recommended under ALMM Order • Scheme of grid connected wind-solar hybrid power projects • Basic customs duty (BCD) of 25% on solar cells and 40% on modules, respectively, effective April 1, 2022
Power distribution companies (discoms)	~Rs.97,000 Crore	• Rs 1.35 lakh crore liquidity infusion for discoms via Power Finance Corporation/ Rural Electrification Corporation (PFC/ REC) against receivables • Rebate for payment to be received by generation companies (gencos) to be passed on to industrial customers • Revamped distribution sector scheme (RDSS) to help discoms improve their operational efficiencies and financial sustainability by providing result-linked financial assistance; outlay of Rs 3,03,758 crore over 5 years i.e., fiscals 2022 to 2026. The outlay includes an estimated Government Budgetary Support (GBS) of Rs 97,631 crore.
Agriculture procurement and sales	Rs 4,000 crore	• Amendment in the Essential Commodities Act for deregulation of sales of agriculture produce, including field crops, onion, and potato • Working capital limit of Rs 6,700 crore sanctioned for procurement of food grains to state government entities

Sector	Government spend	Key schemes
		• Rs 3,500 crore allocated for the distribution of 5 kg rice/wheat and 1 kg pulses to 8 crore non-card holder migrants • Rs 500 crore allocated under Operation Greens for facilitation of sales of horticulture produce through 50% subsidy on storage and transport
Agri-allied	Rs 72,500 crore	• Additional allocation of Rs 40,000 crore for Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) • Rs 20,000 crore for fisherman over the next five years under Pradhan Mantri Matsya Sampada Yojana • Rs 13,343 crore for eradication of foot and mouth disease in Indian livestock population • Rs 15,000 crore for Animal Husbandry Infrastructure Development Fund (AHIDF) • Rs 4,000 crore for enhanced cultivation of herbal and medicinal plants • Rs 500 crore for the Indian apiculture industry • Rs 10,000 crore for formulation of micro food enterprises
Mining	Nil	• Expected to offer 500 mineral blocks, including 50 coal • Promoting commercial coal mining (ordinance to remove captive end-use restriction passed in January 2020); government to expedite policy formulation and auction process • Government to allow composite exploration/auction of coal bed methane reserves for extraction • Rebate offered on revenue sharing quantum to incentivise early operationalisation/ higher produce • Provision of Rs 50,000 crore for evacuation infrastructure
New Energy	Rs. ~38,800 Crore	• Rs 18,100 crore under PLI scheme for Advanced Chemistry Cell (ACC) Battery Storage in India launched in October to achieve 50 GWh manufacturing capacity • Green Hydrogen Policy launched in February 2022 to facilitate production of green hydrogen/green ammonia • PLI scheme on green hydrogen manufacturing with an initial outlay of Rs 19,744 crore with an aim to boost domestic production of green hydrogen

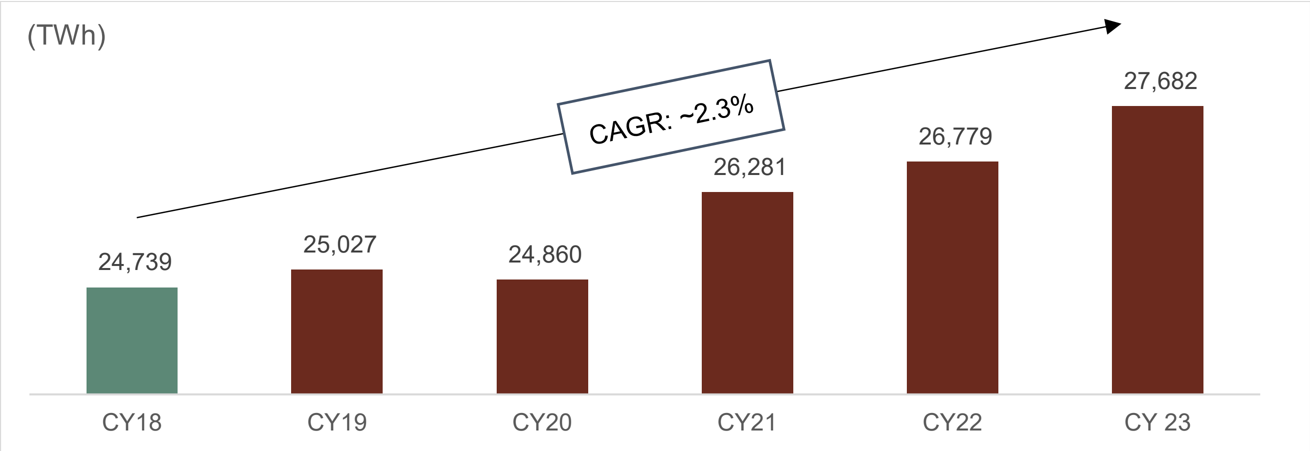
Source: Official portal of the Government of India; various ministries, PIB press releases, CRISIL MI&A-Consulting

GLOBAL RENEWABLE ENERGY MARKET

Global energy consumption review (CY 2018-2023)

Global electricity demand grew by ~3.4% (+903 TWh) in 2023, similar to the average growth of 2.3% in the last five years (CAGR from CY19 to CY23). Last year's increase was largely driven by demand increases in major economies. Three of the major economies namely China, US and India accounted for more than 90% of global demand growth. Electricity demand saw an increase of ~6% in CY21 the biggest annual increase since 2010 indicating a rebound in many economies following the pandemic. The war in Ukraine has caused energy prices to skyrocket, economic growth to slow, and inflation to rise. The cost of electricity generation increased around the world due to higher fuel prices, which led to a decrease in electricity consumption in many regions. Despite the worsening crisis, the global demand for electricity remained relatively stable, increasing by almost 3.4% in 2023 from 2022 registering a CAGR of 2.3% from CY19 to CY23 as mentioned in the chart below.

Figure 6: Overview of global energy consumption



Source: IEA, CRISIL MI&A Consulting

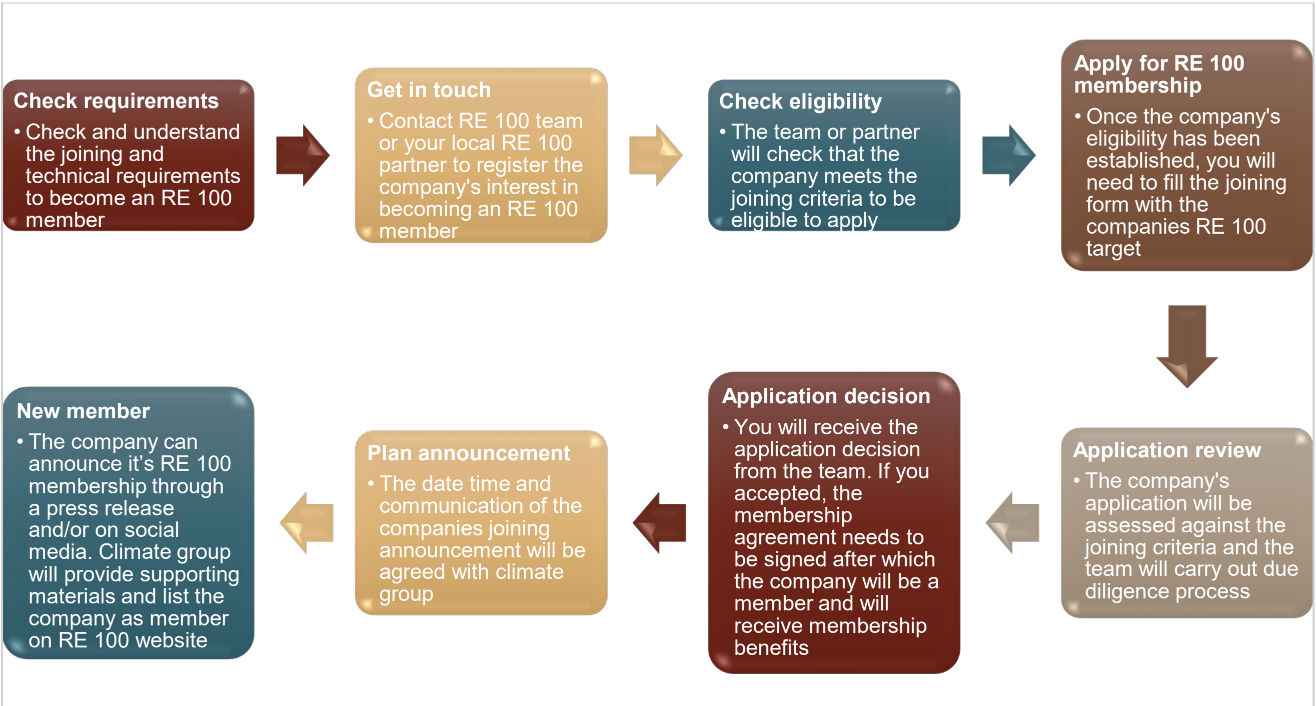
Key global initiatives towards clean energy

RE 100

RE100 is a collaborative, global initiative of influential businesses committed to 100% renewable electricity, working to massively increase demand for, and delivery of, renewable energy. RE100 is brought by the Climate Group in partnership with CDP, as part of the We Mean Business coalition.

Various progressive companies are opting for 100% renewable energy and optimizing the benefits of cost reduction and enhanced reputation. By doing so, they are also encouraging the global market for renewable energy and helping reduce emissions.

Figure 7: Joining Process to become a member of RE100



Source: RE100, CRISIL MI&A Consulting

RE100 annual disclosure report 2022 presents analysis of reporting to CDP by 334 RE100 member companies in the 2022 CDP disclosure cycle (out of 355 that were requested to report).

Key findings:

- The energy crisis of 2022 and policy responses to it demonstrated that renewable energy is needed now more than ever, but governments need to reduce barriers for corporate buyers.

- Asian markets remain the most challenging, but strong corporate engagement means almost two thirds of new RE100 membership comes from within the region.

- The average target year of the RE100 initiative for companies aspiring to 100% renewable energy has been pushed back, during a year marked by a mounting energy crisis and ongoing barriers to renewable energy procurement.

- Despite these challenges, RE100 member companies now report consuming 49% renewable electricity in 2021, up from 45% in 2020, and 41% in 2019.

The International Solar Alliance

The International Solar Alliance (ISA) was conceived as a coalition of solar-resource-rich countries (which lie either completely or partly between the Tropic of Cancer and the Tropic of Capricorn) to address their special energy needs. The ISA will provide a dedicated platform for cooperation among solar-resource-rich countries, through which the global community, including governments, bilateral and multilateral organizations, corporates, industry, and other stakeholders, can contribute to help achieve the common goal of increasing the use and quality of solar energy in meeting energy needs of prospective ISA member countries in a safe, convenient, affordable, equitable, and sustainable manner.

ISA has been conceived as an action-oriented, member-driven, collaborative platform for increased deployment of solar energy technologies to enhance energy security and sustainable development, and to improve access to energy in developing member countries. The ISA has 122 sunbelt countries that lie between the two tropics as its prospective member countries. At present, 115 countries are signatories to the ISA Framework Agreement, of which 93 countries have submitted the necessary instruments of ratification to become full members of the ISA.

Brief about the programmes by the ISA

1. Scaling solar application for agricultural use (SSAAU)

The SSAAU Programme mainly focusses on decentralized solar applications in rural settings. The key technologies covered under this programme include Solar Powered Irrigation Systems, Solar Drying, Solar Home/ Street Lighting Systems, Solar Chilling and other off-grid applications. To make the projects viable and affordable, the ISA has aggregated demand from various countries to substantially reduce system costs. The ISA Secretariat undertook a global tendering process, through M/S Energy Efficiency Services limited (EESL), for conducting an International Competitive Bid (ICB) for Price Discovery and for Project Management Consultancy (PMC) for Solar Water Pumping Systems (SWPS). The ICB was floated on 16th May 2019 by EESL and discovered about 47 percent lesser prices compared to the prevailing prices in Africa.

2. Affordable finance scale

The Solar Risk Mitigation Initiative (SRMI), launched at the COP24 by the World Bank (WB) and the Agence Francaise de Développement (AFD) in support of the International Solar Alliance (ISA), aims at supporting the development of bankable solar programs in developing countries leveraging private sector investments. The World Bank has also committed 337 million USD Risk Mitigation Fund for 23 member countries in off grid sector (ROGEP) in Africa in partnership with ISA. The European Investment Bank (EIB) has started working on a 60 million Euros grant project to create a concessional financial facility and risk mitigation Fund to promote off grid applications in Africa.

3. Scaling solar mini grids

The objective of the program is to cater to the energy needs of ISA member states in identified areas with unreliable or no grid(s), and in island member states having abundant potential to tap solar energy.

The key focus areas of the programme are:

- Demand Aggregation
- Policy and Regulatory Support
- Technical assistance to member countries
- Development of bankable projects
- Facilitation of affordable finance

4. Scaling solar rooftop

Objective of programme- To facilitate, and pool resources for scaling up of Rooftop Solar (Off-Grid and Grid-Connected) in ISA member countries.

- Targeted Users Segments for Solar Rooftop
    - Government & Institutional Buildings
    - Commercial & Industrial Buildings
    - Residential premises
- Key activities
    - Demand Aggregation
    - Policy and Regulatory Support
    - Development of Business Models
    - Technical assistance to member countries
    - Development of bankable projects
    - Facilitation of affordable finance

5. Scaling solar E-Mobility & storage

The objective of the ISA's programme on 'Scaling Solar E-Mobility & Storage' is to support creation of enabling ecosystem for large scale deployment of energy storage systems and to scale up uptake of solar energy in E-mobility sector in ISA member countries.

Under this programme, ISA focuses broadly on two key solutions- Vehicle Integrated Photovoltaic (VIPV) and solar power enabled vehicle charging stations. VIPV refers to integrating solar panels on the roof or on the body of vehicles like motorbikes, passengers 3-wheelers, 3-wheelers cargo, passengers 4-wheelers, buses, trucks, boats etc. Under solar power charged charging stations, ISA plans to focus on battery charging stations, grid connected and stand-alone EV charging stations. Grid connected charging stations are capable of providing grid balancing services. ISA will analyze this particular use case in its member countries.

6. Solar Park

The programme of solar parks aims at development of large-scale solar power projects under the solar park concept in cluster/group of ISA member countries.

7. Solarizing heating and cooling systems

The main objective of the program is to solarize the growing thermal demand from commercial, industrial, and residential sectors. One of the initial areas of focus for this program is the development of solar powered food cold chains for safer and longer preservation of food - significantly reducing post-harvest food loss and potentially doubling farmers' income. Such climate resilient cold chain infrastructure can reduce approximately 19-21 $GtCO_2e$ GHG emissions by 2050.

8. Solar PV battery and waste management

The objectives of the programme are threefold:

- To reduce the amount of solar and battery waste
- To re-use components whenever possible
- To recycle the solar and battery waste

The creation of enabling ecosystems for sustainable solar and battery waste management will be encouraged in ISA member countries or at a more regional level.

9. **Solar for green hydrogen**

The objective of this programme is to accelerate Green Hydrogen production and utilization in ISA Member Countries. Given the immense cost potential held by the technology when produced with solar energy, it is imperative that stakeholders around the world, including the Least Developed Countries (LDCs) and Small Island Developing States (SIDS), keep abreast with the developments in the emerging green hydrogen space. As and when the technology gets commercialized, the countries should be able to replicate these projects on a fast-track basis.

Significance of the ISA

In 2015, the ISA was targeted to serve 121 sun-rich countries lying between the Tropic of Cancer and the Tropic of Capricorn. Most of these countries were poor, having insignificant presence of solar capacity. Subsequently, in 2018, the ISA membership was opened for all member countries of the United Nations. The Paris Declaration establishes the ISA as an alliance dedicated to the promotion of solar energy among its member countries. The major objectives of the organization include deployment of 1000 GW of solar capacity and mobilization of USD 1000 billion investment in the solar energy sector by 2030.

The ISA model is independent of member commitments. It helps to get private investments in member countries to encourage solar developments. Due to higher costs of finance and overall economic as well as geo-political situation, private investors are not inclined towards these countries. Also, lack of government policies and technical know-how affects investment opportunities. The ISA aims to reduce the risks by aggregating demand of small projects within or across countries, thereby reducing capital costs.

Green Grids Initiative – One Sun One World One Grid

In a big boost to accelerate global adoption of solar energy, United States of America (USA) has joined the ISA as a member country. The U.S became the 101st country to sign the framework agreement of the ISA to catalyze global energy transition through a solar-led approach.

The One Sun One World One Grid (OSOWOG) is a globally interconnected power grid project aimed at seamless sharing of renewable energy resources among countries for mutual benefits and global sustainability. MNRE is the programme support agency for the OSOWOG Initiative, ISA the nodal implementing agency, and the World Bank the strategic advisory and funding agency.

The idea for OSOWOG initiative was put forth by the Indian Prime Minister at the First Assembly of the ISA in October 2018. He had called for connecting solar energy supply across borders. In May 2021, the United Kingdom and India agreed to combine forces of the Green Grids Initiative and the One Sun One World One Grid initiative and jointly launch GGI-OSOWOG at the COP26 summit at Glasgow in November 2021.

Indian Prime Minister has launched the Green Grids Initiative—One Sun One World One Grid (GGI-OSOWOG), the first international network of global interconnected solar power grids, jointly with Prime Minister of UK at COP26.

OSOWOG will not only reduce storage needs but also enhance the viability of solar projects. The OSOWOG will not only reduce carbon footprints and energy cost but also open a new avenue for cooperation between different countries and regions. This will be a very innovative, transformational initiative which will enable to meet the targets of the Paris Agreement. The end objective of this is to develop a global ecosystem of interconnected renewable energy resources that are seamlessly shared for mutual benefits and global sustainability.

COP 26

The 2021 United Nations Climate Change Conference (COP26) was the 26th United Nations Climate Change conference, held at Glasgow, Scotland during Oct-Nov 2021 and a draft agreement was circulated with respect to climate change action. The draft agreement called on countries to phase out coal power and inefficient fossil fuel subsidies to reduce carbon emissions significantly in order to reach a goal of limiting global warming this century to 1.5 degree Celsius. The draft recognized that limiting global warming to 1.5 degrees Celsius would require rapid, deep and sustained reductions in global GHG emissions, including reducing global carbon dioxide emissions by 45% by 2030 relative to the 2010 level and to net-zero levels around mid-century. It also expressed alarm and concern that human activities caused around 1.1 degrees Celsius of global warming to date and that impacts were already being felt in every region. The conference expected the parties to make enhanced commitments towards mitigating climate change and improved national pledges. The proposal also aimed at updating the time frame for revised targets NDCs to 2022/2023 — much sooner than the requirement of every five years as laid out in the 2015 Paris Climate Accord.

COP26 was a landmark event, as it saw a number of important decisions including:

- A commitment to phase down coal power and to accelerate the transition to clean energy.

- A commitment to reduce methane emissions by 30% by 2030.
- A commitment to provide $100 billion per year in climate finance to developing countries.

Some of the key outcomes of COP26:

- Glasgow Climate Pact: It includes a number of commitments, including a commitment to phase down coal power and to accelerate the transition to clean energy.
- Global Methane Pledge: Countries committed to work collectively to reduce methane emissions by at least 30% below 2020 levels by 2030.
- Adaptation Action Framework: New financial pledges were made to support developing countries in achieving goals.
- Santiago Declaration on Forests and Land Use: The declaration committed to prevent and reverse forest loss and land degradation by 2030.

India has submitted its updated first NDC working towards climate justice after COP26. Some of the key NDCs are

- To reduce Emissions Intensity of its GDP by 45 percent by 2030, from 2005 level
- To achieve about 50 percent cumulative electric power installed capacity from non-fossil fuel-based energy resources by 2030, with the help of transfer of technology and low-cost international finance including from Green Climate Fund (GCF)
- To create an additional carbon sink of 2.5 to 3 billion tonnes of CO2 equivalent through additional forest and tree cover by 2030.

These are more ambitious and way beyond the current NDCs agreed under the Paris Agreement. These will provide a new thrust to the RE Sector in India and will boost the already accelerating RE Sector. These will also provide guidelines to the Regulators as well as Government Authorities while setting the rules, regulations, and targets.

Initially, India has set a target of 450 GW renewable energy installed capacity by 2030. Now, as per the revised target, India is expected to have 500 GW non fossil fuel-based capacity installed by 2030. The estimated total installed capacity of India is expected to reach to 777 GW by March 2030. The 500 GW target is ~65% of the total estimated installed capacity which is almost 25% higher than the commitment in Paris agreement. At present India meets only ~15-20% of its power requirement from renewable energy. Similarly, the estimated energy requirement of India will be around 2325 BUs by March 2030. The revised target is 50% of its energy requirements from renewable energy by 2030.

However, to achieve such an ambitious target, a whole host of innovative policies and financing measures will need to be adopted. Further, to accommodate such a high proportion of variable generation in the overall energy mix, there will be a need of additional investment in battery storage and green energy corridors for transmission of variable renewable energy. Given the thrust on RE capacity addition and energy efficiency measures, the emissions intensity is expected to decline. However, with revised targets, more efforts will be required in all these areas as well as non-energy sectors such as agriculture and land use.

The following table summarizes the nationally determined contributions (NDCs) under the Paris Agreement by key economies.

Table 5: Comparison of NDCs (COP21 and COP26)

Country	NDCs (COP21)	NDCs (COP26)	Revised NDCs Submission date
India	• To reduce the emissions intensity of its GDP by 33 to 35% by 2030 from 2005 level. • To achieve about 40% cumulative electric power installed capacity from non-fossil fuel-based energy resources by 2030 • To create an additional carbon sink of 2.5 to 3 billion tonnes of CO2 equivalent through additional forest and tree cover by 2030	• To put forward and further propagate a healthy and sustainable way of living based on traditions and values of conservation and moderation, including through a mass movement for 'LIFE'– 'Lifestyle for Environment' as a key to combating climate change [UPDATED]. • To reduce Emissions Intensity of its GDP by **45%** by 2030, from 2005 level [UPDATED]. • To achieve about **50%** cumulative electric power installed capacity from non-fossil fuel-based energy resources by 2030, with the help of transfer of technology and low-cost international finance including from Green Climate Fund (GCF) [UPDATED]. • To create an additional carbon sink of 2.5 to 3 billion tonnes of CO2 equivalent through additional forest and tree cover by 2030.	26/08/2022
China	• Achieve the peaking of carbon dioxide emissions around 2030 and making best efforts to peak early • Reduce carbon dioxide emissions per unit of GDP by 60-65% from the 2005 level • Increase the share of non-fossil fuels in primary energy consumption to around 20% • Increase the forest stock volume by around 4.5 billion cubic meters on the 2005 level	• Aims to have CO2 emissions peak before 2030 and achieve carbon neutrality before 2060. • To lower CO2 emissions per unit of GDP by over 65% from the 2005 level. • To increase the share of non-fossil fuels in primary energy consumption to around 25%. • To increase the forest stock volume by 6 billion cubic meters from the 2005 level. • To bring its total installed capacity of wind and solar power to over 1.2 billion kilowatts by 2030.	28/10/2021
USA	• Reducing its net GHG emissions by 50-52% below 2005 levels in 2030 • 100% carbon pollution-free electricity by 2035	Revised NDCs not submitted	22/04/2021
Japan	• Reduction of 26.0% by fiscal 2030 from fiscal 2013 levels (25.4% reduction compared with fiscal 2005 levels).	• To reduce its greenhouse gas emissions by 46% in fiscal year 2030 from its fiscal year 2013 levels • Long-term goal of achieving net-zero by 2050. • Japan will continue efforts in its challenge to meet the goal of cutting its emission by 50%.	22/10/2021
Australia	• Reduce GHG emissions by 26-28% below 2005 levels by 2030	• To reduce greenhouse emissions by 43% below 2005 levels by 2030 • Target of net zero emissions by 2050	16/06/2022
EU	• Reduce EU GHG emissions by at least 55% by 2030, compared with 1990 levels	Revised NDCs not submitted	18/12/2020
Canada	• To reduce emissions by 40-45% below 2005 levels by 2030 • To reduce emissions to net-zero by 2050	Revised NDCs not submitted	12/07/2021

Source: NDC Registry (Interim) UNFCCC; CRISIL MI&A Consulting

COP 28

The 28th Session of the UN Climate Change Conference (COP 28) was held in Dubai, United Arab Emirates from 30th November 2023 to 13th December 2023.

The major outcome from COP 28 included the decision on Outcome of the First Global Stocktake, ratcheting up global climate ambition before the end of the decade. These global efforts will be taken up by the countries in a nationally determined manner taking into account the Paris Agreement and their different national circumstances. Another major outcome of COP 28 is the agreement on the operationalization of the Loss and Damage Fund and its funding arrangements. The decision was adopted by consensus by all Parties including India.

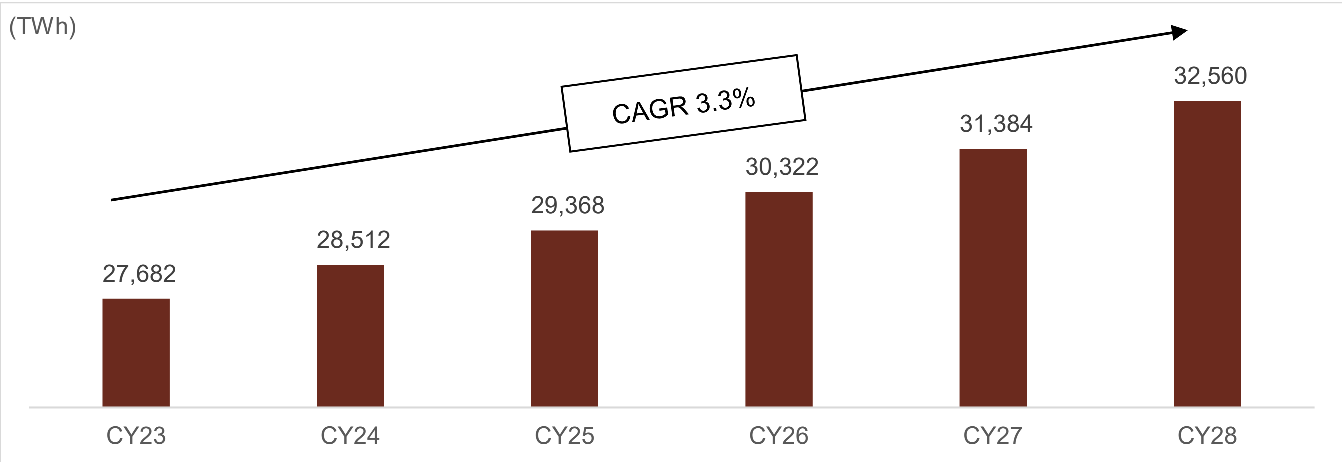
Since the adoption of the decision, an amount of around USD 700 million has been pledged by several countries. The United Arab Emirates (UAE) has announced its commitment of USD 100 million to the loss and damage Fund. Other countries making notable pledges included United Kingdom committed GBP 40 million for the Fund and GBP 20 million for other funding arrangements, Japan committed USD 10 million, United States of America committed USD 17.5 million and European Union (including Germany) committed 225 million euros.

The purpose of the Fund is to assist developing countries that are particularly vulnerable to the adverse effects of climate change in responding to economic and non-economic loss and damage associated with the adverse effects of climate change, including extreme weather events and slow onset events.

Global energy consumption and demand outlook (CY 2023-2028)

The demand for electricity around the world is expected to grow at ~3.3% per year, due to increased electricity consumption in emerging markets and developing economies, such as China, India, and Southeast Asia. Asia will consume half of the world's electricity for the first time in history by 2025, with China accounting for one-third of global electricity consumption. The energy crisis is expected to ease in the coming years, which will lead to a faster growth in global electricity demand, from 3% in 2024 to an average of 3.4% in 2025-2028. The growth rate is significantly higher than the pre-pandemic rate of 2.4%, which was observed in the 2015-2019 period. Over half of the increase in global electricity demand will come from China, with the rest of the growth taking place mostly in India and Southeast Asia.

Figure 8: Global energy consumption and demand outlook



Source: IEA, CRISIL MI&A Consulting

Review of global solar energy market (CY 2018-2023)

The global energy crisis is driving renewable installations worldwide, with total capacity growth set to almost double in the next five years, overtaking coal as the largest source of electricity generation. Some of the key drivers for this shift are reducing RE generation costs, favourable policies, improved emphasis on energy security and access, and socio-economic benefits. The last decade saw a remarkable evolution in solar PV industries, including higher installations, signification reductions in tariffs, and technological advancements.

Concerns over climate change are at the heart of the energy shift towards RE and its increasing utilisation will be key for decarbonisation. Various initiatives, such as Kyoto Protocol, Paris agreement, Conference of Paris (COP) 21, COP26, RE 100, ISA, and subsequent favourable policy interventions, have helped strengthen the RE segment. The transition towards RE is a critical part of meeting the goals of the Paris Agreement, which aims to limit the rise in global average temperatures to well below 2 degrees Celsius and ideally below 1.5 degrees Celsius above pre-industrial levels.

Countries that are part of the Paris Agreement are required submit their plans for climate action, known as nationally determined contributions (NDCs). These NDCs represent the efforts these countries need to take in order to reduce national emissions. Various countries have provided policy impetus to the solar PV industry through various mechanisms, such as FiT, 'must run' statuses, renewable purchase obligations, tax incentives, AD, regulatory frameworks, subsidies, and PLIs. This has accelerated global growth in solar PVs.

Investments in solar PV will likely increase as it is rapidly becoming the preferred and lowest-cost option for electricity generation globally. Generation should grow by an average 25% between 2022-2030 to meet the Net Zero Emissions Scenario by 2050. This translates into over 3x increase in annual capacity deployment until 2030.

Globally, ~357 GW of solar PV capacity was added in 2023, taking the installed capacity to 1,412 GW, which is a ~34% increase over the previous year. China continued to lead the market with total cumulative capacity of ~609 GW, whereas the US came in second with ~138 GW, followed by Japan at ~87 GW.

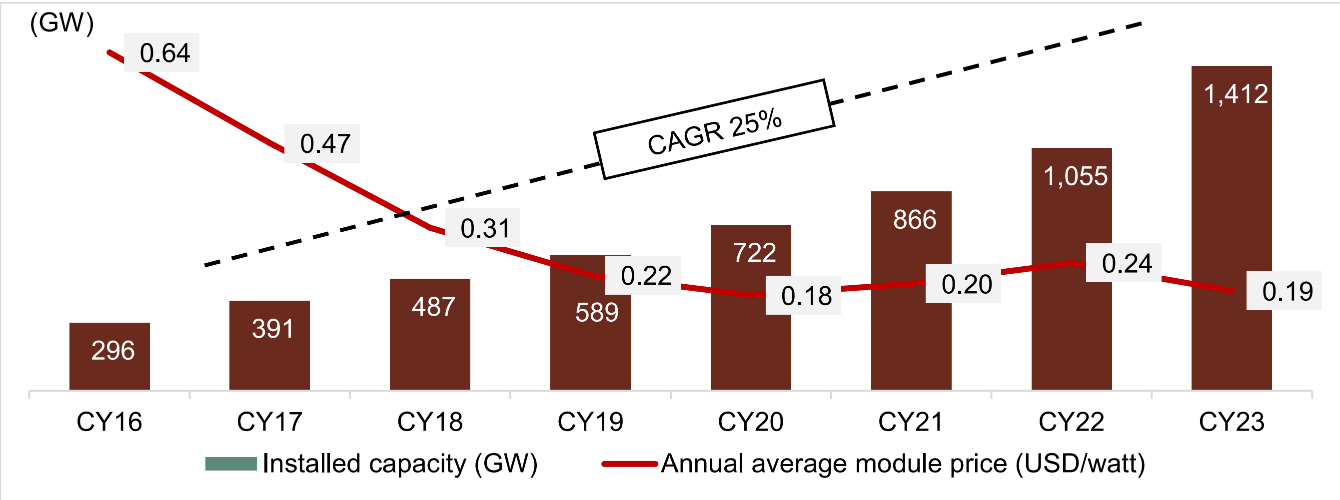
Table 6: Annual solar capacity additions in major economies (GW)

Country	CY17	CY18	CY19	CY20	CY21	CY22	CY23E
China	53	44	30	49	53	86	217
EU	5	8	16	18	26	33	59
USA	8	8	10	15	19	18	26
Japan	7	6.66	7.0	8.7	6.5	4.6	4
Australia	1	4	5	5	5	4	4
India	8	9	8	4	10	13	10
Africa	1	2	2	1	1	1	1
Middle East	1	1	3	1	2	3	5
Canada	0	0	0	0	1	1	0
RoW	11	12	23	30	20	26	30
World	**95**	**95**	**103**	**132**	**144**	**189**	**357**

Note: The annual capacity addition numbers pertain to calendar year (January-December)
Source: IRENA Statistics 2023; CRISIL MI&A Consulting

Continuous innovation and economies of scale have helped drop in Module prices. With significant fall in module prices, solar PV became one of the most preferred electricity generation technology leading to substantial capacity additions.

Figure 9: Global solar PV installed capacity registered ~25% CAGR between 2016 and 2023



Source: IRENA, CRISIL MI&A Consulting

Table 7: Solar PV capacity additions and installed base (2023)

Country	Installed capacity (MW)	Capacity additions (MW)
China	609,351	216,915
EU	254,736	59,428
USA	137,725	26,190
Japan	87,068	4,013
Australia	72,767	9,917
India	33,680	4,004
Africa	17,599	4,804
Middle East	12,394	979
Canada	5,757	431

Country	Installed capacity (MW)	Capacity additions (MW)
RoW	181,016	30,382

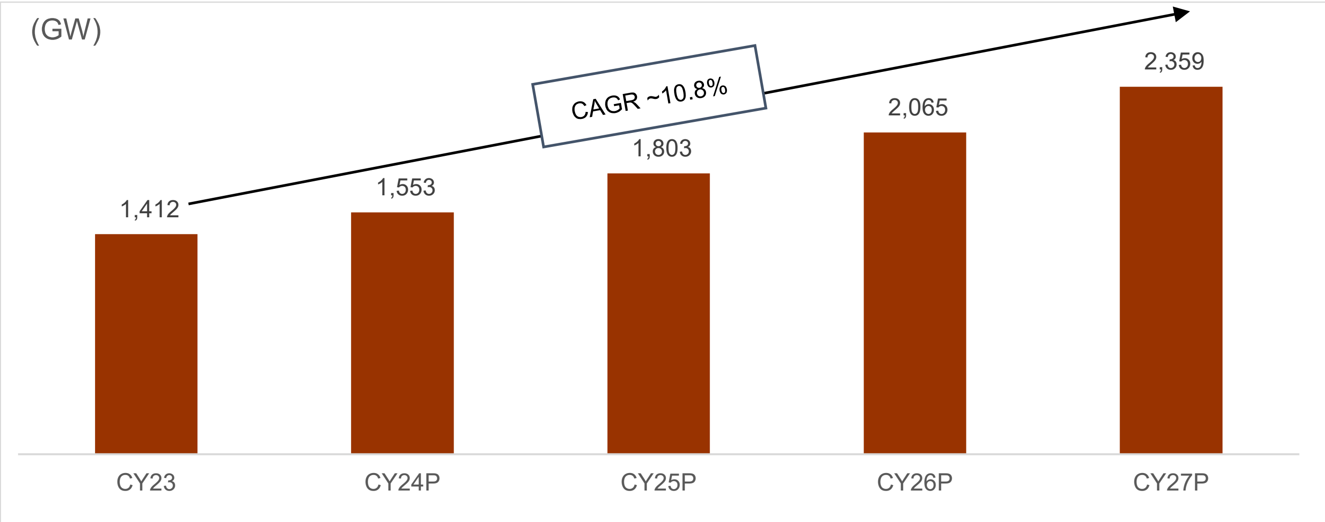
Source: IRENA, CRISIL MI&A Consulting

China continues to dominate the solar PV market, accounting for about 43% of the global installed capacity, while key European countries control about 18% of the total solar PV installed capacity.

Outlook on global solar energy market (CY 2023-2027)

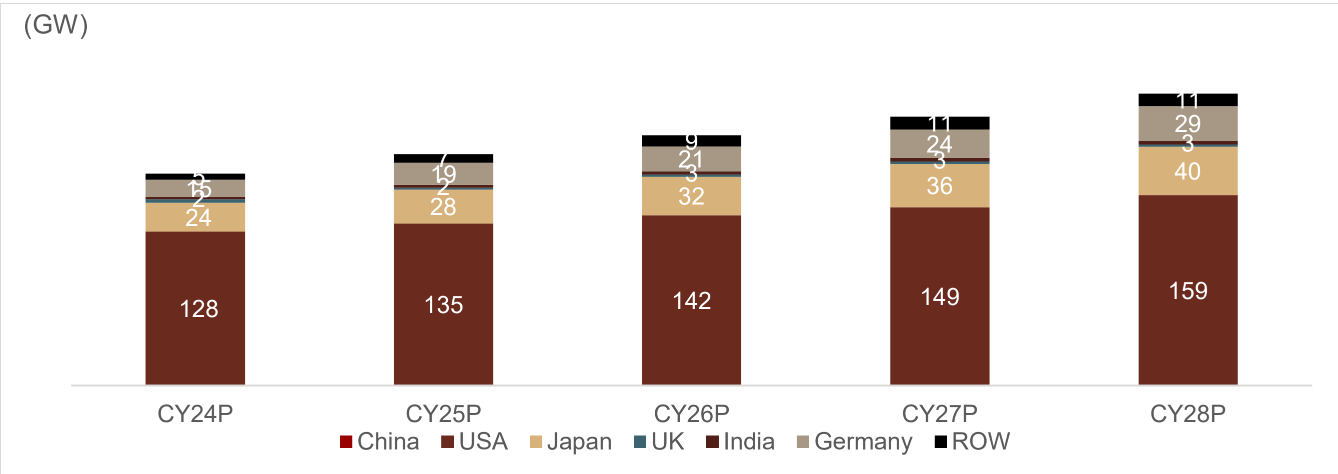
The IEA predicts that the global cumulative solar PV capacity would triple by 2027, surpassing natural gas by 2026 and coal by 2027. Although the current commodity super-cycle may have pushed investment costs up, utility-scale solar PV continues to be the most cost-efficient option for most countries. Emerging solar technologies, such as distributed solar PV and rooftop solar, are also set for rapid growth due to higher retail electricity prices and growing policy support to help consumers save on their energy bills.

Figure 10: Growth in global installed capacity base in solar PV over CY23-27



(P): Projected
Source: IRENA, IEA Renewables 2022, CRISIL MI&A Consulting.

Figure 11: Projected annual solar capacity additions in major economies



(P): Projected
Source: IRENA, IEA Renewables 2022, CRISIL MI&A Consulting

International Solar Alliance has committed to invest $1 trillion by 2030 in solar industry. This will result into installation of 1,000 GW of solar energy capacity. The market is driven by various positive influences such as falling costs of solar energy technologies, the increasing awareness of the risks of climate change, and the growing demand for energy security. Increasing adoption of rooftop/decentralised solar applications, growth of utility scale solar coupled with energy storage solutions and advancements in solar and energy storage technologies will drive investments in the sector.

As per IEA analysis, the cumulative PV capacity is expected to triple to 2,198 GW by 2028, surpassing hydropower in 2024, natural gas in 2026, and coal in 2027 to become the largest installed electricity capacity worldwide. Solar PV continued to grow at a rapid pace despite being impacted by Covid-related disruptions, supply-chain bottlenecks, and commodity super-cycle. The Russia-Ukraine conflict expedited clean energy transitions, with energy security emerging as an additional factor not just for the EU, but for the whole world. The REPowerEU plan targets 45% share of renewables in final energy consumption by 2030.

China, the US, and India are expected to double their renewable capacity expansion over the next five years, accounting for two-thirds of global growth. The IRA provides long-term policy visibility for solar PV projects by extending tax credits until 2032. India and the US are also focusing on solar PV manufacturing, with investment in the segment expected to reach ~USD 25 billion over 2022-2027. The governments of India and the US are offering PLIs and manufacturing tax credits to attain cost parity with the lowest-cost manufacturers in China.

China is forecast to invest ~USD 90 billion between 2022-2027 in solar PV manufacturing. However, if countries continue to limit imports and favour domestically produced PV products, China's share in global PV manufacturing could fall to 60-75% by 2027. The global supply of solar PV could potentially exceed the expected demand, significantly reducing the plant utilisation factors to half the current levels in China.

China is expected to add ~128 GW of solar PV in 2024. By the end of 2024, solar PV will have surpassed hydropower to gain the largest portion of installed renewable capacity in China. China, as per its 14th Five-Year Plan released in June 2022, aims to achieve 33% renewables and 18% wind and solar PV in electricity generation by 2025. The Chinese government also introduced a new target, requiring 50% of all large public buildings and new buildings in industrial parks to have rooftop PV installations.

The US is expected to add ~24 GW solar PV capacity in 2024. IEA forecasts the RE capacity to increase 75% to ~280 GW from 2022 to 2027, with solar PV and wind accounting for nearly all renewable expansion. Out of 50 states, 37 have renewable portfolio standards and goals supporting expansion. Distributed PV could see rapid deployment in the US, propelled by the extension of tax credits and attractive economics resulting from net-metering rules in some states.

Distributed solar PV is gaining traction in Europe, backed by FiT or self-consumption, with remuneration for excess generation promoting uptake. The REPowerEU strategy of reaching 45% share of renewables by 2030 will require ~600 GW of solar PV by 2030, and several major countries have revised their targets to meet this goal. Germany raised its 2030 renewable electricity target to 80% from 65%, aiming for 350-GW installed solar PV and wind by 2030 compared with 191 GW earlier. The UK proposed a 2030 PV target, and Portugal announced plans to meet its 2030 target by 2026.

Japan is expected to add ~3 GW of solar PV capacity in 2024. IEA predicts the renewable capacity in Japan to increase 44 GW (+30%) over 2022- 2027, led by solar PV and wind. The country aims to transition from FiTs to feed in premiums (FIPs) to spur utility-scale PV growth. The government is also identifying preferential areas for solar PV execution and encouraging corporate PPAs to drive distributed solar PV.

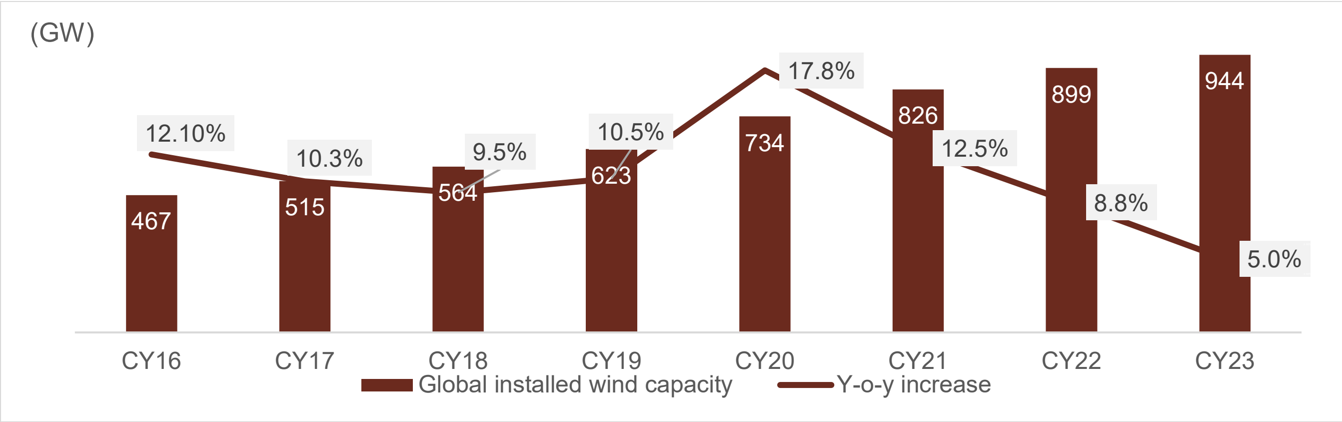
India is forecast to almost double its renewable power capacity over 2022-2027, with solar PV accounting for three-quarters of this growth. At COP26, India announced its targets of achieving net zero by 2070 and 500 GW of non-fossil installed capacity by 2030. The country also mandated higher RPO in July 2022 for discoms. India is also focusing on domestic manufacturing of solar PV and aims to expand its module manufacturing capacity to ~70 GW by 2030.

Substantial solar PV capacities of ~167 GW are expected to be added in 2024, driven by China, the US, and India. Other emerging markets in Africa, Latin America, Southeast Asia, and the Middle East have also started to grow past the ~1 GW level, further supporting future growth outlook. The key markets include Southeast Asia (Malaysia, Vietnam, Indonesia, and the Philippines, among others), the Latin American region (Brazil, Venezuela, and Chile, among others), and the MENA region (Egypt, the UAE, Saudi Arabia), which are increasingly focusing on renewable energy.

Review of global wind energy market (CY 2018-2023)

Since 2016, global installed capacity for wind energy has grown at a CAGR of 11%, from ~467 GW in 2016 to ~944 GW in 2023. In 2020, installed capacity grew by ~18 per cent y-o-y led by China, USA, Germany, India and Spain which accounted for ~70% of the new capacity additions in a year. In terms of cumulative installations, China, US, Germany, Brazil, India and Spain remain the top markets, collectively making up 75% of the total 899 GW of wind power capacity across the world. Offshore wind is playing an increasingly important role in driving global wind installations, with the sector installing a record 21.1 GW in 2021, accounting for a share of 22.9% of new installations. However, in 2023, offshore wind contributed to 7% of new installations. Countries transitioning away from Feed-in-Tariffs to market-based mechanisms and solar wind hybrid models gaining traction have driven wind capacity additions in past few years.

Figure 12: Global cumulative installed wind power capacity



Source: IRENA, CRISIL MI&A Consulting

Nearly ~73 GW of wind-based power capacities were added in 2021 (Jan-Dec), mainly led by additions made by China (37 GW), USA (7.8 GW), Brazil (3.0 GW), UK (3.0 GW), Germany (2.4 GW), France (2.3 GW) and India (1.8 GW).

Table 8: Country wise cumulative installed capacity (2023)

Country	Cumulative Installed Capacity MW	Annual addition (MW)
China	404,605	69,101
USA	147,979	6,346
Germany	61,052	3,038
India	44,736	2,806
Spain	31,021	912
UK	15,470	635
Brazil	29,135	4,972
France	22,194	1,385
RoW	188,344	16,078
World	**944,536**	**105,273**

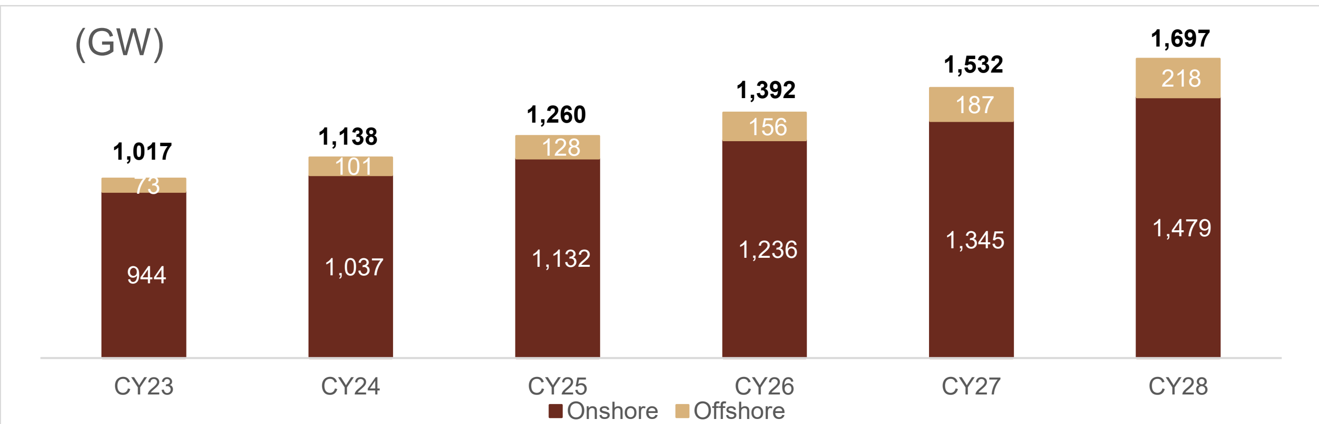
Source: IRENA, CRISIL MI&A Consulting

Outlook on global wind energy market (CY 2023-2028)

As per IEA, following two consecutive years of decline, onshore wind capacity additions are on course to rebound by 70% in 2023 to 107 GW, an all-time record amount. This is mainly due to the commissioning of delayed projects in China following last year's Covid-19 restrictions. Faster expansion is also expected in Europe and the United States as a result of supply chain challenges pushing project commissioning from 2022 into 2023. On the other hand, offshore wind growth is not expected to match the record expansion it achieved two years ago due to the low volume of projects under construction outside of China.

~560 GW of wind capacity is expected to be added globally between 2024 and 2028, of which 110-120 GW will be offshore. Onshore wind in China will continue to lead installations with ~290-300 GW, followed by Europe with 90-100 GW. Offshore wind will play an increasingly large role with projected global additions of 50-60 GW between 2023 and 2025, and 60-70 GW in 2026–2027.

Figure 13: Growth in Global installed capacity base in Wind energy over 2023-2028 (GW)



Source: IEA; CRISIL MI&A Consulting

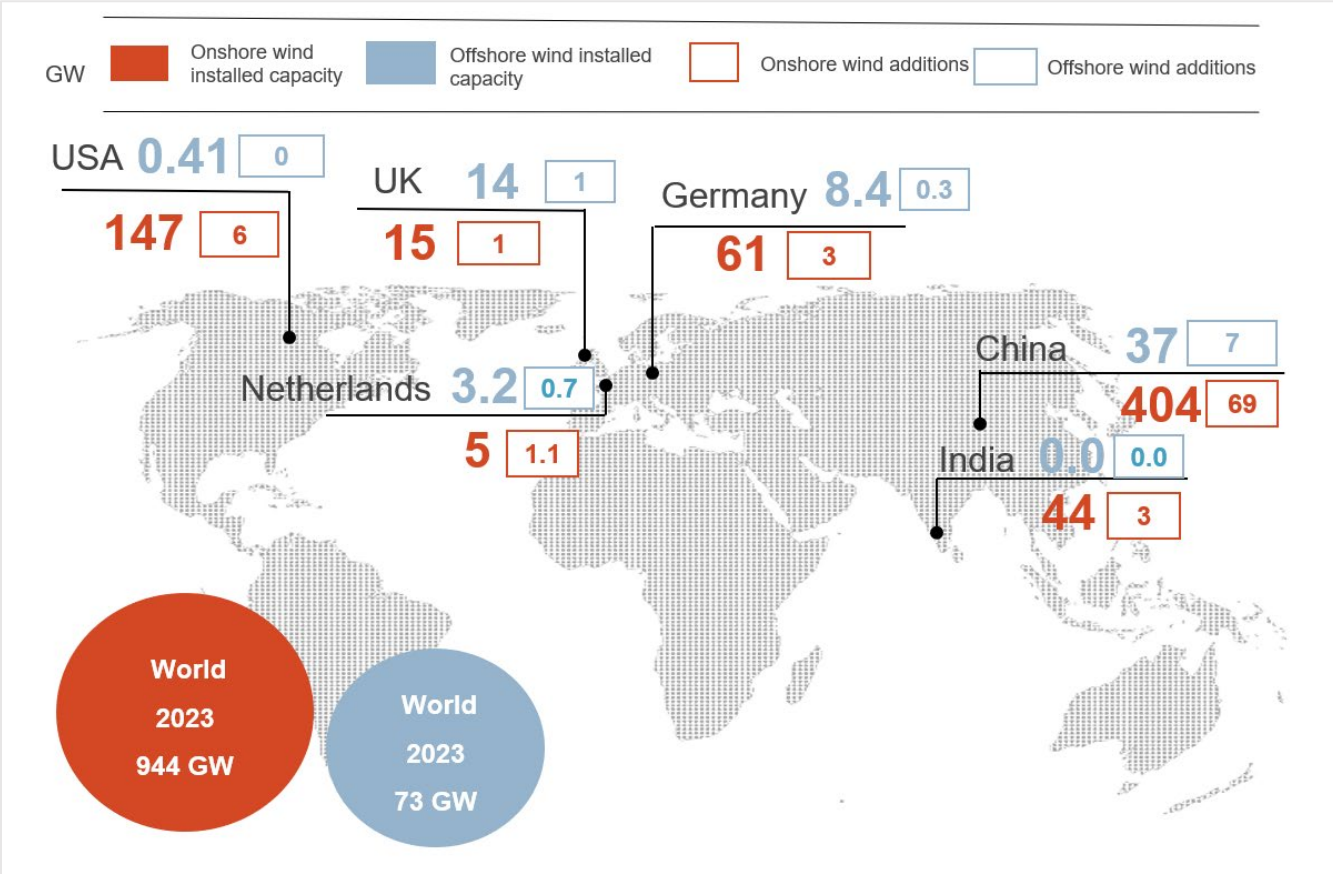
Onshore and Offshore wind capacity

Due to its long coastline measuring 7,600 km India has potential of 140 GW in the offshore wind segment. This emerging segment has witnessed a lot of interest from Government and bidders in an EoI released by MNRE some fiscals back. The high PLF offshore segment (50-55%) comes at a cost of higher additional expenditure with capital cost almost 3 times and O&M cost 7 times that of onshore wind in today's scenario. This is majorly due to enhanced requirements, higher maintenance and specialized infrastructure required. This is expected to moderate as linked supply chain, developer capabilities and infrastructure develop over the remainder of the decade, however this will be a gradual process.

Global countries like China and UK already comprise ~40% of the global market in offshore wind. The success is majorly contributed by government support in the form of feed in tariffs and other subsidy schemes. Currently, there is no clarity on any such subsidy scheme in India, however, CRISIL MI&A Consulting believes support in the form of incentives or subsidies is crucial to ramp up the offshore wind potential in India.

From a global perspective, capacity additions have been driven by government policies as well as private players.

Figure 14: Global wind installed base led by China and the US, along with key markets in Europe



Source: IRENA; CRISIL MI&A Consulting

The onshore wind market in 2023 was dominated by China and the US, accounting for ~59% of total installed capacity. The US is focussed on onshore capacity additions, with the government, through policies, providing renewable energy production tax credit and subsidies for construction of wind projects. Furthermore, investment tax credit of 30% is provided by the government as incentive to wind players.

In 2023, India's onshore wind capacity of 45 GW accounted for ~5% of the global installed capacity. Execution challenges has caused the market to grow slowly. However, with ~34% of allocated capacity in the pipeline from existing schemes, a pick-up is expected over the long term.

INDIAN POWER SECTOR

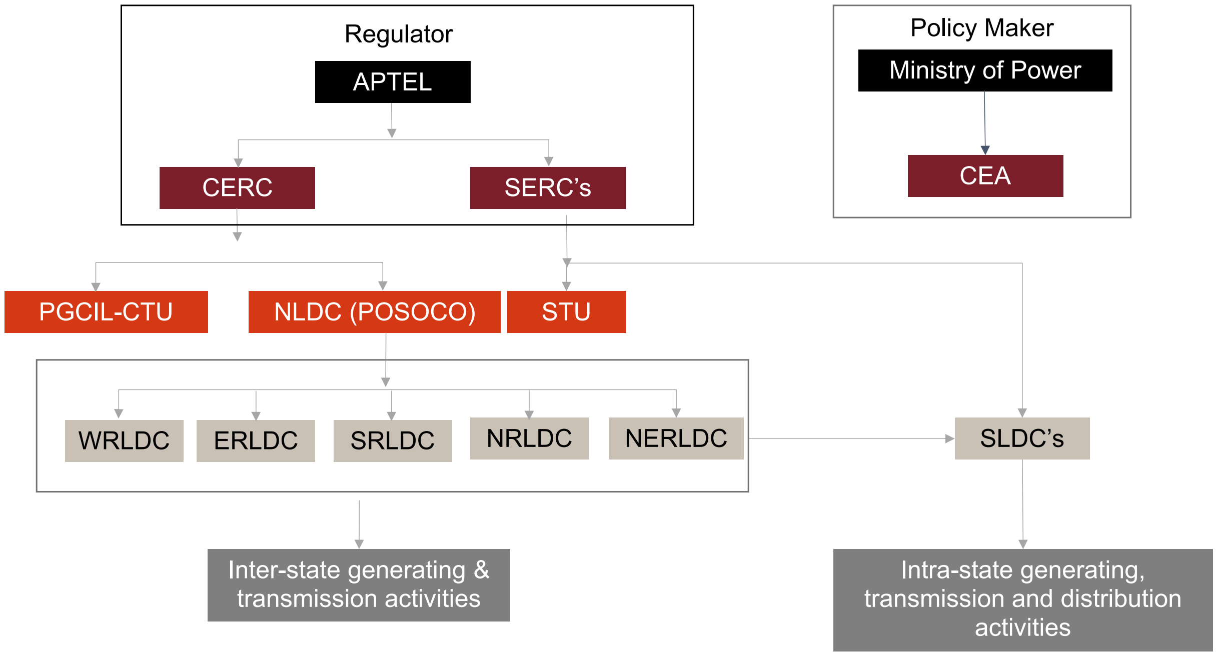
Overview of Regulatory sector in India

India’s power sector is highly diversified, with sources of power generation ranging from conventional (coal, lignite, natural gas, oil, hydro and nuclear power) to viable, non-conventional sources (such as wind, solar, and biomass and municipal waste).

Transmission and Distribution infrastructure has expanded over the years for evacuation of power from generating stations to load centres through the intra-state and inter-state transmission system (ISTS).

The sector is highly regulated, with various functions being distributed between multiple implementing agencies. The three chief regulators for the sector are: the Central Electricity Regulatory Commission (CERC), the Central Electricity Authority (CEA), and the State Electricity Regulatory Commissions (SERCs).

Figure 15: Institutional and structural framework



Note:
APTEL - The Appellate Tribunal for Electricity.
CERC- Central Electricity Regulatory Commission; CEA- Central Electricity Authority; WRLDC- Western Regional Load Despatch Centre; ERLDC- Eastern Regional Load Despatch Centre; SRDLC- Southern Regional Load Despatch Centre. NRLDC- Northern Regional Load Despatch Centre; NERLDC- North-Eastern Regional Load Despatch Centre. SLDC- State Load Despatch Centre; CTU- Central Transmission Utility; STU- State Transmission Utility.
Source: CRISIL MI&A Consulting

The Ministry of Power works in close coordination with the CERC and CEA. While the CERC's role is more of a regulator for approving tariffs of central utilities, approving licenses, etc., the CEA is primarily a technical advisor focused on planning, i.e., estimating power demand and generation and transmission capacity addition. The CEA also reviews the performance of power sector on a monthly basis.

Key policy and regulatory reforms in support of Renewable Energy (RE) growth

The development of grid interactive renewable power has essentially taken off with the Electricity Act 2003, which mandates the SERCs to promote cogeneration and generation of electricity from renewable energy (RE) sources by providing suitable measures for connectivity with the grid and sale of electricity and fix certain minimum percentages for purchase of renewable power in the area of each distribution licensee. The regulatory and policy environment is evolving and has seen regular changes. In June 2008, a National Action Plan on Climate Change (NAPCC) was announced, which included eight major national missions, with the one on solar energy the Jawaharlal Nehru National Solar Mission (JNNSM) being central. The JNNSM was launched in January 2010, with a target of 20 GW grid solar power. In June 2015, this target was increased to 100 GW by 2022 and a cumulative target of 175 GW of RE capacity addition by 2022 was set which included 100 GW from solar, 60 GW from wind, 10 GW from bio-power, and 5 GW from small hydropower.

In the past 5 years, the government has taken several initiatives to promote RE in the country:

- Permitting **foreign direct investment** up to 100% under the automatic route
- **Waiver of ISTS charges** for inter-state sale of solar and wind power for projects to be commissioned by June 30, 2025
- Declaration of **trajectory for renewable purchase obligation (RPO)** and energy storage obligation (ESO) wherein trajectory for RPO for wind, hydro purchase obligation (HPO) and other RPOs has been laid down up to fiscal 2030

- Setting up of **ultra-mega renewable energy parks** to provide land and transmission to RE developers on a plug-and-play basis

- Laying of new transmission lines and creating new sub-station capacity for evacuation of renewable power under the **Green Energy Corridor (GEC)** Scheme

- **Standard bidding guidelines** for tariff based competitive bidding process for procurement of power from grid-connected solar PV and wind projects

- **Generation-based incentive** (GBI) is being provided to the wind projects commissioned on or before March 31, 2017

- Electricity (Promoting Renewable Energy through Green Energy Open Access) Rules, 2022 in order to further accelerate the RE programme with the end goal of ensuring access to affordable, reliable, sustainable and green energy for all

- **Letter of credit** (LC) or advance payment to ensure timely payment by distribution licensees to RE generators

- **National Green Hydrogen Mission** for the development of green hydrogen production capacity of at least 5 million tonne per annum (mtpa) with an associated RE capacity addition of about 125 GW in the country

- **Renewable generation obligation** (RGO) issued by MoP for the companies installing new coal/lignite based thermal power plants and having the commercial operation date of the project on or after April 1, 2023. These projects would have to establish/procure an RE capacity of a minimum of 40% of the thermal plant capacity. However, in October 2023, the government issued a draft notification to reduce RGO from the existing 40% to 6% for thermal plants commissioned before March 2023 and 10% from April 2023 onwards.

- **Issuance of bidding trajectory for renewable power bids** aims to achieve a target of 280 GW solar capacity (of the 500 GW of installed capacity from non-fossil sources) by 2030. The bids for 40 GW of solar energy capacity per annum, of the total trajectory of 50 GW RE capacity are to be issued each year from fiscal 2024 through fiscal 2028

- **The viability gap funding for Battery storage** proposed in the budget for fiscal 2024 with capacity of 4000 MWh. An outlay of Rs 3,500 crore is expected by the central government to support the VGF. Central government also issued guidelines to promote pump storage projects.

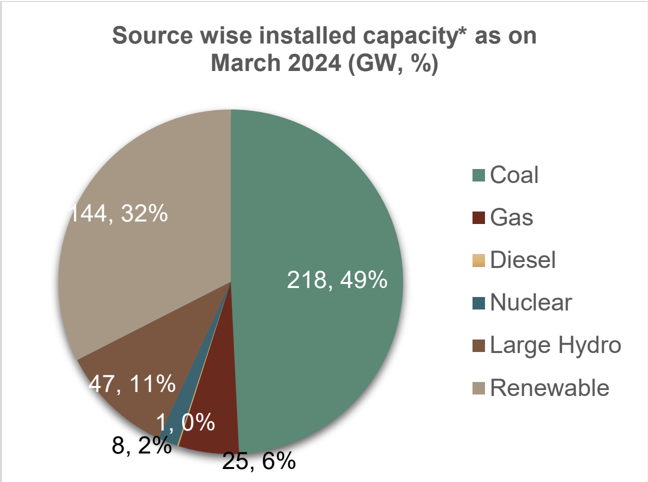
In addition, regulatory policies in each state in India currently provide a conducive framework for securing attractive returns on capital invested.

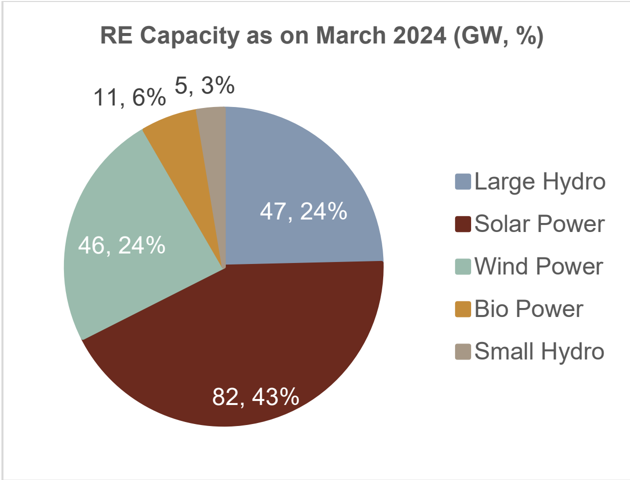
Demand-supply review

Power supply mix

The total installed generation capacity at the end of March 2024 was 442 GW, of which ~99 GW of capacity was added over fiscals 2018-24. The overall installed generation capacity has grown at a CAGR of 6.0% over fiscals 2014– 24. Coal and lignite-based installed power generation capacity has maintained its dominant position over the years and accounts for ~48% as of March 2024. However, RE installations (including large hydroelectric projects), have reached ~191 GW capacity as on March 2024, compared with 63 GW as on March 2012, constituting ~44% of total installed generation capacity as of date. This growth has been led by solar power, which rapidly rose to ~82 GW from 0.9 GW over the same period.

Figure 16: Details of installed capacity





**Renewable capacity excluding large hydro*
Source: CEA, CRISIL MI&A Consulting

The Electricity Act, 2003 and competitive bidding for power procurement, implemented in 2006, encouraged the participation of private market participants that have announced large capacity additions. As a result of competitive bidding, capacities of ~22 GW (fiscals 2014-23) were added by the private sector, which accounted for 73.0% of the total additions. Moreover, a strong government thrust on RE and decreasing tariffs (with falling capital costs and improving efficiency) also supported RE capacity additions. Investments from marquee foreign funds has also accelerated growth into the sector.

Table 9: Fuel-wise installed capacity in past 9 years (GW)

Fuel	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24
Coal + Lignite	185	192	197	200	205	209	211	211	218
Natural gas	25	25	25	25	25	25	25	25	25
Large hydro	43	44	45	45	46	46	47	47	47
Nuclear	6	7	7	7	7	7	7	7	8
Solar	7	12	22	28	35	40	54	67	82
Wind	27	32	34	36	38	39	40	43	46
Other RES	9	13	13	14	15	15	16	17	17
Total	**302**	**325**	**343**	**355**	**370**	**382**	**399**	**416**	**442**

Note: Other RES includes small hydro.
Source: CEA, CRISIL MI&A Consulting

In 2014, the GoI set a target to achieve 175 GW of renewable energy in India by fiscal 2022, with a focus on solar energy (100 GW) and wind energy (60 GW), in addition to other renewable energy sources such as small hydro projects, biomass projects and other renewable technologies (~15 GW).

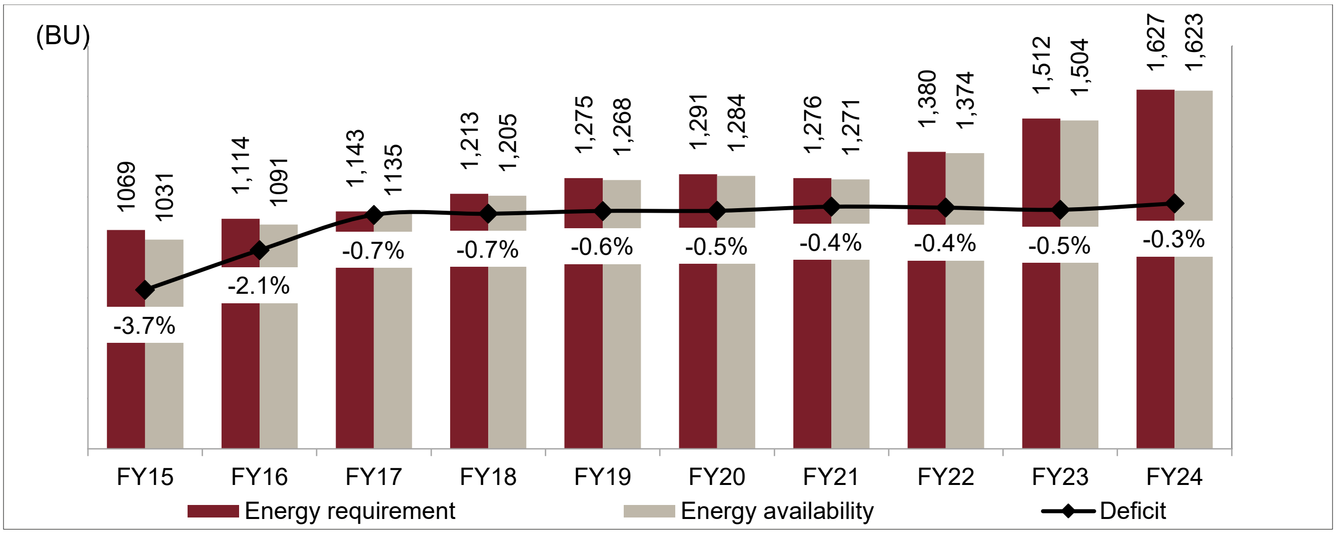
Between fiscal 2014 and 2024, ~73 GW of conventional power and ~109 GW of renewable power generation capacities were added. However, beyond fiscal 2018, only 15 GW of conventional power capacity were added as against an average of 11 GW of annual capacity addition witnessed over the past five years (fiscal 2014-2018). Over the same period, ~56 GW of RE capacity was added with an annual capacity addition of 11 GW.

On the other hand, capacity additions in the RE segment has grown exponentially, with an average of ~12 GW of capacity addition annually between fiscal 2018 and 2024. A total of ~76 GW of RE capacity was added between fiscals 2018 and 2024. Additions in both wind and solar power were driven by strong government focus, which is evident from fiscal and regulatory incentives, VGF, and execution support in terms of land and evacuation infrastructure. Improved availability of low-cost finance through various instruments/sources would also support RE capacity additions. In solar power, in particular, further decreases in capital costs and consequently, tariffs, have driven the capacity additions.

Review of power demand-supply gap

India's electricity requirement has risen at a CAGR of ~4.8% between fiscals 2015 and 2024, while power availability rose at ~5.2% CAGR on the back of strong capacity additions, both in the generation and transmission segments. As a result, energy deficit is declined to 0.3% in fiscal 2024 from 3.7% in fiscal 2015. Strengthening of inter-regional power transmission capacity over the past five years has supported the rapid fall in deficit levels as it reduced supply constraints on account of congestion and lower transmission corridor availability, thereby lowering the deficit to 0.6% in fiscal 2019. For fiscal 2024, the average energy deficit across states and UTs stood at 0.3%.

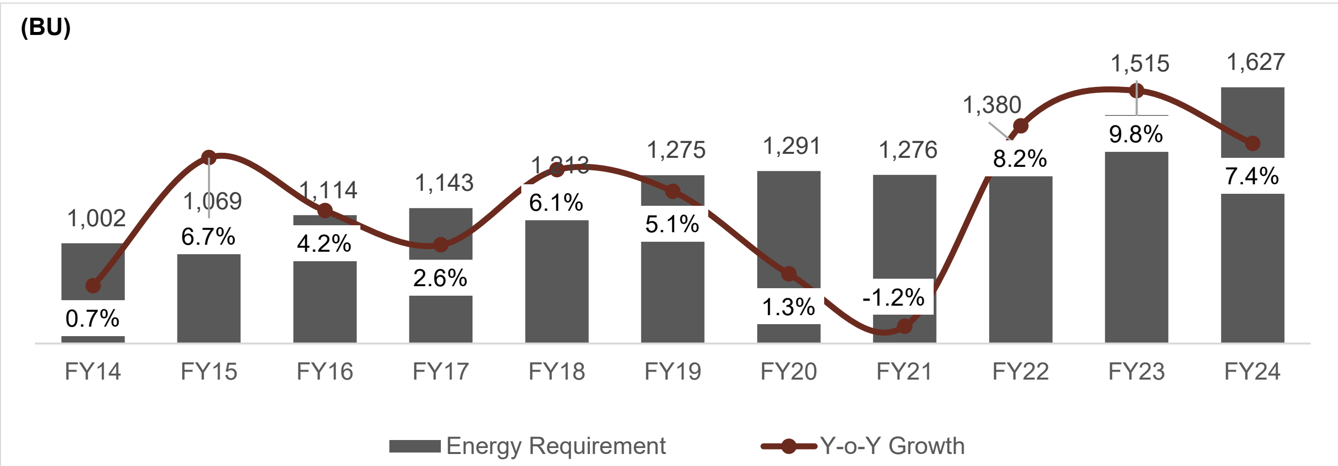
Figure 17: Aggregate power demand supply (in billion units, or BUs)



Source: CEA, CRISIL MI&A Consulting

In fiscal 2024, deficit declined to 0.3% as higher power demand was met with a ~7% increase in power generation. In fiscal 2025, CRISIL MI&A Consulting expects power deficit to be in the range of 0.25-0.30% on account of temperature volatility and economic activity.

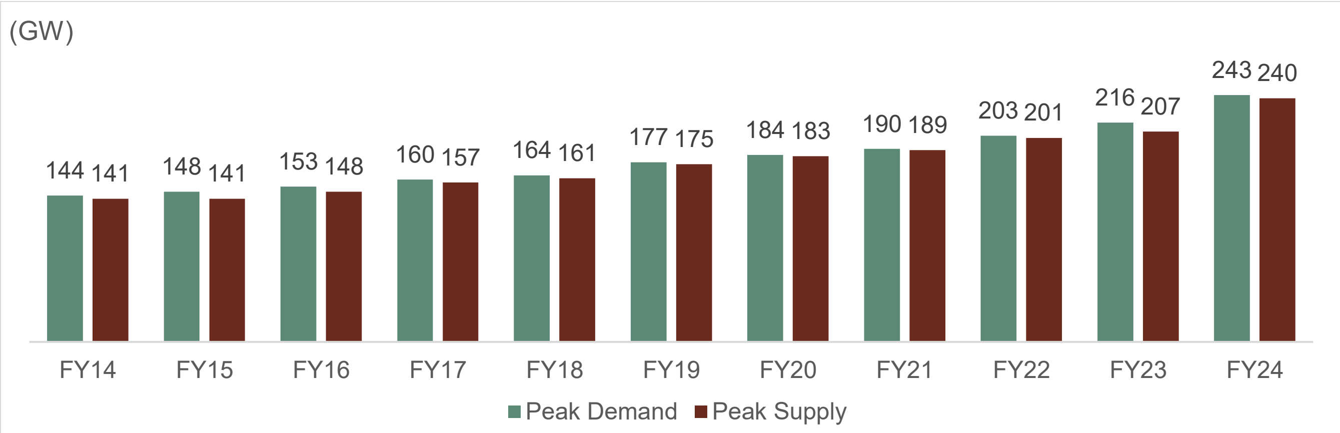
Figure 18: Trend in energy requirement



Source: CEA, CRISIL MI&A Consulting

Peak electricity demand in India has grown from 144 GW in fiscal 2014 to 243 GW in fiscal 2024 clocking an average growth rate of 5.4% in the past ten years. Peak demand has managed to constantly rise over the past years during fiscal 2021 which witnessed base demand falling into the negative territory. Before the pandemic, electricity demand in India usually peaked in August-September, mostly covering the monsoon season. This spike in peak demand was primarily due to increase in domestic and commercial load, mainly space cooling load due to high humidity conditions. However, post pandemic, annual peak demand is occurring in the summer season (April-July), due to extreme heatwave conditions. Peak demand in August 2023 reached 239 GW which then touched 243 GW in September 2023 which led to these months registering deficits of 0.6% and 0.4% respectively.

Figure 19: Peak power demand and supply



Source: CEA, CRISIL MI&A Consulting

Demand-Supply Outlook

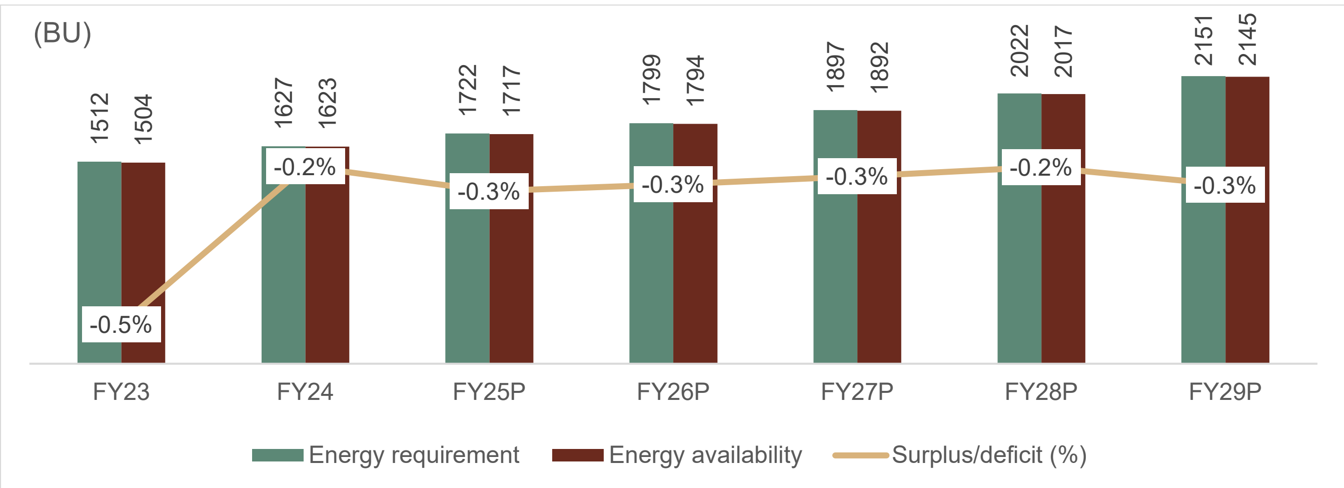
Energy demand-supply forecast, fiscals 2024 to 2029

Energy demand to clock 5-7% CAGR over fiscals 2024 to 2029, significantly higher than the 4.5% CAGR over the past 5 years between fiscal 2018-2023. CRISIL MI&A Consulting expects all-India deficit to be in the range of 0.25-0.30% in fiscal 2025 to reduce moderately to 0.25-0.27% by fiscal 2029 on account of increasing renewable capacity additions, transmission line augmentation, and improvement in distribution infrastructure but also countered by a strong growth in base and peak power demand.

Extreme seasonal vagaries, sustained buoyancy in economic activities along with robust industries activities accelerated power demand. Infrastructure-linked capex, strong economic fundamentals along with expansion of the power footprint via strengthening of T&D infrastructure, coupled with major reforms initiated by the GoI for improving the overall health of the power sector, particularly that of state distribution utilities, are expected to improve the quality of power supply, thereby propelling power demand. CRISIL MI&A Consulting expects power demand to log a healthy 5.0-7.0% CAGR between fiscals 2024 and 2029, with the growth trajectory sustaining above the long-term historical growth rate of 5% over the next six years.

Further, the power generation is expected to grow at 5.5 – 5.7% CAGR between fiscals 2024 and 2029. The energy availability across fuels has grown at 5.0% CAGR between fiscals 2018 and 2024, reaching 1,623 BU in fiscal 2023. Despite improvements, underserviced regions (mainly northern, north-eastern, and eastern) are also a key reason for expected continuation in pan-India deficit in the medium term despite an oversupply situation in terms of generation. The government is expected to improve connectivity within these regions, with inter-regional transmission capacity of the National Grid at 116,540 MW as on March 2024, aiding in reduction of the deficit.

Figure 20: Energy demand outlook (fiscals 2023-29)

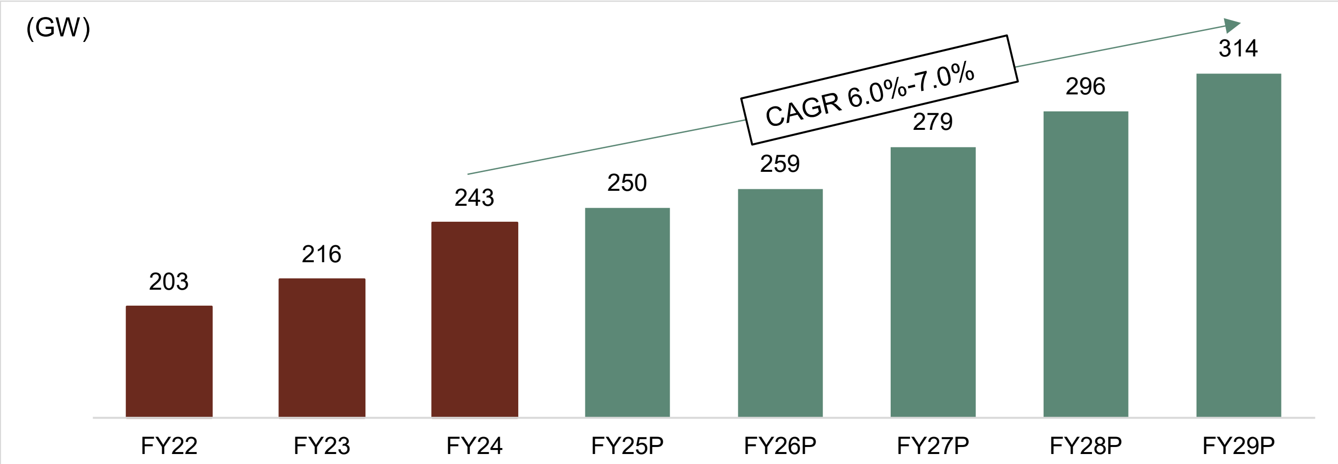


P: Projected, Source: CEA, CRISIL MI&A Consulting

Peak demand outlook

Peak demand has outpaced base demand on several instances. While base demand has grown at a CAGR of nearly 5% over fiscals 2019-24, peak demand has grown at 7%. Even in fiscal 2021 which was marred by the COVID-19 pandemic, base demand entered into negative territory and fell 1.2%, while peak demand grew 3% to 190 GW, which was about half of the country's installed capacity, from almost 184 GW in the prior year. The constant rise in peak demand can be attributed to economic growth, seasonal vagaries, and the increasing daily average temperature India experienced over the last decade leading peak demand to touch 224 GW in June 2024. Peak demand is expected to grow annually at ~5.3% over fiscal 2024-29 to nearly 314 GW by fiscal 2029 with expected persistent high temperatures, rising urbanisation, economic growth and infrastructure push leading to higher power consumption.

Figure 21: Peak demand outlook (fiscals 2022-29) (GW)



P: Projected; Source: CEA, CRISIL MI&A Consulting

Expected capacity installation by fiscal 2029

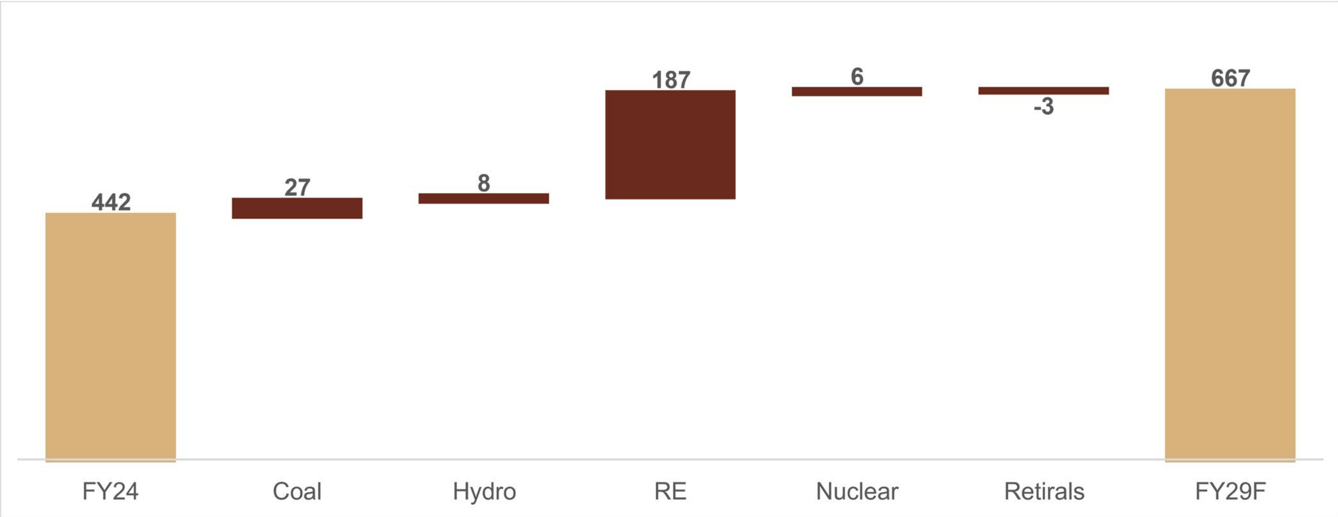
India's installed generation capacity, which stood at 356 GW at the end of fiscal 2019 has reached to ~442 GW in fiscal 2024 (as of March 2024) on the back of healthy renewable capacity additions (including solar, wind, hybrid, and other renewable sources) even as additions in coal and other fuels have declined. In fiscal 2024, renewables (excl. large hydro) accounted for ~33% of the installed capacity, up from ~22% in fiscal 2019, whereas coal-based capacity tapered to ~49% over the same period.

Capacity additions in the conventional power generation segment of about 32-35 GW are expected over fiscals 2025 to 2029 driven by higher than decadal average power demand. Fresh project announcements are limited as players are opting for the inorganic route for expansion given the availability of assets at reasonable valuations. In fact, 4.8 GW of stressed power assets awaiting debt resolution. However, the need for generation capacity equipped for flexible operations to ramp up-down quickly is critical to meet peak demand as generation from renewable capacities is infirm in nature. CRISIL MI&A-Consulting expects 25-27 GW of coal-based power to be commissioned over fiscals 2025-29. Coal capacity additions are expected to be driven entirely by central and state sectors, as major private gencos continue to focus on adding RE capacity.

Nuclear power capacity additions of 6-7 GW are expected during the period as ongoing projects at Kakrapar, Kalpakkam, and Rajasthan is nearing completion. As of January 2024, Unit 1 of KAPP has been commissioned with Unit 2 expected by end of fiscal 2024.

CRISIL MI&A-Consulting expects 15-16 GW of hydro power installations including 6.5-7.5 GW pumped hydro storage projects (PSP) capacity additions over fiscals 2024-2029.

Figure 22: All India installed capacity addition by fiscal 2029 (in GW)



RE includes wind, solar including capacities for green hydrogen, large hydro
Source: CEA, CRISIL MI&A Consulting

Old and inefficient coal plants to the tune of 14-15 GW (mainly state-owned) were to be retired. However, as per CEA notification issued on January 20, 2023, power utilities have been advised to not retire any thermal units until 2030 and carry out renovation and maintenance (R&M) for life extension and improve the flexibility and reliability of thermal units.

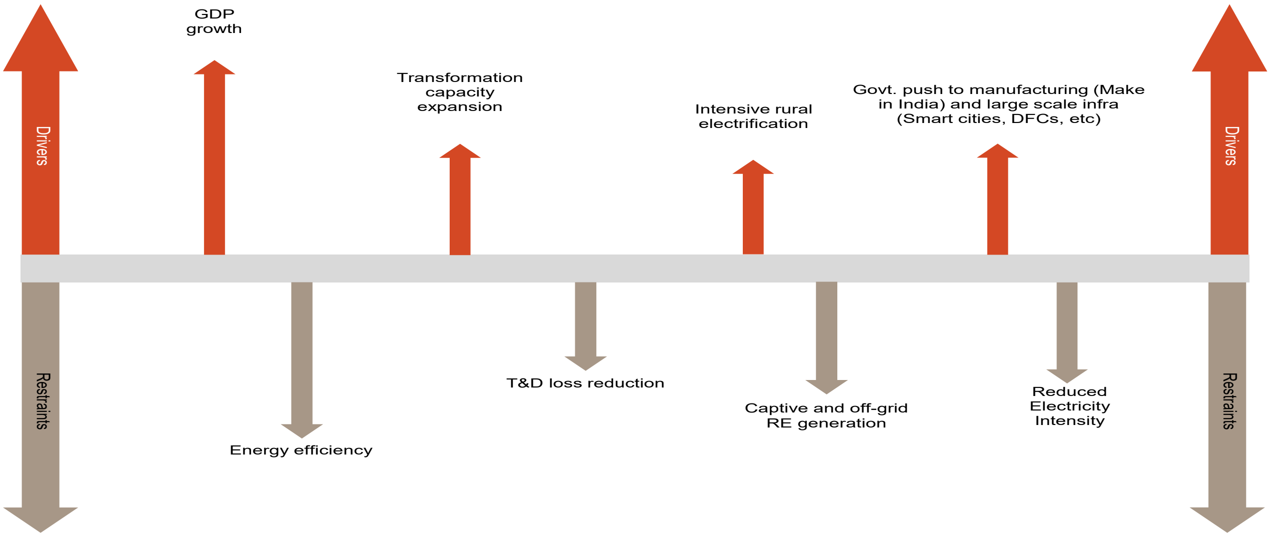
By fiscal 2029, RE capacity (excl. large hydro) of over 320 GW is expected driven by various government initiatives, favourable policies, competitive tariffs, innovative tenders, development of solar parks and green energy corridors, etc. RE capacity is estimated to account for about 50% of the installed capacity of 660-670 GW by fiscal 2029.

Battery energy storage system (BESS) capacity additions, aimed at storing renewable energy during off-peak hours of power demand to support peak supply, are expected to commission starting fiscal 2025, with 23-24 GW of BESS capacity likely to be added through fiscal 2029.

Long-term drivers and constraints for demand growth

Power demand is closely associated with a country's GDP. A booming economy automatically leads to a surge in power demand. India is already the fastest-growing economy in the world, with average GDP growth of 5.5% over the past decade. The trickle-down effect of Aatmanirbhar Bharat relief package, government spending on infrastructure through the National Infrastructure Pipeline, commissioning of the dedicated freight corridors, expansion of the services industry, rapid urbanisation, and increased farm income from agriculture-related reforms are key macroeconomic factors fostering power demand. Significant policy initiatives such as 24x7 power for all, Sahaj Bijli Har Ghar Yojana (SAUBHAGYA) scheme to provide electricity connections to all households, green energy corridor to facilitate evacuation of RE power, green city scheme to promote the development of sustainable and eco-friendly cities, Production-Linked Incentive (PLI) scheme and low corporate tax rates among others have aided large scale manufacturing in India, further boosting power demand in the country.

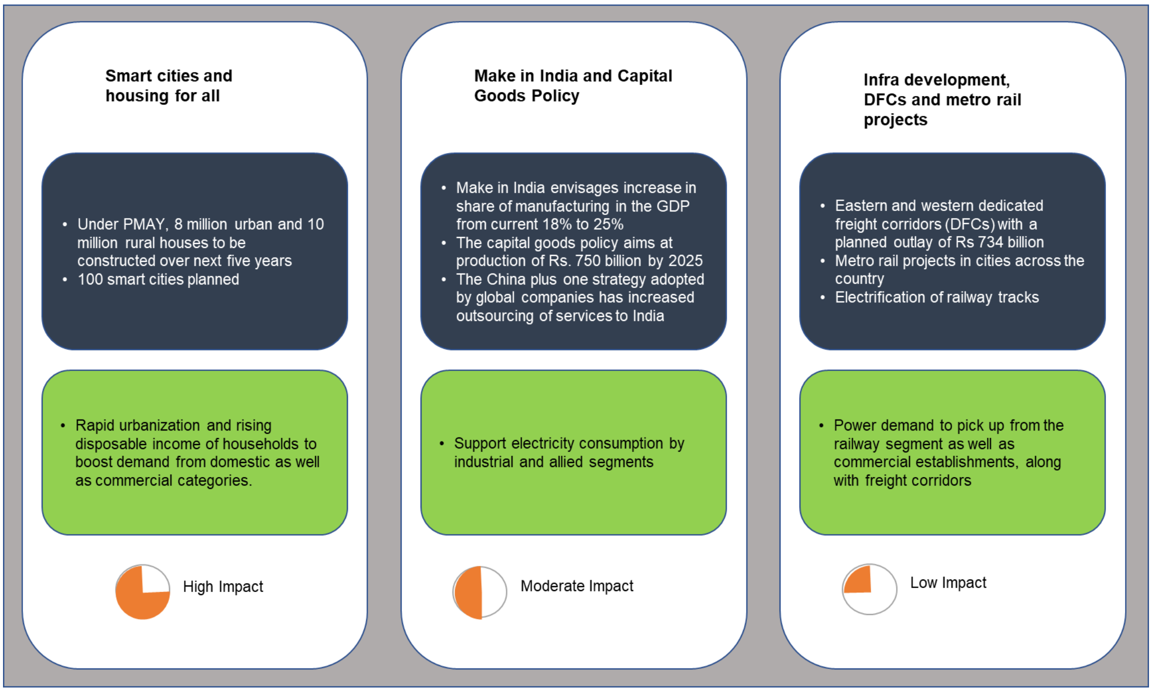
Figure 23: Factors influencing power demand



Source: CRISIL MI&A Consulting

Apart from macroeconomic factors, power demand would be further fuelled by railway electrification, upcoming metro rail projects, growing demand for charging infrastructure due to increased adoption of electric vehicles, higher demand from key infrastructure and manufacturing sectors. However, increasing energy efficiency, a reduction in technical losses over the longer term, and captive as well as off-grid generation from renewables would restrict growth in power demand.

Figure 24: Infrastructure development to drive power demand



Source: CRISIL MI&A Consulting

Railway electrification and metro rail projects to drive a majority of incremental power demand

Indian Railways is the lifeline of nation providing transportation facility over the length and breadth of country. Indian Railways (IR) is one of the world's largest rail networks. As of 1st March 2024, Broad Gauge (BR) constitutes 65,775 rkms which accounts for 95% of the total rail route. As of March 2024, electrification on Indian Railways has been extended to 62,119 rkms out of the total broad gauge of 65,775 rkms. This constitutes more than 94% of the total BG Railway Network. In a bid to become net zero emitter by 2030 the government aims to achieve 100% electrification of Indian Railways by December 2023, however delayed electrification works due to pandemic induced lockdown coupled with sluggish pace of electrification, CRISIL MI&A Consulting expects that 100% electrification will be achieved by fiscal 2025. This is expected to lead to an incremental power demand of approximately 23 BUs on an average every year between fiscal 2025 to 2029, also driven by new track laying by the IR which is already electrified. Ministry of Railways has been allocated a capital outlay of Rs 2.52 lakh crore in the Union Budget 2024-25. This is the highest ever allocation to the national transporter and continues on the trend followed last year with a gross budgetary support of Rs 2.4 lakh crore in fiscal 2023-24. This is expected to provide impetus to the sector in terms of creation of new lines, doubling existing lines and electrification of existing lines.

The electricity consumption of the urban metro system mainly comes from electricity consumption for train traction and the electricity consumption for station operation. Metro rail has seen substantial growth in India in recent years, and the rate of growth is going to become twice or thrice in the coming years with multiple cities requiring the need for metro rail to meet daily mobility requirements. As of May 31, 2024, around 902 kms of metro routes are operational across 18 cities of India. Around 712 kms of metro line is under construction and 1,878 kms of metro lines are proposed further. Electricity consumption from the aforesaid categories is expected to add an average incremental power demand of 5-6 BUs every year between fiscal 2025 and 2029. Currently metro projects constitute a marginal share of the total incremental demand, but the share is expected to increase in the future due to a large quantum of planned metro projects.

The Government of India is focusing on building charging infrastructure and creating a conducive policy environment for faster adoption of electric vehicles (EVs) so as to reduce dependence on fossil fuels for transportation. India aims to increase the share of EVs in overall car population to 30% by 2030. Under the National Electric Mobility Mission plan, the government envisages to promote EV adoption through demand-side incentives, in terms of subsidies, promoting charging infrastructure, and encouraging research and development in battery technology, power electronics, battery management and system integration, etc.

In fiscal 2021, though, the EVs market faced strong headwinds as buyers cut down on big-ticket purchases, thus impacting sales of EVs, which are typically costlier than conventional vehicles. However, sales rebounded strongly in fiscal 2022, spurred by elevated fossil fuel prices, with government incentives such as Faster Adoption and Manufacturing of Hybrid and Electric Vehicles (FAME) II worth Rs 100 billion.

This is to be supported by expansion of charging infrastructure across major cities as well as concomitant growth in distribution infrastructure, in addition to an appropriate tariff structure for charging of EVs. In fact, the government, in Union Budget 2019-20, announced Rs 10 billion in subsidies for building a nationwide EV charging infrastructure as a part of FAME-II. Charging stations will be installed on major highways such as Delhi-Mumbai, Delhi-Chandigarh, Mumbai-Surat-Pune, etc, with plans to have a charging station every 25 km on these highways. Also, Gujarat, Maharashtra, Delhi, and Karnataka have announced favourable policies to boost EV adoption, along with establishing EV charging infrastructure through state-owned and private entities. As a result, EV charging demand is likely to aid power demand over the medium term, with gradual increase in share of EVs in the vehicle population.

CRISIL MI&A Consulting projects that, adoption of EVs will add upto 63 BUs of power demand between fiscal 2025 and 2029, an average of 12.5 BUs per year in the same period.

Energy efficiency and off-grid generation to limit power demand

Discoms ability to invest in upgrades to and strengthening of distribution infrastructure with advanced technologies is expected to remain under pressure over the medium term due to financial stress however the government has undertaken several initiatives to lessen the loss of Power Distribution Companies (DISCOMs) namely Revamped Distribution Sector Scheme which is a reforms based and results linked scheme with the objective of improving the quality and reliability of power supply to consumers through a financially sustainable and operationally efficient distribution Sector. The scheme aims to reduce the AT&C losses to pan-India levels of 12-15%. Under the scheme state governments are required to give undertaking to liquidate the payments due to DISCOMs on account of electricity dues of Government departments/attached offices, and also to install smart prepaid or prepaid meters in Government departments/attached offices etc. The state governments are also required to give undertaking to clear the dues of subsidies and to put in place a system such that the bills for subsidies are raised by DISCOMs and paid upfront every quarter. Government of India has also provided additional borrowing permissions to the extent of 0.05% of the State GSDP each linked to reduction of AT&C losses and ACS-ARR gap. T&D losses have been on a declining trajectory and CRISIL MI&A Consulting believes the reduction in losses to continue further aided by the slew of measures undertaken by the government. Power demand would reduce by 20-25 BUs on an average every year owing to the improvement in T&D losses between fiscal 2025-2029.

With boost to rooftop solar and declining cost of renewable energy generation, the off-grid solar generation is expected to increase, reducing power demand from grid. By fiscal 2029, installed capacity is expected to be 32-33 GW resulting in diversion of 2-3% of the power demand being met directly at consumer site.

Unnati Jyoti Affordable LEDs for all (UJALA) scheme was aimed at replacing 770 million inefficient bulbs with LED bulbs across the countries by March 2019. The scheme is progressing at a sluggish pace with around 368 million replacements as on May 2024.

Short-term market transactions are expected to account for 12-13% of power generation as of fiscal 2025. Share of the short-term transactions are expected to increase to 13-14% by fiscal 2029 primarily driven by demand pressure, better price discovery at exchanges and a slew of exemptions to the prices on short term. Demand on the short-term market is expected to add an average of 12.5-13.5 BUs between fiscal 2025-2029 resulting in diversion in power supply from long term sources.

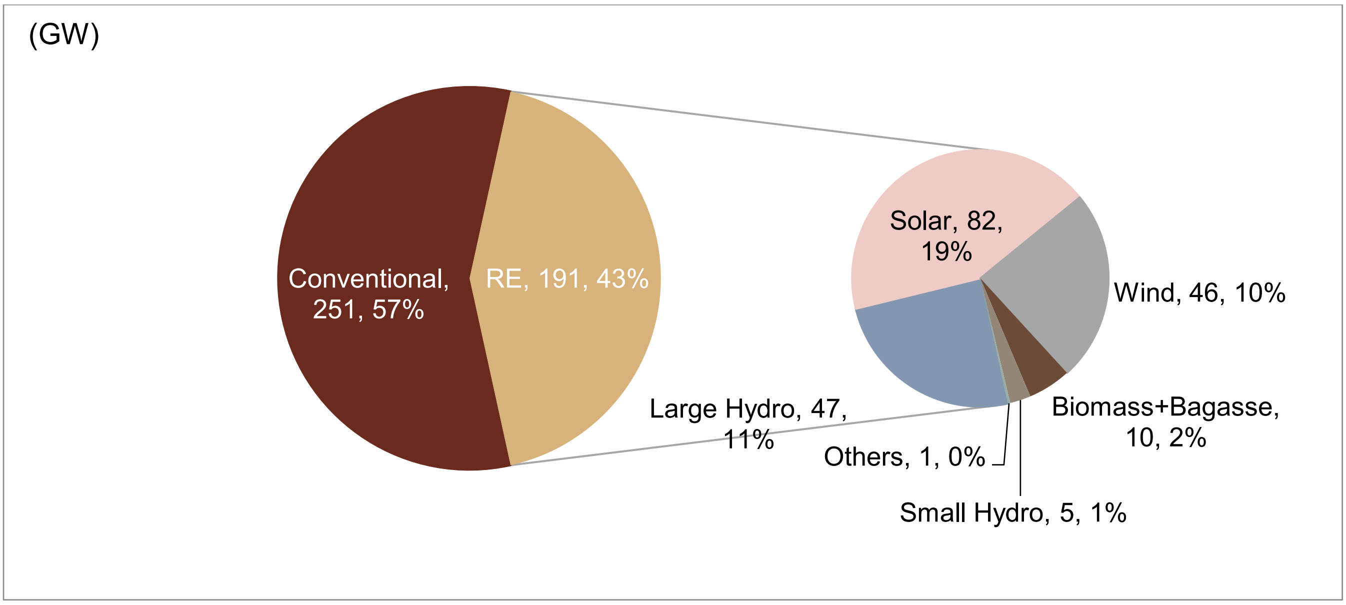
RENEWABLE ENERGY SECTOR IN INDIA

Overview of RE Sector in India

Renewable sources are a cleaner source of energy than conventional ones as they do not burn like fossil fuels, preventing the release of pollutants into the air. Increasing use of renewable energy would help reduce carbon emissions, and thereby, global warming. Further, the wide availability of these resources makes them less susceptible to depletion unlike conventional sources of energy. While there are multiple renewable sources that can be utilised, including solar, wind, small hydro, biomass and bagasse, solar and wind remain key sources.

Renewable energy installations (incl. large hydro) have increased fivefold to ~191 GW as of March 2024, as compared with ~63 GW as of March 2012 (*source: MNRE*), led by various central and state-level incentives. As of March-2024, installed grid connected RE generation capacity (incl. large hydro) in India constituted ~43% of the total installed generation base in India. This growth has been led by solar power, which has grown to ~82 GW from merely ~0.09 GW over the discussed time period (i.e. from March 2012).

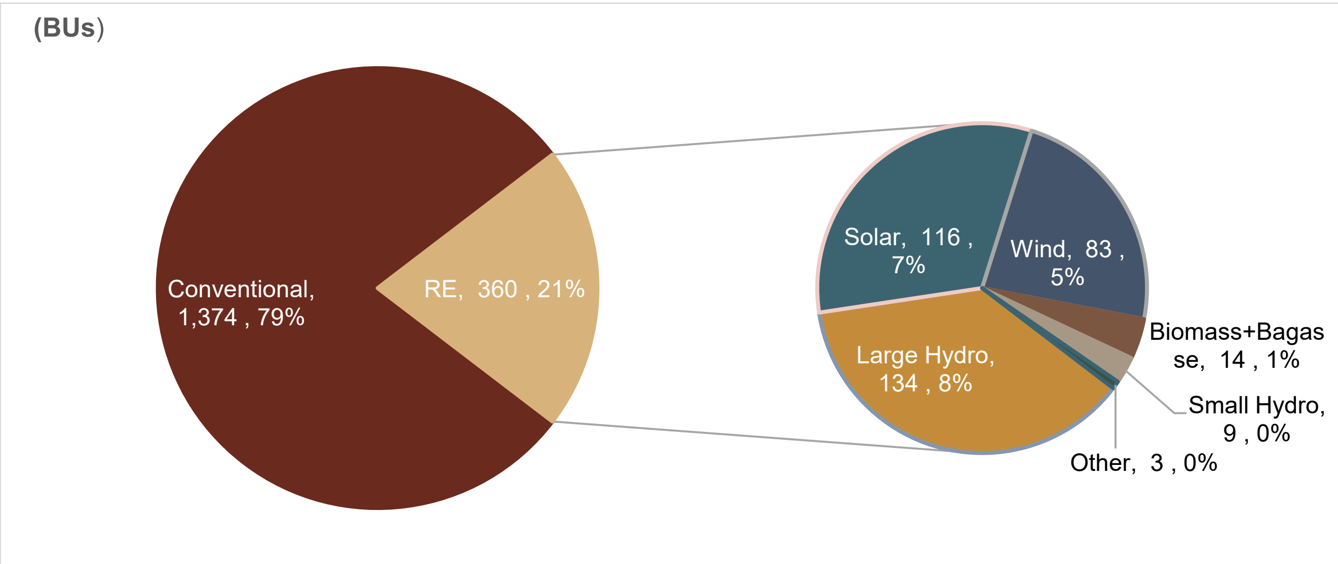
Figure 25: India's RE (incl. large hydro) capacity was 43% at the end of fiscal 2024 (GW basis)



Conventional: Coal, Gas, Lignite and Nuclear
Source: MNRE; CEA, CRISIL MI&A Consulting

However, owing to lower capacity utilisation factors, the RE penetration in terms of energy generation was at ~21% as of March 2024.

Figure 26: India's RE (incl. large hydro) penetration was ~21% in terms of energy generation in fiscal 2024 (BU basis)



Source: MNRE; CEA, CRISIL MI&A Consulting

Despite such strong capacity addition, there is huge untapped potential for RE installations in India, as is evident from the table below.

Table 10: Potential and cumulative capacity of RE (technology-wise)

Technology	Potential	Cumulative capacity (as of March 24)	Untapped potential
Wind	~696 GW (120 m hub height)	45.88 GW	93.41%
Solar	750 GW	81.81 GW	89.09%
Bioenergy	25 GW	10.3 GW	58.58%
Hydro	165 GW	51.9 GW	68.53%
Waste to energy	NA	0.59 GW	NA

Hydro: Large + Small hydro
Source: MNRE; NITI Aayog; CRISIL MI&A Consulting

However, solar energy potential is the greatest in India amongst all the commercially available renewable energy sources. As per an assessment by the National Institute of Solar Energy (NISE) and a report by MNRE, the top five states with the highest solar PV potential are Rajasthan, Jammu & Kashmir, Maharashtra, Madhya Pradesh and Andhra Pradesh. While the MNRE has considered 3% of wasteland that can be utilized in a state for the installation of ground-mounted solar PV projects, it has also considered 2%-25% of the rooftop space being utilized (1 kWp – 100 kWp) across various buildings, such as offices, shops, hospital, and government buildings, for the setting up of rooftop solar PV projects.

Further, there is huge untapped potential across the states for solar energy, as can be seen from the table below:

Table 11: State-wise estimated potential v/s percentage achievement of potential for solar energy across major states of India (as of March 2024)

States	Potential (GW)	Installed capacity (GW)	Potential achieved (%)
Andhra Pradesh	38	4.58	12.1%
Gujarat	36	13.54	37.6%
Karnataka	25	8.54	34.2%
Madhya Pradesh	62	3.99	6.4%
Maharashtra	64	6.24	9.8%
Punjab	3	1.32	44.0%
Rajasthan	142	21.34	15.0%
Tamil Nadu	18	8.21	45.6%
Telangana	20	4.75	23.8%
Uttar Pradesh	23	2.92	12.7%

Source: MNRE; NISE; CRISIL MI&A Consulting

Further, there is huge untapped potential across the states for wind energy also, as can be seen from the table below:

Table 12: State-wise estimated potential v/s percentage achievement of potential for wind energy projects across major states of India (as of March 2024)

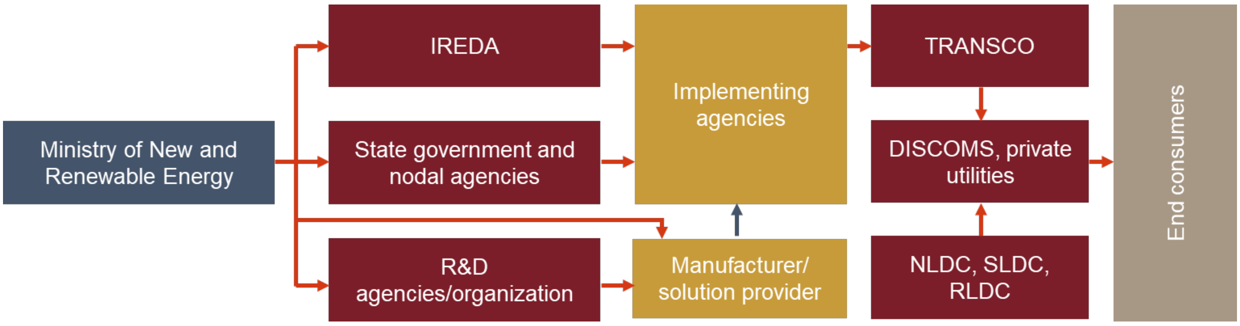
States	Potential (GW)	Installed capacity (GW)	Potential achieved (%)
Andhra Pradesh	44	4.1	9.3%
Gujarat	84	11.72	14.0%
Karnataka	56	6.01	10.7%
Madhya Pradesh	10	2.84	28.4%
Maharashtra	45	5.2	11.6%
Rajasthan	19	5.19	27.3%
Tamil Nadu	34	10.6	31.2%
Others	9	0.22	2.4%

Note: Wind Power Potential at 120 mtr agl in GW
Source: MNRE; NIWE; CRISIL MI&A Consulting

Gujarat has the second highest cumulative potential of 120 GW of renewable energy (wind and solar) after Rajasthan, out of which ~79% is still untapped.

The capacity additions in the RE segment are mainly driven by various fiscal and regulatory incentives, such as accelerated depreciation, 80 IA, additional depreciation, generation-based incentives, and renewable purchase obligations by the central government. The key stake holders in the RE segment are represented in the figure below:

Figure 27: Key stakeholders in the renewable sector in India



Source: CRISIL MI&A Consulting

In the section below, CRISIL MI&A Consulting have elaborated on the evolution of the regulatory framework and key provisions in the major reforms undertaken.

Figure 28: Timeline of regulatory changes

1982	Department of Non-Conventional Energy Sources	A new department namely department of nonconventional energy sources was created in the Ministry of Energy subsuming the earlier Commission, Ministry of Non-Conventional Energy Sources in 1992. first policy for sector issued in 1995
1994	Introduction of accelerated depreciation for RE projects	The AD benefit was first introduced with the benefit of 100% eligible depreciation rate in 1994 but subsequently this rate was lowered to 80% in 2002; Income Tax Act 1961 allowed additional depreciation of 20% on cost of asset in the first year of infrastructure project
2003	National electricity act 2003	Created provision for promotion of generation from nonconventional sources and setting a minimum purchase obligation as prescribed by Regulatory Commission from renewables; Open Access provisions; establishing framework for trading of energy etc.
2005 & 2006	National energy policy 2050 and National tariff policy 2006	Energy policy re-emphasized many of the provisions of the electricity act including promotion of nonconventional energy sources; Tariff policy talked about the approached to tariff determination, return on investments and equity norms for project developers
2009	National action policy for climate change 2009	The NAAPC was first released by the prime minister's Advisory Council on climate change in June 2008. This included several missions to achieve the national strategy to climate change as mapped by the policy such as national sonar mission
2010	Introduction of generation-based incentives (GBA)	In order to support capacity addition by large independent power producers GBA was introduced in 2016 was available at Rs.0.50 per unit of power feed into the grid subject to the ceiling of Rs. 1 crore per MW per wind projects not availing of the AD benefit
2010-2017	Other key support areas	Revision of targets under national solar mission 100 GW by 2022; creation of standard bidding guidelines for competitive bidding (wind + Solar) , National tariff policy 2016, Revised solar RPO targets to 8% by 2022, Interstate transmission charges waived off
2019	Renewable Hybrid Policy	Framework developed for promotion of large grid connected wind solar PV hybrid system for optimal and efficient utilization of transmission infrastructure and land reducing the variability of individual power generation and achieving better grif stability
2020	Farmers and Residential consumers	PM-KUSUM Scheme is aimed at ensuring energy security for farmers Roof Top Solar programme Phase-II with a target of 40 GW installed capacity by the year 2021-22
2021	Thrust on domestic manufacturing	Production-linked incentive scheme for high efficiency solar PV modules; Offshore Wind Energy Policy; National Hydrogen Mission; ALMM Order
2021	COP26-Enhanced Targets	Renewable energy capacity target increased to 500 GW by 2030 Reduction of carbon intensity by 45% by 2030 Net-zero Target
2022	Further impetus to RE Sector	BCD of 25% & 40% on solar cell and modules respectively effective 1 April 2022. ALMM Order Applicable for Open Access and Net Metering Green Day Ahead Contracts on Energy Exchanges Battery Energy Storage System
2023	Further, impetus to India's climate action	Energy Conservation (Amendment) Act, 2022 Green Energy Open Access Rules Renewable Generation Obligation of a minimum of 40% of the coal/lignite capacity Guidelines to Promote Development of Pump Storage Projects (PSP)

Source: Policy documents; CRISIL MI&A Consulting

In 2014, the government set a target to achieve 175 GW of renewable energy in India- 100 GW of solar energy by December 2022, 60 GW of wind energy by December 2022 and 15 GW via other sources, including small hydro projects, biomass projects and other renewable technologies, by December 2022.

Further, under the Paris Agreement, the Indian government has committed to generating 40% of electricity from non-fossil fuels sources by 2030. The country also has a target of setting up 450 GW of RE by 2030 and providing 17 lakh solar pumps to farmers under the Pradhan Mantri-Kusum Yojana.

The 2021 United Nations COP26 was the 26th United Nations Climate Change conference, held at Glasgow, Scotland during Oct-Nov 2021 and a draft agreement was circulated with respect to climate change action. The proposal aims at updating the time frame for revised targets NDCs to next year — much sooner than the requirement of every five years as laid out in the 2015 Paris Climate Accord. India updated its NDCs as follows:

i. To reduce Emissions Intensity of its GDP by 45% by 2030, from 2005 level

ii. To achieve about 50% cumulative electric power installed capacity from non-fossil fuel-based energy resources by 2030,

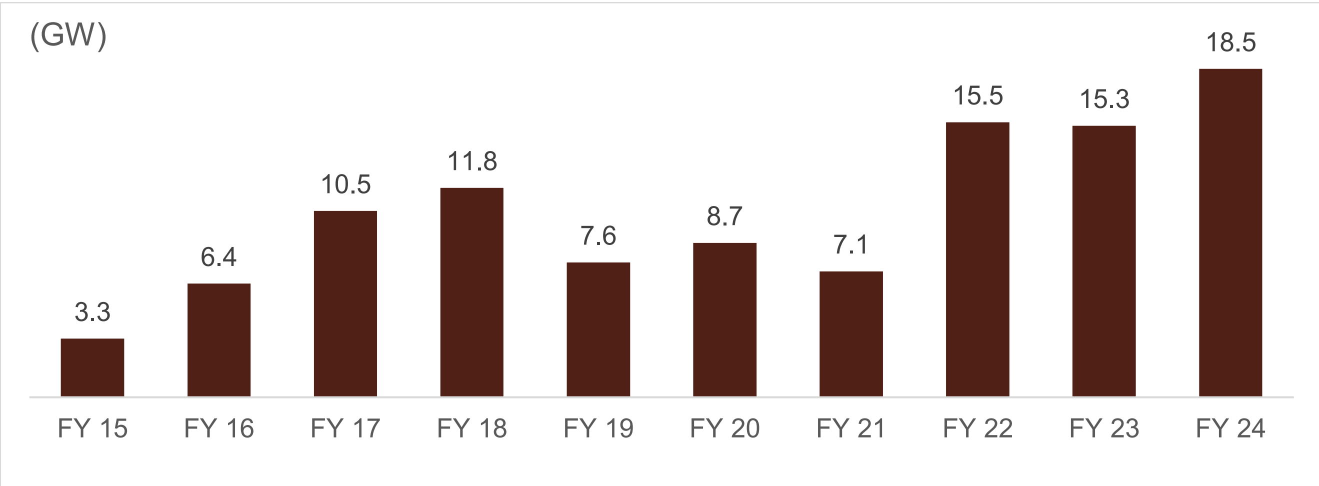
iii. By the year 2070, India will achieve the target of Net Zero

These are more ambitious and are way beyond the current NDCs agreed under the Paris Agreement. These will provide a new thrust to the RE Sector in India and will boost the already accelerating RE Sector. These will also provide guidelines to the Regulators as well as Government Authorities while setting the rules, regulations, and targets.

Fiscal 2023 saw slower additions compared to fiscal 2022. Capacity additions slowed down in fiscal 2023 because of shortages of domestically manufactured solar modules, the outbreak of COVID in China leading to low imports, and the imposition of duty on imported solar modules leading to increase prices of imported modules.

Fiscal 2024 saw robust pick up in capacity additions, Q2 FY24 added 9.6 GW. Due to opening of economy, spillover of certain capacities and some of the large projects from various schemes got commissioned during the fiscal. This was on the back of a slowdown in capacity addition in fiscal 2022 mainly due to continued localized restrictions and extension in timelines post COVID.

Figure 29: RE Capacity addition picked up in FY24



Source: MNRE; CEA, CRISIL MI&A Consulting

Solar Power in India

The growth story of the solar sector in India commenced with the commissioning and operation of 15 MW of solar photovoltaic (PV) pilot projects between 2008 and 2009. Later, with the introduction of the NTPC Vidyut Vyapar Nigam Limited (NVVN) scheme under JNNSM (which allowed bundling of solar power with cheaper thermal power), solar capacity allocations picked up pace.

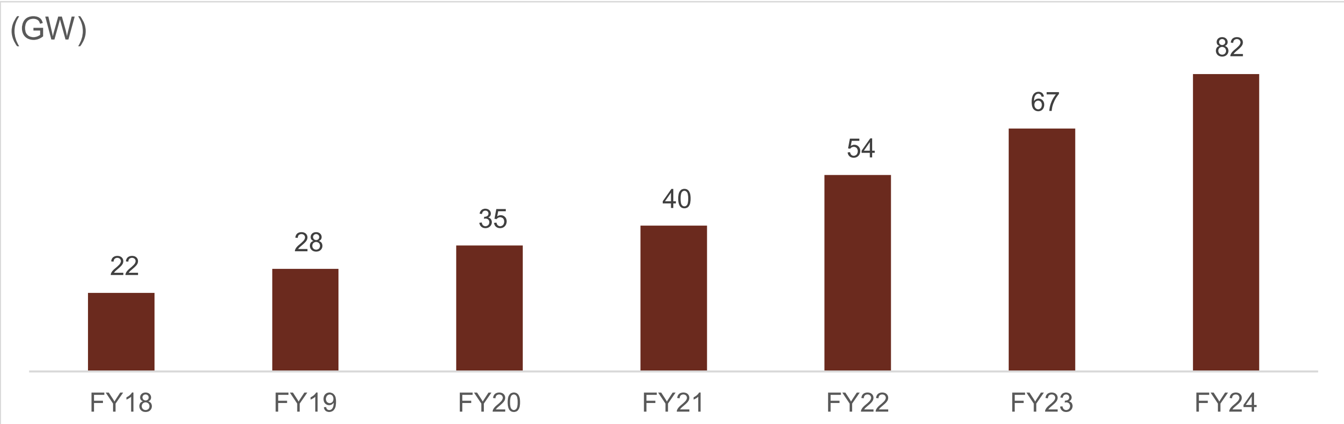
Under JNNSM Phase I, 450 MW of solar PV capacities were tendered out in two batches — 150 MW (Batch I) and 300 MW (Batch II) — in fiscal 2011. In addition, 470 MW was offered under solar thermal technology. These capacities were commissioned over fiscals 2011-13. The state-level schemes also saw rapid growth in the disbursement of solar power during the same period. Until fiscal 2012, only Gujarat and Rajasthan had a state solar policy. After the success of Gujarat's state solar policy, Andhra Pradesh, Tamil Nadu, Karnataka, Madhya Pradesh, and Telangana introduced their respective solar policies.

By March 2012, India had reached close to 1 GW of installed capacity, with projects providing satisfactory generation performance along with timely receipt of payments from both NVVN and discoms of Gujarat. The bidding guidelines became stringent to avoid commissioning defaults by successfully bid projects and to ensure the entry of only serious players. Further, the Ministry of New and Renewable Energy (MNRE) created a new agency, SECI, to handle solar bidding and channelise the subsidy and incentives to developers. Consequently, between March 2012 and March 2016, the GoI released several schemes, such as NSM Phase II Batch II Tranche I (3 GW), Batch III (3 GW), Batch IV (5 GW), Batch V (1 GW), Batch VI (50 MW), over and above other schemes for defence organisations, canal-top plants and 1.5 GW under-rooftop solar plants. Further, many states such as Madhya Pradesh, Andhra Pradesh, Telangana, Karnataka, Maharashtra, and Tamil Nadu introduced their solar policy and respective targets, and also allocated 7 GW of solar capacity during this period.

After a continuous decline in solar tariffs over the years and a revision of solar targets under the NSM (from 20 GW till fiscal 2022 to 100 GW in fiscal 2022), the government is focusing on improving the supporting infrastructure for solar projects, including the construction of solar parks and green energy corridors. Further, allocations under GoI schemes have risen to meet the solar power demand from state discoms willing to meet their revised RPO targets; the National Tariff Policy revised the solar RPO target to 10.5% by fiscal 2022. Such large allocations have resulted in growth of solar IPPs in India. Further, lower counterparty risk, lower offtake risk (because of solar park transmission infrastructure), and a multi-layer payment security mechanism attracted more IPPs with access to cheaper funds.

In the renewable energy basket (including large hydro) as of March 2024, solar energy accounted for a share of 43%. Growth in the solar power sector over the last five years has been robust. As much as ~60 GW capacity was added in the segment over fiscals 2018-23, registering a CAGR of ~24.8%, although on a low base. Despite the second wave of COVID-19 infections, fiscal 2022 witnessed solar capacity additions of ~14 GW. In a relief to developers, the MNRE provided total extension of seven-and-a-half months for the projects affected by the first and second waves of pandemic. This is estimated to have delayed commissioning in fiscal 2022, leading to a spillover into fiscals 2023 and 2024. In fiscal 2023, solar capacity additions stood at ~13 GW, with ~2.2 GW coming from rooftop solar projects. Similarly, in fiscal 2024, solar capacity additions stood at ~15 GW, with ~3 GW coming from grid connected rooftop solar projects.

Figure 30: Trend in solar capacity installation in India



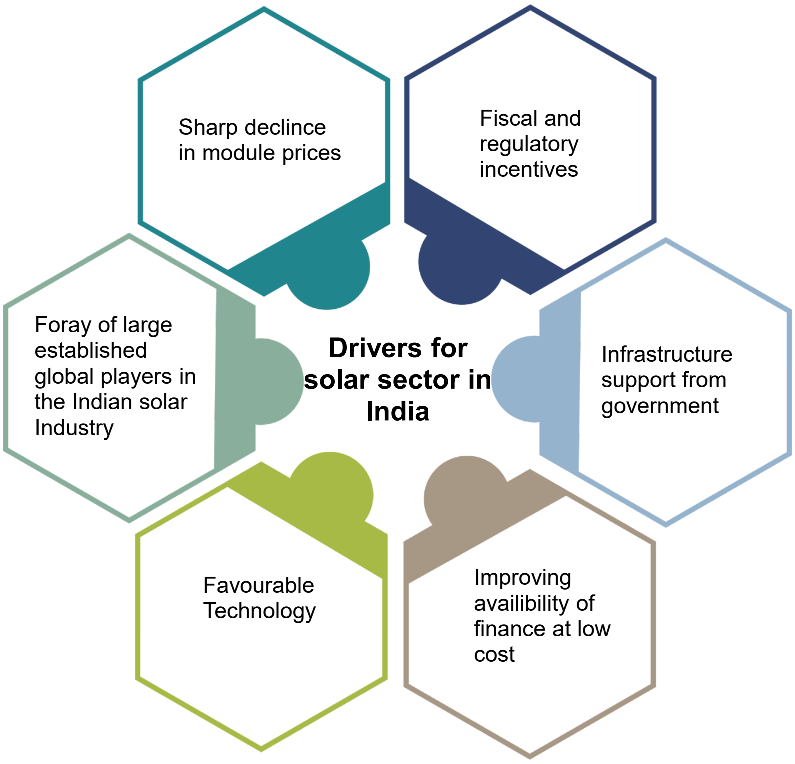
Source: MNRE, CEA, CRISIL MI&A-Consulting

The GoI imposing solar RPOs across Indian states in 2011, coupled with the sharp drop in capital costs, led to most states releasing solar polices. This resulted in a spur in solar sector investments. Till fiscal 2012, only Gujarat and Rajasthan had state solar policies. After the success of Gujarat's solar policy, other states such as Andhra Pradesh, Tamil Nadu, Karnataka, Madhya Pradesh, and Telangana introduced their respective solar polices.

In the renewable energy basket (including large hydro) as of March 2024, solar energy accounted for a share of 57%. Growth in the solar power sector over the last five years has been robust. As much as 54.8 GW capacity was added in the segment over fiscals 2018-24, registering a CAGR of ~25%, although on a moderately low base.

Growth drivers for Solar sector in India

Figure 31: Growth drivers for solar sector in India



Source: CRISIL MI&A Consulting

Each growth driver for solar energy in India is detailed below:

Declining module prices and tariffs

The global average solar module price, which constitutes 55-60% of the total system cost, crashed 73% to \$0.47 per watt-peak in 2016 (average for January-December) from \$1.78 per watt-peak in 2010. In fact, prices continued to decline to \$0.22 per watt-peak by end-August 2019, owing to technology improvement, scale benefits and a demand-supply gap in the global solar module manufacturing industry. Further, declining inverter prices (6-7% of the capital cost), which fell to \$0.2 per watt-peak by March 2020 (which has now been reduced to \$0.016-0.018 per Wp), reduced system costs. Module prices reached \$0.22 per watt-peak level in fiscal 2021.

Module prices started to fall in 2023 owing to the ramp-up in the production of upstream components. Prices of modules fell to \$0.15-0.20 per watt-peak in April-November 2023 from \$0.23 per watt-peak in January 2023. This has eased some pressure on capital costs in fiscal 2024. Prices of Monofacial module had touched USD 0.20 wp by Q4 of fiscal 2024. CRISIL MI&A Consulting projects module prices to be in the range of USD 0.21-0.23 per watt-peak and USD 0.22-0.24 per watt-peak for imported and domestic mono-crystalline respectively in fiscal 2025 owing to limited room for discount at the manufacturing end. Also, solar glass pricing, another key input to modules, was also lower on-year owing to falling prices of soda ash on account of low demand. While the long-term end-market demand remains strong amidst the renewable energy target of tripling capacity, the present oversupply is expected to persist in fiscal 2025. Additionally, MNRE has reinstated the applicability of ALMM. As a result, only ALMM enlisted manufacturer can supply cells and modules to government and government-assisted projects. Projects under open access and rooftop solar by private parties are also brought into the ambit of ALMM. Therefore, the fall in prices across the value chain is expected to be arrested in fiscal 2025.

Figure 32: Module prices declined over 80% from fiscal 2010 to 2024 (USD/wp)

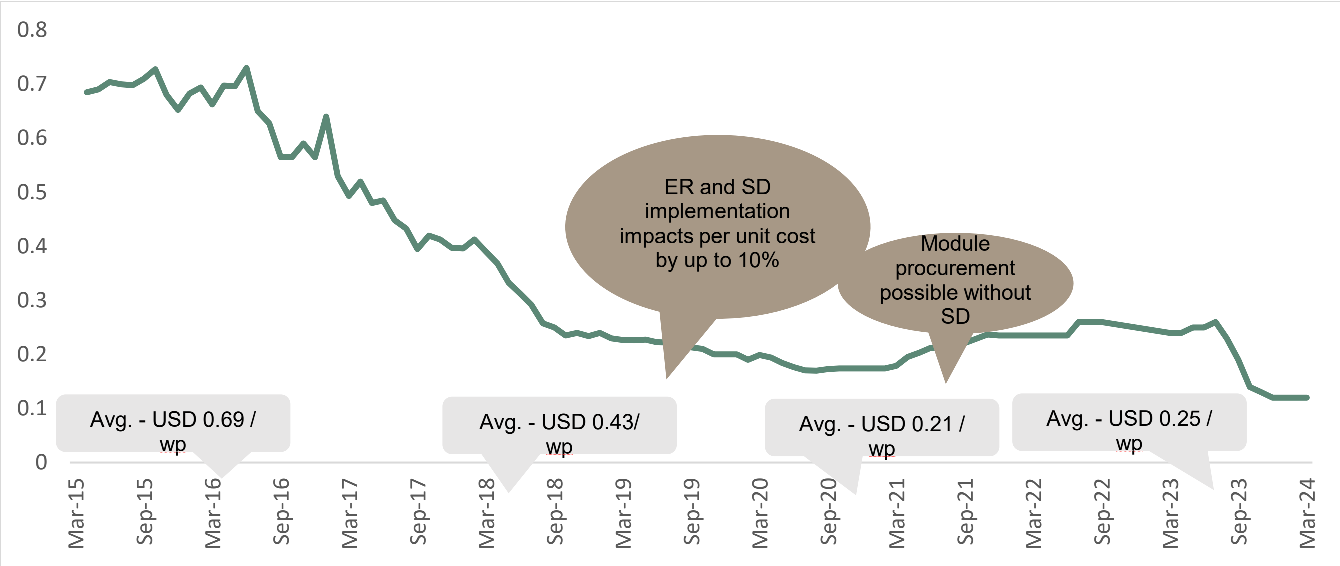


Table 13: Safeguard duty trajectory

Year of imposition	July 30, 2018, to July 29, 2019	July 30, 2019, to January 29, 2020	January 30, 2020, to July 29, 2020	July 30, 2020, to January 29, 2021	January 30, 2021, to July 29, 2021	From April 1, 2022 (BCD)
Duty rate	25%	20%	15%	14.9%	14.5%	Module – 40% Cell – 25%

Source: CRISIL MI&A Consulting

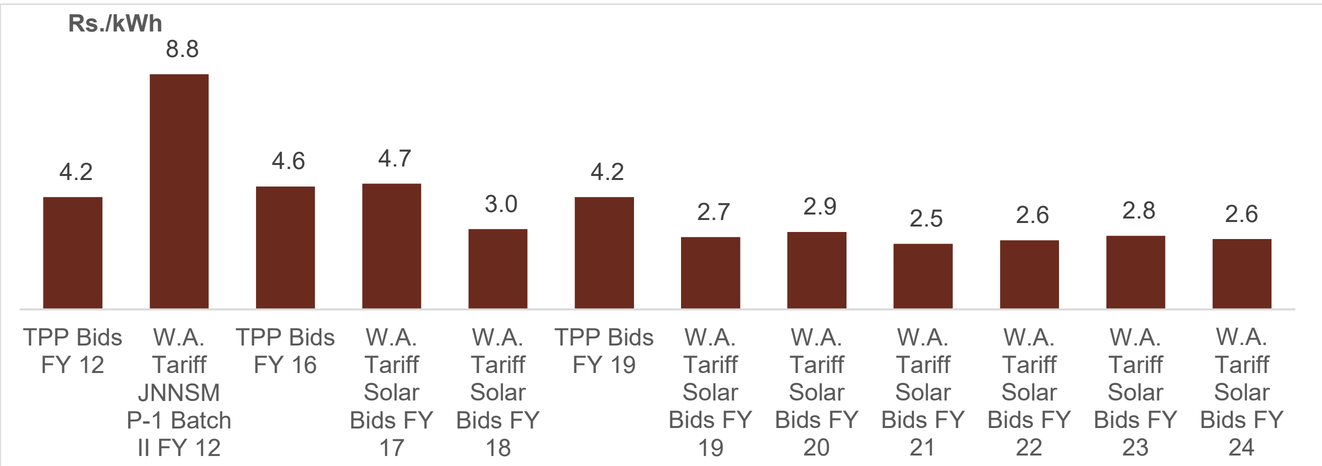
Various players from the Indian solar component manufacturing industry filed additional duty petitions against imports. The key in this regard was a safeguard duty investigation filed by the Indian Solar Manufacturer's Association (ISMA) in front of the Directorate General of Trade Remedies (DGTR).

After initiating a probe to decide on the continuation of the safeguard duty (SGD) on solar import and further to applications invited from domestic companies for the same, DGTR extended the imposition of the safeguard duty for another year, with the duty being levied at 14.9% from July 30, 2020, to January 29, 2021, followed by 14.5% from January 30, 2021, to July 29, 2021. Declining duty had led to easing cost pressures, and tariffs had also started lowering. The Ministry of Finance imposed BCD of 25% and 40% on solar cells and modules, respectively, effective April 1, 2022. The imposition of BCD led to an increase in capital costs for projects based on imported modules by 20-25%, and an increase in tariffs by Rs 0.2-0.5 per unit (with the tariffs ranging from Rs 2.6-2.8 per unit).

- ***Solar power tariffs have been lower than coal-based power tariffs***

In recent years, there has not been any major development in the case of thermal power bidding. However, considering the previously bid prices of thermal power, solar power tariffs have been on the lower side.

Figure 33: Competitively bid solar power tariffs are much lower than coal-based power tariffs



Note: TPP – Thermal power plant; JNNSM – Jawaharlal Nehru National Solar Mission; W.A. – Weighted average levelized tariffs
Source: Details of Case I bids, Bidding of power from stressed assets, CEA; CRISIL MI&A Consulting

However, while looking at solar tariffs, one will have to increasingly factor in grid integration costs as the penetration level of renewable energy increases. This is expected to increase the procurement cost from solar power plants.

Fiscal and regulatory incentives

The Indian government has been offering a variety of incentives to encourage the development of solar power plants. Some of them are now discontinued.

Generation Based Incentive (GBI) schemes separately for solar energy: Under the Scheme for Solar Energy, GBI was provided to support small grid solar power projects connected to the distribution grid (below 33 KV) to the state utilities. IREDA had selected 78 projects with a total capacity of about 98 MW for which the MNRE provided GBI of Rs. 12.41 per kWh to the State utilities for solar power purchase. The quantum of GBI to the utilities was kept fixed, as a difference of the CERC tariff for 2010-11 (Rs. 17.91 per kWh) and a reference tariff of Rs. 5.5 per kWh. In Budget 2017–18, the GBI for wind and solar power projects was withdrawn.

Viability Gap Funding: Under the Central Public Sector Undertaking (CPSU) Scheme Phase-II (Government Producer Scheme) for grid-connected Solar PV Power Projects by the Government Producers, VGF support up to Rs 55 lakhs per MW was provided to the CPSUs/Govt. Organizations entities selected through competitive bidding process.

Solar Park Scheme: Under the Scheme, up to Rs 25 lakhs per Solar Park available for preparation of DPR whereas Rs 20 Lakh per MW or 30% of the project cost, whichever is lower, for development of infrastructure.

PM *Surya Ghar Muft Bijli Yojna*: For further sustainable development and people's well-being, the Central Government in February 2024 launched the PM *Surya Ghar: Muft Bijli Yojna*. This scheme has a proposed outlay of Rs. 75,000 crore and aims to light up 1 crore households by providing up to 300 units of free electricity every month.

Subsidy for residential households

- Rs. 30,000/- per kW up to 2 kW
- Rs. 18,000/- per kW for additional capacity up to 3 kW
- Total Subsidy for systems larger than 3 kW capped at Rs 78,000

The MNRE on February 20, 2024, has declared that only applications received after February 13, 2024, will be considered for CFA under PM Surya Ghar Muft Bijli Yojana. Further, it was also clarified that this a whole new scheme and all previous schemes have been lapsed.

There was a similar scheme in place for encouraging solar rooftop installations. However, due to lack of awareness and clarity on savings, higher capital cost, delay in subsidy reimbursements, approvals and bureaucracy, subsidized tariff for lower slabs of electricity consumption, the scheme did not see the success as expected. Lower residential tariffs and higher investments may hinder the progress of the scheme. Further, Central Public Sector Undertakings (CPSUs) have been entrusted the residential solar installation under the scheme. The Central government introduced the CPSU scheme Phase I in 2015 to promote the set-up of 1,000 MW grid-connected solar PV power projects by CPSUs and government organisations with Viability Gap Funding (VGF). Further, the Central Government in March 2019, approved implementation of CPSU Scheme Phase-II for setting up grid-connected Solar PV Power Projects by Central and State PSUs, Government Organisations, with VGF support of Rs 8,580 crore, for self-use or use by Government/ Government entities, either directly or through Distribution Companies (DISCOMs). The maximum permissible VGF was initially two tranches and was kept at Rs 0.70 Cr/MW which was subsequently reduced to Rs 0.55 Cr/MW for third tranche. Under this Scheme, the Government has so far sanctioned about 8.2 GW capacity of solar PV power plants to various entities. Ability of CPSUs to execute the scheme at ground level and consumer awareness will play key roles in success of the Scheme.

Annual Bidding Trajectory:

MNRE has prescribed an annual bidding trajectory for RE power bids to be issued by Renewable Energy Implementation Agencies (REIAs). Bids for 50 GW per annum RE capacity, with at least 10 GW per annum Wind power capacity, are to be issued each year from 2023-24 to 2027-28. This is expected to help in achieving the targets specified for 2030. Bids of 35.51 GW have been issued by four REIAs (SECI, NTPC, NHPC & SJVN) in fiscal 2024 till December 2023.

Strong government thrust

The GoI has laid significant emphasis on climate change, for which it provided a framework, National Action Plan on Climate change (NAPCC), in 2008, where it proposed an eight-pronged strategy — National Solar Mission (NSM), energy efficiency, sustainable habitat, water planning, Himalayan ecosystem, afforestation, sustainable agriculture, and strategic knowledge on climate change. As can be seen, the GoI has laid significant emphasis on solar power. This is also evident from the 100 GW out of 175 GW target set out by the GoI. Government support to the solar sector in India is reflected by the following:

National Solar Mission

Central-level allocations under NVVN Batch II, JNNSM Phase II Batch III and IV have been almost entirely commissioned.

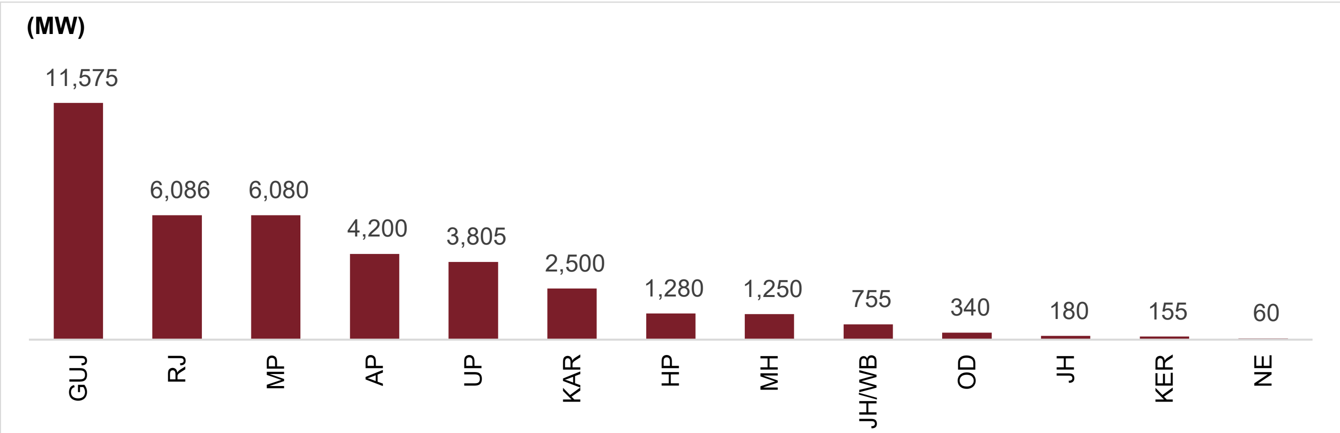
Operational support to execute solar projects

Apart from providing incentives, the government has lent significant support to the solar power sector for execution of projects.

Solar parks: One of the most important initiatives by the GoI has been setting up of solar parks in the country. This is critical given the land-intensive nature (~5 acres required per MW of solar PV) of solar projects, coupled with low average holding (1.16 hectare) per person in India. Under the Solar Park Policy released in September 2014, the government planned to prepare land banks for 20,000 MW of solar projects across 25 states. The capacity of the scheme was doubled from 20,000 MW to 40,000 MW on March 2017, to set up at least 50 solar parks by fiscal 2022. Such parks significantly reduce construction/ execution risk as they include a contiguous parcel of land, evacuation infrastructure (HV/EHV substation evacuating to state grid substation), and other ancillary infrastructure and utilities such as road, water, and drainage.

Currently, 25 states, including Andhra Pradesh, Madhya Pradesh, Gujarat, Rajasthan, Uttar Pradesh, Karnataka, Telangana, West Bengal, Chhattisgarh, Tamil Nadu, Jammu and Kashmir, and a few north-eastern states, have started preparing land banks for solar parks, either through their own implementing agencies or through joint ventures with SECI. The GoI had approved 58 solar parks with aggregate capacity of ~40 GW as of December 2023. An aggregate capacity of 10,576 MW of solar projects have been commissioned in 20 Solar Parks, so far.

Figure 34: State wise solar park approved capacity (MW)



Source: MNRE, CRISIL MI&A Consulting

Although the potential of solar energy is high, there exist a few challenges, which are critical to achieving rapid growth of solar power.

Availability of contiguous parcels of land — With rapid capacity additions and stiff competition, it becomes imperative for developers to acquire land at competitive costs and in areas with high levels of solar irradiance. The 40 GW solar park scheme is facilitative in this aspect; however, beyond that capital costs and, hence, tariffs do fluctuate state to state depending on land prices and irradiance quality.

Adequacy of evacuation infrastructure — Grid integration of renewables is key to the growth of the sector. Instances of delay in readiness of transmission infrastructure at solar parks have caused concern amongst developers. However, an aggressive roadmap to add an incremental ~100 GW via new schemes and existing available capacity to the grid should be adequate for the expected additions. However, timely execution is critical.

Availability of low-cost capital — With the emergence of several large players in the sector, scale and experience have aided fundraising to an extent, especially with the backing of several foreign investors. However, a weak rupee, conservative risk appetite of lenders and other added cost pressures make it imperative for developers to maintain prudent capital management to sustain over the long term. To mitigate this, developers have been tapping alternative/ new routes to raise money from time to time.

Availability of debt and equity finance to the solar sector

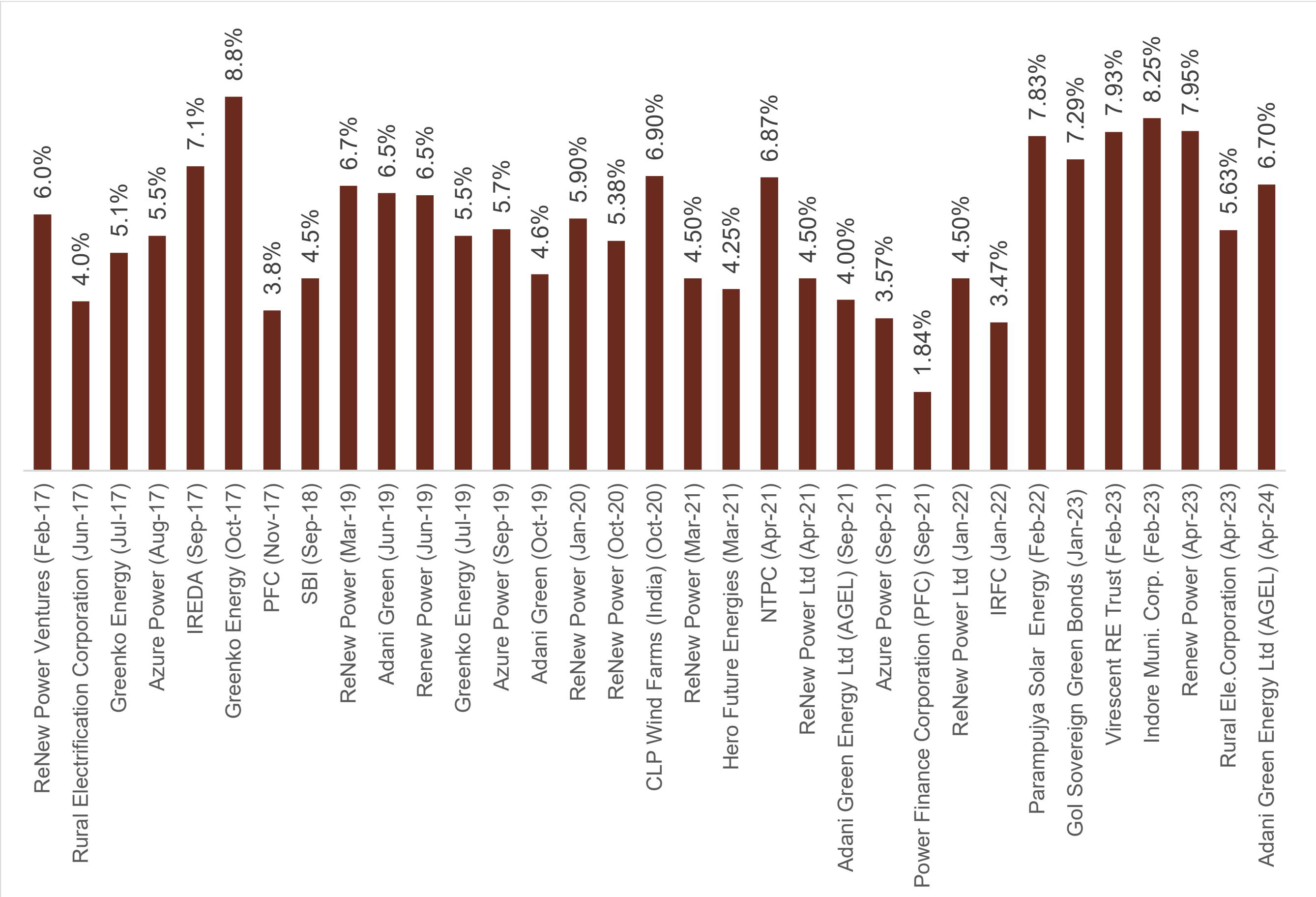
To facilitate growth of renewable energy and, in particular, the solar power sector, the GoI has provided several fiscal and regulatory incentives to developers. These incentives have been elaborated below.

Some steps taken by the government to ensure availability of low-cost finance are as follows:

- *Funding from lending institutions such as IREDA and PFS:* Government financial institutions such as PTC India Financial Services Limited (PFS), Rural Electrification Corporation (REC) and Indian Renewable Development Agency (IREDA) are also financing many solar projects. As of December 2023 (9MFY24), REC has sanctioned Rs. 1250.54 billion loans to RE incl. large hydro. Further, for IREDA, the cumulative sanctions as of March 2023 stood at Rs. 1,025 billion for RE incl. large hydro.

- *Green bond / masala bonds market:* A green bonds is like any other bond; however, it invests the proceeds to support green energy or renewable energy projects. The tenure of the bonds typically ranges from 18 months to 30 months and are issued for a tenure of 1-10 years. India is the second country after China to have national-level guidelines for green bonds; in India's case, they were published by SEBI. The green bonds may be issued by the national government; multilateral organisations such as Asian Development Bank, the World Bank or the Export-import (EXIM) bank of the country; financial institutions; and corporations. Some recent instances of green bond issuances in India are given below:

Figure 35: Yields of recent green bond issuances



Note: Excludes certain issuances whose proceeds were not directed towards funding of renewable energy projects in India.
Source: Industry; CRISIL MI&A Consulting

- *Pension funds / endowment funds*: Pension / endowment funds are expected to play a key role in financing solar projects. Long-term 25-year PPAs with limited operational risk are very suitable to this investor category. Mahindra Group and Ontario Teachers' Pension plan has launched RE InvIT named Sustainable Energy Infra Trust (SEIT). Both Mahindra Group and Ontario Teachers' had committed to investing upto Rs. 3050 crore and Rs. 3550 respectively into Mahindra Susten and SEIT. Canada Pension Plan Investment Board (CPPIB) owns more than 50% stake in Renew Power.

- *Private equity investments and debt investments:* In a quest to reduce the cost of capital for projects and further improve project economics, many players have increasingly resorted to private equity and debt investments to free up capital. The proceeds are used to invest in new projects. Developers have been exploring several diverse instruments / sources to raise finance such as green bond issuances, external borrowings, private placements (qualified institutional buyers), etc. This not only lowers the cost but also frees credit from domestic banks to be used again as initial capital for new projects.

- *Funding from multilateral banks and International Solar Alliance (ISA):* Further, the government channelises the funds available from multilateral banks and financing institutes such as World Bank and KfW. Funds are also provided to the Indian government under the Climate Investment Fund of the World Bank. For instance, SBI has received ~$625 million of soft loans with a long tenure of 20 years. On the same lines, KfW Germany provided a 1-billion-euro loan through IREDA for funding solar projects. Further, European Investment Bank has signed a long-term loan of 150 million euros with IREDA to finance clean energy projects in India.

The ISA, an association of solar-resource-rich countries, launched by the governments of India and France, aims at mobilising $1,000 billion in funds by 2030. The alliance intends to make joint efforts through various policy measures, such as an international credit enhancement mechanism that is expected to de-risk investments and reduce the cost of financing for solar projects. The ISA member countries, in collaboration with the United Nations, the Green Climate Fund, multilateral development banks, investors, insurers, private financial institutions, and other interested stakeholders will finance solar projects.

Favourable technology

New developments are making solar power more efficient, affordable, and versatile. Various technological advancements have led to significant improvements in solar panel efficiency, cost reductions, and increased deployment flexibility, making solar power an increasingly attractive and accessible energy source.

Solar technology is evolving every year and prices of modules are decreasing, for both mono-facial and bifacial modules. As a result, bifacial modules are preferred even in utility-scale projects. The global PV industry is moving towards monocrystalline cell technology from polycrystalline cells. The share of monocrystalline technology is now about 84% (compared with 66% in 2019) of total crystalline silicon (c-Si) production. The performance ratio has also been improved in the 80-90% range. The c-Si segment is expected to grow substantially due to c-Si's long life and light weight.

Currently, the solar PV market is predominantly dominated by monocrystalline silicon technology. This is primarily due to its high efficiency levels and competitive pricing. However, ongoing technology innovation in manufacturing processes is crucial to reduce material intensity, especially for critical minerals like silver and copper. These efforts aim to minimize vulnerabilities in the supply chain.

In addition to process improvements, the development of new solar cell designs is essential for achieving further efficiency gains while simultaneously reducing material intensity and manufacturing costs. Multiple companies are actively working on tandem and perovskite technologies. These innovative designs hold the potential to enhance the performance of solar cells. However, additional investment in R&D will be required to bring these technologies to full commercialization.

Figure 36: Existing vs upcoming technologies

	Mono PERC	TOPCON	HJT
Initial capex	$ 31-38 mn./ GW	$ 38-46 mn./ GW	$ 69-75mn./ GW
Efficiency	22-23%	23-24%	23-25%
Losses and Damages	p-type Mono Perc cells are prone to LID and PID losses. Such losses are high compared to peers	PID and LID losses in Topcon are lower compared to Mon o PERC, bit higher compared to HJT	Not prone to PID and LID losses, since general cell construction is n-type

Note: Initial capex for module manufacturing lines pertains to Chinese set-ups.
Potential Induced Degradation (PID) and Light Induced Degradation (LID)
Source: Industry, CRISIL MI&A Consulting

In the coming years, it is expected that more advanced cell designs such as heterojunction (HJT), TOPCon, and back contact will gain greater market shares. These cell designs hold the potential for achieving additional efficiency gains in solar panels.

In addition, there are ongoing considerations for mass manufacturing of multilayer and tandem silicon-perovskite or silicon-CdTe hybrid solar panels. These innovative solutions have the potential to significantly increase cell efficiency, surpassing the

30% mark, while maintaining competitive production costs and promise to make solar power an even more compelling and sustainable energy solution in the years to come.

Presence of large global players in the solar industry

The Indian solar energy sector has been spearheaded by major corporate entities such as Adani, Tata Power, ReNew, NTPC in India. In addition, global firms such as Total Energies, Fortum, Eden have demonstrated considerable interest in the Indian solar market. They have entered the sector through partnerships or by acquiring stakes in the leading domestic players assets.

In its early stages, the Indian solar industry witnessed significant involvement from well-established global players that made substantial contributions to its growth. Companies like First Solar, SoftBank, SunEdison strategically ventured into the market, investing in the development of large-scale solar projects. Their contributions have been instrumental in augmenting the overall capacity of the solar sector in India.

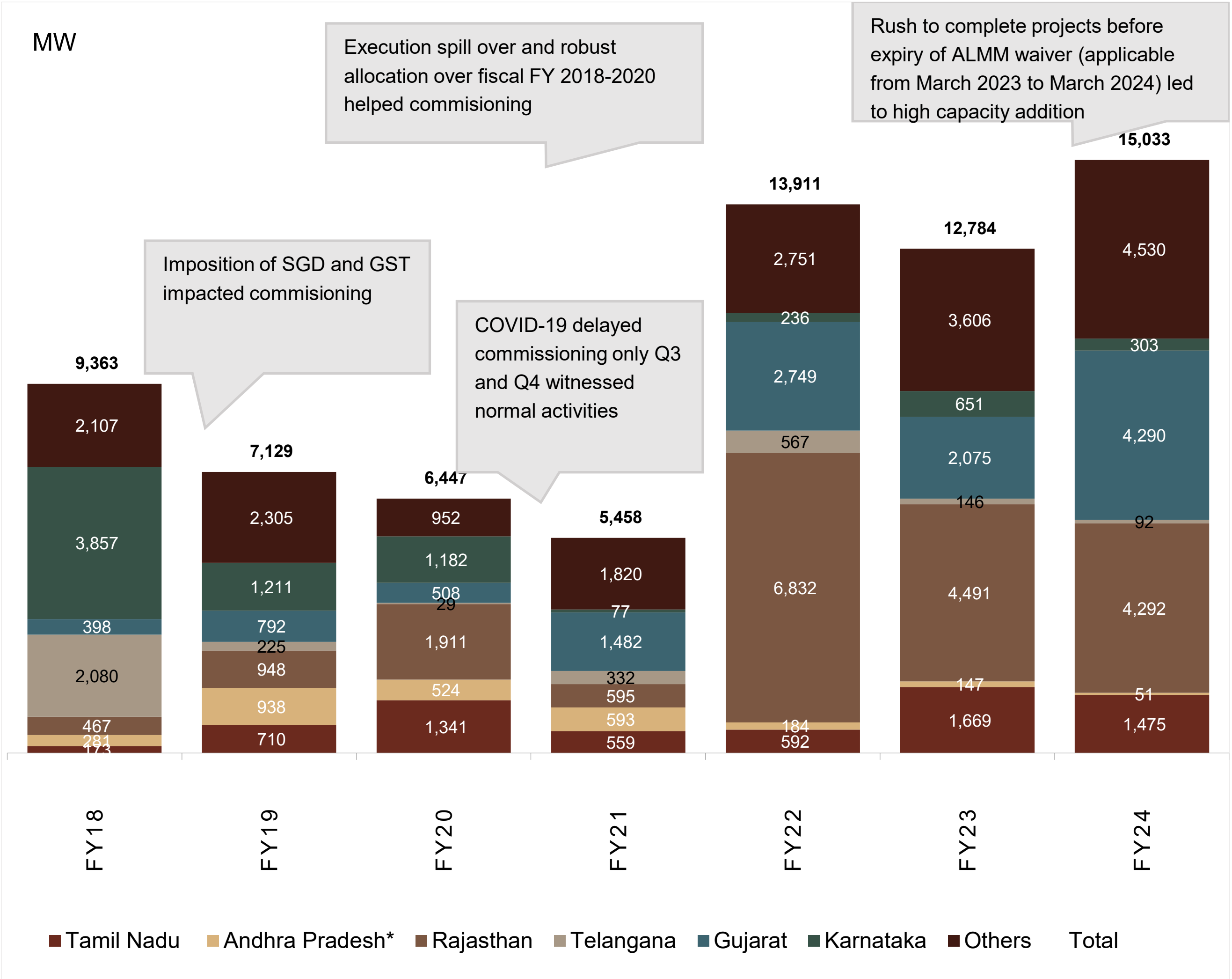
Furthermore, there are some of the large private equity groups such as Goldman Sachs, Actis, who are actively investing in the RE firms further fostering the development and expansion of the sector. Their financial support and strategic initiatives have played a pivotal role in propelling the Indian solar energy market towards greater sustainability and efficiency.

Review of solar capacity additions in India (fiscals 2018 – 2024)

The GoI imposing solar RPOs across Indian states in 2011, coupled with the sharp drop in capital costs, led to most states releasing solar polices. This resulted in a spur in solar sector investments. Till fiscal 2012, only Gujarat and Rajasthan had state solar policies. After the success of Gujarat's solar policy, other states such as Andhra Pradesh, Tamil Nadu, Karnataka, Madhya Pradesh, and Telangana introduced their respective solar polices.

During fiscals 2018-2024, ~70 GW of solar capacity has been commissioned compared with the expected commissioning of 60-65 GW. Despite the second pandemic wave, ~14 GW of solar capacity was added in fiscal 2022. The momentum continued in fiscal 2023, with robust solar capacity additions of ~13 GW and ~15 GW in fiscal 2024.

Figure 37: States that helped drive solar capacity addition in India



Commissioning activity has been concentrated in the key states of Rajasthan, Gujarat, and Tamil Nadu, where of ~8 GW capacity was added in fiscal 2023; ~65% share was concentrated in these three states combined. In the previous fiscal as well, the installation trend was driven by the same states.

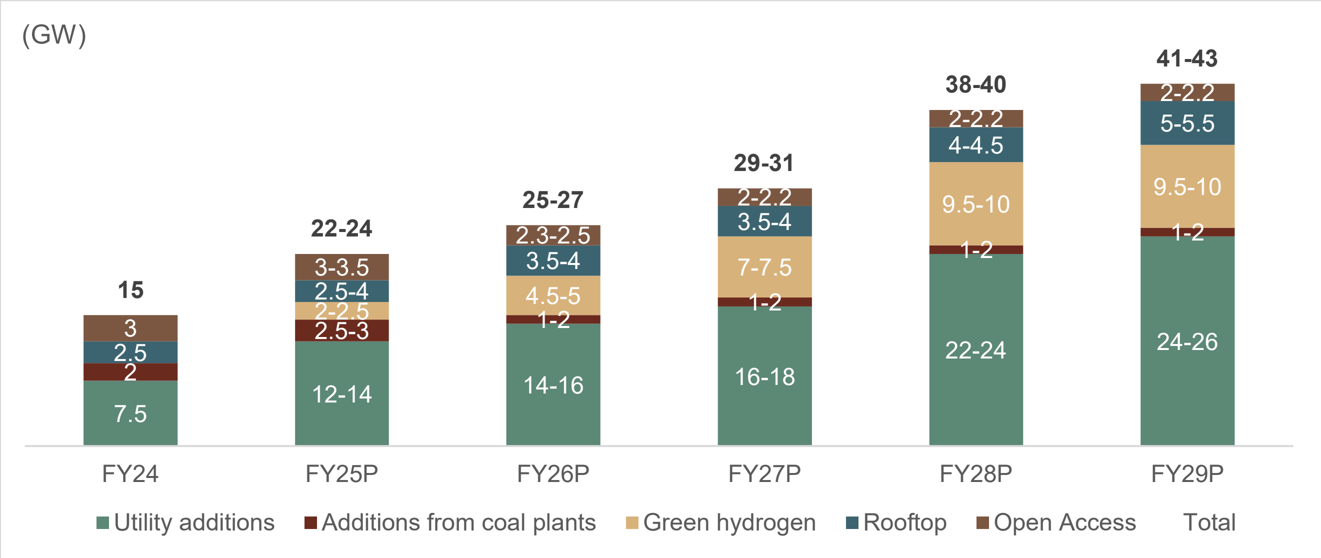
Scheme-wise commissioning was driven by several large projects under SECI ISTS hybrid 1200 MW tranche-I, SECI ISTS hybrid 1200 MW tranche-II, SECI ISTS 2000 MW Tranche IX, SECI 2000 MW CPSU Tranche-I and CPSU scheme Phase-II Tranche I, which got commissioned in the third quarter of the previous fiscal.

Outlook on solar capacity additions in India (fiscals 2024 – 2029)

Solar sector growth in India primarily spurred by robust government backing, demonstrated through an aggressive tendering strategy. Some of the key catalysts include technological advancements, affordable financing, supportive policies, thrust on go-green initiatives/sustainability targets, cost optimisation due to increased grid electricity tariffs, subsidy initiative (specially in rooftop solar) and various incentives such as ISTS charge waiver.

CRISIL MI&A-Consulting expects 125-130 GW of solar capacity additions over fiscal 2025-2029 which will lead to a cumulative solar capacity of ~205-210 GW.

Figure 38: Solar capacity additions of 125-130 GW expected over fiscals 2025-2029



Source: CRISIL MI&A-Consulting

Potential long term growth drivers

- **NSM**: The entire NSM Phase II Batch II Tranche I of 3,000 MW has been commissioned. Under NSM Phase II, Batch III and Batch IV, SECI through its state-specific viability gap scheme (VGF) has tendered out ~7 GW of capacities, most of which has been completed.

- **Other central schemes:** The SECI has also started tendering projects outside the JNNSM Batch programme. It initiated the ISTS scheme, wherein projects are planned for connection with the ISTS grid directly. Under this, the SECI has already allocated ~23 GW (including hybrid) while 6 GW is tendered.

- **State solar policies**: ~25 GW of projects are under construction and are expected to be commissioned over fiscals 2025-2029. Based on tendered capacities by states at the end of March 2024, a further ~9.5 GW worth of solar projects is expected to be up for bidding over the coming months.

- **PSUs:** The Central Public Sector Undertaking (CPSU) programme under JNNSM has been extended to 12 GW in February 2019. The government is also encouraging cash-rich PSUs to set up renewable energy projects. In particular, NTPC has already commissioned a total of over ~2,120 MW of capacities, allocated ~5 GW, and tendered a further ~1 GW, under various schemes. It has a target of installing ~35 GW of renewable energy capacities by fiscal 2028. Similarly, NHPC had allocated 2 GW of projects in 2020, while the Indian Railways has committed to 20 GW of solar power by 2030. Other PSUs such as NLC, defence organizations, and governmental establishments are also expected to contribute to this addition.

- **Rooftop solar projects:** CRISIL MI&A Consulting expects 19-21 GW of rooftop solar projects (under the capex and opex mode) to be commissioned by fiscal 2029, led by industrial and commercial consumers under net/gross metering schemes of various states and by the residential consumers through the Surya Yojana scheme.

- **Open-access solar projects:** CRISIL MI&A Consulting expects 10-12 GW of open-access solar projects (under the capex and opex mode) to be commissioned by fiscal 2029, led by green energy open access rules 2022, sustainability initiatives/RE 100 targets of the corporate consumers, better tariff structures and policies of states such as Uttar Pradesh and Karnataka, which are more long term in nature.

- **Push for Green hydrogen:** Production for green hydrogen is expected to start from fiscal 2026 with production of 0.5-1 million tonnes of production. Government has set the target production of 5 million tonnes of green hydrogen by 2030. As per announcement, CRIISL MI&A Consulting expects 2.5-3 MTPA of green hydrogen to commission which can lead to further upside of solar capacity of 34-38 GW, by fiscal 2029. However, since developers may tie-up via grid / open access and not go to the captive route generation under this segment will remain a monitorable.

Issues/factors that are likely to hinder growth in solar capacity additions

Regulatory impasse slows down momentum

Over fiscals 2018-2021, while previously tendered capacities continued to commission apace, certain risks to future project implementation appeared. These have been outlined in detail in the below sections.

The safeguard duty imposition hit project costs by ~10% and consequently raised bid tariffs. Even though exemption via a change in the law is available as an option for projects already bid out prior to the duty, it is a long and arduous regulatory process that the developers have to follow. Similarly, the announcement of BCD imposition effective April 1, 2022, has led to a 20-25% rise in costs.

Supply-side disruptions, additional taxes, and other intermittent hurdles like the GIB (Great Indian Bustard) litigation have often led to a pile-up of tenders in the market or an increase in bid tariffs leading to the prolonged time taken to sign power sale agreements with distribution utilities.

Robust allocations over fiscals 2018-2020 propped up a healthy pipeline for commissioning over fiscals 2023 and 2024, where fiscal 2021 remained a weak year due to the pandemic-related halt to activities. However, allocations and consequent addition to the pipeline has turned weaker post-fiscals 2018 and 2019, comparatively, as allocation gets delayed.

Land availability

Land acquisition is difficult, considering that average land holding in India is small at 1.16 hectares (NABARD 2014); to acquire large tracts of land in a single location, many stakeholders have to be involved which slows down the pace of project execution. The central and state governments have taken the following measures to speed up the land acquisition process.

Government has planned to prepare land banks for 40,000 MW (enhanced from 20,000 MW earlier in March 2017) of solar projects spread across 25 states in India, under its Solar Park Policy released in September 2014.

Under this policy, a state designated nodal agency (SNA) will construct solar parks of 500-1,000 MW size each in association with either SECI or a PSU or in a joint venture with a private developer under PPP model. The central government will provide budgetary support of Rs. 20 lakh/MW to the entity undertaking the solar park projects with all necessary infrastructures like land, transmission, roads, drainage, water, and warehousing.

Availability of transmission Infrastructure

Large-scale, grid-connected solar plants are usually located in far-flung areas devoid of transmission infrastructure. Thus, robust transmission planning to optimize costs, utilization levels and losses associated with transmission system, to transmit the power generated from the solar plants to load centers (cities and industrial areas) is critical.

The industry had been raising concerns regarding connectivity for renewable projects. Taking the same into consideration, nodal agencies (PGCIL, SECI) have planned various schemes to alleviate grid congestion and improve connectivity to RE projects.

The grid capacity additions will come under two main schemes, namely the Green Energy Corridor Scheme and Renewable Energy Zones (REZ), both of which were to be implemented by FY'22, but timelines are now delayed. This would add ~80 GW of transmission grid capacity to an existing ~24 GW, taking grid capacity planned for RE integration to ~100 GW.

The Green Energy Corridor (GEC) scheme is aimed at developing specific evacuation corridors for renewable energy in key renewable rich states. The government has planned to integrate renewable energy into the national grid by setting up inter-state and intra-state schemes for evacuation of power from wind and solar projects, termed as 'green energy corridors'. The interstate component of the scheme was completed in March 2020 while the intra-state level is facing delayed execution. A total of 8,697 ckm length of transmission lines have been constructed under the intra state scheme as of Nov 2022 with states like Madhya Pradesh, Tamil Nadu, & Rajasthan leading the execution as per the last available information for the scheme. Additionally, cabinet approved intra-state transmission system GEC-II to facilitate grid integration and power evacuation of ~20 GW of renewable energy power projects in seven states Gujarat, Himachal Pradesh, Karnataka, Kerala, Rajasthan, Tamil Nadu and Uttar Pradesh. The transmission systems will be created over a period of five year from fiscal 2022 to fiscal 2026.

PGCIL has also come out with a scheme for setting up grid infrastructure in identified renewable energy zones (REZ). Under this, key areas with concentration of the existing/ planned renewable energy projects have been identified in the western and southern regions of the country. Out of this, 20 GW of grid capacity will be added for solar projects in the western region and 10 GW in the southern region. These would be known as solar energy zones, and 10 GW of this 30 GW will come up in Phase I (December 2020) and the remaining 20 GW in Phase II (December 2021). However, clarity on scheme implementation and progress of the same remains limited as on date.

In conclusion, these schemes give comfort against the estimate of 80-90 GW to be added by fiscal 2027 However, timely execution of planned capacities is key as renewable energy projects take only 1-1.5 years to come online, while transmission capacities would take roughly 2-3 years.

However, grid stability and maintenance charges are going to be a key risk going forward for renewable energy projects. As of March 2023, total installed renewable energy capacity was ~125GW (comprising solar, wind, bio energy and small hydro) out of total ~416 GW power generation capacity in India. However, based on the units supplied, renewable energy's share amounts to only 11-12% of total power supplied. Its share is expected to rise to 25-30% in generation by fiscal 2028, with solar generation estimated to comprise 13-15%. This may result in grid instability due to the variable nature of generation of power from renewable energy sources. Hence, renewable generation may have to be backed down to maintain grid stability.

To address the issue of grid variability, the government has started taking measures such as planning and deploying electricity generation reserves; augmenting transmission infrastructure; creating technical standards and regulations for renewable energy generators; introducing features such as low-voltage ride through (LVRT) and high-voltage ride through (HVRT); setting frequency thresholds for disconnection from the grid; and finalizing regulations for active and reactive power generation. Further, the government is planning ancillary services to support electricity grids. These services, regulations and charges will be partly shared between generators as their direct costs and by consumers as pass-through costs.

Moreover, under/over injection of power beyond the limits of forecasted schedule will attract penalties, which will hike grid maintenance charges. Several states have also started releasing Forecasting and Scheduling Regulations to start implementation of the same. This may add to costs for developers going forward.

Availability of funds for projects

Given the capital-intensive nature of solar power projects, cost of capital plays an important role. In the past, high domestic interest rates, lower re-payment tenure and inadequate and delayed capital subsidy increased the minimum tariffs required to achieve healthy internal rate of returns (IRR).

But recently, the reduction in marginal cost of funds-based lending rate (MCLR), coupled with opening up of other financing avenues, helped players reduce their cost of capital. Also, interest rate across the globe have been on the declining trend since pandemic hit however trend has reversed recently with rates going up to fight the inflation.

Over fiscal 2019 and 2020, interest rates were higher due to several macro factors at play. However, with no changes in interest rate by RBI from the second quarter of fiscal 2021, the MCLR has remained stable after a sharp decline. The low-interest rate regime has been reversed in fiscal 2023, due to a gradual increase in repo rates by RBI to increasing tackle inflation.

Traditionally, domestic lenders have been risking averse towards lending to the sector due to much stress witnessed in the conventional power segment and assuming the same may happen for renewable energy. Past incidents of renegotiations and delayed payments by counterparties have also caused some concern among lenders. They are also hesitant to lend, due to the aggressive bidding seen previously and the regulatory uncertainty currently prevailing in the market. However, with over the past two fiscals, with a push from the government to achieve nationwide clean energy targets and ESG-related targets for lenders themselves, traction has improved from domestic lenders, including PSUs, in funding to the segment.

A weaker rupee has also led to higher hedging costs adding cost pressure to any ECB or green bond issuance. Frequent policy changes and lack of clarity would also lead to hesitance amongst global investors to enter / fund the sector as previously. This is highly detrimental to the growth of the sector which requires significant equity over the coming years to continue supporting additions.

Going forward, solar developers will have to access to broader spectrum of cheaper financing options in addition to prudent capital management to sustain over the long term. However, at present fund availability may be a concern for few projects where viability is sub-par or those facing project implementation issues as the solar sector in India is still maturing.

SBI has taken several measures to support renewables in the country. It has committed Rs 750 billion in debt funding over the next five years to 15 GW of renewable energy projects, in addition to securing $625 million of credit from the World Bank at a concessional rate to support viable grid-connected rooftop solar PV projects. The European Investment Bank has also committed to provide euro 200 million at a concessional rate (LIBOR plus 0.99 percentage point) to fund solar projects under the National Solar Mission across India. Other banks and NBFCs are also actively supporting the sector with banks like Yes Bank, Axis and IDFC going for bond issuances (green bonds) to procure funds for financing renewable energy in the country.

Multilateral funding agencies such as Asian Development Bank (ADB) and International Finance Corporation (IFC) and various other private equity funds are funding many solar projects, even at concessional credit terms.

Government financial institutions such as PTC India Ltd, Rural Electrification Corporation (REC) and IREDA are financing many solar projects. Many entities active in the sector are utilizing diverse areas of fund-raising such as green/masala bond issuances, plans to use infrastructure InvITs and the listing on global exchanges such as the Alternate Investment Market (London) or the NASDAQ to lower cost of capital in their quest to become more competitive. An estimated USD 16.9 billion worth of green bonds have been raised by Indian entities till date (September 2022), raised by both corporate and financial institutions. However, the purpose of these funds has been not only growth capital but also refinancing of existing debt. Nevertheless, this does provide an option to developers to raise lower cost debt later in the lifecycle of assets once they are operational.
Consequently, while there are ways to lower the cost of debt for developers, players would have to actively manage the same

as a rising interest rate regime and other factors as detailed above causes an impact on borrowing costs. This remains a key monitorable for the sector.

Other risks and monitorable

Apart from the tendering and allocation speed there are other issues impacting the sector's outlook.

- **Revision in GST rates from 5% to 12% leads to increased costs for solar project developers, leading to consequent increased tariffs for solar:** GST rate revisions from 5% to 12% in October 2021 for solar project components adds to the cost pressure, where module prices have already surged in the past fiscal coupled with the imposition of a 40% BCD on imported make modules.

- **ALMM order poses a risk to ~8-9 GW of solar projects if the planned capacity expansion gets delayed:** The Approved List of Models and Manufacturers (ALMM) order, which applies to bids made after April 10, 2021, mandates the use of domestic modules for government and government-assisted projects under government schemes and programs. "Government" includes both central and state government entities, CPSUs, PSUs, and central/state organizations. These projects, which are put out for bids after April 10th, were to be commissioned post-June 2023. As of fiscal 2024, the operational capacity of domestic module technology is approximately 57 GW. Nevertheless, even with this expansion, there will still be reliance on imports. A silver lining in the form of extension of ALMM abeyance to further years, the notice of which has still not been received might prove to be a way to commission delayed projects next fiscal year. According to CRISIL MI&A Consulting estimates, between fiscal years 2025-2029, approximately 125-130 GW is expected to be added, implying an annual module requirement of approximately 40-44 GW when considering 40% DC overloading.

- **PLI scheme encouraging the domestic manufacturing industry will witness a fresh round of allocations:** As per CRISIL MI&A Consulting estimates, estimates, ~55-62, GW of module capacity is expected to be added by fiscal 2029 due to the boost from PLI. Also, the Rs 12,500 crore allocation specifically assigned to backward integrated setups out of the remaining Rs 19,500 crore would encourage the setting up of the entire value chain in the domestic solar manufacturing market. Effective implementation of the same is needed to ensure domestic supply chain robustness.

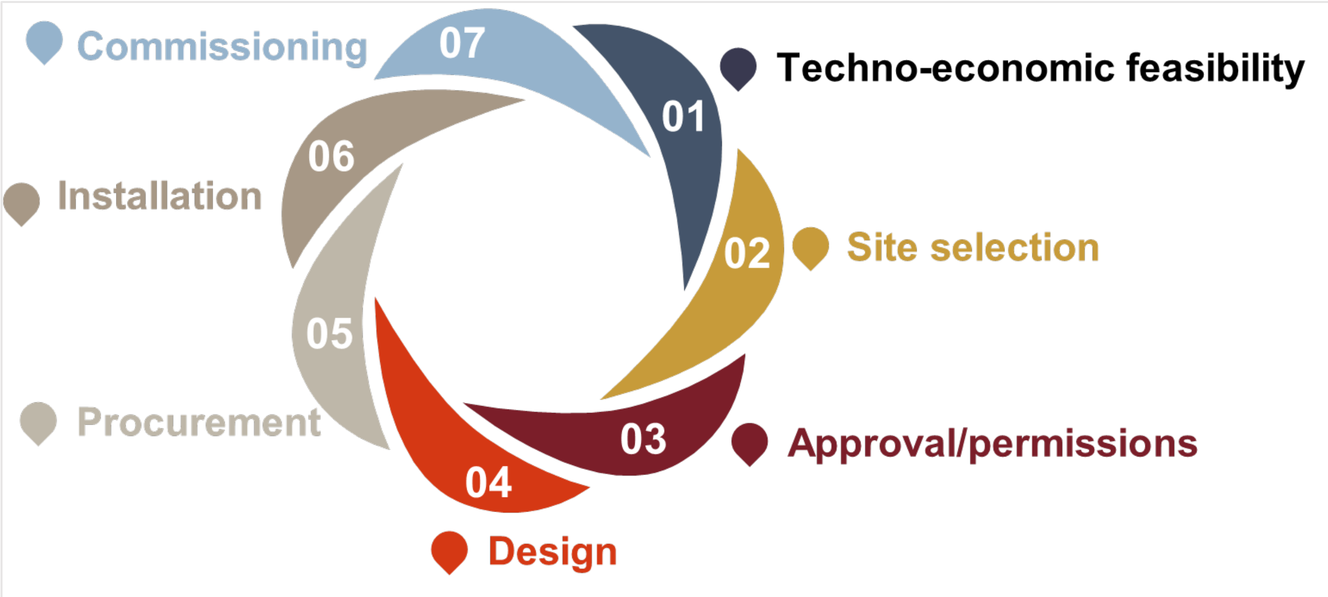
- **Litigation over transmission equipment impeding the Great Indian Bustard (GIB):** Supreme Court (SC) has ordered to lay the transmission lines underground in the GIB affected area which is a challenge for developers as they need to incur an additional ~ INR 4 billion expenses & this could impact the under-construction RE projects in the state of Rajasthan & Gujarat to the tune of ~20 GW. Finally, as per the SC order dated 20th April 2022, projects in Rajasthan & Gujarat need to install bird diverters before July 20, 2022, however, final decision on which areas at which projects is still to be finalized.

Development of solar power project

Process of setting up solar plant

The process of setting up a solar power plant in India can be broken down into the following steps:

Figure 39: Flow of setting up a solar power plant



Source: Industry, CRISIL MI&A Consulting

1. **Techno-economic feasibility:** This is the first step wherein the viability of the Project is determined at the proposed location. This step typically involves assessment of the study of solar irradiance, land area required, cost of installation, O&M requirements etc.

2. **Site selection:** Once the techno-economic feasibility study is completed, the next step is to select suitable site for Project. It is imperative that the proposed site should have good solar irradiance, access to sun slight, availability of level ground land, with sufficient water resources nearby and have the required land area required for project development.

3. **Approvals/permissions:** After selecting the site, the next step is to obtain necessary approvals/permissions from the relevant government authorities. The kind of approvals/permissions would depend on the size and type of project being developed.

4. **Design:** While permits/approvals are in process, the design of the solar plant can be started. The design will involve the appropriate size of the plant, type and size of the solar modules, lay out of the plant etc. This also involves selection of various equipment required for smooth operation of the plant.

5. **Procurement:** The Solar Power Systems are procured on turnkey basis (entire package is given to an agency) or the project proponents procure modules and gives BOS and installation contract to an agency. The solar systems require number of equipment and parts from local as well as international suppliers. The procurement of solar panels, batteries, inverters, safety equipment, mounting structures and other electro-mechanical components is carried out by experts in the respective areas since it is a technical process involving standards, technical specifications depending on the size and type of installation.

6. **Installation:** Once the procurement orders are placed, the suppliers start supplying the materials to the site locations as per the delivery schedule. This can be from 12-18 months depending on the size of the Plant. The next step is mounting the solar planets on the prepared site. Subsequently, the electric wiring to the solar panels gets completed. Inverters are also placed at suitable places to convert DC power generated by solar panels into AC power for end use of residential as well as commercial/industrial purposes. If required, battery backup is also installed depending on the type of project and requirements.

7. **Commissioning:** After installation, the solar plant is connected to the Grid. This will involve multiple government agencies such as electrical inspector, local transmission and/or distribution company. Prior to the Grid connection, necessary approvals/consents are required from the relevant government authorities. Once, the Plant is connected to the Grid, it needs to be commissioned so as to ensure that it is functioning properly.

List of documents that may be required prior to setting up a solar power plant are listed below-

Sr. No.	Document Type	Sr. No.	Document Type
1	Industrial clearance	7	Clearance from Environment/ Forest Department (if forest land involved)

Sr. No.	Document Type	Sr. No.	Document Type
2	Land conversion clearance (agricultural to non-agri)	8	Power evacuation arrangement/ permission letter from discom
3	Environment Clearance Certificate from state Pollution Control Board	9	Confirmation of metering arrangement and location
4	Contract Labour License from state Labour Department	10	ABT meter type, manufacturer detail, other details for energy metering
5	Fire Safety Certificate from Fire Department	11	Proposed model and make of plant equipment
6	Approval of Chief Electrical Inspector	12	Connectivity diagram and single-line diagram of the plant

Source: Industry, CRISIL MI&A Consulting

Major players in solar energy landscape

The solar power sector is characterized by aggressive competition given its attractiveness owing to strong government support. Additionally, there has been active participation from players with diverse profiles ranging from large domestic conglomerates, international energy producers/utilities to small regional players. Adani Green Energy leads the pack with the largest pipeline of solar projects followed by ReNew Power and Azure Power. Under the 12 GW allocated under SECI's manufacturing-linked solar tender, Adani and Azure had won 8 GW and 4 GW, respectively.

Table 14: Key players in the solar sector based on installed capacity

Sr. No.	Player	Presence	Solar Capacity (MW)
1.	Adani Green Energy	Utility Scale: Yes CPP: No C&I: No	Commissioned: 7,393 Planned: 16,802
2.	ReNew Power	Utility Scale: Yes CPP: Yes C&I: Yes	Commissioned: 4,500 Planned: 4,000
3.	NTPC	Utility Scale: Yes CPP: No C&I: No	Commissioned: 3,329 Planned: 9,550
4.	Azure Power	Utility Scale: Yes CPP: No C&I: Yes	Commissioned: 2,955 Planned: 4,546
5.	Tata Power	Utility Scale: Yes CPP: Yes C&I: Yes	Commissioned: 3,490 Planned: 1028
6.	Acme Solar	Utility Scale: Yes CPP: No C&I: No	Commissioned: 1,320 Planned: 1,800
7.	Avaada	Utility Scale: Yes CPP: Yes C&I: Yes	Commissioned: 4,430 Planned: 8,473
8.	Greenko	Utility Scale: Yes CPP: No C&I: No	Commissioned: 2,175 Planned: 2,000
9.	Ayana Renewables	Utility Scale: Yes CPP: No C&I: No	Commissioned: 1,330 Planned: 1,850
10.	KPI Green	Utility Scale: Yes CPP: Yes C&I: Yes	Commissioned: 445+ Planned: 1200+
11.	O2 Power	Utility Scale: Yes CPP: No C&I: Yes	Commissioned: 1,116 Planned: 1,570

As on 31st March 2024
CPP: Developers offer equity stakes (mostly 26% as per Rules)
C&I: 3rd Party open access
Source: Company reports, CRISIL MI&A Consulting

Risks related to set-up of solar power projects

With a large quantum of the pipeline already in place for solar/ wind only projects, nodal authorities are now resorting to issue tenders, which improve the quality of power supplied to off-takers. Some key changes were made to tender structures with respect to the generation profile available from RE plant and the ability to match demand requirements of the off taker.

Three new tender structures have been issued so far to solve the above aspects – assured peak power supply (PPS), RTC, and the relatively newer firm and dispatchable RE (FDRE). A key feature across these tenders is the increase in the quantum of generation, which was required to be supplied and the PPS tender for stipulating the power to be provided during peak hours. The PPS tender also mandated the use of storage, as that would be essential to supply power during peak hours. The government has released four FDRE tenders of over 2.5 GW across Haryana, Madhya Pradesh, and Punjab since then.

Under FDRE, the project developer is required to supply RE power in a Firm and Dispatchable manner, matching the demand profile(s) provided by the Buying Entity. To provide firm power, developers are required to install mandatory energy storage system (either battery energy storage system or pumped hydro storage system) which are charged through renewable energy and discharged as per power requirement of buying entities. Further, to meet the energy obligations under the power purchase agreements developers generally install higher renewable energy capacity than the contracted capacity.

Modelling the above three tender structures with assumptions, coupled with industry interactions, CRISIL MI&A Consulting believes that the higher generation quantum mandated by these newer tenders could either be met using storage components or scaling up the plant capacity, i.e., setting up the plant of capacity larger than its rated capacity.

This has resulted in the expected tariff ranges required to maintain equity IRRs of 12-14%, which are currently seen in regular tenders, to be higher approaching the range of Rs. 3.0 to 5.0/kWh. This increase will mainly be driven by higher capital and operating costs resulting from either the inclusion of a storage element or the need for higher capacity. A few structures are outlined below:

Figure 40: Higher tariff range at Rs.3-5 /kWh in hybrid tenders

Tendered
Allocated

	Peak power supply	Round the clock	Bundled-Thermal and RE	Firm Power (FDRE)
Tariff Range	Rs.4.0-4.5/kWh	Rs.4.5-4.8/kWh	Rs.2.69-2.70/kWh	Rs.4.38-5.59/kWh
Player participation (Capacity auctioned)	NTPC, Ayana Power, Sprng Energy, ACME Cleantech (2.1 GW)	ReNew Power, ACME, Hero Energies, Amp Energy (1.2 GW))	Avaada Energy & ReNew Power (0.5 GW)	Acme, Juniper, Tata, Renew
FY24* Share of total (Tendered)	15%	12%	6%	20%
FY24* Share of total (Allocated)	0%	46%	0%	55%

**FY24 as on December 2023*
Source: SECI, CRISIL MI&A Consulting

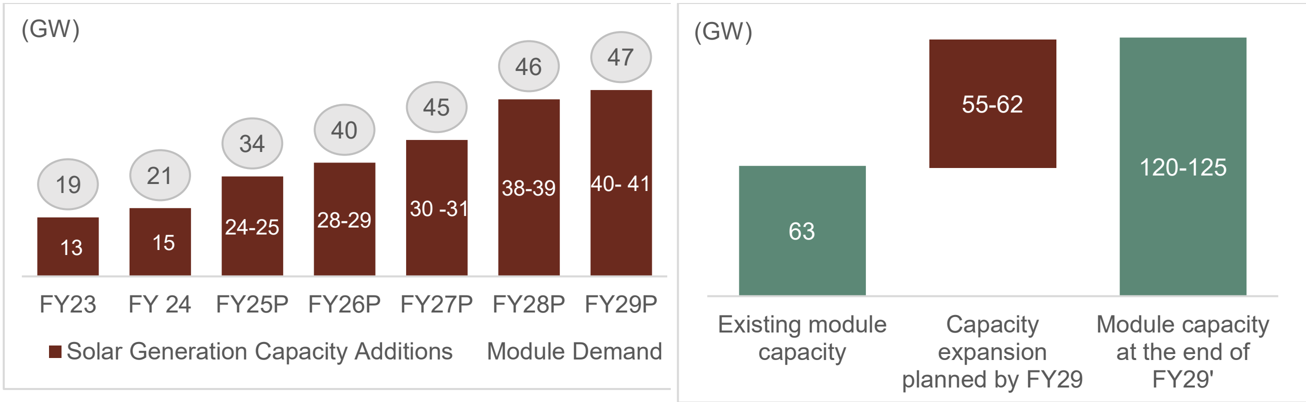
This may lead to allocations being larger in size, but more concentrated in terms of developers and/or locations/types.

a. Revision in the GST rate from 5% to 12% in October 2021 for solar project components has added to the cost pressure, where module prices have already surged last fiscal, coupled with the imposition of a 40% BCD on imported modules.

b. The Approved List of Models and Manufacturers (ALMM) order, which applies to bids made after April 10, 2021, mandates the use of domestic modules for government and government-assisted projects under government schemes and programs. "Government" includes both central and state government entities, CPSUs, PSUs, and central/state organizations. These projects, which are put out for bids after April 10th, are likely to be commissioned post-June 2023. As of fiscal 2023, the current operational capacity of new domestic module technology is approximately 20 GW. However, it is expected to increase to approximately 27-31 GW by the end of fiscal 2024 if the planned expansions are successful. Nevertheless, even with these additions, there will still be reliance on imports. A silver lining in the form of ALMM abeyance for projects commissioned before March 2024 will prove to be the most effective way to commission delayed projects in this fiscal year. According to CRISIL MI&A Consulting estimates, between fiscal years 2025-20294, approximately 120-125 GW is expected to be added, implying an annual module requirement of approximately 40-44 GW when considering 40% DC overloading.

c. However, should the planned expansion for this fiscal year be further delayed, CRISIL MI&A Consulting believes that approximately 8-10 GW of projects will face high risk, as none of the key global supplier players are part of the ALMM list. Furthermore, the absence of an ALMM abeyance extension in fiscal 2025, coupled with the absence of foreign manufacturers, can hinder the pace of these additions.

Figure 41: Demand-supply dynamics for solar modules



P: Projected, Source: Company reports, CRISIL MI&A Consulting

d. PLI scheme encouraging the domestic manufacturing industry will witness fresh allocations

e. As per CRISIL MI&A Consulting estimates, ~55-62, GW of module capacity is expected to be added by fiscal 2029 due to the boost from PLI. Also, the Rs 12,500 crore allocation specifically assigned to backward integrated setups out of the remaining Rs 19,500 crore would encourage the setting up of the entire value chain in the domestic solar manufacturing market.

f. Litigation over transmission equipment harming GIBs: The Supreme Court (SC) has ordered that transmission lines be laid underground in the areas where GIBs are found, which is a challenge for developers, given that they will need to incur an additional ~ Rs 4 billion in expenses, and this could impact under-construction RE projects in Rajasthan and Gujarat to the tune of ~20 GW. Finally, as per the SC order dated April 20, 2022, projects in Rajasthan and Gujarat were required to have bird diverters installed before July 20, 2022; however, final decision on which areas and which projects is still to be finalized. Other issues also exist, wherein overall policy coherence from the government is imperative. While policies under other government agencies, in addition to renegotiation cases in states such as Andhra Pradesh and long payment delays seen by the sector so far have created much confusion, the government has also provided significant support in terms of allocations and incentives.

For instance, clarification on GST procedures and their implementation for solar projects, and the quick guidance on the extension of commissioning timelines for pandemic relief as allowed by the MNRE for another five months in August 2020 were quick support measures by government entities.

Overall, the outlook for the sector is positive as the government remains focused on clean energy goals. Further, the June 2018 and July 2021 amendments by the MoP have provided a fillip for the renewable energy market in India:

- The July 2021 amendment waived off the interstate transmission charges and losses on solar power for projects that are granted extension of the SCOD on behalf of the government, provided these are commissioned no later than the extension date beyond June 30, 2025. However, as per the order dated November 23, the waiver on ISTS charges for renewable energy would be phased out gradually beginning June 30, 2025. ISTS charges levied would increase 25% annually till June 30, 2028, by when, 100% of the charges would be applicable. This would have some negative impact post the aligned period on the open access and utility interstate transactions as it would raise costs. Waiving of interstate charges also allows for large industrial consumers to offset their RPO requirements by executing long-term power purchase contracts from solar capacities located far away from the consumption centre. This will also help consumers reduce their power bills considerably, given that presently, the price of competitively bid solar projects is lower than the tariffs charged by discoms for industrial consumers.

g. Land acquisition, transmission infrastructure, and fund availability critical to successful implementation of solar projects

Following are the key constraints to solar capacity growth:

Land availability

Land acquisition is difficult, considering that average land holding in India is small, at 1.16 hectares (NABARD 2014); to acquire large tracts of land in a single location, many stakeholders need to be involved, which slows down the project execution pace. The central and state governments have taken the following measures to accelerate the land acquisition process.

The government has planned to prepare land banks for 40,000 MW (enhanced from 20,000 MW earlier in March 2017) of solar projects spread across 25 states in India, under its Solar Park Policy released in September 2014.

Under this policy, a state-designated nodal agency (SNA) will construct solar parks of 500-1,000 MW size each, in association with either SECI or a PSU or in a joint venture with a private developer under the PPP model. The GoI will provide budgetary support of Rs 20 lakh/MW to the entity undertaking the solar park projects with necessary infrastructure such as land, transmission, roads, drainage, water, and warehousing.

Currently, 25 states, including Andhra Pradesh, Madhya Pradesh, Gujarat, Rajasthan, Uttar Pradesh, Karnataka, Telangana, West Bengal, Chhattisgarh, Tamil Nadu, Jammu and Kashmir, and a few north-eastern states have started preparing land banks for solar parks, through either their own implementing agencies or joint ventures with SECI. As of February 2022, 56 solar parks with an aggregate capacity of 38.2 GW have been approved in 15 states.

The GoI and World Bank have signed a $98 million loan agreement and $2 million grant agreement in November 2017. The said funds will be used to fund solar park infrastructure in various states via IREDA under the MNRE’s solar park implementation scheme. The first two solar parks to be supported were in the Rewa (750 MW) and Mandsaur (250 MW) districts of Madhya Pradesh. The agency is also looking at other solar parks in the country in Odisha, Haryana, and Chhattisgarh, among other states. Previously, the World Bank had also provided $25 million to develop the transmission infrastructure for the Rewa solar park on concessional loan terms.

Availability of transmission infrastructure

Large-scale, grid-connected solar plants are usually located in far-flung areas devoid of transmission infrastructure. Thus, robust transmission planning to optimise costs, utilisation levels, and losses associated with transmission systems, and transmit the power generated from the solar plants to load centres (cities and industrial areas) is critical.

The industry had been raising concerns regarding connectivity for renewable projects. Considering this, nodal agencies (PGCIL, SECI) have planned schemes to alleviate grid congestion and improve connectivity to RE projects.

The grid capacity additions will come under two main schemes, namely the Green Energy Corridor Scheme and Renewable Energy Zones (REZs), both of which, were to be implemented by fiscal 2022, but the timelines are now delayed. This would add ~80 GW of transmission grid capacity to an existing ~24 GW, taking the grid capacity planned for RE integration to ~100 GW.

The GEC scheme is aimed at developing specific evacuation corridors for renewable energy in key renewable-rich states. The government has planned to integrate renewable energy into the national grid by setting up interstate and intra-state schemes for the evacuation of power from wind and solar projects, termed as green energy corridors. The interstate component of the scheme was completed in March 2020, while the intra-state component is seeing delays in execution. A total of 8,651 ckm length of transmission lines have been constructed under the intra-state scheme as of October 2022, with Madhya Pradesh, Tamil Nadu, and Rajasthan leading the execution as per the last available information for the scheme. Additionally, the cabinet approved intra-state transmission system GEC-II to facilitate grid integration and power evacuation of ~20 GW of renewable energy power projects in Gujarat, Himachal Pradesh, Karnataka, Kerala, Rajasthan, Tamil Nadu, and Uttar Pradesh. The transmission systems will be created over fiscals 2022 to 2026.

PGCIL has also come up with a scheme for setting up grid infrastructure in identified REZs. Under this scheme, key areas with a concentration of existing/planned renewable energy projects have been identified in the country’s western and southern regions. Of this, 20 GW of grid capacity will be added for solar projects in the western region and 10 GW in the southern region. These would be known as solar energy zones, and 10 GW of this 30 GW will come up in Phase I (December 2020), and the remaining 20 GW in Phase II (December 2021). However, clarity on the scheme’s implementation and its progress are limited as on date.

In conclusion, these schemes provide comfort against the estimate of 80-90 GW to be added by fiscal 2027. However, the timely execution of planned capacities is key as renewable energy projects take only 1-1.5 years to come online, while transmission capacities would take 2-3 years.

However, grid stability and maintenance charges are going to be a key risk, going forward, for renewable energy projects. As of September 2022, total installed renewable energy capacity was ~118 GW out of the total ~408 GW power generation capacity in India. However, based on the units supplied, renewable energy's share amounts to only 11-12% of the total power supplied. Its share is expected to rise to 23-24% in generation by fiscal 2027, with solar generation estimated to comprise 12-13%. This may result in grid instability due to the variable nature of generation of power from renewable energy sources. Hence, renewable generation may have to be backed down to maintain grid stability.

To address the issue of grid variability, the government has started taking measures such as planning and deploying electricity generation reserves, augmenting transmission infrastructure, creating technical standards and regulations for renewable energy generators, introducing features such as low-voltage ride through (LVRT) and high-voltage ride through (HVRT), setting frequency thresholds for disconnection from the grid, and finalising regulations for active and reactive power generation. Further, the government is planning ancillary services to support electricity grids. These services, regulations, and charges will be partly shared between generators as their direct costs and by consumers as pass-through costs.

Moreover, under/over-injection of power beyond the limits of the forecast schedule will attract penalties, which will hike grid maintenance charges. Several states have also started releasing forecasting and scheduling regulations to start the implementation of the same. This may add to costs for developers, going forward.

Availability of funds for projects

Given the capital-intensive nature of solar power projects, the cost of capital plays an important role in project implementation. In the past, high domestic interest rates, lower repayment tenures, and inadequate and delayed capital subsidy increased the minimum tariffs required to achieve a healthy internal rate of returns (IRR).

However, recently, a reduction in the marginal cost of funds-based lending rate (MCLR), coupled with opening up of other financing avenues, helped players reduce their cost of capital. Further, interest rates across the globe have been declining since the pandemic hit; however, the trend reversed recently, with rates going up to fight inflation.

Over fiscal 2019 and 2020, interest rates were higher due to several macro factors at play. However, with no changes in interest rates by the RBI from the second quarter of fiscal 2021, the MCLR has remained stable after having declined sharply. The low-interest rate regime has been reversed in fiscal 2023 due to a gradual increase in repo rates by the RBI in response to increasing inflation.

Traditionally, domestic lenders have been risk-averse towards lending to the sector due to much stress witnessed in the conventional power segment and assuming the same may happen for renewable energy. Past incidents of renegotiations and delayed payments by counterparties have also caused some concern among lenders. They are also hesitant to lend due to the aggressive bidding seen previously and regulatory uncertainty prevalent in the market. However, over the past two fiscals, with a push from the government to achieve nationwide clean energy targets and ESG-related targets for lenders, funding to the segment from domestic lenders, including PSUs, has gained traction.

In addition, even foreign fund raising has seen some impact:

- A weaker rupee has also led to higher hedging costs, adding cost pressure to ECB or green bond issuances.
- Frequent policy changes and a lack of clarity on the same would make global investors wary of entering/funding the sector. This is highly detrimental to growth in the sector, which requires significant equity over the coming years to continue supporting additions.

Going forward, solar developers will have access to a broader spectrum of cheaper financing options, in addition to prudent capital management, to sustain over the long term. However, at present, fund availability may be a concern for a few projects where viability is sub-par or for those facing project implementation issues, given that the solar sector in India is still maturing.

The GoI and other financial institutions have announced the following measures to improve fund availability to support solar capacity additions.

- SBI has taken several measures to support renewables in the country. It has committed Rs 750 billion in debt funding over the next five years to 15 GW of renewable energy projects, in addition to securing $625 million of credit from the World Bank at a concessional rate to support viable grid-connected rooftop solar PV projects. The European Investment Bank has also committed to provide € 200 million at a concessional rate (LIBOR plus 0.99 percentage point) to fund solar projects under the National Solar Mission across India. Other banks and NBFCs are also actively supporting the sector, with Yes Bank, Axis Bank, and IDFC First Bank going for bond issuances (green bonds) to procure funds for financing renewable energy in the country.
- Multilateral funding agencies such as ADB and IFC, and several other private equity funds are funding many solar projects, even at concessional credit terms.
- Government financial institutions such as PTC India Ltd, REC, and IREDA are financing many solar projects.

Many entities active in the sector are utilising diverse areas of fundraising such as green/masala bond issuances, plans to use infrastructure InvITs, and listing on global exchanges such as the Alternate Investment Market (London) or the Nasdaq to lower the cost of capital in their quest to become more competitive. An estimated $16.9 billion worth of green bonds have been raised by Indian entities till date (September 2022), raised by both corporate and financial institutions. However, the purpose of these funds is not only to fund growth capital, but also to refinance existing debt. Nevertheless, this does provide developers an option to raise lower-cost debt later in the lifecycle of assets once they are operational.

Consequently, while there are ways to lower the cost of debt for developers, players would have to actively manage the same as a rising interest rate regime and other factors, as detailed above, impact borrowing costs. This remains a key monitorable for the sector.

Other key risks to which the sector is sensitive are as follows:

- A rise in the capital cost on account of a weakening in the rupee or supply side issues, resulting in expensive imported modules (which account for 55-60% of the total capital cost)
- Further worsening of the financial health of state distribution utilities, which could lead to power offtake issues, as well as potential payment delays/defaults
- Aggressive bidding despite execution challenges

Comparison of solar energy with other power technologies

The sun is the most abundant source of energy on the planet and it's completely replenishable. Compared to this, fossil fuels such as coal & gas are polluting and non-renewable. Solar energy plants do not pollute the environment and take lesser time to build than wind and hydroelectricity power plants. Solar energy plants can be set up anywhere specially in country like India where sunshine is almost available for more than 8-10 months across country. The rooftop or ground mounted, solar plants are easy to operate and maintain.

Even though wind turbine has been on the market since long time, it has some difficulties. The capital cost of wind power generator is much more than solar plants, wind turbines require more maintenance due to its rotating parts and they are also prone to making some noise making it less environment friendly. Further, during peak hours, most of the times, the wind energy will not be available.

While hydroelectricity is an effective source of energy, it is typically generated using large dams, which can be expensive to build. The construction of dams can cause major changes to the surrounding environment, including the ecosystem. These structures can also harm local wildlife, preventing fish from migrating and changing their habitats. Solar PV projects will not have such harms since they are smaller in size and have very little impact on environment.

Generating electricity from biomass has some advantages, as biomass is a renewable resource. However, the environmental benefits of biomass electricity are offset by the energy required to grow and transport the crops to the power plant, which is mostly oil-based.

Fossil fuels are not only a major source of greenhouse gas emissions, but the drilling process also damages the land and water.

One of the environmental benefits of solar power is that it helps to reduce water pollution. Nuclear, natural gas, and coal-fired power plants all require large volumes of water to remove heat during the electricity generation process. Solar energy is a very water-efficient energy source, and it does not compete with other important water uses such as irrigation and drinking water.

With Energy storage solutions, solar can become an affordable energy option for round the clock supply.

Parameter	Solar	Wind	Hydro	Biomass	Coal
Utilization Factor	~20-25%	~25%-30%	~40-45%	70-80%	80-85%
Clean energy	Yes	Yes	Yes	No	No
Time to construct	Less	Moderate	More	Moderate	More
Initial Cost	Moderate	High	Very high	High	High
O&M Cost	Low	High	Low	Moderate	Moderate
Impact of environment	Low	Medium	High	Medium	High
Water requirement for cleaning/cooling purpose	Low	NA	NA	Medium	High

Source: Industry, CRISIL MI&A Consulting

Modes of solar power project operations

In the current scenario, there are five operating business models for solar PV systems energy projects.

a) Sale of power to state discoms through long-term PPAs.

b) Sale of power through long-term PPAs with NVVN and SECI under NSM

c) Sale of power under a bilateral agreement through an open access route

d) Captive consumption of renewable power via open access

e) Sale of power through the Renewable Energy Certificate route

Each model is discussed in detail below:

Figure 42: Synopsis of various business models for ground-mounted solar PV

Business models for ground mounted solar PV system

Mode of operation	Sale to discoms	Sale to central agencies	Bilateral trading of power via open access	Captive/open access captive	Sale under REC mechanism
Objective	Sale of power to distribution utility	Sale of power to trading companies like NVVN, SECI, PTC India ltd	Sale of power to existing consumer of DISCOM at cheaper tariffs	Self consumption of wheeled power	Sale of power to distribution utility; sale of rec's on exchanges
Tariff	Tariff discovered under reverse e-auction/as per the feed-in tariff/	As per the tariff discovered under reverse e-auction	Mutually decided between parties	Excess units can be sold to the grid at APPC/predetermined price	APPC of the state + (Rs. 1-2.4/unit on exchanges)
Energy accounting	Based on readings noted at main and check meter at project S/S	Based on readings noted at main and check meter at project S/S	Generation minus wheeling & transmission losses	Generation minus wheeling & transmission losses	Based on readings noted at main and check meter at project S/S
Project allocation	Demand raised by discoms to meet its solar RPO compliance	Demand raised by discoms/ other obligated agencies	Demand raised by consumer (RPO/ cheaper tariffs)	Consumer can meet its demand provided availability of transmission	Discoms allow set up of capacities, provided no transmission issues
Developers concerns	Timely payment and offtake security	Low returns owing to low risk and aggressive bidding	Credit worthiness of offtaker of power	Grid backdown due to transmission issues; low tariffs for excess units	Grid backdown due to transmission issues; sale of REC owing to high inventory backlog
Utility's concerns	Discoms wants to keep bid tariffs lower than APPC of the state	Utility has to prioritize payments to central agencies and cannot delay	Revenue loss from profitable industrial & commercial consumers	Revenue loss from profitable industrial & commercial consumers	Competitively bid prices have fallen much below the APPC of the state

Source: CRISIL MI&A Consulting

a. Sale of power to discoms

Discoms in India are buying renewable power from developers at either feed in tariffs (FiTs) or, in most cases, based on reverse e-auctions conducted by states. Many states have come out with their respective solar and wind policies (involving incentives, such as concessional wheeling and banking charges, nil cross-subsidy surcharge, no electricity duty, etc.) for setting up renewable energy projects. Discoms allocate these projects to meet solar and non-solar RPOs and reduce energy deficits in states.

For solar projects over 2009-2013, most states signed PPAs at FiTs determined by the state commissions on the fixed regulated equity return of ~16%. For wind energy projects, states followed the FiT mechanism till March 2017. However, from fiscal 2018, the sector veered towards competitive bidding.

The MoP formulated an integrated rating methodology in June 2012, which is used by developers and lending institutions to identify the counter-party risk associated with discoms. Further, the MoP annually updates ratings of discoms, based on their performance. The ratings are formulated based on the weights assigned to the operational and reform parameters undertaken and data submitted by discoms. The grading scale and integrated power ratings of discoms are given below.

Of the 41 state distribution utilities spread across 22 states, only 24 discoms have above average operational and financial capability. (Score (B-) and above as per 11th Integrated Rating of power distribution utilities). Apart from distribution licensees, many states have created holding companies/power trading (for bulk trading) companies, which enter into PPAs on behalf of the procurer of power. For instance, Uttar Pradesh Power Corporation Ltd (UPPCL) signs PPAs on behalf of 4 discoms of UP. Further, PPAs in Odisha and Madhya Pradesh are signed with developers from their respective holding companies, namely Grid Corporation of Odisha Limited and Madhya Pradesh Power Management Company Limited (MPPMCL).

Apart from the holding companies, SECI is one of the largest off-takers for solar power in India. The company signs tripartite agreements with discoms and developers and sells electricity to discoms. Recently, SECI signed an agreement with the Indian government and the RBI, in line with NTPC's agreement, to ensure payment security in the event of default by state discoms.

Further, in a first-of-its-kind solar contract in India with a designated interstate open-access consumer, Delhi Metro Rail Corporation (DMRC) has agreed to procure at least 115 million units of solar power from 750 MW Rewa Ultra Mega Solar Park; MPPMCL is another buyer for this project. Further, MPPMCL does not charge any margin money (or trading margin) on the power supplied to DMRC in each contract year under interstate open access.

However, with the introduction of central-level competitive bidding using the reverse bidding mechanism, tariffs crashed, leading discoms to adopt the e-reverse auctions route. The state PPAs are signed for a 25-year period, either at a fixed tariff or escalated by 10-15 paise per unit per annum for a period of 10-15 years.

Major features of state solar allocation schemes:

i. Apart from providing various incentives on land purchases and swift clearance from discoms (single-window mechanism), states such as Andhra Pradesh, Karnataka and Telangana notify the available transmission capacity for evacuation.

ii. Further, large discoms, such as Karnataka, Telangana, Andhra Pradesh, Jharkhand, etc., have commenced district-wise bidding to ensure adequate availability of land and evacuation infrastructure.

iii. State discoms open a revolving letter of credit in the name of developer, which could be utilised in the event of payment delays to consumers.

b. Sale of renewable power to power trading companies, such as NVVN and SECI under NSM

As a part of the NSM, the government has appointed NTPC NVVN as the nodal agency for buying solar power (competitively bid), bundling it with the existing thermal power units generated by NTPC plants, and selling it to discoms at a bundled cost. The thought process behind this scheme was to reduce the solar power purchase price of discoms and improve the offtake of solar power, since most discoms would be averse to buying solar power at high rates owing to their poor financial condition.

Post the revision of solar capacity target from 20 GW in June 2015 to 100 GW by fiscal 2022, the government has introduced a framework under the NSM to allocate solar capacities under various batches, as following:

- Entire NSM Phase II Batch II Tranche I of 3,000 MW has been commissioned.
- Under NSM Phase II, Batch III, and Batch IV, SECI through its state-specific viability gap scheme (VGF) has tendered out ~7 GW of capacities, most of which has been completed.
- SECI has also tendered capacities under various other schemes, where ~23 GW is allocated and under construction, while ~6 GW is tendered.
- Under the state schemes, ~14 GW of projects are under construction and are expected to be commissioned over fiscals 2024-2028. Additional ~16 GW capacity of solar projects is expected to be up for bidding over the coming months.
- The government has expanded the 1 GW CPSU programme to 12 GW to encourage cash-rich central PSUs to set up renewable energy projects. About 922 MW, 1104 MW, and 5000 MW got allocated under Tranche I. II & III of this scheme, respectively. CRISIL MI&A Consulting expects ~5 to 6 GW from this scheme to be commissioned till fiscal 2027.

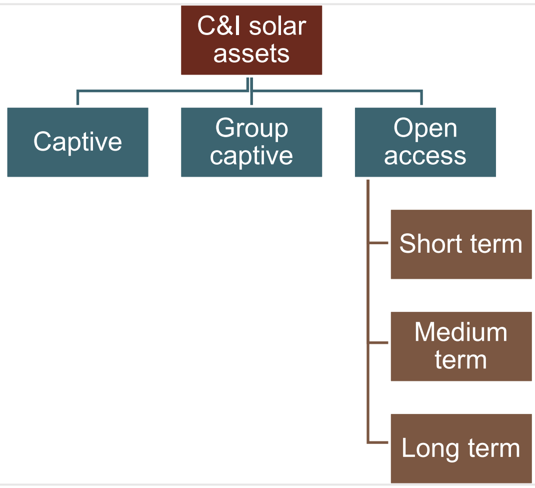
The bid tariffs under this scheme are low, on account of the following:

- Availability of infrastructure (land + transmission) under the solar park mechanism
- Lower payment delay/default risk associated with the trading agencies. Discoms are under a huge financial burden, delaying payments for renewable energy consumers, but payments under the NVVN and SECI schemes are on time
- Limited offtake risk
- Availability of strong payment security mechanism in the form of letter of credits and payment security fund, etc.

c. Captive/open access sale of power

Under this business model, the existing consumer (industrial/commercial) of the distribution licensee (discom), having power demand for more than 1 MW, can set up its solar plant in the state. It can wheel electricity from the generation plant to its premise using the distribution company's infrastructure. With the continuous decline in the solar tariffs required for achieving healthy internal rates of return (IRR), and a rise in discom tariffs, solar power has become economically more attractive for consumers. C&I consumers can choose RE sourcing from multiple options with captive/group having added advantages over third-party open access.

Figure 43: Business models for C&I solar energy assets



Source: CRISIL MI&A Consulting

Following are the key reasons for the adoption of this business model under the solar space

- **High industrial tariffs and declining solar tariffs:** An analysis of the tariff structure of discoms across states reveals the average realisation of revenues from electricity sold to industrial consumers is Rs 0.80-2.70 per unit higher than the average cost of supply of discoms and is almost twice the realisations of domestic and agricultural consumers

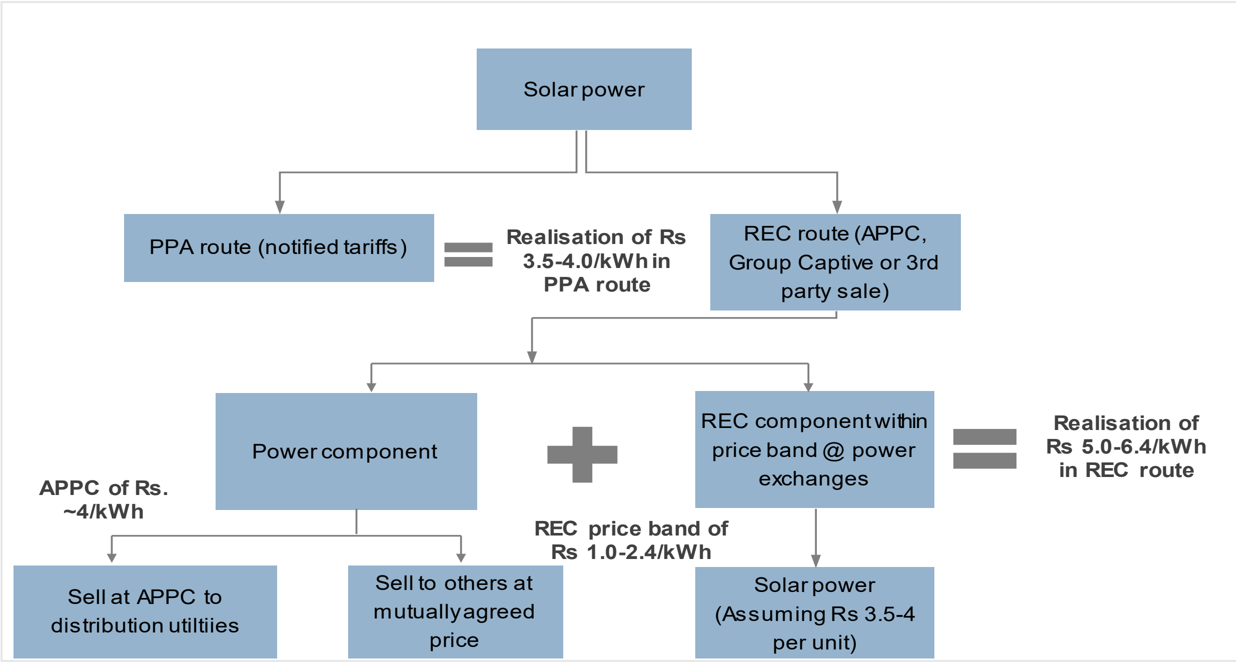
- **Availability of central level incentives:** Consumers setting up projects under this mode can avail the accelerated depreciation (AD) benefit of 40% (from April 1, 2017) on the book profits of the parent company, and, hence, reduce their tax liability. Thus, availing AD benefits can reduce generation cost

- **Incentives at discom level:** Discoms offer incentives on related open-access charges, such as concessional charges on wheeling and banking of power, concessional/nil cross-subsidy surcharges, no additional charges, such as reactive charges, parallel operation charges, etc. With such incentives, the landed cost of solar is lower than industrial tariffs in the state, making it a viable business model

d. REC mechanism

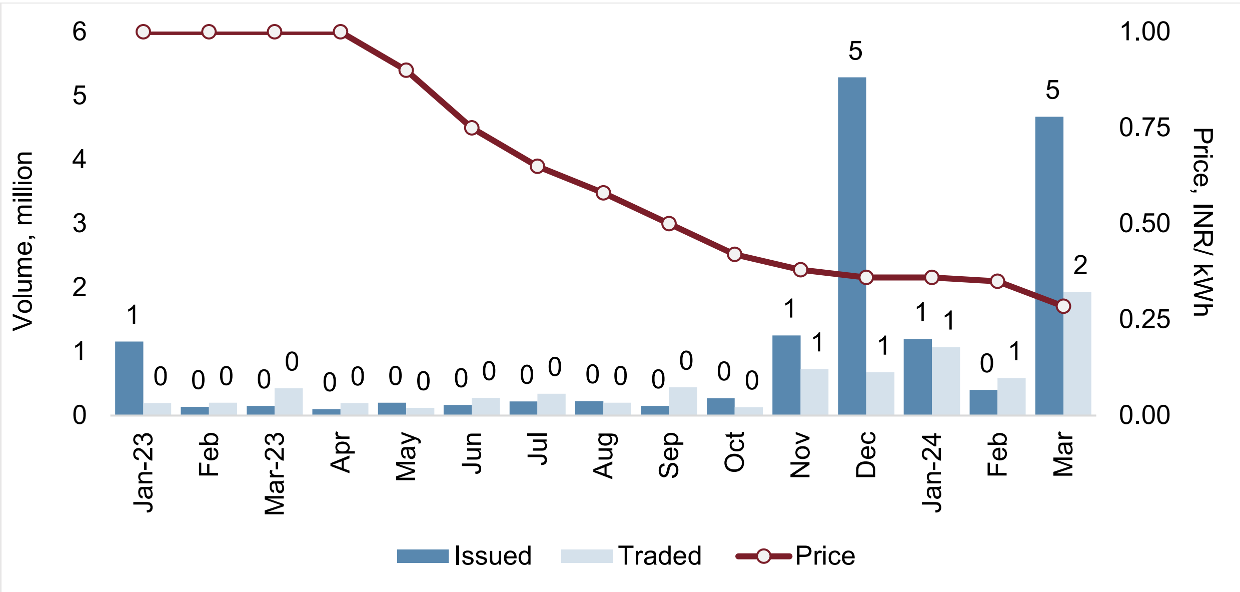
The green attributes for captive solar power can generate additional revenues for the firm. The solar power generated could be utilised for self-consumption while solar RECs could be sold on exchanges (IEX and PXIL).

Figure 44: REC mechanism



Source: NLDC; CRISIL MI&A Consulting

Figure 45: REC trading trends during fiscal 2024



Note: REC is equivalent to 1 MWh of electricity generated from renewable sources
Source: REC Registry; IEX, CRISIL MI&A Consulting

REC prices had been trading at the floor price of Rs 9,300 since 2012, Rs 3,500 post downward revision since January 2015, and Rs 1,000 effective April 1, 2018. The price shot up to Rs 2,000 at the end of January 2020, indicating increase in demand for solar RECs. However, the CERC in July 2020 sought to remove any minimum (floor) pricing for RECs, which was met by resistance from other market participants.

Associations such as the Green Energy Association (GEA), Indian Wind Power Association (IWPA), and Techno Electric and Engineering Company Ltd filed an appeal against CERC's price revision stating that the removal of floor prices and reduction in ceiling price would render the RECs meaningless since there would be no guaranteed minimum at which they can sell these certificates. Trading of RECs halted from the second quarter of fiscal 2021 since the APTEL put on hold the trading of RECs in July 2020.

However, IEX announced a resumption in trading RECs in November 2021. The MoP had also announced revised rules supporting the return to trading and ensuring that the certificates would have extended validity. The revision also includes the decision to make REC certificates valid perpetually till they are sold.

Previously, in April 2017, CERC had notified the new floor price of solar REC as Rs 1,000/certificate (from Rs 3,500/certificate) and the new forbearance price as Rs 2,400/certificate (Rs 5,800/certificate). On account of the sharp reduction in the capital cost of solar projects from Rs 100 million/MW in fiscal 2012 to Rs 30-35 million in fiscal 2017, the tariff for solar projects was reduced to Rs 2.5-3 per unit. Hence, obligated entities refrained from buying solar RECs which, even at floor prices, cost Rs 3.5 per unit.

Despite the high risk of RECs remaining unsold, players opt for the REC route in states such as Maharashtra, Karnataka, and Tamil Nadu, where industrial tariffs are more than Rs 6-6.5 per unit. However, this is favourable for players who consume at least a part of the generation for captive use and avail AD, which brings down their generation cost to Rs 2.4-2.6 per unit.

Over the long term, CRISIL MI&A Consulting believes enforcement of RPOs is critical for increasing the attractiveness of the REC route and improving capacity additions.

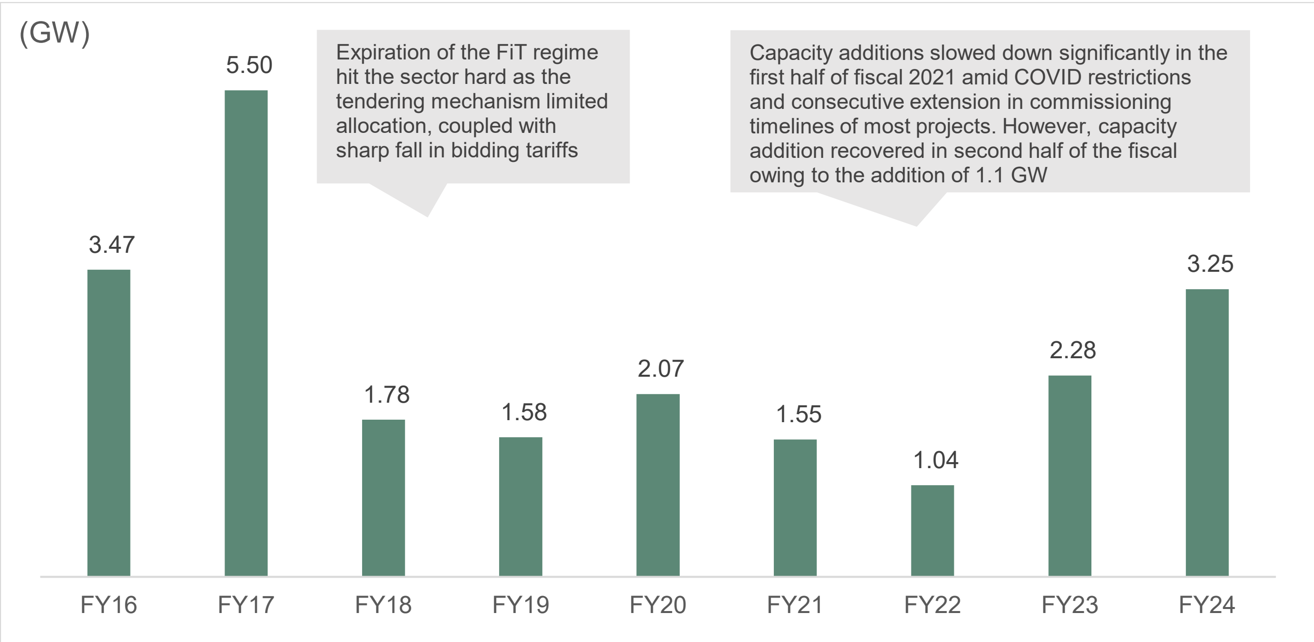
e. Bilateral agreement for sale of renewable power

Under the bilateral route for sale of power, two parties mutually sign a PPA on the agreed rate without the involvement of discoms in the determination of tariffs. Many large solar and wind energy developers in India are currently developing projects to supply cheaper power to industrial and commercial consumers via bilateral open access of power. Under the mechanism, the developer sets up the project by taking permission and clearance from the discom for the transmission corridor and sells the power to interested parties. The business model is similar to that for captive power consumption, with the only distinction being that the developer is not the consumer for power. Further, given a choice to the consumer to purchase power from the open market (with more than 1 MW connected load), the consumer would prefer cheaper power. Moreover, at current prices, renewable power is highly competitive, compared with industrial and commercial tariffs in large states of India. Further, adequate regulatory support under various state solar policies have favoured the commissioning of projects under this model.

Wind Power market

Review of Wind energy capacity additions in India (fiscal 2016-2024)

Figure 46: Fiscal 2024 witnessed an increase in additions followed by two years of tepid installations



Source: MNRE, CRISIL MI&A Consulting

Installations pick up in fiscal 2023 as delayed pipeline are commissioned

Fiscal 2023 saw wind capacity additions of 2,276 MW on the back of commissioning under several schemes that have been pending for execution, such as SECI Tranche IV, SECI Tranche V and SECI Tranche VI. Average monthly additions of 150-200 MW in fiscal 2023 compared with 80-120 MW in fiscal 2022 indicate a pick-up in the execution rate.

Capacity additions had declined ~33% y-o-y in fiscal 2022, primarily on account of a surge in commodity prices impacting project costs and viability. This was coupled with continued challenges in acquiring sites in key windy regions along with associated connectivity, causing further delays.

The capacity additions in fiscal 2020 following subdued fiscals 2019 and 2018 took place after change in the FiT regime to factor in competitive bidding. Capacity additions rose to 2,068 MW (31% on-year) in fiscal 2020 compared with 1,580 MW and 1,766 MW in fiscals 2019 and 2018, respectively. The increase in fiscal 2020 was largely attributed to the commissioning of delayed projects under SECI Tranche I, II, and III, as well as state auctions in Tamil Nadu, Maharashtra, and Gujarat.

Awarded schemes are facing execution headwinds as a result of delays in receiving regulatory approvals, issues related to land acquisition, long-term transmission access, and locating land in windy regions, coupled with monsoon-related disruptions. In addition, surging prices for key commodities, such as 4% and 26% year-on-year increase in cement and steel prices, respectively, in fiscal 2022 and further increase of ~4% in fiscal 2023, along with supply-chain disruptions due to the Russia-Ukraine conflict, contributed to cost escalations and higher capital cost for wind projects.

In fact, the commodity price surge was one of the principal reasons for stagnating growth in the industry, as the price increase has translated into lower project returns, impacting project commissioning since the second half of fiscal 2022. However, the momentum is expected to pick up from the second half of fiscal 2024, when key commodity prices are expected to stabilise or moderate.

In February 2017, the government conducted the first reverse e-auction for wind power, which saw tariffs falling to Rs 3.46 per unit. This was 17% lower than the lowest wind FiT of Rs 4.16 per unit in Tamil Nadu. On account of the sharp drop in tariffs, several discoms in Gujarat, Andhra Pradesh, Rajasthan and Karnataka expressed their unwillingness to buy power under the FiT regime, even for approved and under-construction projects, as PPAs were not signed.

Wind power tariffs fell to Rs 2.5 per unit level, with tariffs as low as Rs 2.43 per unit in the December 2017 wind auctions of 500 MW in Gujarat. However, tariffs have since inched back to Rs 2.7-2.9 per unit, with weighted average tariff for fiscals 2020 and 2021 at Rs 2.8 per unit and Rs 2.89 per unit, respectively, Rs ~2.8 per unit in fiscal 2022, and Rs -3.0 per unit in fiscal 2023.

SECI's tender held in December 2022 witnessed tariffs of Rs 2.95 per unit, while the latest state auction held by GUVNL Phase IV (Jan-2023) saw bid tariffs of Rs 2.96-3.01 per unit. However, this is still lower than the Rs 4-5 per unit witnessed by the sector under FiT.

Grid and network congestion also plaguing industry

Developers have been raising concerns regarding lack of adequate grid infrastructure, either due to delay in construction or lack of connectivity because of congestion. According to GWEC, out of 29 substations for wind evacuation, only few are viable for new bids as the rest are either at uncompetitive wind resource sites or are fully occupied by the existing pipeline. Further, lower availability of type I wind sites in suitable locations is a cause for concern. Consecutively, projects bid out at low tariffs earlier, are now facing execution challenges as project returns get impacted at increased costs owing to delays.

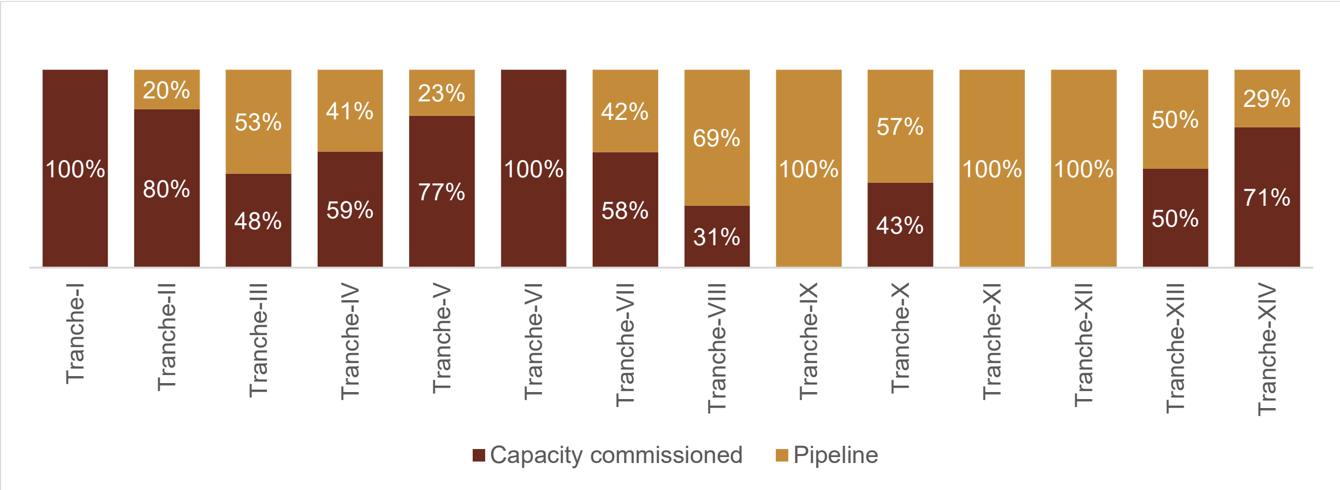
Mounting challenges have led to a slowdown in new wind additions

Additions have been slow since fiscal 2018, when authorities took time to release competitive bidding guidelines and establish a mechanism for competitive bidding. Thereafter, auctions gradually took place. There have been only six auctions by states so far — Gujarat (awarded total 1000 MW wind in fiscal 2018 and July 2022, 300 MW in January 2023); Tamil Nadu (500 MW in 2017), Maharashtra (500 MW in fiscal 2018 and 300 MW in fiscal 2022).

Shift to a competitive bidding mechanism in the wind energy sector has caused a slowdown in capacity additions as the participants are yet to adjust. Low realisations remain unviable for the entire value chain at current capital costs of Rs 7.5-8.0 crore/MW.

CRISIL MI&A Consulting believes despite robust tendering, the sector would require significant regulatory support from states in terms of accepting bid results, resolving payment-related issues to wind developers, and meeting their RPO targets, and drafting open-access regulations that allow seamless transfer of wind power.

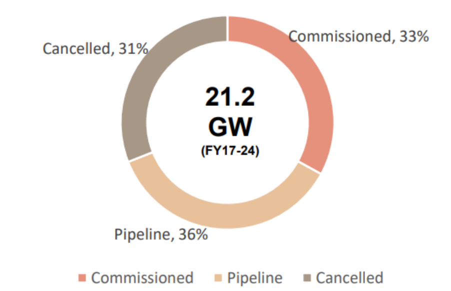
Figure 47: SECI Tranche wise – commissioning status



Source: SECI, MNRE, CRISIL MI&A Consulting

Figure 48: Allocations across years witness minimal commissioning

Allocation of ~21.2 GW; 6.5 GW cancelled



~48%SECI projects with secure PPA has already commissioned*

Year	PPA signed	Commissioned	Pipeline	Cancelled	Litigation issue	GIB issue
FY18	2.05	1.76	0.04	0.25	0.00	0.00
FY19	5.19	2.21	1.47	0.10	1.41	0.00
FY20	2.04	1.51	0.10	0.43	0.00	0.00
FY21	1.14	0.00	1.14	0.00	0.00	0.00
FY22	2.74	1.82	0.62	0.00	0.30	0.00
FY23	3.41	1.11	1.55	0.30	0.45	0.00
FY24	1.10	0.00	1.10	0.00	0.00	0.00

> 70% | Between 50-70% | < 50%

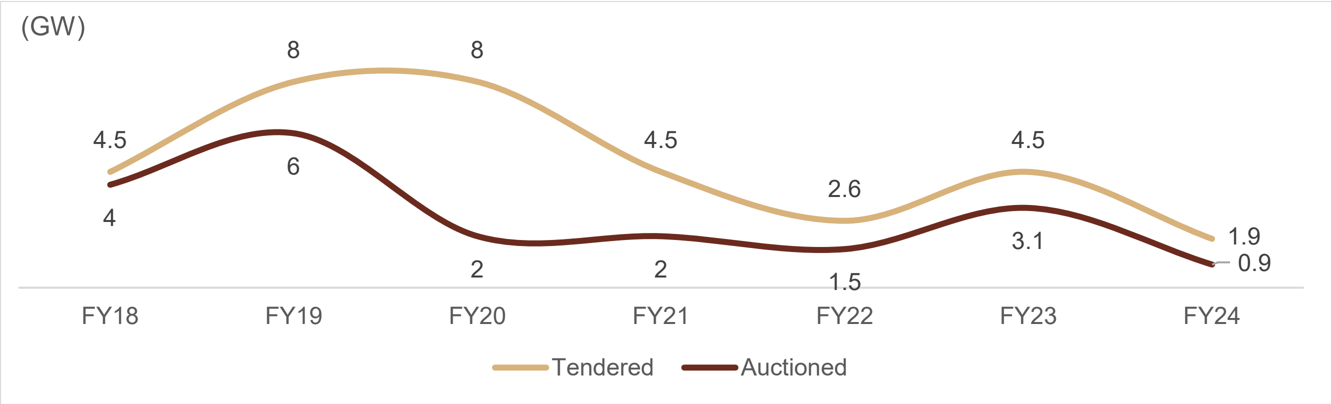
Notes: The commissioned activity is based on calendar year; total allocation excludes cancelled contracts, Average delay for commissioned projects factors in extension given by the MNRE; average commissioning schedule is 18 months for all fiscals (expect fiscal 2020, for which it is 24 months)
Sources: SECI, MNRE, CRISIL MI&A Consulting

As a result, in fiscal 2022, only ~1.1 GW was added. Apart from the execution challenges, the other factor that impacted the addition was lockdowns in most parts of the country during the first quarter. Moreover, the MNRE has announced a three-month extension in SCD on a case-to-case basis due to monsoon and supply-chain-related disruptions. This also led to delays in commissioning of wind projects. However, with ~45% of the capacity in the pipeline from existing allocations, CRISIL MI&A Consulting expects capacity additions to accelerate further from fiscal 2024. That said, there exist risks that might slow the execution momentum.

Tendering and auctioning

Tendering and auctioning remain tepid for wind projects as the sector is grappling with execution challenges on account of lower viability of projects, delays in regulatory approvals, and land acquisition and transmission LTA delays. The slow execution momentum in the wind sector is because tenders have been piled up and auctioning is delayed due to poor bid response.

Figure 49: Tendering and auctioning over fiscals 2018-2024



Source: CRISIL MI&A Consulting

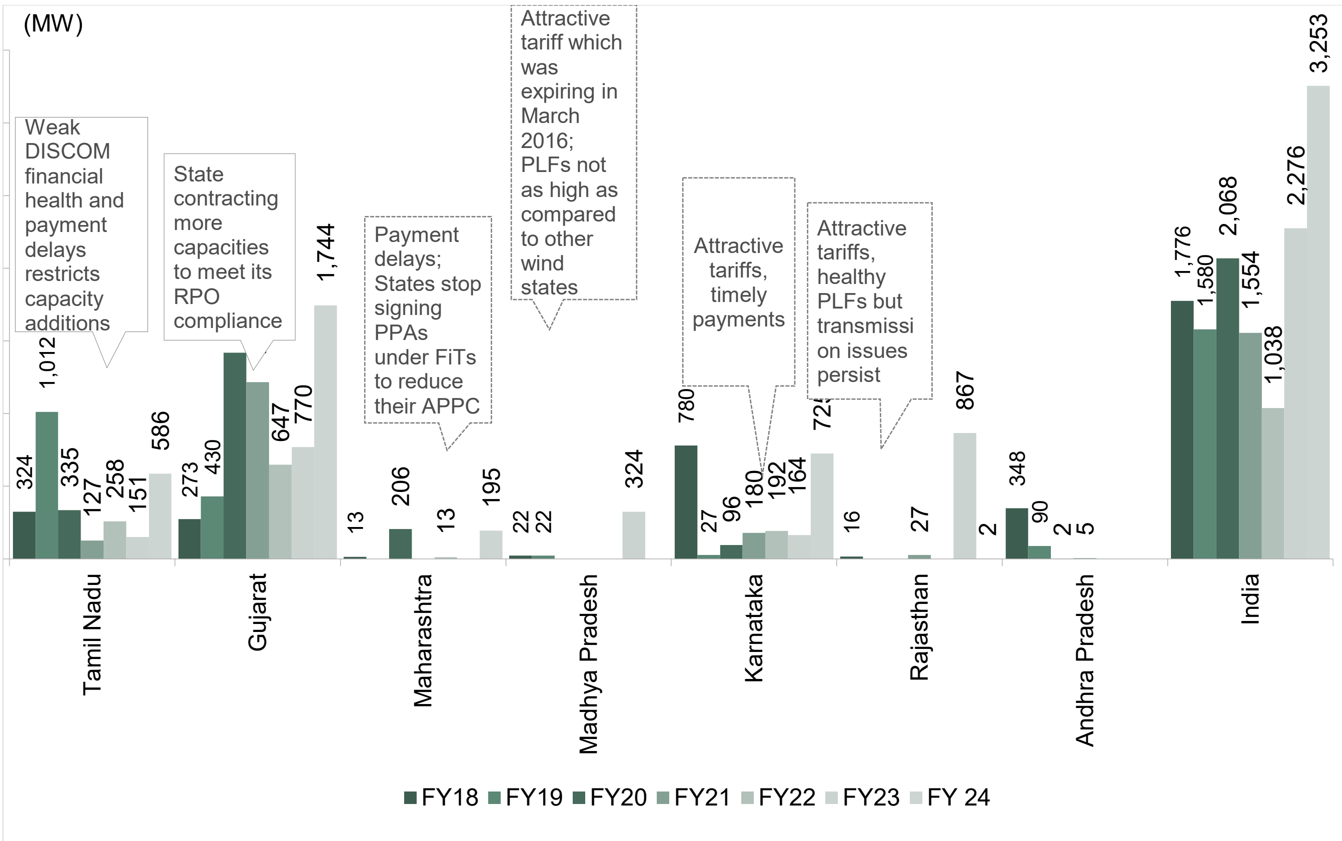
The situation has turned more acute in the recent fiscals. The share of allocation out of total tenders outstanding dropped to 25% in fiscal 2020. It recovered to 44% in fiscal 2021, but on a lower tender volume of ~4.5 GW (fall of ~44% y-o-y). Similarly, in fiscal 2022, the share increased to 58%, but on lower tender volume of 2.6 GW.

In the present circumstances, post the competitive regime from February 2017, out of ~19.5 GW of wind-only allocation activity, only ~29% has been commissioned and ~26% cancelled, indicating that the older projects are still in the pipeline and are facing execution challenges.

Region-wise wind energy capacity addition in India

In fiscal 2023, Rajasthan added the highest wind capacity of 867 MW, followed by Gujarat (770 MW), Madhya Pradesh (324 MW), and Karnataka (164 MW). In fiscal 2022, most of the wind capacity additions were in Gujarat, Karnataka, Tamil Nadu, and Maharashtra, with Gujarat adding the highest wind capacity of 647 MW, followed by Tamil Nadu (258 MW), Karnataka (192 MW), and Maharashtra (13 MW).

Figure 50: State-wise wind capacity additions



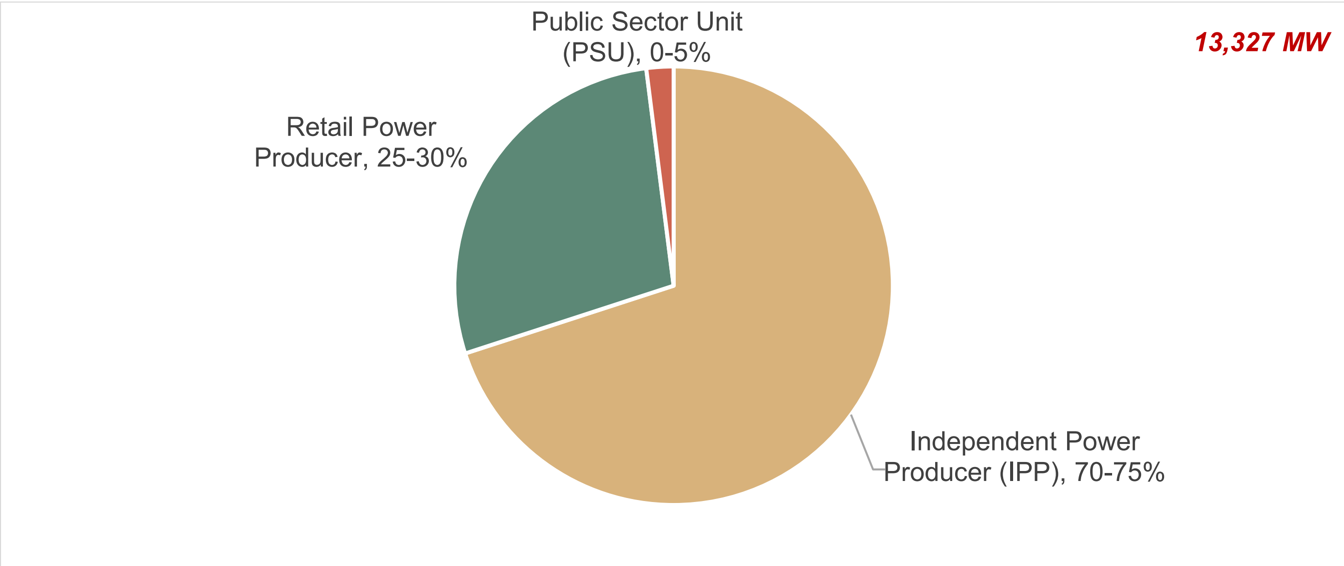
Source: MNRE, CRISIL MI&A Consulting

Table 15: State- wise distribution of wind turbines and capacity (till fiscal 2023)

State	Active Players		Inactive Players		Total	
	No. of turbines	Cumulative capacity (MW)	No. of turbines	Cumulative capacity (MW)	No. of turbines	Cumulative capacity (MW)
Andhra Pradesh	2,204	3,894	377	140	2581	4,035.04
Goa	0	0.00	2	0.11	2	0.11
Gujarat	6,343	9,871	794	219	6,838	9,374.52
Karnataka	3,943	5,179	160	109.2	4,018	5,098.72
Kerala	78	70	5	1.10	83	71.35
Madhya Pradesh	1,689	2,740	94	44.5	1,662	2,458.04
Maharashtra	4,241	4,647	356	348	4,597	4,995.46
Odisha	1	0.09	20	1.10	21	1.19
Rajasthan	3,931	5,211	11	2.67	3,540	4,344.85
Tamil Nadu	8,770	8,589	4,450	1,418	13,128	9,814.67
Telangana	61	128.10	0	0.00	61	128.10
West Bengal	0	0.00	7	1.75	7	1.75
Total	**31,261**	**40,329**	**6,276**	**2,286**	**37,537**	**42,614**

Source: Directory Wind Power in India, 2023 (CECL)

Figure 51: Capacity distribution of wind generation (fiscal 2018 to 2024)



Source: Industry, CRISIL MI&A Consulting

OEM-wise market share for wind capacity addition (till fiscal 2022)

According to the Directory Indian Wind Power 2022, Suzlon had the maximum number of turbines supplied accounting for 9,169 turbines followed by Siemens Gamesa, Vestas Wind and Inox Wind. Out of the total (fiscal 2022) 36,538 turbines, 17,290 turbines were supplied by the players that are currently inactive. These turbines pose an opportunity for the O&M service providers as the players in the current market especially the OEMs, which hold the largest share of the O&M services in Indian market. The typical O&M contract period is 2+8 or 2+10 or 2+12 years with initial two years of free service with the purchase of equipment. Therefore, most of the turbines supplied by the inactive players will require renewal of such contracts or newer contracts. The O&M contracts are structured mostly for 2+8 or 2+10 years to incorporate the price escalation of the services over the years. Post the tenor the contracts are then renewed for another 8 – 15 years. If the contracts are done for more than 15 years, there are clauses to renegotiate the service cost in between the term.

On the other hand, contracts are sometimes terminated by the parties owing to the following clauses:

- Breach of material supply obligations – this clause is invoked when a O&M service providers is not able to fulfil its obligation to render services and supply replacement equipment resulting in loss of generation
- Payment delays from power producer – This clause is invoked when the power producer is unable to clear the dues of the O&M service provider in the committed time
- Mutual termination – when both parties reach a consensus to terminate the contract for reasons not stipulated in the contract

Usually, the termination of the contract takes 3-6 months to come into effect along with prior intimation to the parties associated.

Figure 52: Market share by no. of turbines, fiscal 2023

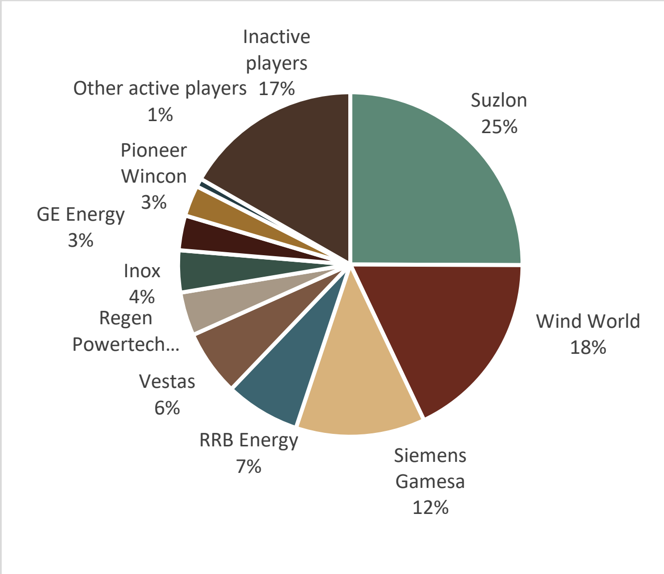
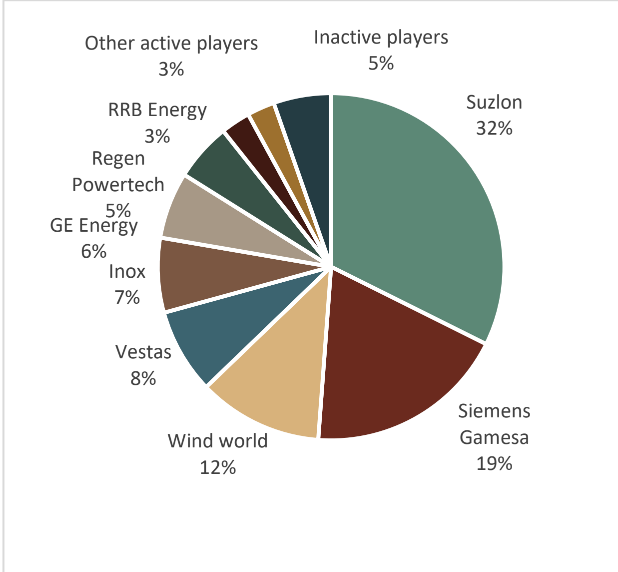


Figure 53: Market share by capacity (MW), fiscal 2023



Source: Directory Indian Wind Power, 2023 (CECL)
Note: The inactive players include turbines supplied by players which do not offer equipment or services as of fiscal 2023. Some of the major players currently inactive included Wind World, Regen Powertech, and NEPC-Micon

In 2022, Suzlon added 160 turbines with a cumulative capacity of 343.5 MW followed by Siemens Gamesa, Inox Wind, Nordex and Vestas Wind with 151 (324 MW), 71 (142 MW), 49 (147 MW), and 47 (97 MW) turbines added. The total additions stood at 509 turbines and ~1.1 GW of capacity.

Table 16: Wind capacity addition by OEM, fiscal 2023

OEM	Number of turbines	Capacity Addition (MW)
GE	334	901
Siemens Gamesa	329	719
Suzlon	237	500
Vestas	38	83
Inox	31	63
Pioneer	22	16.5
Adani Green	1	5.2
Total Addition	999	2,296

Source: Directory Indian Wind Power, 2023 (CECL)

Review of levelized tariffs for wind power plants in India

Tariff of Rs 3-3.2 per unit required for equity IRRs of 9-10% for wind power projects.

Figure 54: Key assumptions

Project economics summary

- Capital cost of Rs.70-75 million/MW
- PLF of 32-33%
- Debt-equity ratio of 75:25
- Interest rate of ~9-10%
Interest rate of ~9-10%

Source: CRISIL MI&A Consulting

CRISIL MI&A Consulting has assumed a capital cost of Rs. 70-75 million/ MW, which is based on the two most prevalent choices of turbines in the sector currently, a 2 MW and 3 MW turbine with equipment and EPC. The current cost is Rs 60-65 million/ MW for a 2 MW set up and Rs. 75-80 million/ MW for a 3 MW set up. Increase in capital cost in fiscal 2023 to Rs 75-80 million/ MW, as compared to with the previous years was attributed to rising commodity prices in the previous fiscal. However, globally commodity prices eased in the second half of fiscal 2024, resulting leading to in fall in the capital cost/MW by 5-8% to 7.0-7.5 crore/MW. Commodity prices are expected to remain flat in fiscal 2025, resulting in rangebound capex movement.

This, in the current scenario of competitive bidding, eases pressure on the independent power producers who are managing most of the activities (such as land selection, approvals from government departments, evacuation infrastructure, etc and such activities) themselves on which premium used to be charged earlier. The cost considers a land lease model and does not include the cost of the associated transmission line, if any.

An interest rate of ~9-10% has been assumed based on the current interest rate regime, coupled with subsequent refinancing that is typically undertaken in the industry.

PLF of 32-33% has been assumed given that new projects are deploying higher rated turbines with longer hub height exceedingly even 120 metres. However, average PLF may vary significantly depending on the location and age of the machine.

Based on this analysis, CRISIL MI&A Consulting believes that levelised tariff of Rs 3.3-3.5 per unit is required for equity IRR of 9-12% not factoring in the available AD benefit of 40% as well as generation-based incentives (applicability of these benefits varies as per PPA conditions and the project type FiT or non-FiT and any ancillary revenue streams that the developers may account for.

This tariff range of Rs 3.3-3.50 unit is also supported by various financial metrics as analysed below:

	Tariff range					
Ratio analysis	**2.5**	**2.7**	**2.9**	**3.1**	**3.3**	**3.5**
Interest coverage ratio	0.5x	0.63x	0.75x	0.88x	1.01x	1.13x
Net debt/EBIDTA	7.58x	6.48x	5.56x	4.76x	4.09x	3.53x
DSCR	0.29x	0.36x	0.43x	0.50x	0.58x	0.65x
Equity IRR	-0.89%	1.51x	4.00%	6.58x	9.10%	11.55%

Source: CRISIL MI&A Consulting

As highlighted in the above table, financial metrics are weaker at tariffs below Rs 3.3 per unit, with net debt/EBITDA being high, DSCR being below ~0.58x and ICR witnessing a declining trend, coupled with low equity IRR below Rs 3.3 per unit.

Further, CRISIL MI&A Consulting traced the sensitivity of equity IRR to two critical factors: PLF and tariffs. IRRs are estimated to be very sensitive to both PLFs and tariffs. For every 20 paise hike in tariff, equity IRR improves by 200-250 bps and for every 100-bps change in PLF, equity IRR improves by 100-150 bps.

Sensitivity of equity IRR to PLF and tariff

PLFs (%)/Tariff (Rs per unit)	2.5-2.7	2.7-2.9	2.9-3.1	3.1-3.3	3.3-3.5
31-32%	(1.8-1.5) %	(0.5)-4%	2.9%-6.6%	5.3%-9.1%	7.8%-11.5%
32-33%	(0.9)-2.5%	1.5%-5.2%	4.0%-7.8%	6.6%-10.4%	9.1%-12.8%
33-34%	0.1%-3.6%	2.5%-6.3%	5.2%-9%	7.8%-11.6%	11.6%-15.2%
34-35%	1.0%-4.7%	3.6%-7.5%	6.3%-10.2%	9.0%-12.8%	12.8%-16.4%

Source: CRISIL MI&A Consulting

CRISIL MI&A Consulting believes sub-Rs 3.3 per unit projects are viable only at high PLFs, near or above 32%, which is provided by improved technology and hub heights situated in type I wind sites or good quality type II sites. Lower availability of type I wind sites in preferred locations and congested transmission infrastructure may force developers to move to lower quality wind sites, which have a lower PLF range sub 30%.

Overall, a tariff of Rs 3.3-3.5 per unit would be required for equity IRR of 9-12% for wind power projects.

Overview of competitive bidding

Wind sector witnessed pressure on returns due to competitive bidding, access to high wind density sites and low-cost financing critical

Previously, the discovered tariffs for competitively bid projects reached as low as at Rs 2.43 per unit as against Rs 3.0-3.2 per unit tariff required for earning 9-10% equity IRRs. However, after December 2017, when this low benchmark was hit, tariffs started to increase. For instance, the weighted average tariff of allocations in fiscal 2022 averaged at Rs 2.8 per unit, indicating developers are factoring in increased tariffs to adequately manage risks. The weighted average tariff at the latest auctions held in December 2022 and January 2023 was Rs 2.97 per unit.

CRISIL MI&A Consulting believes projects were aggressively bid even when availability of developed land banks (availability of wind micro siting data and proximity to the transmission) with high wind density sites were not tied up prior or finalised before bidding. This has caused execution challenges for several projects in the sector, for instance the SECI ISTS III projects were previously not able to acquire required wind sites in the preferred region of Gujarat. This has deterred further interest/ developer response. Additionally, authorities had set pricing expectations near the Rs 2.8 per unit mark, making it difficult for capacities to be auctioned at higher tariff ranges. However, the removal of the tariff cap in March 2020 provided an opportunity to developers to factor in the added execution challenges, leading to higher bid tariffs in successive auctions.

The MNRE has also announced removal of e-reverse auction process to boost bidder interest and activity in the wind sector. The move will ease aggression in bidding, providing a mechanism to provide cost reflective tariffs for the segment, boosting viability for the segment. CRISIL MI&A Consulting expects the tariff to remain nearer to Rs 3-0-3.2 per unit for sustainability of the projects.

Table 17: Tariffs discovered in competitive bidding

Sr No	Bidding scheme	Month of bidding	Winning tariffs discovered (Rs /unit)		Capacity (MW)		Sector
			Lowest	Highest	Tendered	Allotted	
1	1000 MW SECI Pan India Wind Tranche-I	Feb 2017	3.46	3.46	1000	1050	Central
2	1000 MW SECI Pan India Wind Tranche-II	Oct 2017	2.64	2.65	1000	1000	Central
3	500 MW, GUVNL Wind Tranche-1	Dec 2017	2.43	2.45	500	500	State
4	2000 MW SECI Pan India Wind Tranche-III	Feb 2018	2.44	2.45	2000	1900	Central
5	500 MW, MSEDCL Pan India Wind	Mar 2018	2.85	2.87	500	500	State
6	2000 MW SECI Pan India Wind Tranche-IV	Apr 2018	2.51	2.52	2000	2000	Central
7	1200 MW, NTPC Pan India Wind	Aug 2018	2.77	2.83	1200	1200	Central
8	2000 MW SECI Pan India Wind Tranche-V	Sep 2018	2.76	2.77	1200	1200	Central
9	2000 MW# SECI Pan India, WSH Tranche I	Dec 2018	2.67	2.69	1200	840	Central
10	1200 MW SECI Pan India Wind Tranche-VI	Feb 2019	2.82	2.93	1200	1200	Central
11	1000 MW, GUVNL Wind Tranche II	May 2019	2.80	2.95	1000	745	State
12	2000 MW SECI Pan India Wind Tranche-VII	May 2019	2.79	2.83	1200	480	Central
13	1200 MW# SECI Pan India, WSH Tranche II	May 2019	2.69	2.69	1200	600	Central
14	1800 MW SECI Pan India Wind Tranche-VIII	Aug 2019	2.83	2.84	1800	400	Central
15	1200 MW SECI Pan India WSH Hybrid Peak Power Tranche-VII	Jan 2020	6.12	6.85	1200	1200	Central
16	400 MW SECI Pan India WSH Hybrid RTC Tranche-I	May 2020	3.55	3.55	400	400	Central
17	225# MW, TATA Power (Mumbai) Pan India WSH	Jul 2020	2.59	2.59	225	225	Private
18	2500 MW SECI Pan India Wind (Blended Wind Solar) Tranche-IX	Aug 2020	2.99	3.00	2500	970	Central
19	1200 MW SECI Pan India WSH Tranche-III	Dec 2020	2.41	2.42	1200	1200	Central
20	1200 MW SECI Multiple States Tranche-X	Mar 2021	2.77	2.78	1200	1200	Central
21	500 MW#, MSEDCL Pan India WSH	Jul 2021	2.62	2.62	500	500	State
22	1200 MW# SECI Pan India WSH Tranche-IV	Aug 2021	2.34	2.35	1200	1200	Central
23	1200 MW SECI Multiple States Tranche-XI	Sep 2021	2.69	2.70	1200	1200	Central
24	2500 MW SECI Pan India Solar Wind Storage Hybrid RTC Tranche-II	Oct 2021	3.01	3.45	2500	2500	Central
25	300 MW, MSEDCL Pan India	Oct 2021	3.43	3.44	300	300	State
26	100 MW, KSEB Kerala	Apr 2022	3.96	4.09	100	35	State

Sr No	Bidding scheme	Month of bidding	Winning tariffs discovered (Rs /unit)		Capacity (MW)		Sector
			Lowest	Highest	Tendered	Allotted	
27	1200 MW# SECI Pan India WSH Tranche-V	May 2022	2.53	2.54	1200	1200	Central
28	1200 MW SECI Multiple States Tranche-XII	May 2022	2.89	2.94	1200	1100	Central
29	500 MW, GUVNL Wind Tranche III	Jul 2022	2.84	3.27	500	500	State
30	750 MW#, RUMS MP WSH	Sep 2022	3.03	3.04	750	750	State
31	255 MW#, TPDDL Pan India WSH	Dec 2022	3.00	3.00	355	255	State
32	250 MW#, MSEDCL Pan India WSH Storage	Dec 2022	9.00	9.00	250	250	State
33	1200 MW SECI Pan India Wind Tranche-XIII	Dec 2022	2.90	2.95	1200	600	Central
34	300 MW, GUVNL Wind Tranche IV	Jan 2023	2.96	3.01	300	300	State
35	1000 MW#, REMCL Pan India WSH Storage	Apr 2023	3.99	4.27	1000	900	Central
36	1200 MW# SECI Multiple States WSH Tranche-VI	Apr 2023	4.64	4.73	1200	1200	Central
37	500 MW, GUVNL Wind Tranche-V	May 2023	3.11	3.17	500	240	State
38	150 MW#, CESC Pan India WSH	May 2023	2.92	2.92	150	150	State
39	1,200 MW, SECI Pan India Wind Tranche-XIV	Jun 2023	3.18	3.47	1,200	690	Central
40	225 MW, TPC-D Pan India WSH	Sep 2023	3.27	3.28	225	375	State
41	1,500 MW, SJVN Pan India WSH Storage Firm Power	Nov 2023	4.38	4.39	1,500	1,184	Central
42	100 MW, RECPDCL Pan India Wind	Nov 2023	3.58	3.59	100	100	Central
43	1,500 MW, NTPC Pan India WSH	Dec 2023	3.35	3.37	1,500	1,104	Central
44	500 MW, GUVNL Pan India WSH	Jan 2024	2.99	3.04	500	200	State
45	750 MW, REMCL Pan India WSH Storage RTC	Jan 2024	4.25	4.43	750	750	Central
46	1,500 MW NHPC Pan India WSH	Feb 2024	3.48	3.49	1,500	960	Central
47	1,350 MW SECI Multiple States Wind Tranche XVI	Feb 2024	3.60	3.70	1,500	650	Central
48	1,500 MW SJVN Pan India WSH	Feb 2024	4.43	4.49	1,500	1,500	Central
49	1,500 MW NHPC WSH Storage Hybrid	Feb 2024	4.55	4.64	1,500	1,400	Central
50	1,500 MW SECI WSH Storage Firm Power Tranche-II	Mar 2024	5.59	5.60	1,500	480	Central
51	1,500 MW NTPC Pan India WSH Tranche-IV	Mar 2024	3.27	3.32	1,500	1,500	Central
52	3,000 MW Pan India WSH Storage Firm Power	Mar 2024	4.64	4.70	3,000	1,584	Central
53	1,000 MW NTPC Pan India WSH Tranche V	Apr 2024	3.41	3.47	1,000	1,000	Central

Source: Industry, CRISIL MI&A Consulting

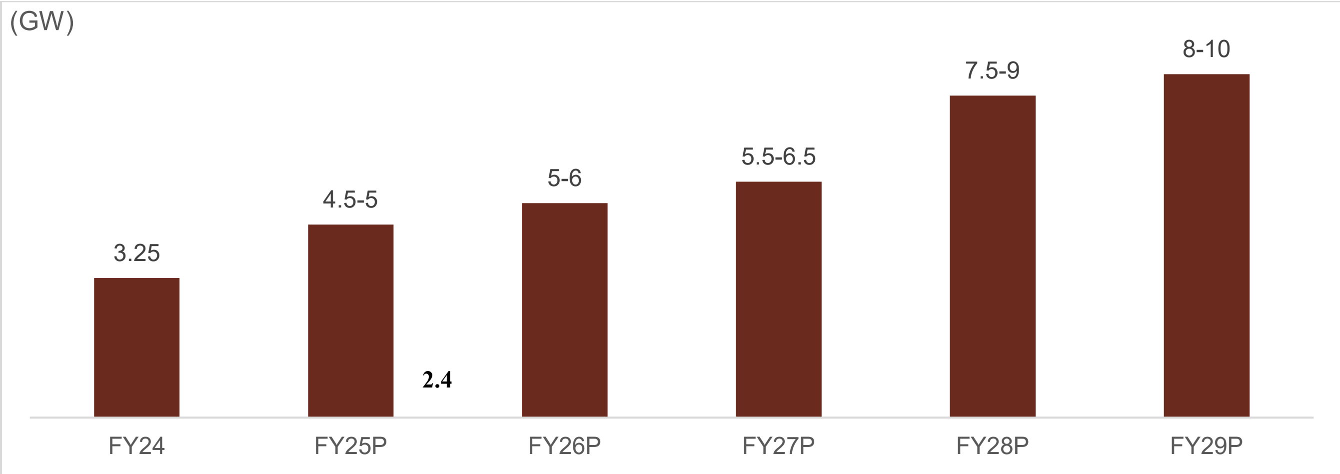
Outlook for wind energy capacity additions

CRISIL MI&A-Consulting expects capacity additions to grow over the next five years led by pipeline build-up under existing schemes and new tendering schemes, improvement in technology, and mixed resource models (RTC, hybrid, FDRE etc.). However, incremental challenges pertaining to wind-site/land availability, grid connectivity, and viability at low tariffs due to elevated capital cost pose challenges for the sector.

CRISIL MI&A Consulting expects capacity additions of 22-24 GW over fiscals 2025-29, with further upside of 9-11 GW from green hydrogen entailing investments of ~Rs 1.65-1.75 trillion over the period and another Rs 0.7-0.75 trillion from green hydrogen. CRISIL MI&A Consulting expects ~13.4 GW in the existing pipeline to be commissioned by fiscal 2029, factoring in delays due to cost escalation, evacuation infrastructure, etc.

Owing to India's ambitious clean energy targets declared under NDC, focus on clean segments such as wind is expected to continue coupled with a large pipeline existing in the segment. Capacity additions over the long term will also be driven by increased hybrid tenders, storage and new business model-based tenders, and central government allocations under relatively strong off-takers such as SECI, NTPC, SJVN and NHPC which also reduces risk compared with direct exposure to state discoms. State allocation, on the other hand, has slowed as several states have instead signed power sale agreements (PSAs) with PTC and SECI for procurement of wind power to help fulfil their non-renewable purchase obligation targets.

Figure 55: Wind capacity addition outlook FY 25 to FY 29



Source: MNRE, CRISIL MI&A Consulting

CRISIL MI&A Consulting expects capacity additions of 22-24 GW (excl. green hydrogen) over fiscals 2025-29, higher than the ~10 GW seen over fiscals 2018-2023.

The factors that will impact wind capacity additions over the long term are:

- Increasing acceptance of higher tariff for wind among discoms, leading developers to quote viable tariffs.
- Healthy pipeline buildup of 11 GW of tenders issued in fiscal 2024, can lead to high allocation and commissioning in upcoming years.
- Further as per CRISIL's estimates, increasing adoption of wind in open access will lead to addition of 4-4.5 GW over the next five fiscals.

Capacity additions bounced back in fiscal 2024 due to execution of pending projects in the pipeline, adding 3,253 MW capacity, this sees continuation of upward trajectory as seen in fiscal 2023, where capacity addition rose by 105% over fiscal 2022. Previous fiscal years (fiscal 2021 and 2022) had seen tepid commissioning due to various factors. To be precise only ~ 1,110 MW was added in fiscal 2022 which was ~29% lower than the fiscal before as factors related to pandemic related supply disruption and commodity price rise slowed down addition. However, capacity additions revived in fiscal 2023 and stood at 2,275 MW and have continued at the same pace this year. Going forward, CRISIL MI&A Consulting expects hybrid schemes and new project structures to boost wind energy additions over the long term, adding 10-12 GW by fiscal 2029 in wind. This will be further supported by the current pipeline of standalone tenders of 12-13 GW and a potential upside from green hydrogen led capacity of 9-11 GW.

Key drivers for wind capacity additions

New tender opportunities

New opportunities have emerged in the wind sector in India with SECI coming up with newer kind of project tenders in the form of hybrid, round-the-clock, and peak power supply projects.

Although the exact split of wind vs solar for hybrid projects is based on developer choice and technical design, they tend to have a higher share of solar energy, due to lower capital costs and ease of installation. However, since hybrid projects have a floor cap on capacity contribution from solar and wind (power capacity of one resource is at least 33% of the rated power capacity of the other resource), they contribute to capacity additions for wind. Similarly, round-the-clock and peak power supply projects also generate substantial demand for wind capacity addition as developers require a good mix of source (solar, wind and/or energy storage) to get the maximum possible efficiency. Furthermore, solar-wind hybrid tenders will lead to 12-13 GW capacity additions of wind over the next five years with existing schemes. With fresh hybrid tenders in the industry, the additions will further increase gradually over the long term.

Improved technology

Newer wind turbines are being launched that have higher rated capacity and higher hub height (over 100 m), which can be set up at low-quality wind sites, otherwise considered economically unattractive. However, plant load factors and subsequent viability would vary. Technological advancements have allowed players to set up windmills in states/sites with lower wind density. Based on our estimates, for every 100-bps change in PLFs, equity IRRs improve by 100-150 bps. As per industry interactions, the capital costs will also encompass improvement in turbine technology, and 2-3.5 MW wind turbine technology will possibly be summoned. This improvement in technology will enable capacity additions outside the windy region and allow developers to transition from key windy regions to other areas, thereby driving capacity additions.

Large-scale central allocations

Post competitive bidding of 1 GW by SECI in February 2017, SECI further allocated ~12 GW (excluding cancelled contracts) of capacities over March 2017-Dec 2023 through wind only schemes. MNRE has outlined further plans to tender 10GW of capacity each year, of which majority portion should be expected from SECI/PTC. This bodes well as central sector PPAs have lower counterparty risk compared with PPAs directly with discoms. The latter are known to delay payments to developers and have poor financial ratings, while SECI and PTC are better rated and provide various payment security mechanisms (LCs, payment security fund and SECI being party to the tripartite agreement).

Table 18: Competitive auctions over fiscals 2021, 2022, 2023 & 2024

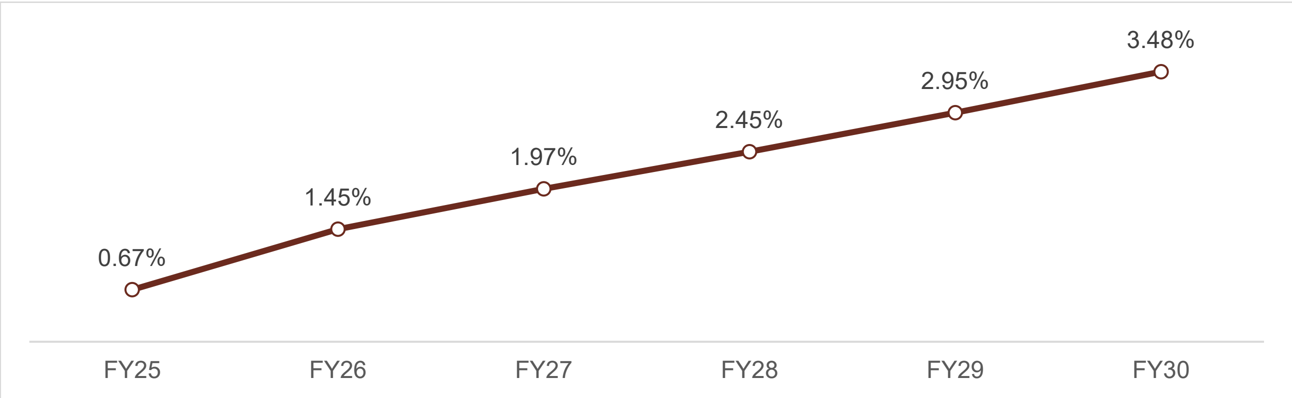
Scheme	Month of Allocation	Capacity Allocated (MW)	Tariff (Rs. /kWh)
SECI Tranche IX	Aug-20	970	3.00
SECI Tranche X	Mar-21	1200	2.78
SECI Tranche XI	Sep-21	1200	2.69
MSEDCL Pan India	Oct-21	300	3.43
SECI Tranche XII	May-22	1100	2.89
SECI Tranche XIII	Dec-22	600	2.95
SECI Tranche XIV	Jun-23	690	3.22
RECPDCL Pan India	Nov-23	100	3.59
GUVNL Pan India Tranche VI	Jan-24	164	3.44
SECI Multiple States Tranche-XVI	Feb 2024	650	3.63

Source: CRISIL MI&A Consulting

Upward revision in RPO targets

The Ministry of Power (MoP) provided a new RPO long-term trajectory for wind energy till fiscal year 2030 which propose target of 0.81% for wind in fiscal 2023, increasing consecutively to 6.94% in fiscal 2030 for wind. These targets, however, need to be met from wind plants commissioned after 31st March 2022, thus requiring installation of new capacity. To meet the increased targets, states would have to procure more renewable energy either via the REC route (which still leads to capacity additions) or via competitively bid out capacities. Waiver of Interstate transmission system (ISTS) charges by Central electricity regulation commission (CERC) for all projects set up until fiscal 2025 also enables the states with low renewable potential to procure renewable power from more able states. However, RPO compliance is dependent on strict enforcement by regulatory authorities.

Figure 56: Revised Wind RPO trajectory



Source: MoP; CRISIL MI&A Consulting

Currently, most of the states in India have set lower RPO targets (pan-India avg. non-solar RPO target in fiscal 2023 is 8.9% vs 10.50% required as per MoP), resulting in higher compliance vis-à-vis the set targets. To meet the increased targets, states would have to procure more renewable energy either via the REC route (which still leads to capacity additions) or via competitively bid out capacities. Waiver of ISTS charges by CERC for all projects set up until fiscal 2025 also enables the states with low renewable potential to procure renewable power from more able states. However, RPO compliance is dependent on strict enforcement by regulatory authorities. Amendment to the Electricity Act, 2003 has been proposed to include stricter provisions on penalisation for non-compliance; however, this is yet to be passed.

Accelerated depreciation

Historically, particularly in fiscals 2015 and 2016, accelerated depreciation (AD) had been a key driver for capacity additions. However, going forward, CRISIL MI&A Consulting expects capacity additions under this mode to be restricted only to large conglomerates in other unrelated business but seeking tax breaks. While AD was halved to 40% from April 2017 onwards, it will continue to support additions in open-access segment.

High industrial tariffs in select states

In states such as Maharashtra, Karnataka, Tamil Nadu and West Bengal, where industrial tariffs are high (Rs 6-6.5/unit), wind power is an attractive option since generation cost is about Rs 3.0-4.0 per unit. Capacity can be set up via the open-access mode, i.e., bilateral agreements directly with consumers such as commercial/industrial entities.

National Green Hydrogen Mission

The National green Hydrogen Mission with an objective to make India leading producer and supplier of Green Hydrogen by developing at least 5 MMT of Green hydrogen per annum by 2030. But production of green hydrogen is expected to start from fiscal 2026 itself, necessitating installation of renewable from fiscal 2024. Demand from green hydrogen is expected to be 9-10 GW between fiscals 2024 and 2028 which will drive the additions but will remain a key monitorable.

Wind power execution model changed due to the change in bidding mechanism

Earlier, OEMs that dominated the execution of wind power projects were able to charge a premium for bundled services, such as finding a suitable wind farm site, arranging licences, undertaking liasoning, ensuring gird connectivity, constructing, and even maintaining the plant. With larger IPPs participating in the sector over the past 3-4 years, the business model has witnessed a shift.

With the advent of competitive bidding, developers now undertake more project-related activities in-house to cut costs. Another trend that has emerged is the forward integration of OEMs, given that they are favourably placed to do so since they possess attractive wind sites and manufacturing capabilities. This is evident from the bids witnessed in the past, also attracting large equipment suppliers such as Inox, Gamesa and Regen Powertech, which have themselves bid for capacities. However, the weak financial position of most of the India-based OEMs is limiting their participation currently.

There is also an emerging trend being followed by OEMs, whereby they win capacities in auctions and post development of the projects won, sell them off to developers at attractive valuations. This serves as inorganic expansion for developers (no construction risk and an operational asset) and leverages the expertise of OEMs, creating a bargain for both.

Support policies

MNRE review of competitive bidding

In January 2023, the MNRE revised the competitive bidding mechanism for procurement of power from wind power projects. Key changes in the provisions are as follows:

- Bids for a cumulative capacity of about 08 GW will be issued each year from January 1, 2023, onwards until 2030
- To ensure that wind energy capacity comes up in all the eight windy states, every bid will be a composite bid, comprising state-specific sub-bids for each of these states. Power generated from capacity established in each of the state sub-bids will be pooled and offered at pooled tariff to all procurers. The pooling of tariff will be as per the notified Electricity (Amendment) Rules, 2022.
- The bids will be on a single-stage two-envelope closed bid basis. One envelope will contain the technical bid, and the other, the financial bid. The envelope containing the technical bid will be opened first and the financial bid of only those bidders who qualify in the technical bid will be opened.
- The bids will specify the capacity to be installed. One sub-bid will be specific to one state. The cumulative size cap in any one of the B states in one year will not be more than 2 GW every year. SECI/ the implementing agency may determine the minimum and maximum bid size based on wind RPO targets of each state. The bid process, bid mechanism, technical pre-qualification process, preparatory phase, and methodology for tariff pooling across all state bids are annexed.
- Starting 2023 SECI will issue tenders for a cumulative 8 GW capacity every year until 2030. A detailed breakup of this capacity shall be issued by SECI.
- Necessary amendment(s) to the Guidelines for Tariff Based Competitive Bidding Process for Procurement of Power from Grid Connected Wind Power Projects for the above purpose would be notified separately.

To provide relief to wind developers, the MNRE had earlier permitted their projects facing difficulties to extend scheduled commercial operation dates, subject to certain conditions and adequate proof. Wind developers are again seeking such extension now due to various challenges they are facing. The same extension may be granted if:

- There is any change in land policy in a state after bidding or any delay in handing over of land by the state government as per policy
- There are any modifications in land and building rules of Tamil Nadu (for projects with PPAs signed after July 2018)
- Extension of 60 days post operationalisation of concomitant ISTS infrastructure
- There are delays in approval of request from the Ministry of Defence beyond 60 days, and subject to the condition that the request to the MoD must have been applied within 30 days of effective date of the PPA
- Extension in financial closure timelines in keeping with the extensions given to the final commercial operational date
- Other extension request sent by SECI to the MNRE

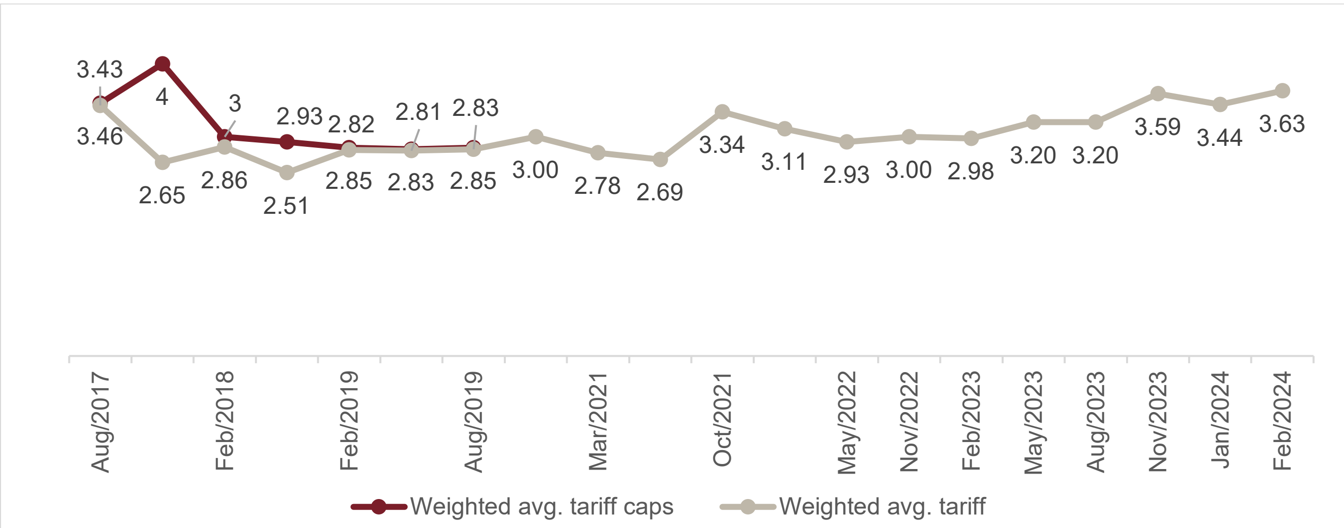
Apart from this, the MNRE has granted a 2.5-month extension for renewable energy projects that have scheduled commissioning date on or after April 1, 2021. In fiscal 2021, the ministry also provided an extension of five months in addition to its initial blanket extension of lockdown plus 30 days amid the lockdowns, apart from clarifying that any delays from constraints related to the virus outbreak will be treated as *force majeure*.

Further, in order to provide relief to wind project developers facing supply-chain disruptions due to the pandemic and monsoon-related issues, the ministry has granted up to three-month extension for projects with power purchase agreement and those that placed orders for wind turbine generators before June 2021. However, the extension will only be considered by the MNRE after due diligence and scrutiny of the circumstances of specific cases.

Removal of tariff ceilings a positive policy change

A continuous lowering of tariff ceilings in tenders had left little flexibility to developers who were already coping with execution challenges on the ground.

Figure 57: Tariff caps vs weighted average tariffs (Rs. /kWh)



Notes: 1) Tariff caps for ~6.1 GW auctioned over the period considered; ~8.5 GW auctioned did not have tariff caps; hybrid tenders excluded here (included in the solar energy section)
2) Tariff caps have been removed by the MNRE effective from March 2020. Hence, no tariff cap is applicable for the auctions post that in the chart
Source: CRISIL MI&A Consulting

As above figure shows, when tariff caps were imposed, bids were close to them. After March 2020, when the ceilings were removed, tariffs have been in the Rs 2.7-3.0 per unit range, unlike in solar energy where bids had fallen consistently. This indicates that developers had very little flexibility to bid below the tariff ceilings. This is mainly because of relatively stable to higher capital costs, as developers are no longer getting the hefty discounts from OEMs as was the case in fiscal 2018. That too was due to the pressure on OEMs. In fact, the discounts made them financially weak especially after the shift to the competitive bidding regime. The government has been mulling a change in the tariff setting mechanism in this segment, which may entail removal of the reverse auction process for bid tariffs. However, it has not been officially notified. Clarity on the replacement method is low as well. This remains a monitorable for future pricing in the segment.

Wind-Solar Hybrid

Evolution of WSH in the country

WSH is fast becoming the preferred RE option in India. Although the MNRE has not yet set a generation target, the nascent sector has received strong support from SECI and several state governments.

There are two types of WSH projects — pure-play ones and those with storage. There are also projects that may come up under the government's RTC power scheme, which has a mandatory 51:49 blend of RE and thermal.

India has introduced RTC generation tenders, including hybrid tenders to strengthen clean generation combining solar, wind and storage technologies. The MNRE introduced the National Wind-Solar Hybrid Policy on May 14, 2018. The main objective of the policy is to provide a framework for the promotion of large grid-connected wind-solar PV hybrid systems and efficient utilisation of transmission infrastructure and land. It also aims to reduce the variability in renewable power generation and achieve better grid stability. It is expected that India will witness ~13-15 GW of WSH capacity in the next five years ((fiscal 2025 to fiscal 2029) out of which around 6-7 GW will be from wind.

Support policies for WSH plants

National Wind-Solar Hybrid Policy 2018

This policy aims to encourage new technologies, methods and way-outs involving combined operation of wind and solar PV plants. The aim is to reduce renewable energy variability and improve grid stability.

Capacity: A wind-solar plant will be recognised as hybrid if the rated power capacity of one resource is at least 25% of the rated power capacity of other resource.

Integration: The policy provides for integration of both energy sources, wind and solar, at alternating current (AC) and direct current (DC) level.

RPO: The power procured from the hybrid project can be used for fulfilment of solar RPO and non-solar RPO in the proportion of rated capacity of solar and wind power in the hybrid plant.

Hybridisation of existing wind/solar PV plants: Existing wind or solar power projects, willing to install solar PV plant or WTGs to avail benefit of hybrid project may be allowed to do so under certain conditions.

Incentives: All fiscal and financial incentives available to wind and solar power projects will also be made available to hybrid projects.

Battery storage: Battery storage may be added to the hybrid project to reduce the variability; providing higher energy output for a given capacity and ensuring availability of steady power during a particular period.

State level policies

Based on the MNRE's WSH policy, governments of RE-rich states have also introduced their own WSH policies. Gujarat was the first to come up with such a policy in 2018. Rajasthan, Andhra Pradesh, and Karnataka followed. This has helped set up open access WSH projects and encouraged corporates to procure RTC power from such projects. These policies provide clarity in terms of various provisions, such as RPO, banking, settlement period, various waivers and incentives, applicability of transmission and wheeling charges and waiver in electricity duty etc.

Table 19: State-wise WSH policies

Parameter	MNRE	Gujarat	Andhra Pradesh	Rajasthan	Karnataka
Issued in	May 2018	June 2018	January 2019	December 2019	April 2022
Capacity targets	-	-	5,000 MW	3,500 MW by fiscal 2025	-
RPO	RPO can be fulfilled separately for solar and non-solar	RPO can be fulfilled Separately as well as commonly depending on the project type	RPO can be fulfilled separately for solar and non-solar	Mandatory for discoms to purchase power equivalent to 5% of their RPO targets under this policy	RPO can be fulfilled separately for solar and non-solar
Banking	-	-	5% banking charges	10% banking charges	2% banking charges
CSS	-	Captive: 100% exemption Third-	50% waived for third-party sale for projects set up within the state	-	-

Parameter	MNRE	Gujarat	Andhra Pradesh	Rajasthan	Karnataka
		party sale: 50% concession			
Additional surcharge	-	Captive: 100% exemption Third-party sale: 50% concession	-	-	75% exemption
Transmission and wheeling charges	100% exemption for already existing plants	Captive consumers: 50% concession on wheeling charges and losses Third-party sale: No waivers	50% exemption in transmission and wheeling charges for new projects developed within the state	**Hybrid:** 50% concession for captive/ third party sale for 7 years from project commissioning. **Hybrid + storage:** 75% concession for captive/ third party for 7 years from the year of commissioning	Charges will be applicable for additional transmission capacity
Electricity duty	-.	100% exemption for intrastate consumption	50% exemption for intrastate consumption	100% exemption for intrastate captive consumption	100% exemption for intrastate consumption applicable for third parties

Sources: MNRE, respective state policy documents, CRISIL MI&A Consulting

Constraints in setting up hybrid power plants

Lack of good sites

WSH projects require wind and solar plants to be co-located to inject power into the same pooling station. This means the ideal location should have good irradiation and experience high wind speeds. But such locations are hard to find, especially as all major windy areas with strong grid evacuation facilities have been saturated. Hence, the industry has demanded that wind and solar plants of a WSH project be allowed to operate from different locations. This will also help bring down tariffs owing to better plant utilisation levels. The only advantage of co-location is better utilisation of transmission infrastructure. However, CRISIL MI&A Consulting believes the advantage from reduced tariff (when wind and solar units are located separately) is much higher than the benefit of improved transmission capacity utilisation (with co-location).

Grid balancing requirement poses implementation risks

Developers are required to balance the grid before injecting electricity generated from a co-located WSH plant. This means they need to simulate the ideal wind and solar generation mix from the plant, in order to optimise the hybrid curve. This may lead to additional implementation risks for a developer.

Optimal sizing

The size of the WSH plant differs from state to state depending on the resource availability. Optimal sizing of storage is also a pertinent question. Overloading or oversizing may lead to underutilisation during the peak generation period (daytime in summers or night-time in monsoons) resulting in storage capacity remaining unutilised or idle.

Higher tariff

The average tariff for WSH projects is Rs 2.6-2.9 per kWh today — higher than solar tariff, which has dropped to Rs 2.5 per kWh in recent bids, and comparable to wind tariff, which has remained sticky at Rs 2.80-2.85 per kWh. And although cross-subsidising costly wind power with low-cost solar will provide some price cushion at the lower end, the pricing needs to be attractive to make WSH competitive.

Outlook for WSH capacity additions in India over fiscals 2025-2029

WSH is fast becoming the preferred RE option in India. Although the MNRE has not yet set a generation target, the nascent sector has received strong support from SECI and several state governments.

There are two types of WSH projects — pure-play ones and those with storage. There are also projects that may come up under the government's RTC power scheme, which has a mandatory 51:49 blend of RE and thermal.

India has introduced RTC generation tenders, including hybrid tenders to strengthen clean generation combining solar, wind and storage technologies. The MNRE introduced the National Wind-Solar Hybrid Policy on May 14, 2018. The main objective of the policy is to provide a framework for the promotion of large grid-connected wind-solar PV hybrid systems and efficient utilisation of transmission infrastructure and land. It also aims to reduce the variability in renewable power generation and achieve better grid stability. It is expected that India will witness ~13-15 GW of WSH capacity in the next five years ((fiscal 2025 to fiscal 2029) out of which around 6-7 GW will be from wind.

Major players in WSH energy landscape

As on 30th April 2024, a total 15022.82 MW of Hybrid projects are under-construction, and 24168.8 MW of hybrid projects are under-development stage.

Table 20: State wise details of WSH projects

States	Project Capacity Awarded for Execution (MW)	Project Capacity Commissioned (MW)	Capacity Under-construction (MW)
SECI (excluding Projects in UMREPPs/Solar Parks)	5,080	30	5,050
Andhra Pradesh	1439	0	1439
Gujarat	1,626.17	44.1	1,582.07
Karnataka	3,398.48	0	3,398.48
Madhya Pradesh	595.42	131.15	464.27
Maharashtra	1149	0	1149
Rajasthan	1940	0	1940
Total	**15,228.07**	**205.25**	**15,022.82**

Source: CEA, MNRE: CRISIL MI&A Consulting
Data as of 30th April 2024

Some of the key players in WSH include Adani Green Energy Limited; Greenko; Serentica Renewables; Adani Hybrid Energy; TP Saurya Limited; NHPC Limited; BN Dispatchable-1 Pvt Ltd; Acme Cleantech Solutions; Smart Powertech Pvt Ltd and Hero Solar Energy Pvt Ltd etc.

Types of hybrid power projects across the country

There are several types of hybrid power projects in India based on combination of energy sources. Following are some of the most common types of hybrid power projects in India.

a) **Solar-wind hybrid:** In this type of hybrid projects, solar and wind generation is combined for more reliable and consistent power generation. Solar and wind complements each other as they generate energy at different times of day and night. Solar PV plants generate energy during daytime whereas wind turbine generators produce electricity during nighttime when the wind speeds are generally high. There are no. of solar wind hybrid projects in India.

b) **Hydro-solar and/or wind hybrid:** In this type of hybrid project, hydropower is combines with solar and /or wind power generation. It is a well-known fact that hydropower is a reliable source of baseload power, while solar power can provide additional generation during peak hours. Similarly, wind can also be used to complement hydro power as and when required. One of the developers in Andhra Pradesh is developing 2000 MW of solar, 400 MW of wind and 1200 MW of hydro pumped storage.

c) **Wind -Solar-battery hybrid:** In this type of hybrid project, solar and wind power is combined with battery storage. Batteries are used to store excess solar/wind energy and are discharged when needed, such as at night or during periods of low solar radiation.

d) **Wins-Solar complemented with coal-based power**: In this type of hybrid project, solar and wind power is complemented by coal-based power. Thermal power (coal based) is a reliable source of baseload power, while solar power can provide additional generation during peak hours. Similarly, wind can also be used to complement thermal power as and when required.

Global wind solar hybrid market

Hybrid power generation showcases great opportunities for the electrical grid systems. It helps the achieving the higher efficiency with the help of coupling various renewable generation sources such as wind-solar hybrid, wind-solar-storage hybrid or wind-storage hybrid. Many manufacturers and developers are therefore pursuing hybrid capacity addition actively.

Capacity addition snapshot

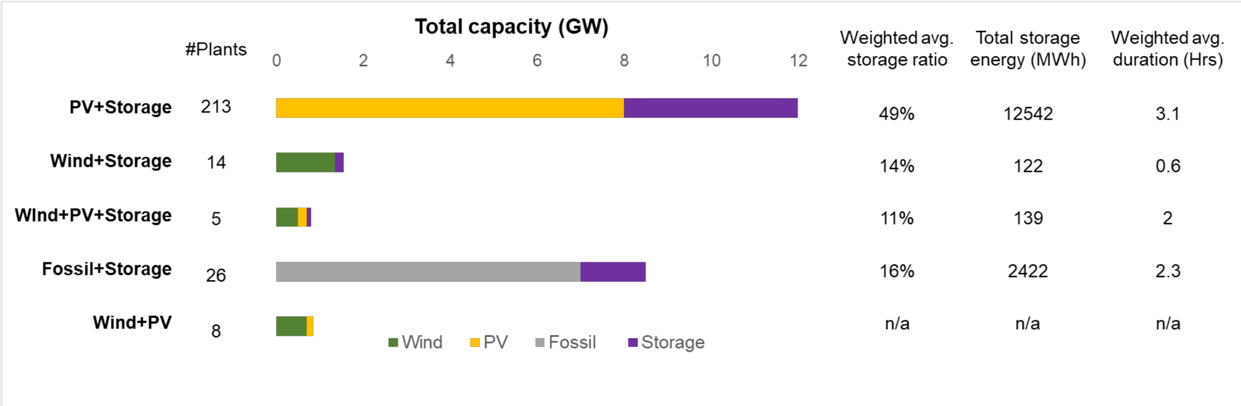
Countries such as US, India, Australia, China, and Germany are key countries having hybrid capacity addition. Apart from these other countries are also planning to introduce hybrid renewable generation capacity to boost the implementation of clean energy generation.

- **US**

  By the end of 2022, US co-located renewable and energy storage projects totalled 41GW of generating power and 5.4GW/15.2GWh of energy storage, according to Lawrence Berkeley National Laboratory (LBNL) analysis.

The capacity is spread across 374 hybrid plants. The 41GW represents a 15% increase in cumulative capacity versus the previous year while the energy storage capacity nearly doubled, growing 69% by GW power and 88% by GWh capacity.

Figure 58: Hybrid capacity installed in US till CY 2022



Source: Lawrence Berkeley National Laboratory (LBNL); CRISIL MI&A Consulting

- **Australia**

In Australia, the Australian Renewable Energy Agency (ARENA) has provided funding of ~USD 143 Mn to hybrid projects (incl. battery storage). As per Clean Energy Council, large-scale energy storage projects led renewable energy investment in the second quarter of 2023 (ending 30 June), with 1497 MW (capacity) / 3802 MWh (storage) reaching financial commitment. This was largely thanks to the Waratah Super Battery in NSW, boasting 850 MW / 1680 MWh of capacity and storage alone. In Q2, $2 billion worth of storage and hybrid projects reached this critical stage. As a result, the rolling quarterly average for investment reached $729.5 million – a new record and an increase of $512.5 million (+236 per cent) compared to the previous quarter.

- **India**

India has introduced round-the-clock (RTC) generation tenders including hybrid tenders to strengthen clean generation combining solar, wind and storage technologies. The Ministry of New and Renewable Energy (MNRE) adopted the National Wind-Solar Hybrid Policy on 14 May 2018. The objective of the policy is to provide a framework for the promotion of large grid-connected wind-solar PV hybrid system for efficient utilization of transmission infrastructure and land. It also aims at reducing the variability in renewable power generation and achieving better grid stability. It is expected that India will witness more than 12 GW of wind solar hybrid capacity in the next five years.

The Ministry of Power, GoI has recently (in August 2023) introduced new guidelines for tariff based competitive bidding for grid connected wind solar hybrid projects. The key objectives of the guidelines include transparent & fair procurement, competitive price, clarity on risk-sharing framework and promotion of RE capacity addition, The revised guidelines cover revised bid capacity limits, alternate timelines, regulations on power procurement and penalties for delays.

- **China**

China has also initiated construction of renewable plus projects to develop centralized renewable power complexes that are bundled with various energy storage solutions. National Development & Reform Commission (NDRC) and National Energy Administration have issued the guidelines on Wind-Solar-Hydro-Thermal Integration and Generation-Grid-Load-Storage Integration Development that led to the increased interest in the renewable plus projects in the country. The projects include gigawatt size hybrid projects having either battery, hydrogen or gas units coupled with PV or wind generation.

The hybrid projects are typically located at the wind-rich northern provinces such as Inner Mongolia, Hebei, and Xinjiang. However, some emerging production regions like Yunnan and Guangxi also entered the development stage. This is because most of the developers prefer wind as the basis of hybrid plants while also trying to address the looming fear of renewable curtailment as witness in the past.

The world's largest hybrid solar-hydro power plant started producing electricity in the eastern Tibetan Plateau in June 2023. With an installed capacity of 1 gigawatt of solar panels and 3GW of hydropower generators in the Yalong River plateau in Sichuan province, the plant can produce 2 billion kilowatt-hours of electricity annually.

Presence of the Company in the types of the projects

With over 10 years of experience, KPI Green (the Company) offers end-to-end solar power solutions its clients. It leverages the expertise of its teams and vast solar park to create long-term value for stakeholders.

Independent power producer (IPP): In Gujarat, the Company is one of market leaders for solar energy by way of third-party sales. Under the 'Solarism' brand, the Company develops and manages grid connected IPP solar power plants. Through bilateral Power Purchase Agreements (PPAs), the Company supplies the electricity produced by its solar power plants to renowned business houses. The Company has a market presence at more than 23 locations in Bharuch district, Gujarat. For transmission of the solar energy generated from the plants to the nearby Gujarat Energy Transmission Corporation Limited (GETCO) substations, the Company has built 66 KV and 11 KV transmission lines as well as Switchyards and Control Rooms. The Company has also initiated hybrid renewable energy projects and is adding them to its power generating asset portfolio. This move is in response to the announcement of the Government of Gujarat's hybrid power policy and the Gujarat Electricity Regulatory Commission's (GERC) lucrative tariff order to generate power and supply it to business houses.

Captive power producer (CPP): For its CPP clients, the Company creates, transfers, operates and manages grid connected solar power projects. Through the CPP model, the Company generates revenue by offering solar power projects to clients that address their needs. Companies can reduce their electricity costs through captive solar plants, whose cost per unit is less than that from DISCOM. Through turnkey solutions, the Company strives to offer the best possible value to its customers. Consequently, they have access to a huge land parcel that is connected to the grid and may be used to produce solar power. The Company also provides its clients with Operation and Maintenance Services (O&M) under a separate O&M arrangement. This generates a long-term annuity source of income for the Company.

The Company has ventured into a hybrid model of solar and wind energy, which helps with grid stability. The hybrid model brings both solar and wind energy together to provide a more reliable, efficient and sustainable approach to renewable energy generation. This model also enables the commercial optimization of transmission charges and the effective utilization of grid capacity. The Company aims to enhance this hybrid model in the future, as it is very beneficial when it comes to cost efficiency or effective energy generation.

As on 31st March 2024, the cumulative capacity of the Company was 445+ MW (IPP 158+ MW & CPP 287+ MW) whereas the business in pipeline was about 552+ MW (261 MW IPP+291 MW CPP). Considering this, the Company has secured 1.68 GW capacity out of ambitious target of 1000MW by 2025.

Industrial plot sale: The Company offers land tracts to third parties, who subsequently lease these back to it for 25 years to build solar power facilities. Following the terms of the lease agreement with the landowner, the Company pay a fixed lease rental. The Company continuously improves its leasing portfolio because owned land parcels streamline the financing of solar projects. The Company has 1,670 acres of land bank (owned + lease).

Competitive mapping of the Company with peers

Competitive mapping covers the details of companies, their products and services within a given market to understand competitive intensity.

Table 21: Comparative summary of domestic players

Parameter	UOM	KPI Green Energy	Adani Green Energy	ReNew Power	CleanMax Enviro Energy	Gensol Engineering	Orient Green Power	SJVN	Continuum Green Energy
Experience	Years	16	9	13	13	12	18	36	15
Plant locations	-	Gujarat	Rajasthan, Gujarat, MP, UP, Punjab, Karnataka, Telangana, AP, Maharashtra	Rajasthan, Gujarat, MP, Karnataka, AP, Maharashtra	Gujarat, Karnataka, Tamil Nadu	Not into power generation	Tamil Nadu, Andhra Pradesh, Gujarat, Karnataka, Croatia	Maharashtra, Gujarat, UP	Maharashtra, Gujarat, MP, Tamil Nadu
RE Portfolio	MW	Solar, Wind-Solar Hybrid	Wind, Solar, Wind-Solar Hybrid	Wind, Solar, Wind-Solar Hybrid	Wind, Solar, Wind-Solar Hybrid	Not Applicable	Wind	Wind, Solar, Wind-Solar Hybrid	Wind, Solar, Wind-Solar Hybrid
Segment presence		CPP, IPP, third-party open access Solar EPC	CPP, IPP, third-party open access	CPP, IPP, third-party open access	CPP, third-party open access	Not Applicable	IPP, CPP	IPP	CPP, IPP, third-party open access
Commissioned capacity	MW	445+	10,934	9,100	700	Not Applicable	402.3	178.9	~1300

Parameter	UOM	KPI Green Energy	Adani Green Energy	ReNew Power	CleanMax Enviro Energy	Gensol Engineering	Orient Green Power	SJVN	Continuum Green Energy
Commissioned Capacity Break up	MW		Solar: 7,393 Wind:1,401 Hybrid: 2,140	Solar: 4,500+ Wind: 4,600+	Solar: 500+ Wind:100+	Not Applicable	Wind:402.3	Wind: 97.6 Solar: 81.3	Wind: 679 Hybrid :621
Capacity in pipeline	MW	1,234	10,219	3,900	600	Not Applicable	-	70	~2700
Key products and services		RE power producer, Industrial plot sale, O&M services	RE power producer	RE power producer Solar EPC and Solar O&M	RE power producer, Solar O&M	Solar EPC (590 MW) Solar O&M (5.2 GW)	Wind Power producer	RE power producer	RE power producer
Evacuation approvals	MW	1,657	NA	NA	NA	NA	NA	NA	NA
Land bank available	Acres	2,217+ acres	Access to ~ 200,000 acres of land	Ownership or leasehold rights over 43,200 acres of land	NA	NA	NA	NA	NA

Source: Company Reports, CRISIL MI&A Consulting
Note: All details are based on latest publicly available information, NA: Not available

Table 22: Financial summary of domestic players

Parameter	UOM	KPI Green Energy	Adani Green Energy	ReNew Power	CleanMax Enviro Energy	Gensol Engineering	Orient Green Power	SJVN	Continuum Green Energy
Operating income	Rs crore	1,024	9,220	8,195	2,776	963	271	2,579	1,055
Y-o-y Revenue growth	%	59%	19%	3%	199%	145%	5%	-12%	8%
Net worth	Rs crore	836	17,448	12,170	1,554	344	781	14,071	-323
Operating margin	%	32.9%	82.3%	71.6%	15%	23.6%	68.9%	70.4%	77%
Net margin	%	15.7%	10.6%	5.1%	5%	5.5%	14.2%	35.3%	-52%
Gearing ratio	Times	1.00	3.61	4.48	0.6	4.06	0.94	1.44	-37.2
ICR	Times	3.99	1.28	1.17	4.1	1.72	1.48	3.57	0.9
Return on equity	Times	0.19	0.06	0.03	0.1	0.15	0.05	0.06	1.7*

Source: Company Reports, CRISIL MI&A Consulting
Note: All financial nos. for FY2024 except Cleanmax and Continuum, ICR: Interest coverage ratio
**Continuum Green Energy has a negative net worth*

The revenue of KPI Green Energy witnessed a stellar growth of 59% in fiscal 2024 owing to the healthy growth in IPP capacity and effective execution of CPP and EPC orders. Operating margin for the year was recorded at 32.9%, marginally higher from 32.4% in the previous year. The company recorded a decent net profit of Rs 161.66 crore resulting in a net margin of 15.7% during the fiscal. KPI recorded a strong ICR of 3.99 indicating capability of meeting loan obligations. Moreover, return on equity for the company stood at 0.19, relatively higher compared to its peer, thus translating to healthy profitability. Overall financial position of KPI Green Energy is satisfactory, making it one of the leading renewable energy power producers in the solar and hybrid segment in Gujarat, in terms of return on equity, and operating and net margins for Fiscal 2024.

OVERVIEW OF O&M SERVICES FOR SOLAR ENERGY AND OTHER RE SOURCES

Evolution of O&M services in India

Operations and maintenance cost form a critical component in the Levelized Cost of Electricity (LCOE) of solar, wind as well as hybrid energy project. Therefore, renewable power producers adopt various strategies to lower this cost and improve the reliability of the services. In order to make the LCOE competitive with other producers and technologies. Typically, the O&M cost account for 20-25% of the LCOE involving 5 categories, namely, Insurance, regular maintenance, repair, spare parts, and administration. These costs generally rise with the years of operation however, with more experience various approaches have been formulated that generators follow to keep a check on the O&M costs.

The industry started with reactive maintenance mostly resulting in downtime and major service or overhaul. The major reason behind this was late detection of the fault or part failure. The cost of service due to this late detection increases compared to early detection and repair. Moreover, with increase in the life of the generation plant the cost of major repairs escalates. Currently, the O&M service providers offer solutions to minimise the major repairs and replacements while moving towards predictive maintenance. As a result of this, the cost of maintenance has decreased by more than 50% for onshore wind and by more than 50% for offshore wind generators in the past 10 years, as reported by IRENA.

Figure 58: Typical O&M services include

Solar

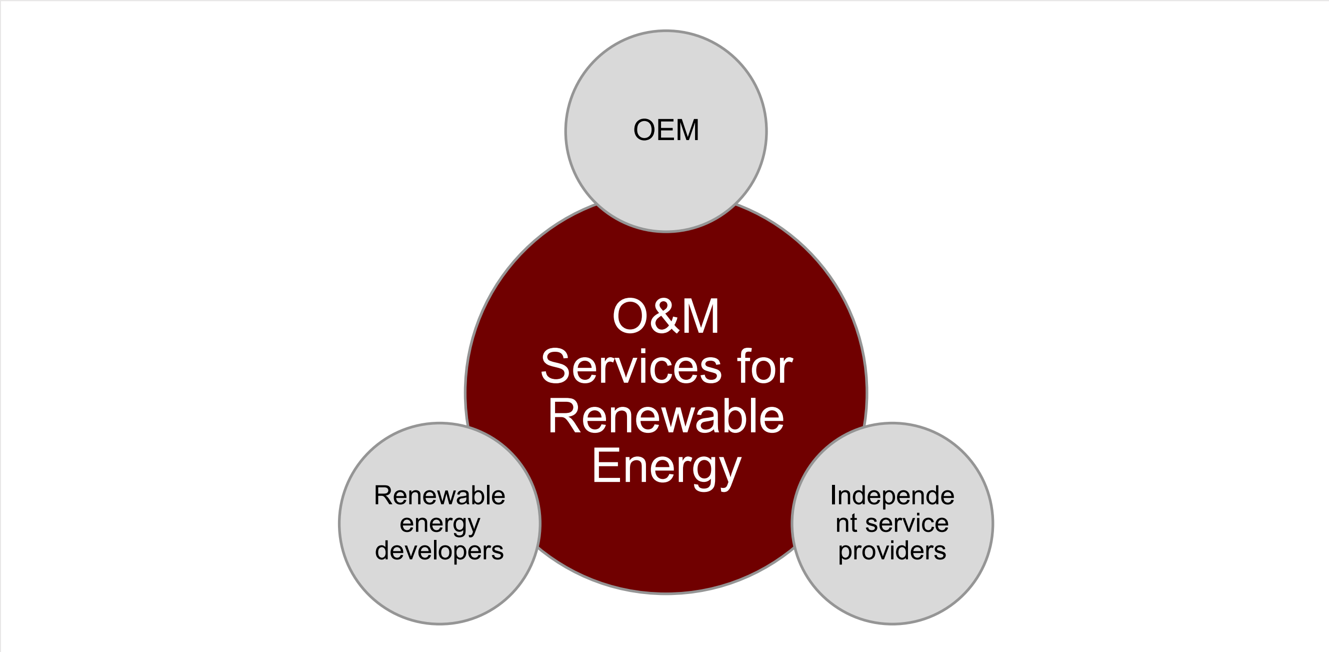
- Preventive & Scheduled Maintenance
- Predictive Maintenance & CMS
- Monitoring, Forecasting & Reporting
- HV & LV Maintenance
- Tracking & Seasonal titling
- Corrective & Breakdown Maintenance
- Spares & Warranty Management
- Thermography drone, IV, EL Testing
- Plant Health Check
- Performance Guarantee
- Module Cleaning & Vegetation Abatement
- Security & Surveillance

Wind

- Hydraulic Pitch
- Transformer
- Generators
- Gearbox
- Blades
- Grease oil and Lubricating Oil
- Electrical components
- Contactor/ Circuit Breaker/Relay
- Controls
- Safety
- Sensors
- Pumps/Motors
- Hub
- Heaters/ Coolers
- Yaw System
- Foundation/Tower/Mast
- Power Supply/Converter Services

Source: Industry, CRISIL MI&A Consulting

Value chain for O&M services for solar and hybrid energy



Source: Industry, CRISIL MI&A Consulting

There are three channels to obtain the operation and maintenance for wind energy generators

1. **Original Equipment manufacturers:** Operation and maintenance services are usually acquired along with the components of the Solar Modules and Wind turbine generation (WTG) unit. These services are acquired for a time of 2 to 5 years as a part of annual maintenance packages. The key providers of these services are the Original Equipment Manufacturers (OEM), which include guarantees and preventive and corrective maintenance that could be adopted after the expiry of the contract period. These are preferred globally due to ease of procuring spare parts or replacement equipment from OEMs compared to other O&M service providers.

2. **Renewable Energy Developers:** Large renewable energy developers have also started to maintain their own capacity instead of traditionally OEM based O&M contracts. Currently, there is limited capacity from some of the key renewable energy developers being maintained in house. The major reason for this is to increase the control over the operations of the generation and further reduce the dependence on the OEMs. This also reduces the risk of extended periods of shutdowns resulting in no drop in availability of the plant. Moreover, due to financial hurdles for OEMs, Independent Power Producers (IPPs) have opted to carry out O&M activities in-house to avoid dependence on the any other entity

3. **Third-party or Independent Service Providers:** O&M services are also offered by third-party service providers. This is usually taken at the time of warranty expiration the Annual Maintenance Contracts (AMC) with the OEM or when the OEMs are not preferred with the equipment acquisition due to financial constraints.

Key technological advancements/innovation and trends in O&M services

Predictive maintenance vs reactive maintenance:

Major components such as module, inverters, nacelle, turbine, generator, hydraulics, and electronics require constant monitoring to ensure smooth operability. Traditionally reactive maintenance was carried out when the equipment has shown severe operational faults or complete failure or during scheduled maintenances. The failure or reactive maintenance resulted in longer shutdowns and low availability of the generators.

On the contrary, predictive maintenance accurately forecasts the component failures before they occur based on historical data. This is a critical service in RE generation as it addresses the issues associated with reactive maintenance. Furthermore, the proactive maintenance reduces the operational cost by reducing the wear and tear of the equipment in the system. As a result of implementation of predictive maintenance techniques replacements and major repairs in the wind energy have declined considerably over the past years. Therefore, more and more developers are going for predictive maintenance as compared to reactive and scheduled maintenance.

The disadvantage of solely relying on historical data is that some of the assets will be flagged for maintenance despite being functionally sound and performing well. This drives the maintenance cost of the assets in good operational conditions. Hence it needs another layer of technological intervention that segregates, analyses and prioritize the activities. Thus minimize the unwanted spends on maintenance of asset that are in healthy conditions. AI and IoT enablement can solve this purpose and lead to cost savings especially in the case of power plants having assets spread across large area. For instance, in large solar parks predictive maintenance using AI can lead significant saving of inspection and maintenance planning of the assets. Moreover, it also aids capacity planning and addition over the years. In case of distribution networks, precision mapping of the assets leads to proper identification and location of the assets in the network for maintenance and addition of the consumers.

Condition monitoring

A key element of predictive maintenance suite, condition monitoring is used to monitor the health of the module and turbine and related electrical systems. Its purpose is to predict maintenance issues so site operators can conduct repairs and replacements only when needed to avoid unnecessary and costly up-tower jobs. Although the intent is to cut time and cost from O&M tasks, condition monitoring system have become rather detailed in accumulating and analysing data and hence can become expensive. The system can supply the failure rate of the turbine and related equipment for up to 20 years along with simulations to predict the future failures thereby reducing the cost of energy considerably by avoiding major replacements. In this context, drones with HD cameras and thermal sensors are becoming a popular solution globally to resolve a number of issues that module and wind equipment managers faced by helping them inspect damages and thermal imaging to detect any internal abnormalities. This mode of airborne inspection is particularly more popular for solar and offshore wind turbine sites.

Impact of technology implementation on O&M services

Technology driven solutions are constantly evolving and are being deployed across the sector. For instance, the implementation of AI-based predictive analytics solutions can help analyse real-time operational data at scale, identify any underperformance, and recognize failures using machine learning. The most advanced implementation of technology across wind energy includes digital twin. Digital twin is a virtual representation of the actual asset for remote interaction by the trained professional. Digital twin minimises the need of human team diagnosing the faults, instead engineers can analyse and identify problems remotely. Thus, saving the efforts of personnel to specific instances. Applications such as demand response management, hybrid energy storage systems, vehicle-to-grid, virtual power plant etc are being tested across the clean energy sector involving implementation of new technologies. Machine learning (ML) and artificial intelligence (AI) can also be applied to recognize patterns, predict faults and highlight important variables that could otherwise be missed.

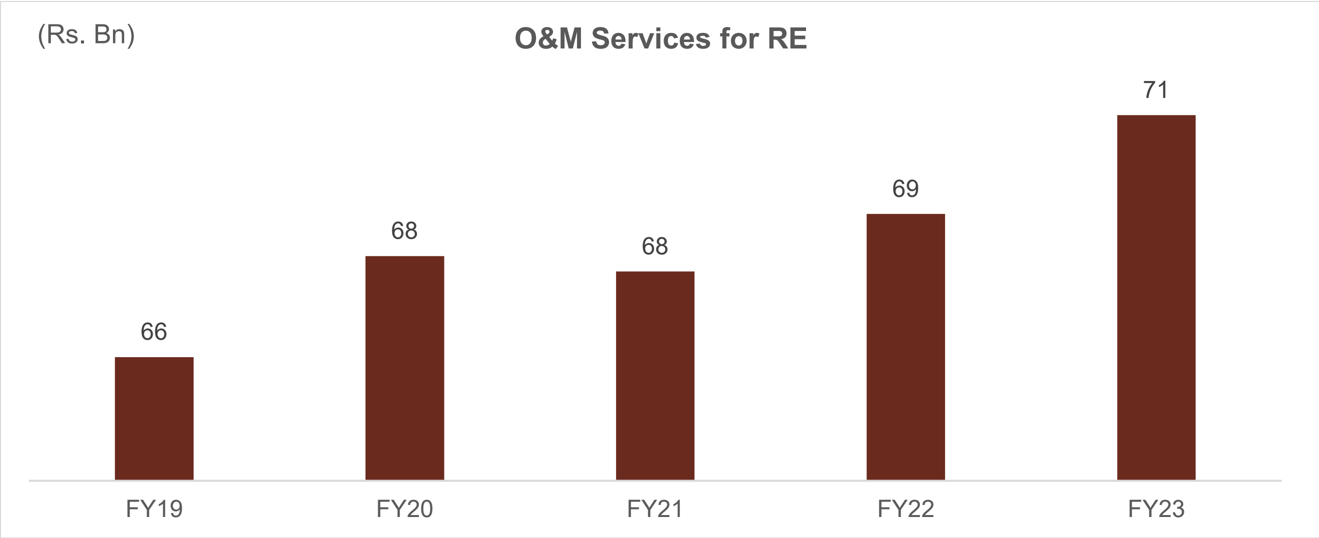
Review of O&M services market for RE (wind + solar) in India (fiscal 2019-2023)

O&M services for wind energy is dominated by the equipment manufacturers in the country. A typical wind turbine O&M cost ranges from Rs.1,000-1,500/kW of capacity whereas for solar it ranges from Rs. 200 -300/kW. The type of services offered as a part of O&M contracts include:

- Supply of equipment
- Large equipment supply
- Sundry or small equipment supply
- Consumables
- Repair services
- Regular repair and maintenance
- Major repair or overhaul
- Equipment replacement

The RE market grew at a healthy rate with capacity additions picking up pace in fiscal 2020 after low in 2019 on account of FiT regime change. This has also positively impacted the demand of O&M services which grew from Rs. ~66 billion in 2019 to more than Rs. ~71 billion in 2023. Capacity additions declined in fiscal 2021 due to COVID-19 pandemic led lockdowns and mobility restrictions. However, this might have positively impacted the remote monitoring capabilities and technological implementation across the RE energy sector.

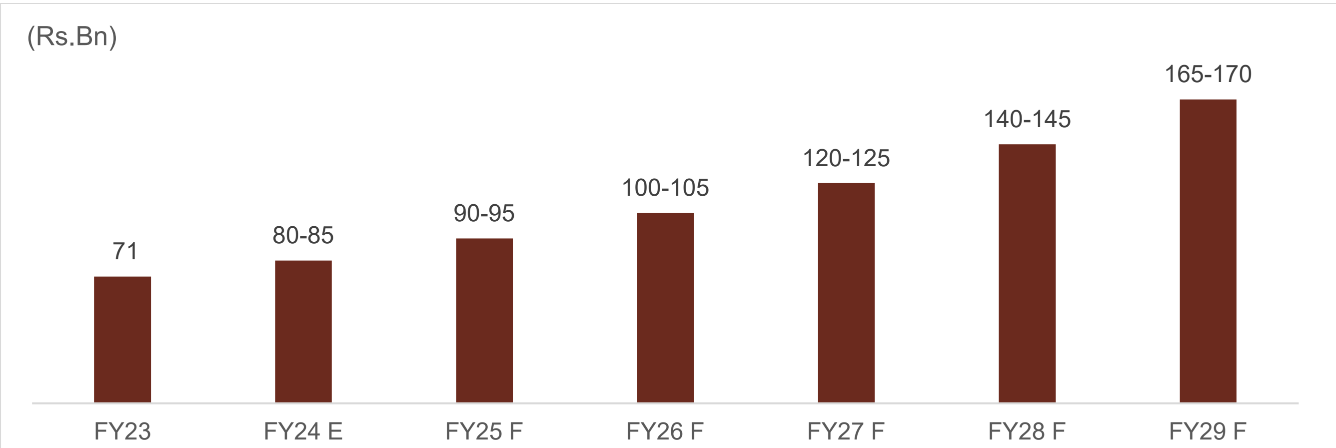
Figure 59: O&M services demand across solar and wind energy, fiscal 2019 to 2023



Source: Industry Publications, CRISIL MI&A Consulting

Outlook on potential of O&M services market for RE in India (fiscal 2024-2029)

Figure 60: O&M services demand forecast across solar and wind energy, fiscal 2024 to 2029



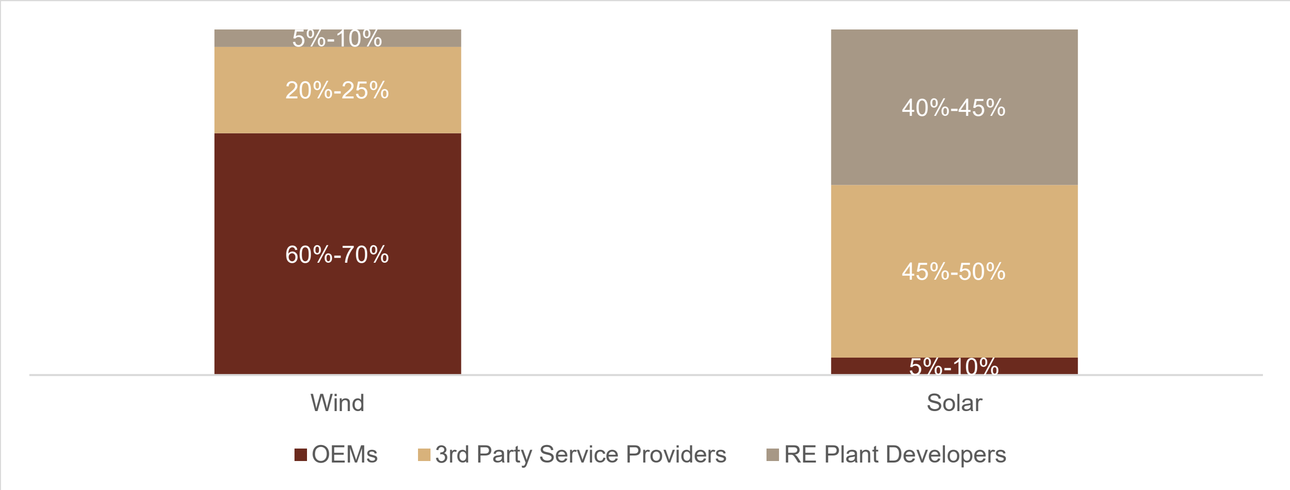
Source: Industry Publications, CRISIL MI&A Consulting

CRISIL MI&A Consulting foresees a surge in solar power capacity, reaching 125-130 GW from fiscal years 2025 to 2029, significantly surpassing the 45-05 GW added between fiscal years 2019 and 2024. This growth is primarily spurred by robust government backing, demonstrated through an aggressive tendering strategy. Wind power to see capacity of ~30-35 GW to be added over next five years. CRISIL MI&A Consulting expects capacity additions to grow over the next five years led by strong pipeline build-up under existing schemes and new tendering schemes, improvement in technology and mixed resource models. As a result of this, the demand for O&M services is expected to be in the range of Rs.165-170 billion by fiscal 2029.

O&M Services providers

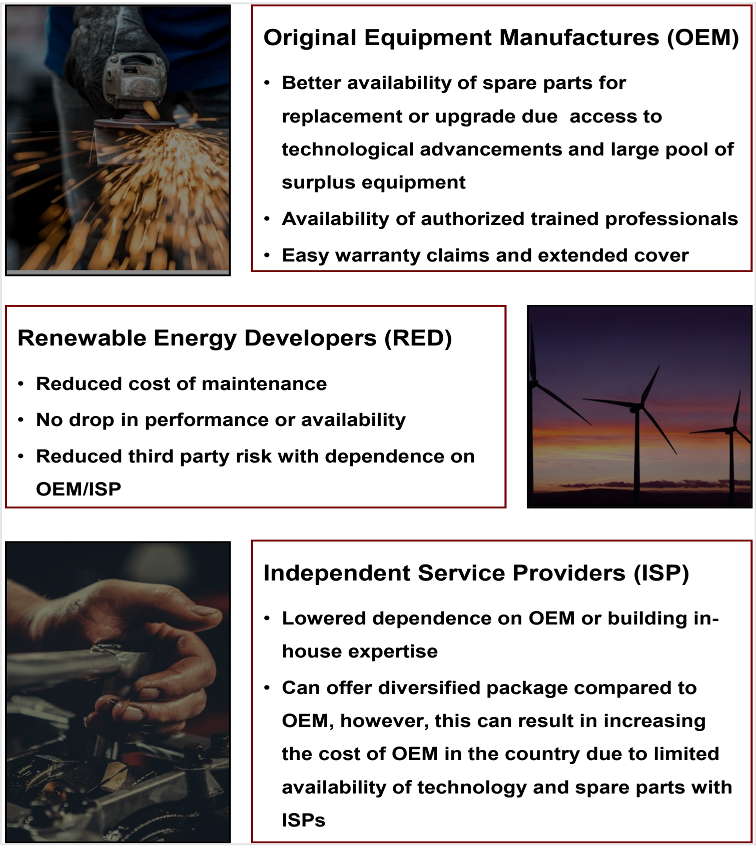
The O&M service offered for Wind project by the OEM dominated the market with up to 70% of market share. Independent service providers and renewable energy developers contributed to 20-25% and 5-10% respectively in fiscal 2024. For solar, the share is slightly different. The 3rd part service providers and the Plant developers take majority of chunk with very limited share by module manufacturers.

Figure 61: Market share of O&M service providers, 2024



Source: CRISIL MI&A Consulting

Figure 62: Advantages of O&M Service Providers



Source: CRISIL MI&A Consulting

Key technological advancements for O&M of the Company

KPI Green (the Company) has been leveraging technology for streamlining operations, tracking and boosting productivity to achieve organisational goals. Company has deployed advanced technologies such as bifacial solar panels, axis trackers, hybrid model for increasing productivity as well as increasing energy yield. Apart from that, the Company has been using various state of the art technologies for operations and maintenance (O&M). This has helped the Company to monitor key performance indicators. Some of the technological advancements adopted by the Company are:

- **Robotics cleaning:** The Company has been investing in the research and development for robotic cleaning of solar panels. These robotic systems are equipped with brushes, wipers, air blowers, battery and digital control systems to automate the solar panel cleaning process. This reduces manual labour, increases cleaning frequency, eliminates the use of water and mitigates the risks associated with working at high altitudes.

- **Waterless cleaning:** The Company aims to reduce its water footprint and have adopted waterless cleaning techniques. It cleans the solar panels usually once in a week, which curbs costs, while simultaneously reducing adverse environmental impact. Through the use of robotic cleaning, the Company intends to reduce its water consumption and contribute towards the betterment of society.

- **Drone shots:** The Company uses drones to regularly capture thermal images of its plants using IR thermal imaging systems and monitor any potential damage to the solar panels. This is a quick and effective way to find potential fault points, losses, little flaws and abnormalities, improving the efficiency and precision of the data collected, compared to the manual data collection.

- **Thermal imaging:** The Company also utilises thermal imaging system using IR thermal cameras to assess solar installations on-site, enabling it to efficiently identify any potential concerns in specific areas. This method effectively detects localised faults and the data and images obtained assist in devising strategies to enhance the overall performance of the solar plants.

- **SCADA:** SCADA is used for real-time monitoring of the key performance parameters of all plants. The system helps in timely fault detection in the solar plant, which helps the control room at the site take corrective actions. The system also helps analyse real-time data of energy generation, including radiation, temperature and wind speed for informed decision-making.

- **Centralised Monitoring System (CMS):** The Company is planning to implement a centralised monitoring system (CMS) across all the locations for remote monitoring and management of multiple solar installations and systems from a single location.

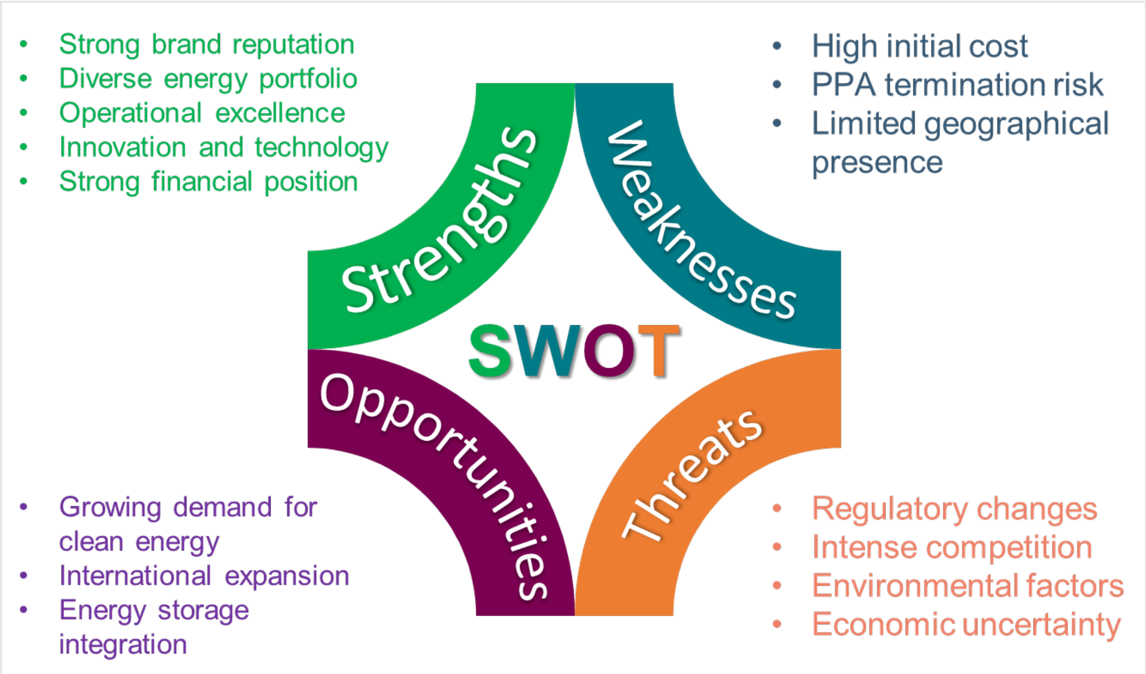
- **SAP:** Starting with the new financial year fiscal 2023, the company has migrated to SAP based system. The Introduction of SAP is under process for product management.

CONCLUSION

Background of the Company

KPI Green Energy Limited ("KPI" or "the Company"), incorporated in 2008 is a leading renewable energy power producer based in Gujarat and specialising in solar and hybrid power generation. It is a part of the KP Group, a prominent business group with significant experience in the renewable energy (solar, wind and hybrid) sector founded in 1994 by Dr. Faruk Patel which has a diversified portfolio in fabrication and galvanizing, renewable energy and telecom infrastructure. KPI develops, builds, owns, operates and maintains solar and hybrid power plants as an IPP and as an EPC service provider to captive power producers (CPP).

SWOT analysis of the Company



Source: The Company, Industry, CRISIL MI&A Consulting

Detailed SWOT analysis for KPI Green Energy is as follows-

Strengths

KPI has established itself as a trusted brand in the renewable energy industry. Its commitment to sustainability and environmental responsibility has resonated with customers. Dr. Faruk Patel who is also a key promoter of the company, has more than two decades of expertise in the renewable energy sector and allied construction activities. While the company's key focus is on solar energy generation as an IPP, it also provides turnkey solutions for CPPs and industrial plots for solar power generation. Moreover, KPI has diversified into wind-solar hybrid projects where it generates and sells power to customers. It has land bank of 2,217+ acres as on March 2024, along with 1,657+ MW power evacuation capacity. KPI has signed long-term PPA contracts with several reputable clients such as UPL Limited, L&T-MTG, Meghami Organics, Colourtex Industries. The company also signed new long-term PPAs of 8.35 MW during FY23, further expanding its client base which in turn provides revenue visibility for its IPP business. KPI has a team of experts comprising former ISRO scientists, former government workers, and visionaries who help the company develop innovative solutions and stay abreast the rapidly evolving green energy industry. KPI has witnessed a healthy revenue growth for the past 3 years along with strong EBITDA margins of ~33.3% in FY24, marginally increasing from ~32.6% the previous year.

Weaknesses

KPI primarily operates in Gujarat which may limit its overall market reach and make it vulnerable to regional economic fluctuations. Any adverse policy change in the state or increase in competition at a regional level may impact the Company's profitability. Additionally, the Company is subject to risk of PPA termination as clients can terminate their agreement by giving 6/12 months of notice which may leave KPI with untied capacity. Further, plant installation costs for renewable energy systems can be a barrier to entry for many potential customers, limiting the adoption rate. This challenge can be addressed through financing options.

Opportunities

The global transition to clean energy sources is driving increasing demand for renewable energy solutions, providing KPI with substantial growth opportunities. The Union Budget 2023-24 allocated Rs 35,000 crore for priority capital investments towards energy transition and net zero objectives and energy security. As per the National Electricity Plant for 2023-24, solar PV capacity was estimated at 66.8 GW (16% share) in March 2023. It is envisaged to increase to ~186 GW (30% share) and by FY2027. Similarly, wind energy capacity was at 42.6 GW (10% share) in March 2023 and is estimated to reach ~73 GW (12% share) FY2027. Moreover, KPI exploring new regions in the country in addition to international markets, particularly in regions with strong renewable energy potential and government support can diversify KPI's customer base and reduce geographic risk. The US Inflation Reduction Act set aside $369 billion for green technology development and commercialization, prompting international competition to enhance their renewables sectors. Also, the European Commission eased state-aid rules, thus simplifying subsidies for various renewable technologies and their components. Lastly, with the growing importance of energy storage systems, KPI can expand its portfolio to offer advanced energy storage solutions that will complement renewable energy generation.

Threats

Any adverse shift in government policies, including reductions in incentives or changes in energy regulations, can significantly impact KPI's revenue and profitability, especially since it is concentrated in a particular region in India. The renewable energy sector is highly competitive, with numerous players vying for market share. Established competitors along with capable new entrants can pose challenges. Climate change and extreme weather events can affect the performance and reliability of renewable energy systems, potentially leading to disruptions or damage to infrastructure. Further, economic downturns and financial instability can reduce capital available for renewable energy investments, affecting the demand for KPI's services.

Industrial profile of Gujarat State

Gujarat on the west coast of India is an important State having geographical area of 1,96,022 sq.km and population of 603 lakhs as per 2011 census. With only 4.99% population share, Gujarat accounts for 8.36% share to National GDP.

The Gross State Domestic Product (GSDP) of Gujarat for 2024-25 (at current prices) is projected to be Rs 27.9 lakh crore, amounting to growth of 13.3% over the revised estimates for 2023-24. Gujarat has grown at an average annual nominal growth rate of 12.3% between 2012-13 and 2021-22. In 2022-23, agriculture, manufacturing, and services sectors are estimated to contribute 20%, 45%, and 35% to the economy, respectively (at current prices).

Gujarat is major hub for several industrial sectors including chemicals, petrochemicals, dairy, drugs and pharmaceuticals, cement and ceramics, gems and jewellery, and textiles and engineering. Over 800 large industries and over 400,000 registered micro, small and medium enterprises (MSMEs) comprise the industrial sector. The industrial sector has witnessed impressive development in small, medium and large factory sectors. Gujarat contributes around 20% to India's industrial production and merchandise exports and the state's ports handle about 40% of India's cargo.

The MSME sector has rightly been recognized worldwide as a powerful engine for inclusive economic growth and development. MSMEs constitute ~95% of total Industrial Units in India. MSMEs in Gujarat play a pivotal role in the state's advancement and significantly contribute to India's socio-economic growth.

As per Ministry of Micro, Small and Medium Enterprises, there are around 33.16 lakh estimated MSMEs in Gujarat, accounting for 5% of the total 6.39 crore MSMEs estimated nationally.

Textile: Gujarat, often referred as the "Textile State of India," has one of the country's most thriving textile industries. Textile Industries in Gujarat contributes over 3% of country's GDP. MSMEs in Gujarat constitute a major chunk of the textile industry in the state manufacturing different products ranging from cotton, man-made fibre, synthetic fabric, woven fabric, etc.

Gem and jewellery: Gujarat holds a prominent position in India's Gem and Jewellery landscape. Surat and Ahmedabad are the key centres of the Gem and Jewellery industry in Gujarat. The state boasts a vibrant Gem and Jewellery sector, home to numerous small-scale units and workshops that specialize in producing exquisite traditional and modern jewellery.

Chemicals and Pharmaceuticals: Gujarat reigns as India's pharmaceutical manufacturing powerhouse, accounting for 33% of the sector's turnover and 28% of India's pharmaceutical exports. Gujarat is the driving force behind India's petrochemical and chemical industries, generating a remarkable 62% and 35% of the country's total production, respectively. Gujarat's marine production prowess extends to salt, caustic soda, and soda ash, with the state accounting for 70%, 20%, and 90% of the country's total production, respectively.

Automobiles: Gujarat plays a pivotal role in India's transport equipment manufacturing sector, contributing a significant 9% to the country's total output. Ahmedabad-Sanand, Mandal Becharaji, Hansalpur-Vithalpur, Vadodara-Halol, and Rajkot are some of the key Auto clusters. Gujarat's strong engineering backbone, encompassing both heavy and light industries, provides steady support for the local automotive production sector.

The Gujarat State Discoms in their Petitions for determination of Tariff for FY 2024-25 have provided the estimates for Non RGP and LTMD categories. These are the categories under which most of small and medium Industrial Units as well as commercial establishments will fall. The number of consumers, their connected load and estimated consumption for FY 24-25 is summarized in following table.

Table 23: Discom wise no. of consumers, connected load & consumption for FY25 (Non RGP & LTMD)

Discom	No. of Consumers (Estimated)	Projected Connected Load (MW/MVA)	Estimated Consumption (MUs)
DGVCL	545,240	4,519	8,566
MGVCL	388659	2,092	2,042
PGVCL	803,153	4,788	5,039
UGVCL	509,830	3,357	2,870
Total	**2,246,882**	**14,756**	**18,517**

For NON-RGP aggregate load up to and including 40 kW and LTMD having aggregate load above 40 kW and up to 100 kW
Source: GERC Tariff Order for FY24-25

Similarly, the HTP-1 category consumers are HT consumers contracted for 100 kVA and above for regular power supply.

Table 24: Discom wise estimated no. of consumers, connected load and consumption for FY25 (HT-Ind)

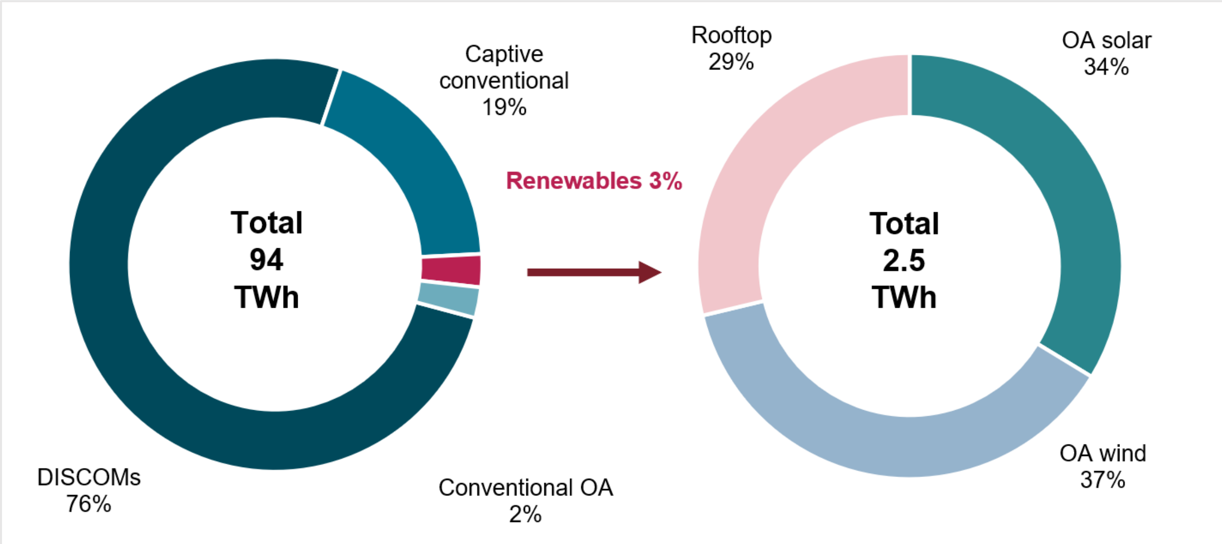
Discom	No. of Consumers	Connected Load (MW/MVA)	Consumption (MUs)
DGVCL	6,053	4,730	17,744
MGVCL	3,147	2,128	6,559
PGVCL	8,339	6,619	17,638
UGVCL	6,381	3,639	11,223
Total	**23,920**	**17,116**	**53,164**

For Industrial HT category
Source: Source: GERC Tariff Order for FY24-25

Open access for C&I consumers in Gujarat

Commercial and Industrial (C&I) consumers have been exploring the option of open access for sourcing electricity at competitive prices.

Figure 63: C&I power procurement, FY 2022



Note: Captive conventional power consumption data is based on CEA annual general review FY 2020.
Source: PFC, CEA, CRISIL MI&A Consulting

Some of the key considerations for open access in Gujarat are as follows:

- **High DISCOM tariffs**: Base energy charge is among the lowest in the country. However, levy of electricity duty and fuel adjustment charge increases landed cost of grid power by 70-75%.

- **Leading state in renewable penetration:** As of September 2023, the state had installed capacity of 10.4 GW solar and 11.09 GW wind power. The state is estimated to have renewable power penetration of ~18% in 2023, significantly higher than national average of 12%.

- **Rooftop solar** dominates C&I renewable power capacity in the state with a share of 44% followed by OA solar (24%) and wind (32%).

Favourable geographical location and climate combined with proactive government made Gujarat one of the leading states for renewable Open Access. The C&I consumers enjoy savings in their electricity bill due to the Open Access. Various Industries in the State such as power, textile, chemicals, jewellery and iron & steel have set up captive renewable projects.

Due to favourable policies such as change in definition of captive power plant as provided in the Electricity Act 2003 and Electricity Rules 2005, incentives in wheeling charges, energy banking, the open access market has been flourishing in the State.

With abundant RE Resources, proactive Government policies, well-developed Infrastructure, growing industrial sector, large MSME sector, competitive RE Tariffs and supportive business ecosystem, the RE open access has significant potential in Gujarat.

Overall addressable market for the Company

The State of Gujarat has a remarkable renewable energy potential with around 300 days of abundant sunshine each year. Apart from onshore wind, it also has significant potential for offshore wind development due to its long coastline. Due to availability of lots of sunshine, it is also an ideal location for solar power development.

The State has huge potential for wind and solar development. With proven technologies, Wind & Solar projects have already achieved economies of scale. The Government of Gujarat is now actively working to harness the State's substantial RE potential of 36 GW of solar capacity and 143 GW wind capacity. The state has established series of policies and programs to promote the development of renewable energy projects. The Gujarat government has set a target of achieving 100 GW of renewable energy capacity by 2030. This will make Gujarat a leader in renewable energy development in India.

As of March 2024, Gujarat has already made significant strides, boasting an installed renewable energy capacity of over 27 GW. Gujarat contributes to nearly 14% of total renewable energy capacity of India. This impressive figure comprises approximately 14 GW of solar capacity, 12 GW of wind capacity, 2 GW of hydro capacity incl. Sardar Sarovar Project, and roughly 110 MW of biopower capacity. Thus, there exists a large untapped potential in Gujarat for renewable energy.

The State of Gujarat is also a pioneer in the field of green hydrogen. The State Cabinet has approved land allocation policy for green hydrogen projects. This will help to boost the renewable energy segment in the State. GUVNL has also prepared RE tendering plan for capacity addition of 40 GW upto 2030 which includes Wind 12 GW, Solar 22 GW and Hybrid/RTC tenders of 6 GW.

Furthermore, the industrial landscape in Gujarat presents a compelling opportunity for renewable energy. The cumulative connected load of HT Industries serviced by four State-owned Discoms surpasses 14 GW. In addition, these discoms have around 400-500 MW of open access. Given the current tariff structure of the Discoms (including FPPPA), opting for open access holds the potential for substantial cost savings for industrial consumers. This opens up a vast market for the development of renewable energy projects, making Gujarat a significant player in the national landscape of sustainable energy generation.

Positioning for the company vis-à-vis other players

KPI Green Energy is a power generating company in Gujarat with a deep understanding of the renewable energy sector, gained through decades of experience. With sizable land portfolio and evacuation approvals allow the Company to operate as both IPP and a CPP. Till March 31, 2024, the Company has energised 445+ MW capacity which includes CPP, IPP and Hybrid portfolio.

The Company recorded operating margin of ~32.9% for the fiscal 2024, marginally increasing from 32.4% in the previous year as a result of increase in revenue. The company recorded a good net profit of Rs 161.66 crore resulting in a net margin of 15.8% during the fiscal. This makes KPI Green one of the leading renewable energy power producers in the solar and hybrid segment in Gujarat, in terms of return on equity, and operating and net margins for fiscal 2024.

With a differentiated approach and diversified portfolio allows the Company to stay ahead of the profitability curve compared to industry. India’s C&I market is a large under-penetrated market and ever increasing Discoms tariffs making it more lucrative for the Company. With such background, the Company can further develop its Industrial consumer base and offer a high value service to them through wind-solar hybrid projects providing high quality 24X7 uninterrupted power supply at competitive rates. With diversification across industries, the offtake certainty can be achieved, and possibility of cartelization can also be neutralized.

OUR BUSINESS

*This Preliminary Placement Document contains forward-looking statements that involve risk and uncertainties. Some of the information contained in the following discussion, including information with respect to our plans and strategies, contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below in "**Forward-Looking Statements**" on page 14, and elsewhere in this Preliminary Placement Document. You should read "**Forward-Looking Statements**" beginning on page 14 for a discussion of the risks and uncertainties related to those statements and also "**Risk Factors**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" on pages 41 and 88, respectively, for a discussion and analysis of factors that may affect our business, financial condition, results of operations or cash flows.*

Our fiscal year ends on March 31 of each year, and references to a particular fiscal are to the twelve months ended March 31 of that year. In this section, unless the context otherwise requires, a reference to "our Company" is a reference to KPI Green Energy Limited on a standalone basis, while any reference to our subsidiaries, "we", "us", "our" or "our Group" is a reference to the Company on a consolidated basis.

*Industry and market data used in this section are derived from the CRISIL Report, which was exclusively prepared for the purpose of the Issue. Our Company commissioned and paid for the CRISIL Report pursuant to the engagement letter dated June 4, 2024. CRISIL is not related in any manner to our Company, its Subsidiaries, Directors, members of Senior Management or the Promoters. For more details, see "**Industry and Market Data**" on page 13. For risks in relation to industry data, see "**Risk Factors - Third party data in this Preliminary Placement Document may be incomplete or unreliable**." on page 63.*

Overview

We are a renewable energy player focused on expanding our power generation capacities to deliver reliable energy and help expedite India's march to a net-zero carbon future. We are a part of the KP group, a prominent business group with significant experience in the renewable energy (solar, wind and hybrid) sector (*source: CRISIL Report).* We commenced our operations in 2008 and specialise in solar and hybrid power generation. We are one of the leading renewable energy power producers in the solar and hybrid segment in Gujarat, in terms of return on equity, and operating and net margins for Fiscal 2024 (*source: CRISIL Report*).

We develop, build, own, operate and maintain solar and hybrid power plants as an independent power producer ("**IPP**") and as an engineering, procurement and construction ("**EPC**") service provider to captive power producers ("**CPP**").

As of June 30, 2024, our cumulative commissioned capacity across our IPP and CPP verticals was ~473 MW and our evacuation capacity was ~1,845 MW. Our projects are located across 38 sites in Gujarat, where the state government has set a target of achieving ~100 GW of renewable energy capacity by 2030, which will make it a leader in renewable energy development in India (*source: CRISIL Report*). This serves as one of our key catalysts and focus areas.

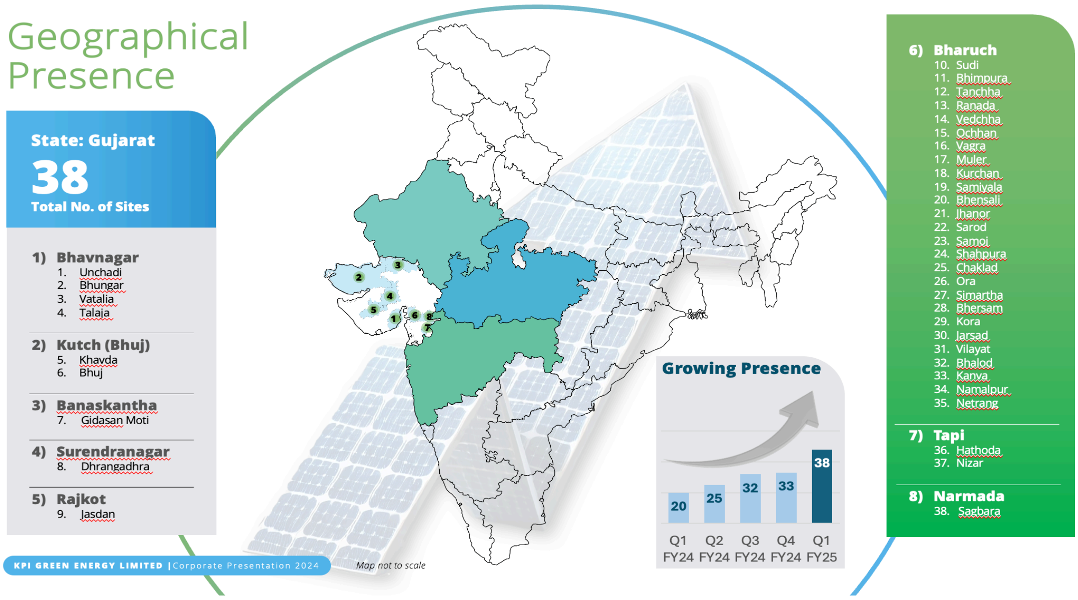
As of June 30, 2024, our IPP portfolio comprises grid connected projects with a total commissioned capacity of 171 MW. We have entered into power purchase agreements ("**PPAs**") with various commercial and industrial off-takers with an average term of 18 years. Our long-term PPAs ensure a predictable and stable cash flow. Some of our key IPP customers include J B Ecotex Limited, Urvashi Paper Mills Private Limited, CSCI Steel Corporation India Private Limited and Best Paper Mills Private Limited. In March, 2024, our Company has signed a PPA with GUVNL for ~ 200 MW grid connected solar photovoltaic power project won through competitive bidding issued by GUVNL for solar park at Khavda, with greenshoe option of additional capacity up to ~ 800 MW. Our IPP projects are connected to sub-stations and grid infrastructure provided by the Gujarat Energy Transmission Corporation Limited ("**GETCO**").

Our CPP portfolio projects had a total commissioned capacity of 302 MW as of June 30, 2024. As part of our CPP vertical, we set up captive power projects for our commercial and industrial clients on land parcels belonging to our land bank, which are thereafter leased to the respective customers on a long term lease rental basis. Some of our key CPP customers include Colourtex Industries Private Limited, Aether Industries Limited, General Polytex Private Limited and Devang Paper Mills Private Limited.

Set out below are the details of our land bank for the respective financial periods, comprising owned and leased parcels, which are utilised for our various CPP and IPP projects:

Particulars	As of March 31, 2022	As of March 31, 2023	As of March 31, 2024	As of June 30, 2024
Total approximate area (in acres)	850	1,374	2,217	2,686

Set out below is geographic map of the state of Gujarat with our project sites:



As of June 30, 2024, we had (a) an installed capacity of 473 MW, comprising 302 MW in CPP projects and 171 MW in IPP projects, and (b) a capacity of 1,311 MW across secured projects where we have executed binding contracts or letters of intent ("**Order Book**"), making our cumulative capacity 1,784 MW, including a cumulative hybrid capacity of 381 MW.

Further, we provide operation and maintenance ("**O&M**") services to all our CPP projects. Our lease agreements and O&M contracts have an average term of 25 years, providing us with long term cash flow visibility. As of June 30, 2024, our O&M operations were supported by a team of 100 personnel.

Set out below are the details of our installed capacity, for our IPP and CPP verticals, which also showcases our portfolio growth:

Particulars	As of / for Fiscal 2022	As of / for Fiscal 2023	As of / for Fiscal 2024	As of June 30, 2024
IPP Installed Capacity (MW)	100	137	158	171
CPP Installed Capacity (MW)	65	175	287	302
Total installed capacity	**165**	**312**	**445**	**473**

We had a cumulative power evacuation capacity of ~240 MW, ~846 MW, ~1,657 MW and 1,849 MW as of March 31, 2022, March 31, 2023, March 31, 2024, and June 30, 2024, respectively.

We are also focused on hybrid energy solutions across both IPP and CPP verticals, with a cumulative commissioned capacity of ~68 MW, as of June 30, 2024.

Our Renewable Project Portfolio

Set out below is a summary of our commissioned projects portfolio and Order Book as of June 30, 2024:

Type of project	Commissioned (A)	As part of Order Book (B)	Cumulative capacity (A + B)
Solar	405	998	1,403
Hybrid[(1)]	68	313	381
Total	473	1,311	1,784

[(1)] *Our hybrid projects produce both solar and wind energy*

Key Performance Indicators

Set forth below are our key performance indicators for the periods indicated:

(₹ in million, unless otherwise stated)

Particulars	Fiscal 2022	Fiscal 2023	Fiscal 2024	Three- months period ended June 30, 2024
Total income	2,315.17	6,470.35	10,308.16	3,498.54
Revenue from IPP(1)	575.93	947.34	1,769.95	457.72
Revenue share from IPP	24.88%	14.64%	17.17%	13.08%
IPP EBITDA	432.28	700.51	1,341.62	359.31
IPP EBITDA margin (%)	75.06%	73.94%	75.80%	78.50%
Revenue from CPP(2)	1,683.88	5,479.70	8,449.33	3,020.51
Revenue share from CPP	72.73%	84.69%	81.97%	86.34%
CPP EBIDTA	616.11	1,384.28	2,053.19	978.65
CPP EBITDA margin (%)	36.59%	25.26%	24.30%	32.40%
EBITDA(3)	1,104.68	2,117.38	3,437.59	1,339.54
EBITDA margin (%)(4)	47.71%	32.72%	33.35%	38.29%
Profit for the year (“**PAT**”)	432.45	1,096.28	1,616.57	661.11
PAT margin (%)(5)	18.68%	16.94%	15.68%	18.90%
Return on Capital Employed (“**ROCE**”) (%)(6)	19.65%	24.27%	18.19%	N.A.
Return on Equity (“**ROE**”)(%)(7)	28.13%	42.51%	19.34%	N.A.
Debt to Equity Ratio (x)(8)	2.19	2.02	1.00	0.89

1. *Revenue from IPP includes the revenue generated from supplying of power to corporate clients through Power Purchase Agreement (PPA).*
2. *Revenue from CPP includes revenue from sale of lease, operation and maintenance services for CPP plant constructed for respective customers.*
3. *EBITDA is calculated as profit for the period / year, plus tax expenses (consisting of current tax, deferred tax and current taxes relating to earlier years), exceptional items, finance costs and depreciation and amortization expenses.*
4. *EBITDA Margin is calculated as EBITDA as a percentage of Total Income.*
5. *PAT Margin is calculated as profit for the period / year as a percentage of Total Income.*
6. *ROCE (Return on Capital Employed) is calculated as profit before tax plus finance costs divided by total net worth and total debt.*
7. *ROE (Return on Equity) is calculated as profit after tax for the period/year divided by total net worth.*
8. *Debt to Equity Ratio is calculated total net worth divided by total debt for the period/year.*

COMPETITIVE STRENGTHS

Established track record of strong execution capabilities

We have a strong track record of developing, constructing and operating renewable power projects, driven by our experienced teams across all stages of the process. Since incorporation, we have completed 62 IPP projects and 119 CPP projects with a cumulative commissioned capacity of 473 MW as of June 30, 2024, across 38 sites in Gujarat.

Our ability to execute projects in a disciplined manner has aided our growth while supporting our aim of meeting our targeted return from future projects. In the case of solar energy projects, we have developed effective turnkey engineering, procurement and construction (“**EPC**”) capabilities and expertise in project design, construction, procurement and installation, which we also offer to third party businesses with captive power requirements as part of our CPP vertical. Our in-house EPC team has executed approximately 302 MW of capacity as of June 30, 2024. Accordingly, we harness these capabilities for our IPP projects as well. We deploy our execution capabilities to understand and conduct wind forecasting surveys and acquire land parcels with high wind velocity and sizeable plot sizes which are conducive to construct wind far Harnessing our wind and solar execution capabilities, our cumulative hybrid capacity as at June 30, 2024 stands at 68 MW.

Our execution capabilities are also demonstrated in our transmission infrastructure. Our IPP projects are supported by an evacuation capacity of ~171 MW which is connected to GETCO substations and grid infrastructure. Our land acquisition team has evacuated power from sub-stations for the transmission lines for our projects, helping us deliver our projects within their scheduled timelines and access to evacuation infrastructure, helping us to ensure a safe working environment for our workers. Our power evacuation capacity has increased from ~240 MW in March 31, 2021 to ~2,686 MW as of June 30, 2024. Before making significant investments in our solar power facilities, we focus on building the essential power evacuation infrastructure. Our evacuation infrastructure helps us integrate our renewable energy sources into the grid infrastructure and ensure reliable energy delivery to the customers. Moreover, a strong power evacuation system ensures that the generated electricity is efficiently transmitted and distributed which minimizes transmission losses and maximizes the amount of energy injected into the grid.

We have made significant strides in expanding our IPP power generation capacity increasing it to 171 MW as of June 30, 2024. Additionally, in March, 2024, we have also signed a PPA with GUVNL for ~ 200 MW grid connected solar photovoltaic power project with greenshoe option of additional capacity up to ~ 800MW. Our CPP capacity also grew considerably by reaching a consolidated capacity of 302 MW as of June 30, 2024.

We carefully evaluate evacuation infrastructure and grid availability at our project locations and our project execution capabilities include building and maintaining the necessary evacuation and transmission infrastructure. In addition, we evaluate the regulatory landscape (including any curtailment issues) as well as the quality of the off takers for our projects. We also ensure that we partner as required with reputed OEMs with appropriate resources to support our execution efforts including provision of transmission infrastructure, technical support and maintenance services.

Strong order book, well-established land bank with approvals, and a committed pipeline for future projects

As of June 30, 2024, we had an Order Book of 1,311 MW comprising solar and hybrid projects. Our Order Book is an important indicator of future revenues and growth. Our Order Book has grown from ~57 MW as of March 31, 2021, to 1,311 MW as of June 30, 2024. Some of the key clients who are a part of our Order Book are Colourtex Industries Private Limited, Aether Industries Limited, General Polytex Private Limited and Devang Paper Mills Private Limited.

For the development of solar and wind hybrid power projects, land is an essential resource with a requirement for acquisition of land parcels on lease and outright sale basis. With a land bank of approximately 2,686 acres, which includes owned and leased land, we are well poised to expand our project portfolio.

We build CPP projects for commercial and industrial off-takers on parcels from our land bank, which are leased out to such customers for a period of 25 years. In addition to revenue earned from building the CPP projects, we generate lease rental and O&M income from such projects for a period of 25 years. By securing land within the vicinity of efficient power evacuation infrastructure, we streamline project development and minimise transmission losses thereby minimising capital and operational expenditure.

The availability of transmission infrastructure and access to a power grid or network are critical to a power project's feasibility. Further, it is also crucial to obtain relevant approvals from the regulators and transmission companies. We have received approvals from GETCO to inject the solar power produced by our facilities into the grid, aggregating to 1,849 MW as of June 30, 2024. Accordingly, we have approvals in place for evacuating power generated by our IPP as well as CPP projects. We have also installed 33 KV and 11 KV transmission lines for internal connectivity, and 66 KV and 11 KV transmission lines to connect our projects nearby GETCO sub-stations. Accordingly, we believe the availability of such approvals and infrastructure makes our land bank an attractive proposition for corporate off-takers.

Our pipeline of projects comprises a proposed capacity of up to ~1,311 MW for both our IPP and CPP projects, giving us visibility on our future cash flows.

Harnessing technological prowess to augment performance and efficiency

We are continuously working on introducing the latest, high-quality products. Our goal is to accelerate the adoption of solar technology across India to conserve our environment and provide an environmentally friendly and sustainable source of energy through economical and sustainable solar renewable energy generating models for our customers. Set out below are our key technological capabilities:

Bi-facial solar panels: By introducing bifacial solar panels that capture sunlight from both the front and rear sides, we have achieved significantly higher yields, as compared to the mono-facial panels. We have increased the overall energy generation capacity and system efficiency by employing the hybrid model of using wind turbine along with solar panels for generating energy and integrating them before injecting the combined energy into the grid. This also facilitates an uninterrupted power supply.

Water-less robotic cleaning of solar panels: Our investment in research and development for and adopting of water-less robotic cleaning of solar panels has streamlined maintenance operations, increased cleaning frequency by saving substantial amount of cleaning water and mitigated risks associated with manual labour at elevated heights.

Single axis trackers: We also use single-axis trackers to optimise the efficiency of solar panels by maximising their exposure to sunlight throughout the day. A single-axis tracker is a device that allows solar panels to follow the trajectory of the sun from the east to the west, as the sun moves across the sky. The tracking capability enables the solar panels to maintain an optimal angle relative to the sun, which results in an increase in energy generation by more than 15%.

Drone and thermal imagery: We use drones to regularly capture thermal images of our plants using IR thermal imaging systems and monitor any potential damage to the solar panels. This is a quick and effective way to find potential fault points, losses, little flaws and abnormalities, improving the efficiency and precision of the data collected, compared to the manual data collection. We utilise thermal imaging system using IR thermal cameras to assess our solar installations on-site, enabling us to efficiently identify any potential concerns in specific areas. This method effectively detects localised faults and the data and images obtained assist us in devising strategies to enhance the overall performance of the solar plants.

Supervisory control and data acquisition: ("**SCADA**"): We use SCADA for real-time monitoring of the key performance parameters of all plants. The system helps in timely fault detection in the solar plant, which helps the control room at the site take corrective actions. The system also helps analyse real-time data of energy generation, including radiation, temperature and wind speed for informed decision-making. We also introduced systems application and products ("**SAP**") for better project management from centralized repository.

SAP for better project management from centralized repository: We have introduced SAP for product management and enhancing our operational capabilities. We are in the process of implementing a centralised monitoring system ("**CMS"**) across all the locations for remote monitoring and management of multiple solar installations and systems from a single location.

These technological advancements have not only enhanced our efficiency but have also contributed to the broader objective of reducing our environmental impact. We are also in the process of introducing SAP for product management to further enhance our operational capabilities.

Professional and experienced leadership team with strong corporate governance

We are led by a professional management team with extensive experience in the renewable energy industry, in-depth understanding of managing renewable energy projects and a proven performance track record. Our senior management is led by Farukbhai Gulambhai Patel (our Chairman and Managing Director) and is supported by able professionals. Our senior management has extensive experience in the fields of renewable energy, finance, land revenue, and power. For further details, please see "***Board of Directors and Senior Management***" on page 215.

Our high corporate governance standards are monitored by independent directors, which comprises half of our board strength. We have a well-developed organisational structure, which includes experienced mid-level and field-level personnel. We maintain a focus on implementing and strengthening the requisite project bidding, financing, execution and O&M capabilities across our organisation. We employ a significant number of qualified technical personnel and as of June 30, 2024, our personnel included a team of 82 dedicated engineers engaged in developing and managing our projects. We also have a strong O&M and projects team, with 100 and 136 personnel, respectively.

The management team's capabilities and core understanding of the renewable energy business, as well as the related regulatory environment, enables us to continue to operate efficiently and manage risk effectively. We believe our competitive position compared to our competitors and continuing reputation for operational excellence is a significant competitive advantage.

We benefit from this experience, support, vision, relationships and resources of the KP group for executing projects that we have won or acquired. To supplement our project execution capabilities, we invest in the technology standards that are sustainable, thereby giving us a sustainable competitive advantage, efficiency in operations and improve time realizations, respect, talent traction and profitability.

Consistent growth with robust operational and financial metrics

As a result of our focus on business expansion and capital efficiency, we have been able to achieve sustained growth with respect to various financial indicators. We consider our ability to evolve and address the needs of our marquee customer base as a key factor in our growth. Our growth is reflected in our improved financial performance. For example, our total income grew at a CAGR of 111.01 % from ₹ 2,315.17 million in Fiscal 2022 to ₹ 10,308.16 million in Fiscal 2024. Similarly, our PAT grew from ₹ 432.45 million in Fiscal 2022 to ₹ 1,616.57 million in Fiscal 2024, growing at a CAGR of 93.34 %. Our total income was ₹3,498.54 million and our PAT was ₹661.11 million, respectively, for the three months ended June 30, 2024.

Our strong financial performance is also indicative in our credit worthiness. In this regard, we have been assigned a credit rating of A- from ICRA as of June 30, 2024.

We strive to maintain a robust financial position with emphasis on having a strong balance sheet and increased profitability. Our strong balance sheet enables us to pursue opportunities for growth and better manage unanticipated cash flow variations. For further details on a comparative analysis of our financial position and revenue from operations, see the "***Management's Discussion and Analysis of Financial Position and Results of Operations***" on page 88.

Our growth has also been enabled by the long term nature of our PPAs, O&M contracts and leases, from which we benefit significantly. In terms of our PPAs, our power purchase tariffs are linked to unit rates offered by power distribution companies ("**DISCOM**"), where we typically offer an average discount of 7% to our customers. Our O&M contracts also have fixed service charges which provide for escalations through their term.

Our lease agreements also have an average of 25 years as the lease period. Under our leasing arrangements, our customers pay us fixed tariffs annually, which are subject to escalation on a yearly basis. The average annual escalation of rent is 2% for our lease agreements. The aforesaid factors provide us with cash flow visibility which enables us to plan our growth, capital management and financial performance efficiently.

For further details of our key financial and operations metrics, please see *"- **Key Performance Indicators**"* on page 203.

OUR STRATEGIES

Pursue portfolio growth and build a strong position in solar projects with specific focus on large scale projects

We intend to strengthen our position in the Indian renewable energy sector by further growing our portfolio across both CPP and IPP verticals and ensuring steady cash flows.

We have made significant strides in expanding our power generation capacity, by adding ~109 MW of operational capacity to our IPP segment since March 31, 2021, and achieving a consolidated capacity of 171 MW as of June 30, 2024. Additionally, our CPP segment grew considerably by 293 MW since March 31, 2021, reaching a consolidated capacity of 302 MW as of June 30, 2024. Further, we have projects in our Order Book with a proposed capacity of ~1,311 MW as of June 30, 2024. While the existing projects and our current Order Book are in Gujarat, we also intend to further focus on integrating and expanding our IPP and CPP projects across various states in India such as Maharashtra and Uttarakhand, to widen our customer base across different geographies.

We plan to expand the portfolio of our solar projects by leveraging our existing customer base and by adopting a targeted approach to win contracts for provision of solar power on the basis of our competitive strengths and cost efficiencies that we will be able to offer to such customers. We also intend to utilise our available land resources and our land acquisition skills to build our portfolio. As of June 30, 2024, we had a land bank of 2,686 acres of owned and leased parcels, which is or proposed to be utilised for our expansion plans.

Our capital management philosophy is to ensure that our projects are well funded, and there is seamless transformation of capital requirements at each stage of a project's development process, in order to maximize stakeholder value and reduce project execution risk with disciplined capital management.

We intend to achieve up to ~ 1,000 MW of cumulative capacity by 2025. To build a strong position in solar and hybrid projects, we intend to additionally focus on large scale projects going forward.

While we will focus on large scale projects, we intend to continue to grow our business for smaller power projects (i.e. less than ~ 10 MW), primarily catering to the MSME segment. MSMEs constitute ~95% of total industrial units in India. (*source: CRISIL report*) MSMEs in Gujarat play a pivotal role in the state's advancement and significantly contribute to India's socio-economic growth (*source: CRISIL report*). We believe this has better margins and quicker turnaround time to complete the projects.

To focus on our hybrid portfolio projects and leveraging our experience in wind projects

We commissioned our first hybrid (wind and solar) project as part of our IPP vertical, comprising ~16.10 MW of wind and ~10 MW of solar capacity under the Gujarat Wind-Solar Hybrid Power Policy, 2018. As part of our CPP segment, we have a total of 231 MW as of June 30, 2024, in under-construction solar and hybrid projects. As of June 30, 2024, we have commissioned 24 MW of hybrid projects.

Initially, India has set a target of 450 GW renewable energy installed capacity by 2030. Now, as per the revised target, India is expected to have 500 GW non fossil fuel-based capacity installed by 2030. The estimated total installed capacity of India is expected to reach to 777 GW by March 2030. (*source: CRISIL Report*). As we look forward and contribute further to the nation's renewable energy targets with the government's tendering for solar, we believe that hybrid projects will be a key focus to participate in India's net zero ambition. The hybrid model brings both solar and wind energy together to provide a more reliable, efficient and sustainable approach to renewable energy generation. This model also enables the commercial optimization of transmission charges and the effective utilization of grid capacity. (*source: CRISIL Report*). Our expertise in solar and wind project development will be instrumental in advancing hybrid projects under the Gujarat Wind-Solar Hybrid Policy, which not only aligns with our commitment to clean energy but also offers other ancillary benefits, flexibility and grid stability.

We aim to grow our market position by leveraging our presence across wind-resource rich states. We plan to expand our portfolio to enter new products and markets, including those for offshore wind energy. Due to its long coastline measuring 7,600 km India has potential of 140 GW in the offshore wind segment (*source: CRISIL Report*). Further, as part of the increasing focus on renewable energy pursuant to the national policy of the Indian Government, including the waiver of inter-state transmission system charges for projects commissioned until June 30, 2025 (*source: CRISIL Report*), we also intend to use our existing infrastructure to bid for hybrid renewable energy projects, i.e., projects with wind and solar energy components.

Focus on timely execution of projects

We continue to enhance our practices by moving from conventional reactive maintenance to predictive and proactive maintenance through the use of advanced analytics, artificial intelligence and machine learning. Currently, all of our plants in

Gujarat are equipped with SCADA systems for monitoring. We are also implementing SAP and CMS across all our business operations.

We seek to further enhance our project execution efforts in order to control our costs and optimise the output of our projects. We intend to develop in-house capabilities such as robotic panel cleaning, and solar panel trackers to track the direction of the sun to increase economic viability of the project. We will seek to implement new technologies, including newer versions / capacities of turbine and solar module technologies, which are capable of higher generation levels. Our in-house team of technical designers intends to continue to refine and enhance our solar plant design and execution capabilities and to continue to work with leading wind OEMs to deploy new turbine technologies.

We also intend to utilise drones and new maintenance technologies as part of enhanced project monitoring and O&M efforts.

We intend to strengthen our diagnostics and performance monitoring capabilities across our wind and solar energy projects. In addition, we intend to invest in advanced monitoring and tracking and predictive and preventive analytics technologies with specific applications in operational areas including monitoring equipment condition, advanced failure detection and forecasting and scheduling energy generation. Our asset management team will also continue to focus on maximising the operating efficiency of our assets as measured by plant load factor ("**PLF**"). We intend to continue to build our in-house transmission capabilities in respect of our solar energy projects, relying on our own EPC teams for the development of transmission lines in addition to external EPC providers to further control costs on such projects. This will enable us to evaluate new energy storage solutions and associated technologies to further increase project operational efficiencies.

Focus on strategic acquisitions of land within the vicinity of the electric sub-stations

Land is one of the key resources for renewal power projects. One of the most crucial aspects of successfully land acquisition is identifying land parcels with sufficient irradiation levels and access to grid infrastructure.

With a land bank of approximately 2,686 acres, which includes owned and leased land, we generate and supply power as an IPP and CPP producer. We offer land tracts to third parties who subsequently lease the offered land back to us for a period of 25 years to build solar power facilities. Following the term of our lease, we pay a fixed lease rental to the landowners, thereby continuously improving our leasing portfolio as owned land parcels streamline financing of solar projects.

We intend to focus on acquiring land parcels with pre-approved permissions. For example, we have acquired 100.00% equity share capital of KPark Sunbeat Private Limited which proposes to set up a ~70 MW solar park at Dhrangadhra, Surendranagar, Gujarat and a ~30 MW solar park at Kantvav, Surat, Gujarat, aggregating up to ~100 MW of solar power projects, which will form part of our IPP vertical. KPark Sunbeat Private Limited also owns ~52 acres of land at Surendranagar, Gujarat on freehold basis for development for solar power projects and has secured necessary approvals from GETCO to evacuate the power generated at the respective solar power plant to the nearest 66KV / 220KV sub-station. To this end, KPark Sunbeat Private Limited has already built a capacity of ~ 10MW as part of our IPP business.

We will continue to focus on identifying and acquiring potential land parcels which will help us grow our project portfolio. We believe our present land bank and our expertise and track record of land acquisition provides us with a competitive edge with regards to one of the most essential resources in renewable projects, being land parcels.

Focus on expansion of geographic footprint

We intend to focus on geographic expansion and bidding and acquiring new projects in other states in India which have potential for renewable energy development. For instance, under our CPP segment, we have recently signed a memorandum of understanding with Mahatma Phule Renewable Energy and Infrastructure Technology Limited ("**Mahapreit**"), a subsidiary of Maharashtra's MPBCDC, to work on various projects centered around renewable energy and technological advancement. We believe such strategic partnerships will help us expand our geographic footprint in Maharashtra. In March, 2024, we won the tender by Maharashtra State Power Generation Company Limited for the development of ~100 MW solar power project in the state of Maharashtra. We have also signed a memorandum of understanding with the Government of Uttarakhand for development of a ~500 MW solar park on a CPP basis, in line with the state government's renewable policy to empower the state with green and sustainable energy.

According to Crisil, there is huge untapped potential across the states for solar energy, as mentioned below:

States	Potential (GW)	Installed capacity (GW)	Potential achieved (%)
Andhra Pradesh	38	4.58	12.1%
Gujarat	36	13.54	37.6%
Karnataka	25	8.54	34.2%
Madhya Pradesh	62	3.99	6.4%
Maharashtra	64	6.24	9.8%
Punjab	3	1.32	44.0%
Rajasthan	142	21.34	15.0%

States	Potential (GW)	Installed capacity (GW)	Potential achieved (%)
Tamil Nadu	18	8.21	45.6%
Telangana	20	4.75	23.8%
Uttar Pradesh	23	2.92	12.7%

(Source: Crisil Report)

We intend to leverage our existing project execution capabilities coupled with our experience in O&M for becoming attractive project partners in new geographies. In addition, we plan to apply the skills and experience we gained through our significant operating portfolio and operating history to identify and develop new projects, as well as supplement our organic growth and enhance the scale of our operations by selectively pursuing strategic acquisitions of additional power businesses and assets and entering into alliances and partnerships with strategic partners.

History and Milestones

The key milestones in our history are set forth below:

Year	Particulars
2008	• Our Company was incorporated on February 1, 2008.
2013	• Our Company received a GEDA registration certificate for developing a ~15 MW Solar plant in Bharuch. • Our Company received Power evacuation (PE) approval from the Gujarat Energy Transmission Corporation Limited (GETCO) for the first ~15 MW.
2014	• Our Company commenced construction of 66 KV Transmission Line from Sudi plant to GETCO's Amod Substation for power evacuation.
2015	• Our Company signed the first Power Purchase Agreement and began construction of the solar plant. • Our Company successfully completed and charged the 66KV Transmission Line.
2016	• Our Company commissioned the first ~1.5MW of solar plant and commenced the sale of power.
2017	• Our Company received GETCO approval for the next ~15 MW (Total ~30 MW) evacuation. • Our Company received GETCO approval for the laying of a second circuit on a 66 KV Transmission line using a panther conductor.
2018	• Our Company received a GEDA registration certificate for developing the next ~25 MW solar plant. • Power Finance Corporation Ltd. (PFC) approved and signed a facility agreement to part finance ~25 MW solar plant. • Our Company launched a new segment of business under the Captive Power Producer (CPP) category and commissioned the first CPP solar plant.
2019	• Our Company successfully commissioned ~15MW of capacity for Phase 1 under the Independent Power Producer (IPP) category. • Our Company was successfully listed on the SME platform of BSE.
2020	• Our Company successfully commissioned an additional ~25 MW of capacity, aggregating to ~43 MW under the Independent Power Producer (IPP) category.
2021	• Our Company successfully commissioned incremental IPP capacity, aggregating to ~49 MW. • Our Company charged a new 11kv transmission line for power evacuation capacity for CPP clients. • Our Company successfully migrated to the Main Board platform of Stock Exchanges.
2022	• Our Company successfully achieved the milestone of ~100 MW of capacity energised under the IPP segment. • Our Company successfully energized ~65 MW of capacity under the CPP segment 2023. • Our Company was renamed from 'KPI Global Infrastructure Ltd.' o 'KPI Green Energy Limited.'
2023	• ICRA has upgraded our Company's credit rating from BBB+ to A-. • Our Company successfully commissioned 26.10 MW first IPP Hybrid Project. • Our Company successfully achieved the milestone of 300+ MW of cumulative capacity energized (IPP+CPP). • Our Company procured 200MW Solar PV project from GUVNL.
2024	• Our Company procured ~305MW Solar project from Aditya Birla Renewables. • Our Company successfully achieved the milestone of ~445+ MW of cumulative capacity energized (IPP+CPP) Procured ~50MW Hybrid Project from GUVNL. • Our Company issued 2,535,925 Equity Shares of face value of ₹ 10 each by way of Qualified Institutional Placement.
2025	• Our Company received new orders totaling ~100.45 MW for solar power projects. • Our Company received letters of intent from Gujarat Urja Vikas Nigam Limited for the development of 620MWAC of grid-connected Solar and Hybrid Renewable Energy projects.

Year	Particulars
	• Our Company has signed a power purchase agreement for 50MW Solar-Wind Hybrid Power Project. • Our Company has acquired a significant stake in Miyani Power Infra LLP, with 99% stake held directly and the remaining 1% through its wholly owned subsidiary, M/s KPark Sunbeat Private Limited. Through this acquisition, Miyani Power Infra LLP has become a 100% subsidiary of KPI Green Energy Limited

Our Projects

As of June 30, 2024, our cumulative commissioned capacity across our IPP and CPP verticals was ~473 MW and our evacuation capacity was ~1,845 MW.

IPP Projects

Each of our operational IPP projects benefits from long-term, fixed-tariff PPAs with commercial and industrial off-takers India, which provide stable and predictable cash flows. The tariff rates under our PPAs are linked to the tariffs charged by DISCOM, with a pre-agreed discount. The average discount to the DISCOM tariff offered under our PPAs is around 7%. The amount of power supplied under our PPAs is measured on a monthly basis and is validated by our counterparties through a joint meter reading prior to billing. Under the terms of our PPAs, our counterparties are obligated to purchase the power generated at our plants, up to a capped capacity for a fixed tariff. The average term of our PPAs is 18 years.

Under our IPP vertical, we develop and maintain grid-connected solar power projects and generate revenue by selling power units generated from our solar plants through the PPAs that we enter into with commercial and industrial off-takers. Our projects are located in Sudi, Samiyala, Tanchha, Bhimpura, Kurchan, Muler and Vedcha villages of Bharuch district, Gujarat. As of June 30, 2024, our completed/ commissioned projects were ~171 MW and our projects under execution are 345 MW.

CPP Projects

Under our CPP vertical, we develop, transfer, operate and maintain grid-connected solar power projects for our CPP customers and generate revenue by selling these projects to the CPP customers for their captive use requirements. Our projects are located at Sudi, Bhimpura, Muler, Ochchan, Jhanor, Bhensali, Vagra and Vedcha villages of Bharuch district, Gujarat. We develop solar power projects on behalf of CPP customers by entering into a turnkey agreement enabling CPP customers to not only use a common pool of grid-connected land to establish and generate solar power, but also provide ready-made common infrastructures to evacuate power, using our transmission line from solar plants to the nearest GETCO substation. This also includes our long-term O&M contracts. As of June 30, 2024, our completed/ commissioned projects were 302 MW and our projects under execution are 966 MW.

Our Customers

We have bifurcated our customers under (i) IPP customers; and (ii) CPP customers. Our agreements with these customers generally operate in phases with payment milestones for each stage. In addition, the agreements provide for liquidated damages to be paid to customers if the project is not completed on a schedule. As of June 30, 2024, we have entered into binding contracts / letter of intent for construction of 1,311 MW of energy projects. Our Order Book is an important indicator of future revenues and growth. Our Order Book has grown from ~57 MW as of March 31, 2021 to ~1,311 MW as of June 30, 2024.

Set forth below are the details of the revenue generated from our top customer, top five customers and top ten customers (determined on the basis of their contribution to our revenue from contracts with such customers), for the periods indicated:

Customer	March 31, 2022		March 31, 2023		March 31, 2024		June 30, 2024	
	Revenue (in ₹ million)	% of revenue from contracts with customers (%)	Revenue (in ₹ million)	% of revenue from contracts with customers (%)	Revenue (in ₹ million)	% of revenue from contracts with customers (%)	Revenue (in ₹ million)	% of revenue from contracts with customers (%)
IPP								
Top five customers	388.97	68%	450.74	48%	857.09	48%	233.99	51%
Top ten customers	485.45	84%	591.04	62%	1,135.78	64%	307.73	67%
CPP								
Top five customers	1,193.84	71%	3,774.49	70%	3,334.94	39%	1,436.91	48%

Customer	March 31, 2022		March 31, 2023		March 31, 2024		June 30, 2024	
	Revenue (in ₹ million)	% of revenue from contracts with customers (%)	Revenue (in ₹ million)	% of revenue from contracts with customers (%)	Revenue (in ₹ million)	% of revenue from contracts with customers (%)	Revenue (in ₹ million)	% of revenue from contracts with customers (%)
Top ten customers	1,422.95	85%	4,640.22	85%	4,851.18	57%	1,761.67	58%

Our Business Agreements

PPAs

Our IPP and CPP projects benefit from long-term PPAs, thereby enhancing the offtake security and long-term visibility of our revenues. We have entered into PPAs with commercial and industrial customers. With commercial and industrial customers, our PPAs are typically for range of 18 to 20 years. Tariff rates for our PPAs for solar energy projects are determined based on the energy credit generated by DISCOM in the customers' bill against the sale of electricity. The majority of these PPAs provide for fixed discounts on the tariff rates. The tariff rates in some of our PPAs are subject to annual escalation provisions. Our PPAs include, among other things, minimum take-off provisions, imposing obligation on the customers to take off a minimum criterion of units ordered which ranges from 85 – 90% Events of default typically include breach or contravention of the terms and conditions under the agreements and failure to operate and maintain our projects in accordance with the terms of the PPAs. Upon the occurrence of an event of default, we may face certain consequences which include, among others, specific performance of the PPAs, termination of the PPAs, payment of pending balance etc. Most of our PPAs also provide for relief to the party affected by a *force majeure* event.

EPCC & O&M Agreements

We have entered into Engineering, Procurement, Construction and Commissioning ("**EPCC**") and Operations and Maintenance ("**O&M**") Contracts with commercial and industrial customers for our CPP projects. The price and payment terms for these contracts are fixed, which are to be released in tranches, upon achieving a certain milestone. Most of our contracts have delay in payment clause, wherein, an interest is charged for every delayed payment. EPCCs also provide for O&M of the project, which is usually for 25 years at a rate that is mutually agreed. These contracts also provide for a guarantee, wherein, our Company is required to produce a minimum of 85% of projected units. Upon the occurrence of an event of default, we may face certain consequences which include, among others, termination of the contracts, immediate payment of pending balance etc. Most of our contracts also provide for relief to the party affected by a *force majeure* event.

Lease agreements

We offer land parcels from our land bank on a leasehold basis to our CPP customers to construct CPP projects. These are either leases, to the extent parcels are owned by us, or sub-leases, to the extent the land parcels are leased by us. Accordingly, in addition to revenue from construction of the CPP project, and O&M income, we also earn lease income.

Our lease agreements have an average term of 25 years. Our customers pay us fixed rental amounts annually. The rental amounts are subject to a 2% escalation annually. The usage rights of land parcels leased to our customers are limited to solar power projects only.

Land Bank and Procurement

The land used for setting up solar power projects may be on private land. Private land is purchased directly from its owner and if such land is agricultural land, it is converted into non-agricultural land if required by the applicable State Government. In the case of land owned by the government, it is made available by the respective State Governments on a long-term lease or outright sale basis as per the prevailing policies of the relevant State Government. Certain State Governments, like that of Gujarat and Rajasthan, have special policies for the allotment of revenue land for solar energy projects. The land so allotted can also be transferred to third parties, such as our customers, through either a lease or a sub-lease with the consent of the relevant State Government.

Once a given site project is identified and the assessments and studies described above are complete, the land acquisition process will generally be administered by our in-house land team, working with third party aggregators or developers and EPC contactors as required. For our turnkey projects, once a suitable site is identified and the assessments and studies described above are complete, the land acquisition process is undertaken by the project owner, in close consultation with our land team, and also by us for some of our projects that are currently under development.

Generally, the land title procurement process begins with land assessment and feasibility studies even before development of a given project while closing can occur at any point in the project development cycle. Upon successfully winning a bid, we commence the process to secure land titles or attain the relevant land rights for land needed to construct and operate our projects, including those associated with turbines or solar plant, transmission and interconnection lines and access roads and facilities. We receive assistance from land aggregators or intermediaries to help secure the rights to the land and facilitate the procurement process.

We generally enter into conveyance/ lease deeds with landowners to secure the necessary title/ rights to build on the site, including meteorological masts, roads, electric lines and substations, turbines or solar plant and O&M and other associated facilities. Ownership of each project site allows us to facilitate our efforts to ensure wind/ solar/ hybrid energy project optimization to maximize power generation. Further, we obtain necessary approvals such as conversion certificates from the relevant government departments for use of land for non-agricultural purposes and environmental approvals as applicable. Occasionally, such as in case of solar parks, the developer is solely responsible for land acquisition and various approvals.

Approvals

Upon identifying and acquiring a high potential site, we begin the approvals process with relevant local and state agencies. For certain types of approvals the process continues throughout the various stages of project development.

The approvals process includes, among other things, identifying required permits, holding preliminary meetings with relevant state and central agencies and stakeholder groups, determining which studies will be needed in connection with approvals applications and conducting the studies, preparing permits and disclosure reports, participating in public meetings, and responding to information requests and seeking project approvals from the state or central government bodies. For example, we have received the power evacuation approval from the GETCO for the ~15 MW project in 2013 and 2017. Further, we also received a GEDA registration certificate for developing the ~25 MW solar plant in 2018.

The approvals we obtain for our 11 kV and 66 kV projects typically include a GEDA registration certificate, a connectivity approval from GETCO for evacuation of solar power, a charging approval from the Chief Electric Inspector of Government, a certificate of commissioning of a project, an approval from LTOA for transmission of power and a wheeling agreement.

Project Execution Process

As part of our execution process, we assess factors such as solar and wind resource potential, land availability, environmental impact and proximity to requisite electric infrastructure. We also conduct feasibility studies to assess the technical, financial and regulatory aspects of the proposed land and project site. Pursuant to such examination we seek energy sales and off take arrangements. For proposed M&A and investments, financial, tax, land, technical and legal due diligence is conducted on the relevant asset(s). Each project under consideration is further evaluated by our internal development and O&M teams, as well as by external consultants. Current and future performance risks are also assessed. Detailed exercises are undertaken to assess required additional capital expenditure and operating expenditures for the residual lifespan of the specific asset(s). The resulting proposal is then sent to the senior management and subsequently, the Board, for their approval. Upon approval, investments are continuously monitored.

Our Suppliers

Operating equipment for solar energy projects primarily consists of solar module panels, inverters, cables, solar mounting structures, trackers and transformers. We purchase major components such as solar module panels and inverters directly from multiple manufacturers. There are several suppliers in the market and we select our suppliers based on expected cost of equipment purchased, reliability, warranty coverage, ease of installation and other ancillary costs. Our suppliers largely consist of Tier 1 solar module panel manufacturers. We source our material on a purchase order basis from time to time.

Competition

We face competition in the development and acquisition of new projects as well as in the sale of electricity.

Our primary competitors in respect of the development and acquisition of new power projects include both domestic and foreign renewable energy project developers, IPPs and utilities. We compete with renewable energy project developers on the basis of a number of differentiating factors in the industry, including site selection, access to vendors, access to project land, efficiency and reliability in project development and operation, and auction bidding.

We also compete with both conventional and renewable energy companies for the financing needed to develop and construct projects. In addition, we compete with other conventional and renewable energy companies in India for a limited pool of personnel with requisite industry knowledge and experience, as well as equipment supplies, permits and land to develop new projects. Our competitors include UOM, Adani Green Energy Limited, ReNew Power Limited, CleanMax Enviro Energy Limited, Gensol Engineering Limited, SVJN Limited, Continuum Green Energy Limited and Orient Green Power Limited. (*source: CRISIL Report*)

Awards

The awards earned by our Company are set forth below:

Year	Particulars
2016	• Our Company was awarded Solar Innovation and Excellence Award under the Excellence in Solar Park category, conferred by Mission Energy Foundation.
2017	• Our Company was given certificate of appreciation by the Institute of Civil Engineers and Architects, Surat for participating in the Sthapatya held from January 6, 2017 to January 9, 2017. • Our Company was awarded Certificate of Participation by Southern Gujarat Chamber of Commerce & Industry for participating in the Surat International Textile Expo held from February 25, 2017 to February 27, 2017.
2022	• Our Company was awarded the 'EPC Company of the Year' Award in the industrial category (platinum) in the Gujarat State Annual Solar Awards.
2024	• Our Company was awarded the 10 most promising renewable energy companies- 2023' award recognized by Siliconindia Magazines.

Environmental, Health and Safety Management

We are committed to safe work practices to prevent occupational health and safety risks. We have implemented work safety measures and standards to ensure healthy and safe working conditions for all the employees, contractors, visitors and customers at our projects. We have established a work safety management department which ensures compliance with applicable safety regulations and measures and endeavor for all of our operations to have integrated safety systems and emergency shutdown systems to ensure the safe stoppage of power generation in atypical conditions. We have also in the past engaged third-party consultants to assist in evaluating our safety standards and procedures and to implement improvements.

We promote a culture of safety which we believe will enable us to eliminate fatalities and minimize accidents. A robust culture of "Safety First" is spread across our employees, contractors and others impacted by our operations. We conduct safety audits previously and ensure that each worker, whether permanent or contractual, undergoes relevant training trainings on health and safety before entering our plant premises. Identifying occupational health risks and sensitizing our workforce is an integral part of our orientation programs and on-site training for both employees and contractors. We hold various awareness sessions on health, safety, and environmental issues, our policies and applicable laws through in-house training and videos.

Employees

We had 378 full-time employees as of June 30, 2024, all of whom are located in India. The following table sets out our employee headcount by general job function for the periods indicated:

No.	Job Function	As of June 30, 2024
	O&M	100
	Projects	136
	Accounts and finance	23
	Administration	43
	Business development	20
	Human resources	10
	Legal and secretarial	8
	Procurement	11
	Others	9
	Senior management	3
	Marketing	5
	Information and technology	10
	Total	**378**

Properties and Offices

Our registered office is located at KP House, Near KP Circle, Opp. Ishwar Farm Junction BRTS, Canal Road, Bhatar, Surat - 395 017.

Our power projects are located primarily on land leased from state governments and third parties and freehold land purchased by us from private individuals and entities. As of June 30, 2024, we owned approximately 530 acres of real estate and leased approximately 2156 acres of real estate relating to our projects.

Intellectual Property

The Group trademark was registered in the name of our Group Company, KP Green Engineering Private Limited (*formerly known as K.P Buildcon Private Limited)* under Class 37 of the Trademarks Act, 1999. By way of deed of assignment dated March 30, 2023 entered into between KP Green Engineering Private Limited (*formerly known as K.P Buildcon Private Limited)* and our Promoter, Farkhbhai Gulambhai Patel, the former assigned the trademark to our Promoter for a consideration of Rs. 11,000/-.

Our Company has entered into a trademark licensing agreement dated July 10, 2023 with our Promoter, Farukbhai Gulambhai Patel pursuant to which trademark and trade the name 'KP Group' trademark has been granted to us for use on a non-exclusive and non-transferable basis.

Insurance

We believe our insurance policies are on terms generally carried by companies engaged in similar businesses in India. However, as is common in the renewable power industry, we do not insure fully against all the risks associated with our business either because insurance is not available or because the premiums for some coverage are prohibitive. We maintain insurance coverage, amongst other things, industrial all risk insurance, commercial general liability insurance, director and officer liability insurance and insurance from loss of profit. See also "***Risk Factors - We may be subject to significant risks and hazards when operating and maintaining our solar power projects, for which our insurance coverage might not be adequate. Failure to maintain adequate insurance coverage can trigger breach of the relevant EPCCs thereby having a material adverse impact on our operations***." on page 54.

Corporate Social Responsibility

With social and environmental responsibility being our top priority, we have consistently contributed to socially responsible activities. We believe that in order to succeed, a company must maintain the highest standards of corporate behavior towards our employees, customers, and the communities in which it operates. According to Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility Policy) Rule, 2014, our Company framed a Corporate Social Responsibility ("**CSR**") Policy to encourage sense of responsibility and contribution among corporate employees, which is expected to benefit various groups of people such as children, women, the uneducated, the unemployed, and so on. As a result, we carried out our CSR activities / projects both directly and through the implementation agency, KP Human Development Foundation ("**KP Foundation**"). In line with our CSR Policy, we endeavor to improve the level of education imparted in the government schools located in government schools located in backward areas of Surat. In order to promote the education further amongst the students who are not financially able to buy new notebooks, we have also distributed notebooks in the schools adopted by KP Foundation.

The KP Foundation has supported various projects, including a blood donation camp, health diagnosis camp, daily food distribution, and other social, educational, and health-related events. KP Foundation has also been instrumental in building hospitals and old age homes for senior citizens.

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

BOARD OF DIRECTORS

The composition of the Board is governed by the provisions of the Companies Act, 2013, the rules prescribed thereunder, the SEBI Listing Regulations and the Articles of Association. In accordance with the Articles of Association, our Company shall not have less than 3 (three) Directors and more than 15 (fifteen) Directors. As of the date of this Preliminary Placement Document, our Company has nine Directors, of which two are Executive Directors, two are Non-Executive Non-Independent Directors, five are Independent Directors, including one woman Independent Director.

Pursuant to the provisions of the Companies Act, 2013, at least two-thirds of the total number of Directors, excluding the Independent Directors, are liable to retire by rotation, with one-third of such number retiring at each annual general meeting. A retiring Director is eligible for re-election. Further, pursuant to the Companies Act, 2013, the Independent Directors may be appointed for a maximum of two consecutive terms of up to five consecutive years each and thereafter have a cooling off period of three years prior to re-appointment. Any re-appointment of Independent Directors shall be on the basis of, *inter alia*, the performance evaluation report and approval by the shareholders of our Company, by way of a special resolution.

The following table sets forth details regarding our Board as of the date of this Preliminary Placement Document:

Name, Address, Occupation, Nationality Term and DIN	Age	Designation
Farukbhai Gulambhai Patel ***Date of Birth:*** March 24, 1972 ***Address***: KP Haveli, Plot No.9 To 11, Shabnam Park Society, Adajan Patiya, Taj Road, Surat – 395009, Gujarat, India ***Occupation***: Business ***Nationality***: Indian ***Term***: Five years with effect from January 17, 2023, not liable to retire by rotation. ***DIN***: 00414045	52	Chairman and Managing Director
Mohmed Sohil Yusufbhai Dabhoya ***Date of Birth:*** June 21, 1983 ***Address***: C-8 Rehmat Nagar Society, Manchhiwad Tekro, Rander, Bhesan, Surat – 395005, Gujarat, India ***Occupation***: Business ***Nationality***: Indian ***Term***: Five years with effect from September 28, 2019, liable to retire by rotation. ***DIN***: 07112947	40	Whole-time Director
Bhadrabala Dhimant Joshi ***Date of Birth:*** April 10, 1958 ***Address***: 6, Shrinagar Society, Ghoddod Road, Surat - 395001, Gujarat, India ***Occupation***: Professional ***Nationality***: Indian ***Term***: From January 17, 2018, liable to retire by rotation ***DIN***: 07244587	66	Non-Executive Non-Independent Director

Name, Address, Occupation, Nationality Term and DIN	Age	Designation
Venu Birappa ***Date of Birth:*** July 18, 1963 ***Address***: 1, Kalindi Row Houses, Pashabhai Patel Park, Race Course, Vadodara, Vadodara – 390007, Gujarat, India ***Occupation****:* Business ***Nationality****:* Indian ***Term****:* Five years with effect from August 3, 2021, not liable to retire by rotation. ***DIN***: 09123017	61	Non-Executive Independent Director
Sharadchandra Babhutabhai Patil ***Date of Birth:*** January 10, 1958 ***Address***: 175-2, Kenya Nagar, Near Abhilasha Char Rasta, New Sama Road, Vadodara – 390008, Gujarat, India ***Occupation****:* Business ***Nationality****:* Indian ***Term****:* Five years with effect from October 6, 2021, not liable to retire by rotation. ***DIN***: 09345575	66	Non-Executive Independent Director
Mohamed Hanif Mohamed Habib Dalchawal ***Date of Birth:*** June 9, 1956 ***Address***: 12/1496, Behind Parsi General Hospital, Chimanlal Clerk Road, Shahpore, Surat – 395003, Gujarat, India ***Occupation****:* Business ***Nationality****:* Indian ***Term****:* Five years with effect from January 17, 2023, not liable to retire by rotation. ***DIN***: 08042299	68	Non-Executive Independent Director
Shanker Baheria ***Date of Birth*****:** February 17, 1965 ***Address***: 9 Abhinav Colony, Opposite Kamla Kamdhenu Hall, Near Gurukul, Memnagar, Ahmedabad – 380052, Gujarat ***Occupation****:* Professional ***Nationality****:* Indian ***Term****:* Five years with effect from November 30, 2022, not liable to retire by rotation ***DIN***: 09787133	59	Non-Executive Independent Director

Name, Address, Occupation, Nationality Term and DIN	Age	Designation
Amitkumar Subashchandra Khandelwal ***Date of Birth*****:** May 22, 1981 ***Address***: A-603, Ishan Heights, New CG Road, Nr. Sona Cross Road, Chandkheda, Ahmedabad – 382424, Gujarat. ***Occupation****: Business* ***Nationality****: Indian* ***Term****:* Five years with effect from December 4, 2023, not liable to retire by rotation ***DIN***: 09287996	43	Non-Executive Non-Independent Director
Tejpalsingh Jagatsingh Bisht ***Date of Birth*****:** June 30, 1962 ***Address***: Plot No. 494, Sector-1, Gandhinagar – 382007, Gujarat ***Occupation****: Professional* ***Nationality****: Indian* ***Term****:* Five years with effect from December 4, 2023, not liable to retire by rotation ***DIN***: 02170301	62	Non-Executive Independent Director

Biographies of our Directors

Farukbhai Gulambhai Patel is the Chairman and Managing Director of our Company. He holds honorary degree of doctorate in Innovation, Talent and Creativity Management from American East Coast University, New York City, USA. He has completed the comprehensive course in solar photovoltaic design, technology, and application from the Gujarat Energy Research and Management Institute. He has been associated with our Company since its inception and has over 15 years of experience in the renewable energy sector. He is responsible for the overall operations of our Company.

Mohmed Sohil Yusufbhai Dabhoya is the Whole-time Director our Company. He holds a bachelor's degree in commerce from Sheth C.D. Barfiwala College of Commerce, Surat and his Master of Business Administration from Sikkim Manipal University, Sikkim. He has been associated with the KP Group for over 15 years and was previously associated as a 'Vice President – Marketing' at our Company. He is responsible for the overall operations of our Company.

Bhadrabala Dhimant Joshi is the Non-Executive Non-Independent Director of our Company. She holds a bachelor's degree in law from South Gujarat University, Gujarat and her bachelor's in pharmacy from Gujarat University, Gujarat. She has also been appointed as an advocate on the panel for various banks including Canara Bank, Central Bank of India, Centurion Bank, Dena Bank, IDBI Bank, Kotak Mahindra Bank, NKGSB Co-operative Bank, Reliance Life Insurance, State Bank of India, Standard Chartered Bank, Surat People's Co-operative Bank and Syndicate Bank, to represent these banks in their legal matters. She is currently practicing as lawyer in Gujarat and is currently appointed as the President at the Bar Council of Gujarat. She assists the Company in matters involving acquisition of land.

Venu Birappa is a Non-Executive Independent Director of our Company. She holds a bachelor's degree in engineering (electrical) from The Maharaja Sagajirao University of Baroda, Gujarat and a diploma in management from Indira Gandhi National Open University, New Delhi. Venu Birappa has more than 38 years of experience in the power sector and has previously been associated with Gujarat Energy Transmission Corporation Limited from April 18, 2006 till July 31, 2021.

Sharadchandra Babhutabhai Patil is a Non-Executive Independent Director of our Company. He holds a bachelor's degree in engineering (agriculture) from Mahatma Phule Agriculture University, Rahuri and Master of Science from the University of Manitoba, Canada.

Mohamed Hanif Mohamed Habib Dalchawal is a Non-Executive Independent Director of our Company. He holds a bachelor's degree in engineering (electrical) from South Gujarat University, Gujarat.

Shanker Baheria is a Non-Executive Independent Director of our Company. He is a member at the Institute of Chartered Accountants of India (ICAI) and the Institute of Company Secretaries of India. Previously, he was appointed as chief financial officer at Ingram Micro Inc.

Amitkumar Subashchandra Khandelwal is a Non-Executive Non-Independent Director of our Company. He holds a post graduate diploma in financial management from the Maharaja Sayajirao University of Baroda.

Tejpalsingh Jagatsingh Bisht is a Non-Executive Independent Director of our Company. He holds a bachelor's degree in arts from University of Allahabad and a master's degree in arts from University of Allahabad. He retired from the Indian Police Service as the as the Director General of Police, CID (Crime & Railways), Gujarat State, Gandhinagar in 2022.

Relationship with other Directors

None of our Directors are related to each other.

Borrowing powers of our Board

In accordance with the Articles of Association, our Board of Directors has been empowered to borrow funds in accordance with applicable law. Pursuant to the board resolution dated September 1, 2023 and the shareholders' resolution dated September 29, 2023, our Board of Directors is authorized to borrow, for the purpose of the business of the Company, monies in excess of the aggregate of the paid-up share capital, free reserves and securities premium to the extent that the maximum amount of monies so borrowed and outstanding shall not exceed ₹ 20,000 million, at any time. Our borrowing limits may be changed from time to time, subject to approval of the Board and our shareholders.

Interests of the Directors

All the Directors may be deemed to be interested to the extent of their shareholding, remuneration and fees payable to them for attending meetings of our Board or committees thereof, as well as to the extent of reimbursement of expenses, and the Executive Directors of our Company may be deemed to be interested to the extent of remuneration paid to them for services rendered.

Our Chairman and Managing Director, Farukbhai Gulambhai Patel and Whole Time Director, Mohmed Sohil Yusufbhai Dabhoya, may be interested to the extent of remuneration payable to them by our Subsidiary, KPIG Energia Private Limited, pursuant to being on the board of KPIG Energia Private Limited.

Except for Farukbhai Gulambhai Patel who is the Promoter of our Company, none of our Directors have any interest in the promotion of our Company.

All of the Directors may also be regarded as interested in any Equity Shares held by them and to the extent of any dividend payable to them and other distributions in respect of the Equity Shares held by them. All Directors may also be regarded as interested in the Equity Shares held by, or subscribed by and allotted to, the companies, firms, HUFs, and trusts, in which they are interested as directors, members, partners, karta, trustees, etc.

Our Company advanced an amount of ₹ 580.98 million to Farukbhai Gulambhai Patel, our Promoter and Managing Director and his relatives towards sale consideration for purchase of property from him, and the transaction is still underway, as on June 30, 2024.

Except as disclosed above, none of our Directors have any interest in any property acquired or proposed to be acquired of our Company or by our Company.

No loans have been availed by our Directors from our Company and Subsidiaries.

As on the date of this Preliminary Placement Document, 29,130,232 equity shares constituting 45.56% of the total equity share capital of Farukhbhai Ghulambhai Patel, one of our Promoter and Managing Director in our Company, are pledged in favor of State Bank of India, to secure the borrowing obligations of our Company with this lender. Accordingly, our Promoter and Managing Director may be deemed to be interested to the extent of repayment of loans by the Company to that extent.

Except as stated above and as provided in "***Financial Information***" on page 275, our Company has not entered into any contract, agreement or arrangement during the financial year ended March 31, 2024, March 31, 2023 and March 31, 2022, immediately preceding the date of this Preliminary Placement Document, in which any of the Directors are interested, directly or indirectly, and no payments have been made to them in respect of any such contracts, agreements, arrangements which are proposed to be made with them.

Other than as disclosed in this Preliminary Placement Document, there are no outstanding transactions other than in the ordinary course of business undertaken by our Company, in which the Directors are interested.

Shareholding of Directors

As per our Articles of Association, our Directors are not required to hold any qualification shares.

Except as disclosed below, none of our Directors hold Equity Shares in our Company as of the date of this Preliminary Placement Document.

Sr. No.	Name of the Director	Designation	Number of Equity Shares of face value of ₹ 5 each	Percentage (%) shareholding
1.	Farukbhai Gulambhai Patel	Chairman and Managing Director	63,941,792	53.04
2.	Mohmed Sohil Yusufbhai Dabhoya	Whole-time Director	174,646	0.14
3.	Bhadrabala Dhimant Joshi	Non-Executive Non-Independent Director	237,612	0.20
4.	Shanker Baheria	Non-Executive Independent Director	1,052	0.01
5.	Tejpalsingh Jagatsingh Bisht	Non-Executive Independent Director	8,310	0.01
6.	Amitkumar Subashchandra Khandelwal	Non-Executive Non-Independent Director	30	Negligible

Terms of Appointment of Executive Directors

Farukbhai Gulambhai Patel: Pursuant to the board resolutions dated September 1, 2023, and shareholders' resolution dated September 29, 2023**,** Farukbhai Gulambhai Patel is entitled to the following remuneration and perquisites:

Sr. No.	Particulars	Details
i.	Basic salary	He is entitled to a basic salary of ₹ 2,500,000 per month in the salary range of ₹ 2,300,000 to ₹ 4,500,000 per month with such increments as may be decided by our Board, from time to time.
ii.	Allowance / perquisites	He is entitled to perquisites, allowances, benefits, facilities and amenities such as medical reimbursement, leave travel assistance, house rent allowance, city compensatory allowance, laundry allowance and any other perquisites as per the policy of our Company in force or as may be approved by our Board, from time to time.
iii.	Others	He is entitled to the allowance and benefits as per the policy of our Company in force and /or as may be approved by our Board, from time to time, such as car with driver, contribution to provident fund, payment of gratuity and other retirement benefits, encashment of leave, personal accident, mediclaim and life insurance under employer – employee scheme.

Mohmed Sohil Yusufbhai Dabhoya: Pursuant to the board resolutions dated September 1, 2023, and shareholders' resolution dated September 29, 2023**,** Mohmed Sohil Yusufbhai Dabhoya is entitled to the following remuneration and perquisites:

Sr. No.	Particulars	Details
i.	Basic Salary	He is entitled to receive a basic salary not exceeding ₹ 400,000 per month as may be decided by our Board, from time to time.
ii.	Allowance / perquisites	He is entitled to perquisites, allowances, benefits, facilities and amenities 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 our Board from time to time.
iii.	Others	He is entitled to the allowance and benefits as per the policy of our Company in force and /or as may be approved by our Board, from time to time, such as car with driver, contribution to provident fund, payment of gratuity and other retirement benefits, encashment of leave, personal accident, mediclaim and life insurance under employer – employee scheme.

Remuneration of the Executive Directors

The following tables set forth the details of remuneration paid by our Company to the Executive Directors of our Company for Fiscal 2022, Fiscal 2023, Fiscal 2024 and current Fiscal:

(in ₹ million)

Sr. No.	Name of the Director	Remuneration for Fiscal 2022	Remuneration for Fiscal 2023	Remuneration for Fiscal 2024	Three months ended June 30, 2024	Remuneration from July 1, 2024 to the date of this Preliminary Placement Document
1.	Farukbhai Gulambhai Patel	7.20	8.00(1)	30.62(3)	7.67(5)	2.56(7)
2.	Mohmed Sohil Yusufbhai Dabhoya	1.46	2.24(2)	3.74(4)	1.11(6)	0.37(8)

(1) *During Fiscal 2023, Farukbhai Gulambhai Patel was paid an additional remuneration of ₹ 0.29 million by the Subsidiary, KPIG Energia Private Limited.*

(2) *During Fiscal 2023, Mohmed Sohil Yusuf Dabhoya was paid an additional remuneration of ₹ 0.27 million by the Subsidiary, KPIG Energia Private Limited.*

(3) *During Fiscal 2024, Farukbhai Gulambhai Patel was paid an additional remuneration of ₹ 0.62 million by the Subsidiary, KPIG Energia Private Limited.*

(4) *During Fiscal 2024, Mohmed Sohil Yusuf Dabhoya was paid an additional remuneration of ₹ 0.55 million by the Subsidiary, KPIG Energia Private Limited.*

(5) *From April 1, 2024 to June 30, 2024, Farukbhai Gulambhai Patel was paid an additional remuneration of ₹ 0.17 million by the Subsidiary, KPIG Energia Private Limited.*

(6) *From April 1, 2024 to June 30, 2024, Mohmed Sohil Yusuf Dabhoya was paid an additional remuneration of ₹ 0.14 million by the Subsidiary, KPIG Energia Private Limited.*

(7) *From July 1, 2024, till the date of this Preliminary Placement Document, Farukbhai Gulambhai Patel was paid an additional remuneration of ₹ 0.06 million by the Subsidiary, KPIG Energia Private Limited.*

(8) *From July 1, 2024, till the date of this Preliminary Placement Document, Mohmed Sohil Yusuf Dabhoya was paid an additional remuneration of ₹ 0.05 million by the Subsidiary, KPIG Energia Private Limited.*

Remuneration of the Non-Executive Non-Independent Directors

The following tables set forth the details of remuneration paid by our Company to the Non-Executive Non-Independent Directors of our Company for Fiscal 2022, Fiscal 2023, Fiscal 2024 and for current Fiscal:

(in ₹ million)

Sr. No.	Name of the Director	Remuneration for Fiscal 2022	Remuneration for Fiscal 2023	Remuneration for Fiscal 2024	Three months ended June 30, 2024	Remuneration from July 1, 2024 to the date of this Preliminary Placement Document
1.	Bhadrabala Dhimant Joshi	0.04	0.04	0.04	Nil	Nil

Remuneration of the Non-Executive Independent Directors

Our Non-Executive Independent Directors are entitled to receive sitting fees for attending meetings of our Board of Directors or any of its committee and reimbursements of expenses. Pursuant to the resolution passed by our Board of Directors dated January 15, 2018, our Independent Directors are entitled to sitting fees of ₹ 2,500 for attending each Board of Directors meeting and meeting of committees of the Board.

The following tables set forth the details of remuneration paid by our Company to the Non-Executive Directors of our Company for Fiscal 2022, Fiscal 2023, Fiscal 2024 and for current Fiscal:

(in ₹ million)

Sr. No.	Name of the Director	Remuneration for Fiscal 2022	Remuneration for Fiscal 2023	Remuneration for Fiscal 2024	Three months ended June 30, 2024	Remuneration from July 1, 2024 to the date of this Preliminary Placement Document
1.	Venu Birappa	0.05	0.08	0.08	Nil	Nil
2.	Sharadchandra Babhutabhai Patil	0.04	0.07	0.08	Nil	Nil

Sr. No.	Name of the Director	Remuneration for Fiscal 2022	Remuneration for Fiscal 2023	Remuneration for Fiscal 2024	Three months ended June 30, 2024	Remuneration from July 1, 2024 to the date of this Preliminary Placement Document
3.	Mohamed Hanif Mohamed Habib Dalchawa	0.05	0.04	0.05	Nil	Nil
4.	Shanker Baheria	Nil	0.01	0.04	Nil	Nil
5.	Tejpalsingh Jagatsingh Bisht	Nil	Nil	0.03	Nil	Nil
6.	Amitkumar Subhashchandra Khandelwal	Nil	Nil	0.02	Nil	Nil

Prohibition by SEBI or Other Governmental Authorities

Neither our Company, nor our Directors or Promoters are debarred from accessing capital markets under any order or direction made by SEBI or any other governmental authority.

None of the Directors of the companies with which they are or were associated as promoters, directors or persons in control have been debarred from accessing the capital market under any order or direction passed by SEBI or any other governmental authority.

Key Managerial Personnel

The Key Managerial Personnel are permanent employees of our Company. In addition to the Executive Directors, the details of our other Key Managerial Personnel in terms of the Companies Act, 2013 and the SEBI ICDR Regulations as on the date of this Preliminary Placement Document are set forth below:

Sr. No.	Name	Age	Designation
1.	Salim Suleman Yahoo	50	Chief Financial Officer
2.	Rajvi Upadhyay	32	Company Secretary and Compliance Officer

Brief biographies of the Key Managerial Personnel

Salim Suleman Yahoo is the Chief Financial Officer of our Company. He holds a diploma in business analytics from Symbiosis Institute of Business Management, Pune. He was previously associated with CRISIL Limited, HDFC Bank Limited, Axis Bank Limited, and Bajaj Allianz Limited. He is responsible for forecasting the financial standing of our Company based on financial and operational data and reports provided by the finance and accounting teams.

Rajvi Upadhyay is the Company Secretary and Compliance Officer of our Company. She holds a bachelor's degree in commerce from Narmad South Gujarat University. She is also a qualified Company Secretary from the Institute of Company Secretaries of India. She is responsible for managing the financial and secretarial actions of our Company. Prior to being associated with our Company, she was appointed as a company secretary at GTPL DCPL Private Limited.

Members of Senior Management

The members of Senior Management are permanent employees of our Company. In addition to Salim Suleman Yahoo, the Chief Financial Officer of our Company and Rajvi Upadhyay, the Company Secretary and Compliance Officer of our Company, the details of our members of Senior Management, as on the date of this Preliminary Placement Document are set forth below:

Sr. No.	Name	Age	Designation
1.	Shaheedul Hasan	55	Chief Operating Officer
2.	Manish Sayata	52	Chief People Officer
3.	Chandravadan Raval	65	Vice President - Projects

Biographies of members of Senior Management

Shaheedul Hasan is the Chief Operating Officer of our Company. He holds a bachelor's degree in science (engineering) from Aligarh Muslim University. He was previously associated with Dishnet Wireless Limited (Aircel) from July 2006 to April 2010 and Reliance Communications Limited as a Vice President - Network. He has over 21 years of experience in the telecom and solar industries. He was initially appointed as chief operations manager of our Company on October 1, 2012 and currently manages and handles the daily business operations of our Company, working closely with department heads and supervisors to support the day-to-day activity of employees.

Manish Sayata is the Chief People Officer of our Company. He holds a master's degree in commerce from University of Mumbai and completed Post Graduate Diploma in Business Management (Business Management) from All India Institute of Management Studies. He was previously associated with Coca-Cola India, Bharti Cellular Limited, and Reliance Communications Limited. He is responsible for overseeing our Company's human resources and talent functions.

Chandravadan Raval is the Vice President - Projects of our Company. He holds a bachelor's degree in electrical engineering from Saurashtra University, Rajkot. He was associated with Dakshin Gujarat Vij Company Limited as Superintending Engineer (Comm.) till 2016. He is responsible for developing, implementing and overseeing the strategic program and project excellence across our Company's portfolio.

Shareholding of Key Managerial Personnel and members of Senior Management

Except as disclosed below, none of our Key Managerial Personnel and members of Senior Management hold any Equity Shares in our Company as of the date of this Preliminary Placement Document.

Sr. No.	Name of the Key Managerial Personnel and members of Senior Management	Designation	Number of Equity Shares of face value of ₹ 5 each	Percentage (%) shareholding
1.	Salim Yahoo	Chief Financial Officer	5,800	Negligible
2.	Rajvi Upadhyay	Company Secretary and Compliance Officer	8,784	0.01
3.	Chandravadan Raval	Vice President - Projects	5,268	Negligible
4.	Shaheedul Hasan	Chief Operating Officer	473,816	0.39

Relationship with other Key Managerial Personnel, Directors and members of Senior Management

None of our Key Managerial Personnel or members of Senior Management are related to any of our Directors, Key Managerial Personnel or members of Senior Management or inter-se.

Interests of Key Managerial Personnel and members of Senior Management

Except for outstanding loans given by our Company to them as disclosed below, none of our Key Managerial Personnel and members of Senior Management have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them in the ordinary course of business and to the extent of the Equity Shares held by them directly or indirectly in our Company or stock options granted to them, if any, and any dividend payable to them and other distributions in respect of such Equity Shares.

(in ₹ million)

Name of the Key Managerial Personnel and members of Senior Management	Outstanding amount as on June 30, 2024
Rajvi Upadhyay	0.35
Manish Sayata	0.20

Except as provided in "***Financial Information***" on page 275, and except as disclosed in this Preliminary Placement Document, our Company has not entered into any contract, agreement or arrangement during the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022, immediately preceding the date of this Preliminary Placement Document in which any of the Key Managerial Personnel and members of Senior Management other than the Directors are interested, directly or indirectly, and no payments have been made to them in respect of any such contracts, agreements, arrangements which are proposed to be made with them.

Corporate Governance

Our Company is in compliance with the requirements of the applicable regulations, including the SEBI Listing Regulations, the Companies Act, 2013 and the SEBI ICDR Regulations, in respect of corporate governance, including constitution of our Board and committees thereof. The corporate governance framework is based on an effective independent Board, separation of our Board's supervisory role from the executive management team and constitution of our Board committees, as required under law. Our Board has been constituted in compliance with the Companies Act, 2013 and the SEBI Listing Regulations. Our Board functions either as a full board or through various committees constituted to oversee specific functions. Our Company's executive management provides our Board detailed reports on its performance periodically.

Since the Chairman of our Company is an Executive Director of our Company, at least half of the Board of Directors is required to consist of independent directors in accordance with Regulation 17(1)(b) of SEBI Listing Regulations. Our Company is compliant with Regulation 17 of the SEBI Listing Regulations, with four of our Directors being eligible to be considered as independent directors under the SEBI Listing Regulations, one of which is a woman.

Committees of our Board of Directors

Our Board has constituted statutory committees, which function in accordance with the relevant provisions of the Companies Act, 2013 and the SEBI Listing Regulations.

The statutory committees of our Board are: (i) Audit Committee; (ii) Nomination and Remuneration Committee; (iii) Stakeholders' Relationship Committee; (iv) Risk Management Committee; and (v) Corporate Social Responsibility Committee.

The following table sets forth details of members of the aforesaid committees, as on the date of this Preliminary Placement Document:

Sr. No.	Committee	Name and Designation of Members
1.	Audit Committee	i. Sharadchandra Babhutabhai Patil, Chairperson ii. Farukbhai Gulambhai Patel, Member iii. Venu Birappa, Member
2.	Nomination and Remuneration Committee	i. Mohamed Hanif Mohamed Habib Dalchawal, Chairperson ii. Venu Birappa, Member iii. Sharadchandra Babhutabhai Patil, Member
3.	Stakeholders Relationship Committee	i. Bhadrabala Dhimant Joshi, Chairperson ii. Mohmed Sohil Yusufbhai Dabhoya, Member iii. Venu Birappa, Member
4.	Risk Management Committee	i. Sharadchandra Babhutabhai Patil, Chairperson ii. Farukbhai Gulambhai Patel, Member iii. Venu Birappa, Member iv. Mohmed Sohil Yusufbhai Dabhoya, Member
5.	Corporate Social Responsibility Committee	i. Venu Birappa, Chairperson ii. Farukbhai Gulambhai Patel, Member iii. Bhadrabala Dhimant Joshi, Member

Other Confirmations

None of our Directors, Promoters or Key Managerial Personnel or members of Senior Management have any financial or other material interest in the Issue and there is no effect of such interest in so far as it is different from the interests of other persons.

Neither our Company, nor the Directors or Promoters have ever been identified as wilful defaulters or fraudulent borrowers by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters and fraudulent borrowers issued by the RBI. None of our Promoters or Directors have been declared as fugitive economic offenders under Section 12 of the Fugitive Economic Offenders Act, 2018. None of the Directors, Promoters, Key Managerial Personnel or members of Senior Management of our Company intend to subscribe to the Issue.

No change in control in our Company will occur consequent to the Issue.

Policy on disclosures and internal procedure for prevention of insider trading

SEBI Insider Trading Regulations applies to our Company and our employees and requires our Company to implement a code of practices and procedures for fair disclosure of unpublished price sensitive information and conduct for the prevention of insider trading and to regulate, monitor and report trading by designated persons. Our Company has implemented a code of practices and procedures for fair disclosure of unpublished price sensitive information and for regulating, monitoring and reporting of trades and prevention of insider trading in accordance with the SEBI Insider Trading Regulations, in terms of which, our Company Secretary, acts as the Compliance Officer of our Company under the aforesaid code of conduct for the prevention of insider trading. The abovementioned code is uploaded on the website of the Company at https://www.kpigreenenergy.com/policies-disclosures.html.

Related Party Transactions

For details in relation to the related party transactions entered into by our Company during Fiscals 2022, 2023 and 2024, see "***Financial Information***" on page 275.

ORGANISATIONAL STRUCTURE OF OUR COMPANY

Corporate History

Our Company was incorporated as 'K.P.I. Global Infrastructure Limited' on February 1, 2008, as a public limited company under the Companies Act, 1956, as amended pursuant to a certificate of incorporation and certificate of business commencement granted by the Assistant Registrar of Companies, Maharashtra at Mumbai. Subsequently, the name of our Company was changed to 'KPI Green Energy Limited' and consequently, a fresh certificate of incorporation, dated April 6, 2022, was issued by the Registrar of Companies, Gujarat at Ahmedabad (**"RoC")**.

Our Company's CIN is L40102GJ2008PLC083302.

The registered office of our Company is located at KP House, Near KP Circle, Opp. Ishwar Farm Junction BRTS, Canal Road, Bhatar, Surat - 395 017, Gujarat.

Our Equity Shares were listed on the SME board of BSE on January 22, 2019, and thereafter migrated to the main board of BSE, and NSE on July 27, 2021, respectively.

Associate Companies:

As of the date of this Preliminary Placement Document, our Company does not have any associate companies.

Subsidiaries:

As of the date of this Preliminary Placement Document, our Company has four Subsidiaries:

KPIG Energia Private Limited

KPIG Energia Private Limited was incorporated on May 21, 2019, under the Companies Act, 2013, pursuant to a certificate of incorporation issued by the Central Registration Centre, for and on behalf of the Jurisdictional Registrar of Companies. Its registered office is located at KP House, Near KP Circle, Opp. Ishwar Farm Junction BRTS, Canal Road, Bhatar, Surat – 395 017, Gujarat. Its CIN is U40106GJ2019PTC108237. Our Company, currently holds 32,480,000 equity shares of face value ₹10 each, comprising 100.00% of the total issued and paid-up capital.

Sun Drops Energia Private Limited

Sun Drops Energia Private Limited was incorporated on May 28, 2019, under the Companies Act, 2013, pursuant to a certificate of incorporation issued by the Central Registration Centre, for and on behalf of the Jurisdictional Registrar of Companies. Its registered office is located at KP House, Near KP Circle, Opp. Ishwar Farm Junction BRTS, Canal Road, Bhatar, Surat – 395 017, Gujarat. Its CIN is U40107GJ2019PTC108373. Our Company, currently holds 5,350,000 equity shares of face value ₹10 each, comprising 100.00% of the total issued and paid-up capital.

KPark Sunbeat Private Limited

KPark Sunbeat Private Limited was incorporated on September 11, 2019, under the Companies Act, 2013, pursuant to a certificate of incorporation issued by the Central Registration Centre, for and on behalf of the Jurisdictional Registrar of Companies, Gujarat at Ahmedabad. Its registered office is located at KP House, Near KP Circle, Opp. Ishwar Farm Junction BRTS, Canal Road, Bhatar, Surat – 395 017, Gujarat. Its CIN is U40100GJ2019PTC109865. Our Company, currently holds 10,000 equity shares of face value ₹10 each, comprising 100.00% of the total issued and paid-up capital.

Miyani Power Infra LLP

Miyani Power Infra LLP was incorporated on February 22, 2017, under the Limited Liability Partnership Act, 2008, pursuant to a certificate of incorporation issued by the RoC. Its registered office is located at 'KP House', Opp. Ishwar Farm Junction BRTS Near Bliss IVF Circle, Canal Road, Bhatar, Surat - 395017, Gujarat. Its LLPIN is AAI-6316. Our Company currently holds ₹ 99,000 of the capital contribution directly and balance ₹ 1,000 through our subsidiary, KPark Sunbeat Private Limited, comprising 100.00% of the total capital contribution.

Joint Ventures:

As of the date of this Preliminary Placement Document, our Company does not have any joint ventures.

SHAREHOLDING PATTERN OF OUR COMPANY

Shareholding pattern of our Company as on July 18, 2024

The following table sets forth the details regarding the equity shareholding pattern of our Company as on July 18, 2024:

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid-up Equity Shares held (IV)	Number of Partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held (VII) =(IV)+(V)+ (VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				Number of shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
								Number of Voting Rights: Class e.g.: Equity Shares	Class e.g.: Others	Total	Total as a % of (A+B+C)			Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)	
(A)	Promoters and Promoter Group	6	64,013,036	0	0	64,013,036	53.09	64,013,036	0	64,013,036	53.09	0	0	4,555,440	7.12	29,130,232	45.51	64,013,036
(B)	Public	197,171	56,552,180	0	0	56,552,180	46.91	56,552,180	0	56,552,180	46.91	0	0	0	0	0	0	56,552,136
(C)	Non-Promoter-Non Public	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(C1)	Shares underlying depository receipts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(C2)	Shares held by employee trusts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Total	**197,177**	**120,565,216**	**0**	**0**	**120,565,216**	**100.00**	**120,565,216**	**0**	**120,565,216**	**100.00**	**0**	**0**	**4,555,440**	**3.78**	**29,130,232**	**24.16**	**120,565,172**

Statement showing shareholding pattern of our Promoters and Promoter Group as on July 18, 2024

The following table sets forth the details regarding the equity shareholding pattern of our Promoters and Promoter Group as on July 18, 2024:

Category	Category & Name of shareholder (I)	Entity type (II)	Number of Shareholders (III)	Number of fully paid-up Equity Shares held (IV)	Number of partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held (VII) =(IV)+(V)+(VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				Number of shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
									Number of Voting Rights: Class e.g.: Equity Shares	Number of Voting Rights: Class e.g.: Others	Number of Voting Rights: Total	Total as a % of (A+B+C)			Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)	
(1)	**Indian**																		
(a)	Individuals		6																
	Farukbhai Ghulambhai Patel	Promoter	1	63,941,792	0	0	63,941,792	53.04	63,941,792	0	63,941,792	53.04	0	0	4,555,440	7.12	29,130,232	45.51	63,941,792
	Gulammahmad Alibhai Patel	Promoter Group	1	33,000	0	0	33,000	0.03	33,000	0	33,000	0.03	0	0	0	0	0	0	33,000
	Vahidabanu Faruk Patel	Promoter Group	1	2,052	0	0	2,052	0.00	2,052	0	2,052	0.00	0	0	0	0	0	0	2,052
	Rashida Gulam Patel	Promoter Group	1	33,000	0	0	33,000	0.03	33,000	0	33,000	0.03	0	0	0	0	0	0	33,000
	Aayesha Farukbhai Patel	Promoter Group	1	2,052	0	0	2,052	0.00	2,052	0	2,052	0.00	0	0	0	0	0	0	2,052
	Affan Faruk Patel	Promoter Group	1	1,140	0	0	1,140	0.00	1,140	0	1,140	0.00	0	0	0	0	0	0	1,140
(b)	Central Government / State		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Category	Category & Name of shareholder (I)	Entity type (II)	Number of Shareholders (III)	Number of fully paid-up Equity Shares held (IV)	Number of partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held (VII) =(IV)+(V)+ (VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX) — Number of Voting Rights — Class e.g.: Equity Shares	Number of Voting Rights — Class e.g.: Others	Number of Voting Rights — Total	Total as a % of (A+B + C)	Number of shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII) — Number (a)	Number of Locked in shares (XII) — As a % of total Shares held (b)	Number of Shares pledged or otherwise encumbered (XIII) — Number (a)	Number of Shares pledged or otherwise encumbered (XIII) — As a % of total Shares held (b)	Number of Equity Shares held in dematerialized form (XIV)
	Government (s)																		
(c)	Financial Institutions / Bank		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Any Other (specify)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub Total (A)(1)		**6**	**64,013,036**	**0**	**0**	**64,013,036**	**53.09**	**64,013,036**	**0**	**64,013,036**	**53.09**	**0**	**0**	**4,555,440**	**7.12**	**29,130,232**	**45.51**	**64,013,036**
(2)	**Foreign**		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a)	Individuals (Non-Resident Individuals / Foreign Individuals		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Government		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Institutions		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Portfolio Investor		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Any Other (Specify)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Category	Category & Name of shareholder (I)	Entity type (II)	Number of Shareholders (III)	Number of fully paid-up Equity Shares held (IV)	Number of partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held (VII) =(IV)+(V)+ (VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				Number of shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
									Number of Voting Rights			Total as a % of (A+B + C)			Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)	
									Class e.g.: Equity Shares	Class e.g.: Others	Total								
	Sub Total (A)(2)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Shareholding of Promoters and Promoter Group (A)= (A)(1)+(A)(2		6	64,013,036	0	0	64,013,036	53.09	64,013,036	0	64,013,036	53.09	0	0	45,55,440	7.12	29,130,232	45.51	64,013,036

Statement showing shareholding pattern of the Public Shareholders as on July 18, 2024

The following table sets forth the details regarding the equity shareholding pattern of the Public Shareholders as on July 18, 2024:

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid up Equity Shares held (IV)	Number of Partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held (VII) =(IV)+(V)+(VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				Number of shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
								Number of Voting Rights			Total as a % of (A+B+C)							
								Class e.g.: Equity Shares	Class e.g.: Others	Total				Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)	
1	**Institutions (Domestic)**																	
(a)	Mutual Funds	4	392,152	0	0	392,152	0.33	392,152	0	392,152	0.33	0	0	0	0	0	0	392,152
(b)	Venture Capital Funds	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(c)	Alternative Investments Funds	3	14,588	0	0	14,588	0.01	14,588	0	14,588	0.01	0	0	0	0	0	0	14,588
(d)	Banks	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(e)	Insurance Companies	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(f)	Provident Funds / Pension Funds	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(g)	Asset Reconstruction Companies	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(h)	Sovereign Wealth Funds	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(i)	NBFCs registered with RBI	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(j)	Other Financial Institutions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(k)	Any Other (Specify)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Sub-Total (B1)	7	406,740	0	0	406,740	0.34	406,740	0	406,740	0.34	0	0	0	0	0	0	406,740

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid up Equity Shares held (IV)	Number of Partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held (VII) =(IV)+(V)+ (VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX) — Number of Voting Rights — Class e.g.: Equity Shares	Number of Voting Rights — Class e.g.: Others	Number of Voting Rights — Total	Total as a % of (A+B + C)	Number of shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+ C2)	Number of Locked in shares (XII) — Number (a)	Number of Locked in shares (XII) — As a % of total Shares held (b)	Number of Shares pledged or otherwise encumbered (XIII) — Number (a)	Number of Shares pledged or otherwise encumbered (XIII) — As a % of total Shares held (b)	Number of Equity Shares held in dematerialized form (XIV)
2	**Institutions (Foreign)**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a)	Foreign Direct Investment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(b)	Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(c)	Sovereign Wealth Funds	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(d)	Foreign Portfolio Investors Category-I	72	5,231,386	0	0	5,231,386	4.34	5,231,386	0	5,231,386	4.34	0	0	0	0	0	0	5,231,386
(e)	Foreign Portfolio Investors Category-II	8	343,742	0	0	343,742	0.29	343,742	0	343,742	0.29	0	0	0	0	0	0	343,742
(f)	Overseas Depositories (holding DRs)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(g)	Any Other (Specify)	1	2,581,180	0	0	2,581,180	2.14	2,581,180	0	2,581,180	2.14	0	0	0	0	0	0	2,581,180
	Aspire Emerging Fund	1	2,581,180	0	0	2,581,180	2.14	2,581,180	0	2,581,180	2.14	0	0	0	0	0	0	2,581,180
	Sub-total (B2)	**81**	**8,156,308**	**0**	**0**	**8,156,308**	**6.77**	**8,156,308**	**0**	**8,156,308**	**6.77**	**0**	**0**	**0**	**0**	**0**	**0**	**8,156,308**

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid up Equity Shares held (IV)	Number of Partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held (VII) =(IV)+(V)+ (VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX) – Number of Voting Rights – Class e.g.: Equity Shares	Number of Voting Rights held in each class of securities (IX) – Number of Voting Rights – Class e.g.: Others	Number of Voting Rights held in each class of securities (IX) – Number of Voting Rights – Total	Number of Voting Rights held in each class of securities (IX) – Total as a % of (A+B + C)	Number of shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII) – Number (a)	Number of Locked in shares (XII) – As a % of total Shares held (b)	Number of Shares pledged or otherwise encumbered (XIII) – Number (a)	Number of Shares pledged or otherwise encumbered (XIII) – As a % of total Shares held (b)	Number of Equity Shares held in dematerialized form (XIV)
3	**Central Government / State Government (s)**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
	Sub-total (B3)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
4	**Non-Institutions**																	
(a)	Subsidiaries	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(b)	Directors and their relatives (excluding independent directors and nominee directors)	13	2,587,510	0	0	2,587,510	2.15	2,587,510	0	2,587,510	2.15	0	0	0	0	0	0	2,587,510
	Dhimantrai Chandrashanker Joshi	1	2,100,568	0	0	2,100,568	1.74	2,100,568	0	2,100,568	1.74	0	0	0	0	0	0	2,100,568
(c)	Key Managerial Personnel	2	14,584	0	0	14,584	0.01	14,584	0	14,584	0.01	0	0	0	0	0	0	14,584
(d)	Relatives of promoters (other than 'immediate relatives' of	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid up Equity Shares held (IV)	Number of Partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held (VII) =(IV)+(V)+ (VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				Number of shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
								Number of Voting Rights			Total as a % of (A+B + C)			Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)	
								Class e.g.: Equity Shares	Class e.g.: Others	Total								
	promoters disclosed under 'Promoter and Promoter Group' category)																	
(e)	Trusts where any person belonging to 'Promoter and Promoter Group' category is 'trustee', 'beneficiary', or 'author of the trust'	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(f)	Investor Education and Protection Fund	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(g)	Resident Individuals holding nominal share capital up to ₹2 lakhs	192,766	25,885,968	0	0	25,885,968	21.47	25,885,968	0	25,885,968	21.47	0	0	0	0	0	0	25,885,968
(h)	Resident Individuals	54	11,938,684	0	0	11,938,684	9.90	11,938,684	0	11,938,684	9.90	0	0	0	0	0	0	11,938,684

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid up Equity Shares held (IV)	Number of Partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held (VII) =(IV)+(V)+(VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				Number of shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
								Number of Voting Rights			Total as a % of (A+B + C)			Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)	
								Class e.g.: Equity Shares	Class e.g.: Others	Total								
	holding nominal share capital in excess of ₹ 2 lakhs																	
	Kutir Navinchandra Patel	1	1,325,806	0	0	1,325,806	1.10	1,325,806	0	1,325,806	1.10	0	0	0	0	0	0	1,325,806
	Irfanahmed Shahabuddin Mombasawala	1	2,277,450	0	0	2,277,450	1.89	2,277,450	0	2,277,450	1.89	0	0	0	0	0	0	2,277,450
(i)	Non-Resident Indians	2,279	1,304,010	0	0	1,304,010	1.08	1,304,010	0	1,304,010	1.08	0	0	0	0	0	0	1,304,010
(j)	Foreign Nationals	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(k)	Foreign Companies	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(l)	Bodies Corporate	361	3,828,692	0	0	3,828,692	3.18	3,828,692	0	3,828,692	3.18	0	0	0	0	0	0	3,828,692
	V. Joshi Impex Private Limited	1	1,691,060	0	0	1,691,060	1.40	1,691,060	0	1,691,060	1.40	0	0	0	0	0	0	1,691,060
(m)	Any Other (Specify)	4	57,748	0	0	57,748	0.05	57,748	0	57,748	0.05	0	0	0	0	0	0	57,748
(i)	Hindu Undivided Family	1,576	2,262,638	0	0	2,262,638	1.88	2,262,638	0	2,262,638	1.88	0	0	0	0	0	0	2,262,638

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid up Equity Shares held (IV)	Number of Partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held (VII) =(IV)+(V)+ (VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				Number of shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
								Number of Voting Rights			Total as a % of (A+B + C)							
								Class e.g.: Equity Shares	Class e.g.: Others	Total				Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)	
(ii)	Clearing Members	28	109,298	0	0	109,298	0.09	109,298	0	109,298	0.09	0	0	0	0	0	0	109,298
	Sub-Total (B4)	**197,083**	**47,989,132**	**0**	**0**	**47,989,132**	**39.80**	**47,989,132**	**0**	**47,989,132**	**39.80**	**0**	**0**	**0**	**0**	**0**	**0**	**47,989,088**
	Total Public Shareholding (B=B1+B2+B3+B4)	**197,171**	**56,552,180**	**0**	**0**	**56,552,180**	**46.91**	**56,552,180**	**0**	**56,552,180**	**46.91**	**0**	**0**	**0**	**0**	**0**	**0**	**56,552,136**

Statement showing shareholding pattern of Non-Promoter-Non-Public Shareholders as on July 18, 2024

The following table sets forth the details regarding the equity shareholding pattern of Non-Promoter-Non-Public Shareholders as on July 18, 2024:

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid up Equity Shares held (IV)	Number of Partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held (VII) =(IV)+(V)+ (VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				Number of shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
								Number of Voting Rights			Total as a % of (A+B+C)			Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)	
								Class e.g.: Equity Shares	Class e.g.: Others	Total								
1	**Custodian / DR Holder**	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2	**Employee Benefit Trust**	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Total Non-Promoter-Non Public Shareholding (C)= (C)(1) + (C)(2)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

ISSUE PROCEDURE

The following is a summary intended to present a general outline of the procedure relating to the application, payment of Application Amount, Allocation and Allotment of the Equity Shares pursuant to the Issue. The procedure followed in the Issue may differ from the one mentioned below, and Bidders are assumed to have apprised themselves of the same from our Company or the BRLM.

Our Company, the BRLM and their respective directors, officers, agents, advisors, shareholders, employees, counsels, affiliates and representatives are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Preliminary Placement Document. Bidders are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Preliminary Placement Document. Further, Bidders are required to satisfy themselves that their Bids would not result in triggering an open offer under the SEBI Takeover Regulations and shall be solely responsible for compliance with all the applicable provisions of the SEBI Takeover Regulations, the SEBI Insider Trading Regulations and other applicable laws.

*Bidders are advised to inform themselves of any restrictions or limitations that may be applicable to them and are required to consult their respective advisers in this regard. Bidders that apply in the Issue will be required to confirm and will be deemed to have represented to our Company, the BRLM and their respective directors, officers, agents, advisors, shareholders, employees, counsels, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the BRLM and their respective directors, officers, agents, advisors, shareholders, employees, counsels, affiliates, and representatives accept no responsibility or liability for advising any Bidder on whether such Bidder is eligible to acquire the Equity Shares. For further details, please see the sections titled "**Selling Restrictions**" and "**Transfer Restrictions and Purchaser Representations**" on pages 251 and 256 respectively.*

Qualified Institutions Placement

THE ISSUE IS MEANT ONLY FOR ELIGIBLE QIBS ON A PRIVATE PLACEMENT BASIS AND IS NOT AN OFFER TO THE PUBLIC OR TO ANY OTHER CLASS OF INVESTORS.

This Preliminary Placement Document has not been, and the Placement Document will not be, registered as a prospectus with the RoC and, no Equity Shares will be offered in India or overseas to the public or any members of the public or any other class of investors, other than Eligible QIBs.

The Issue is being made to Eligible QIBs in accordance with Chapter VI of the SEBI ICDR Regulations, Section 42 and Section 62 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and rules thereunder, to the extent applicable, through the mechanism of a qualified institutions placement. Under Chapter VI of the SEBI ICDR Regulations and Section 42 of the Companies Act, 2013 read with Rule 14 of the PAS Rules, to the extent applicable, our Company, being a listed company in India may issue Equity Shares to Eligible QIBs, provided, inter alia that:

- a special resolution approving the qualified institutions placement has been passed by its shareholders. Such special resolution must specify (i) that the allotment of the securities is proposed to be made pursuant to the qualified institutions placement; and (ii) the relevant date for the qualified institutions placement;

- the explanatory statement to the notice to the shareholders for convening the general meeting must disclose, amongst others, the particulars of the issue including the date of passing the board resolution, the kind of securities being offered, amount which the company intends to raise by way of such securities and the material terms of raising such securities, proposed issue schedule, the purpose or objects of offer, the contribution made by the promoters or directors either as part of the offer or separately in furtherance of the objects, and the basis or justification for the price (including premium, if any) at which the offer or invitation is being made;

- under Regulation 172(1)(b) of the SEBI ICDR Regulations, the equity shares of the same class of such issuer, which are proposed to be allotted through the qualified institutions placement or pursuant to conversion or exchange of eligible securities, are listed on a recognized stock exchange in India that has nation-wide trading terminals for a period of at least one year prior to the date of issuance of notice to its shareholders for convening the meeting to pass the above-mentioned special resolution, except for Equity Shares allotted during the preceding one year from the date of this Preliminary Placement Document. For details, please see the section titled "***Capital Structure***" on page 83;

- issuance and allotment of Equity Shares shall be done in dematerialised form only;

- invitation to apply in the Issue must be made through a private placement offer-cum-application (i.e., this Preliminary Placement Document) and an application form serially numbered and addressed specifically to the Eligible QIBs to whom the Issue is made either in writing or in electronic mode, within 30 days of recording the name of such person in accordance with applicable law;

- our Company shall not make any subsequent qualified institutions placement until the expiry of two weeks from the date of this Issue;

- our Company shall have completed allotments with respect to any offer or invitation made by our Company or has withdrawn or abandoned any such invitation or offer, however, our Company may, at any time, make more than one issue of securities to such class of identified persons as may be prescribed;

- our Promoters and Directors are not fugitive economic offenders; and

- an offer to Eligible QIBs will not be subject to a limit of 200 persons. Prior to circulating the private placement offer-cum- application (i.e., this Preliminary Placement Document), our Company must prepare and record a list of Eligible QIBs to whom the offer will be made. The offer must be made only to such Eligible QIBs whose names are recorded by our Company prior to the invitation to subscribe;

- our Company acknowledges that the offering of securities by issue of public advertisements or utilization of any media, marketing or distribution channels or agents to inform the public about the Issue is prohibited; and

- At least 10% of the Equity Shares offered to Eligible QIBs shall be available for Allocation to Mutual Funds, provided that, if this portion or any part thereof to be allotted to Mutual Funds remains unsubscribed, it may be allotted to other Eligible QIBs.

Bidders are not allowed to withdraw or revise their Bids after downwards after the Issue Closing Date.

Additionally, there is a minimum pricing requirement under the SEBI ICDR Regulations. The Floor Price of the Equity Shares offered under this Issue shall not be less than the average of the weekly high and low of the closing prices of the Equity Shares of the same class quoted on the stock exchanges during the two weeks preceding the Relevant Date as calculated in accordance with Chapter VI of the SEBI ICDR Regulations. The "Relevant Date" referred to above means the date of the meeting in which the Board decides to open the Issue and "stock exchange" means any of the recognized stock exchanges on which the Equity Shares of the same class are listed and on which the highest trading volume in such Equity Shares has been recorded during the two weeks immediately preceding the Relevant Date. Further, in accordance with Regulation 176(1) of the SEBI ICDR Regulations and the resolution of our Board on May 13, 2024, and the shareholders of our Company on June 28, 2024, our Company may offer a discount of not more than 5% on the Floor Price.

In accordance with Regulation 172(1)(a) of the SEBI ICDR Regulations, the Equity Shares will be Allotted within 365 days from the date of the shareholders' resolution approving the Issue, being June 28, 2024, and also within 60 days from the date of receipt of Bid Amount from the relevant Eligible QIBs.

The subscription to the Equity Shares offered pursuant to the Issue must be made by Eligible QIBs on the basis of this Preliminary Placement Document and the Placement Document shall contain all material information required under applicable law including the information specified in Schedule VII of SEBI ICDR Regulations and the requirements prescribed under Form PAS-4. This Preliminary Placement Document and the Placement Document are private documents provided to only select Eligible QIBs through serially numbered copies and are required to be placed on the website of the concerned Stock Exchanges and of our Company with a disclaimer to the effect that it is in connection with an offer to Eligible QIBs and no offer is being made to the public or to any other category of investors. Please note that if you do not receive a serially numbered copy of this Preliminary Placement Document addressed to you, you may not rely on this Preliminary Placement Document or Placement Document uploaded on the website of the Stock Exchanges or our Company for making an application to subscribe to Equity Shares pursuant to the Issue. Even if such documentation were to come into the possession of any person other than the intended recipient, no offer or invitation to offer shall be deemed to have been made to such person and any application that does not comply with this requirement shall be treated as invalid.

This Issue was authorized and approved by our Board of Directors by way of resolution dated May 13, 2024, and by our shareholders through special resolution on June 28, 2024, passed by way of postal ballot.

The minimum number of Allottees for each qualified institutions placement shall not be less than:

- two, where the Issue size is less than or equal to ₹ 2,500 million; and

- five, where the Issue size is greater than ₹ 2,500 million.

No single Allottee shall be Allotted more than 50% of the Issue Size. Eligible QIBs that belong to the same group or that are under common control shall be deemed to be a single Allottee for the purpose of the Issue. For details of what constitutes "same group" or "common control", see "***Bid Process —Application Form***" on page 242.

Equity Shares being Allotted pursuant to the Issue shall not be sold for a period of one year from the date of Allotment, except on the floor of a recognised stock exchange. In addition, purchasers of the Equity Shares Allotted pursuant to the Issue shall comply with the resale restrictions set forth in the sections titled, "***Selling Restrictions***" and "***Transfer Restrictions and Purchaser Representations***" on pages 251 and 256, respectively.

We have applied for, and received, the in-principle approvals of the Stock Exchanges under Regulation 28(1)(a) of the SEBI Listing Regulations for listing of the Equity Shares on the Stock Exchanges on August 2, 2024. We have filed a copy of this Preliminary Placement Document and will file a copy of the Placement Document with the Stock Exchanges.

We shall also make the requisite filings with the RoC within the stipulated period as required under the Companies Act and the PAS Rules, to the extent applicable.

Allotments made to VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirements. VCFs and AIFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.

The Equity Shares offered hereby have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares offered in this Issue are being offered and sold outside the United States in "offshore transactions" as defined in, and in reliance on Regulation S and the applicable laws of the jurisdiction where those offers, and sales are made.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Issue Procedure

1. On the Issue Opening Date, our Company and the BRLM shall circulate serially numbered copies of this Preliminary Placement Document and the serially numbered Application Form, either in electronic or physical form, to identified Eligible QIBs and the Application Form will be specifically addressed to each such Eligible QIB. In terms of Section 42(3) of the Companies Act, 2013, our Company shall maintain complete records of the Eligible QIBs in the form and manner as prescribed under the PAS Rules, to the extent applicable, to whom the Preliminary Placement Document and the serially numbered Application Form will be dispatched. Our Company will make the requisite filings with the RoC within the stipulated time periods as required under the Companies Act, 2013 and the PAS Rules, if and to the extent applicable. The list of Eligible QIBs to whom the Preliminary Placement Document and Application Form is delivered will be determined by our Company in consultation with the BRLM, at their sole discretion.

2. **Unless a serially numbered Preliminary Placement Document along with the serially numbered Application Form, which includes the details of the bank account wherein the Bid Amount is to be deposited, is addressed to a particular Eligible QIB, no invitation to make an offer to subscribe shall be deemed to have been made to such Eligible QIB.** Even if such documentation were to come into the possession of any person other than the intended recipient, no offer or invitation to offer shall be deemed to have been made to such person and any application that does not comply with this requirement shall be treated as invalid.

3. Eligible QIBs may submit the Application Form, including any revisions thereof along with the Bid Amount transferred to the Escrow Account specified in the Application form and a copy of the PAN card or PAN allotment letter (as applicable) and/or any other documents mentioned in the Application Form, during the Issue Period to the BRLM. The Application Form may be signed physically or digitally, if required under applicable law in the relevant jurisdiction applicable to each Eligible QIB and as permitted under such applicable law. An Eligible QIB may submit an unsigned copy of the Application Form, as long as the Bid Amount is paid along with submission of the Application Form within the Issue Period. Once a duly filled Application Form is submitted by an Eligible QIB, whether signed or not, and the Bid Amount has been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Issue Closing Date. In case Bids are being made on behalf of the Eligible QIB and this Application Form is unsigned, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Bid Amount to the Escrow Account, on behalf of the Eligible QIB is authorised to do so.

4. Bidders will be required to indicate the following in the Application Form:

    - full official name of the Eligible QIB to whom Equity Shares are to be Allotted, complete address, e-mail id, PAN details (if applicable), contact number and bank account details;

    - number of Equity Shares Bid for;

- price at which they are agreeable to subscribe for the Equity Shares and the aggregate Bid Amount for the number of Equity Shares Bid for;
- details of the depository / beneficiary account maintained by the Depository Participant to which the Equity Shares should be credited;
- Equity Shares held by the Eligible QIBs in our Company prior to the Issue; and
- a representation that it is outside the United States acquiring the Equity Shares in an "offshore transaction", as defined in, and in reliance on Regulation S, and it has agreed to certain other representations set forth in the "***Representations by Investors***" on page 3 and "***Transfer Restrictions and Purchaser Representations***" on page 256 and certain other representations made in the Application Form.

Note*: Eligible FPIs are required to indicate the SEBI FPI registration number in the Application Form. The Bids made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Bids are made. In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme for which the Bid has been made. Application by various schemes or funds of a Mutual Fund will be treated as one application from the Mutual Fund. Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable laws.*

5. Eligible QIBs shall be required to make the entire payment of the Bid Amount for the Equity Shares Bid for, along with the Application Form, only through electronic transfer to the Escrow Account opened in the name of "KPI GREEN ENERGY LIMITED- QIP ESCROW ACCOUNT 2024" with the Escrow Agent, within the Issue Period as specified in the Application Form sent to the respective Bidders. Please note that any payment of Bid Amount for the Equity Shares shall be made from the bank accounts of the relevant Bidders and our Company shall keep a record of the bank account from where such payment has been received. Bid Amount payable on Equity Shares to be held by joint holders shall be paid from the bank account of the person whose name appears first in the Application Form. Pending Allotment, and the filing of return of Allotment by our Company with the RoC, or receipt of final listing and trading approvals from the Stock Exchanges, whichever is later, Application Amount received for subscription of the Equity Shares shall be kept by our Company in a separate bank account with a scheduled bank and shall be utilised only for the purposes permitted under the Companies Act, 2013. Notwithstanding the above, in the event (a) any Bidder is not Allocated Equity Shares in the Issue, (b) the number of Equity Shares Allocated to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Bid Amount has been paid by such Bidder, (c) the Application Amount was in excess of the amount equivalent to the product of the Equity Shares that have been Allocated to the Bidder and the Issue Price, or the Application Amount has been arrived at using an indicative price higher than the Issue Price, or (d) any Eligible QIB lowers or withdraws their Bid after submission of the Application Form but prior to the Issue Closing Date, the excess Application Amount will be refunded to the same bank account from which it was remitted, in the form and manner set out in "***Issue Procedure – Refunds***" on page 247.

6. Once a duly completed Application Form is submitted by a Bidder and the Bid Amount is transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and the Bid cannot be withdrawn or revised downwards after the Issue Closing Date. In case of an upward revision before the Issue Closing Date, an additional amount shall be required to be deposited towards the Bid Amount in the Escrow Account along with the submission of such revised Bid. The Issue Closing Date shall be notified to the Stock Exchanges and the Eligible QIBs shall be deemed to have been given notice of such date after receipt of the Application Form.

7. Upon receipt of the duly completed Application Form and the Bid Amount in the Escrow Account, after the Issue Closing Date, our Company shall, in consultation with the BRLM, determine the final terms, including the Issue Price of the Equity Shares to be offered pursuant to the Issue and Allocation. Upon such determination, the BRLM will send the serially numbered CAN to the Eligible QIBs who have been Allocated the Equity Shares. The dispatch of a CAN, and the Placement Document (when dispatched) to a Successful Bidder shall be deemed a valid, binding and irrevocable contract for the Successful Bidders to subscribe to the Equity Shares Allocated to such Successful Bidders at an aggregate price equivalent to the product of the Issue Price and Equity Shares Allocated to such Successful Bidders. The CAN shall contain details such as the number of Equity Shares Allocated to the Successful Bidders, Issue Price and the aggregate amount received towards the Equity Shares Allocated. **Please note that the Allocation will be at the absolute discretion of our Company and will be in consultation with the BRLM.**

8. The Bidder acknowledges that in terms of the requirements of the Companies Act, upon Allocation, our Company will be required to disclose the names of proposed allottees and the percentage of their post-Issue shareholding in the Placement Document and consents to such disclosure, if any Equity Shares are allocated to it.

9. Upon determination of the Issue Price and the issuance of CAN and before Allotment of Equity Shares to the Successful Bidders, the BRLM, shall, on our behalf, send a serially numbered Placement Document either in electronic form or through physical delivery to each of the Successful Bidders who have been Allocated Equity Shares pursuant to dispatch of a serially numbered CAN.

10. Upon dispatch of the serially numbered Placement Document, our Company shall Allot Equity Shares as per the details in the CANs sent to the Successful Bidders. We will inform the Stock Exchanges of the details of the Allotment.

11. After passing the resolution for Allotment, and prior to crediting the Equity Shares into the beneficiary account of the Successful Bidders maintained by the depository participant, as indicated in their respective Application Form, our Company shall submit relevant documents to the Stock Exchanges in respect of the Equity Shares Allotted pursuant to the Issue.

12. After receipt of the listing approvals of the Stock Exchanges, our Company shall credit the Equity Shares Allotted pursuant to this Issue into the beneficiary accounts of the respective Allottees.

13. Our Company shall then apply for the final listing and trading permissions from the Stock Exchanges.

14. The Equity Shares that would have been credited to the beneficiary account with the Depository Participant accounts of the Successful Bidders shall be eligible for trading on the Stock Exchanges only upon the receipt of final listing and trading approvals from the Stock Exchanges.

15. As per applicable law, the Stock Exchanges will notify the final listing and trading approvals, which are ordinarily available on their websites, and our Company may communicate the receipt the receipt of the listing and trading approvals to those Successful Bidders to whom the Equity Shares have been Allotted. Our Company, and the BRLM shall not be responsible for any delay or non-receipt of the communication of the final trading and listing permissions from the Stock Exchanges or any loss arising from such delay or non-receipt. Investors are advised to apprise themselves of the status of the receipt of the permissions from the Stock Exchanges or our Company.

16. A representation that it is outside the United States and is acquiring the Equity Shares in an "*offshore transaction*" as defined in, and in reliance on, Regulation S, is not an affiliate of the Company or the BRLM or a person acting on behalf of such an affiliate and it has agreed to certain other representations set forth in the Application Form.

Eligible Qualified Institutional Buyers

Only Eligible QIBs are eligible to invest in the Equity Shares pursuant to the Issue, provided that with respect to FPIs, only Eligible FPIs applying under Schedule II of the FEMA Rules or a multilateral or bilateral development financial institution eligible to invest in India under applicable law, will be considered as Eligible QIBs. FVCIs are not permitted to participate in the Issue. Currently, QIBs, who are eligible to participate in the Issue and also as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations, are set forth below:

- mutual funds, venture capital fund and alternate investment funds registered with SEBI;
- a foreign portfolio investor other than individuals, corporate bodies and family offices;
- public financial institutions;
- scheduled commercial banks;
- multilateral and bilateral development financial institutions;
- state industrial development corporations;
- insurance companies registered with the Insurance Regulatory and Development Authority of India;
- provident funds with minimum corpus of ₹ 250 million;
- pension funds with minimum corpus of ₹250 million and registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013;
- the National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005, of the Government published in the Gazette of India; and
- insurance funds set up and managed by army, navy or air force of the Union of India;

- insurance funds set up and managed by the Department of Posts, India; and
- systemically important non-banking financial companies.

Eligible FPIs are permitted to participate under Schedule II of FEMA Rules in this Issue. Eligible FPIs are permitted to participate in the Issue subject to compliance with all applicable laws and such that the shareholding of the FPIs do not exceed specified limits as prescribed under applicable laws in this regard. FVCIs are not permitted to participate in this Issue.

In terms of the SEBI FPI Regulations, the offer of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) is not permitted to exceed 10% of our post-Issue Equity Share capital of our Company. Further, in terms of the FEMA Rules, the total holding by each FPI or investor group shall be below 10% of the total paid-up Equity Share capital of our Company. Hence, Eligible FPIs may invest in such number of Equity Shares in the Issue such that (i) the individual investment of the FPI in our Company does not exceed 10% of the post-Issue paid-up capital of our Company on a fully diluted basis, and (ii) the aggregate investment by FPIs in our Company does not exceed the sectoral cap applicable to our Company on a fully diluted basis. In case the holding of an FPI or investor group increases to 10% or more of the total paid-up equity capital, on a fully diluted basis, the FPI including its investor group is required to divest the excess holding within five trading days from the date of settlement of the trades resulting in the breach. In the event that such divestment of excess holding is not done within the aforementioned prescribed time, the total investment made by such FPI together with its investor group will be re-classified as FDI as per the procedure specified by SEBI, and the FPI and its investor group will be prohibited from making any further portfolio investment in our Company under the SEBI FPI Regulations. However, in accordance with Regulation 22(4) of the SEBI FPI Regulations, the FPIs who are: (i) appropriately regulated public retail funds; (b) public retail funds where the majority is owned by appropriately regulated public retail fund on look through basis; or (c) public retail funds and investment managers of such foreign portfolio investors are appropriately regulated, the aggregation of the investment limits of such FPIs having common control, shall not be applicable.

Two or more subscribers of ODIs having a common beneficial owner shall be considered together as a single subscriber of the ODI. In the event an investor has investments as a FPI and as a subscriber of ODIs, these investment restrictions shall apply on the aggregate of the FPI and ODI investments held in the underlying company. Pursuant to the SEBI Circular dated April 5, 2018 (Circular No: IMD/FPIC/CIR/P/2018/61), our Company has appointed NSDL as the designated depository to monitor the level of FPI/NRI shareholding in our Company on a daily basis and once the aggregate foreign investment of a company reaches a cut-off point, which is 3% below the overall limit a red flag shall be activated. SEBI however, pursuant to its Circular dated May 17, 2018 (Circular No: SEBI/HO/IMD/FPIC/CIR/P/2018/81), directed that this system of monitoring foreign investment limits in Indian listed companies be made operational with effect from June 1, 2018. The depository is then required to inform the Stock Exchanges about the activation of the red flag. The Stock Exchanges are then required to issue the necessary circulars/ public notifications on their respective websites. Once a red flag is activated, the FPIs must trade cautiously, because in the event that there is a breach of the sectoral cap, the FPIs will be under an obligation to disinvest the excess holding within five trading days from the date of settlement of the trades.

As per the circular issued by SEBI on November 5, 2019, these investment restrictions shall also apply to subscribers of P-Notes. Two or more subscribers of P-Notes having a common beneficial owner shall be considered together as a single subscriber of the P-Note. In the event an investor has investments as a FPI and as a subscriber of P-Notes, these investment restrictions shall apply on the aggregate of the FPI and P-Note investments held in the underlying company.

Eligible FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

Restriction on Allotment

Pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, no Allotment shall be made pursuant to the Issue, either directly or indirectly, to any Eligible QIB being, or any person related to the Promoters. QIBs which have all or any of the following rights shall be deemed to be persons related to the Promoters:

- rights under a shareholders' agreement or voting agreement entered into with our Promoters or members of the Promoter Group;
- veto rights; or
- a right to appoint any nominee director on our Board.

Provided, however, that an Eligible QIB which does not hold any Equity Shares in our Company and which has acquired the aforesaid rights in the capacity of a lender shall not be deemed to be related to the Promoters.

Our Company and the BRLM and any of its shareholders, employees, counsels, officers, directors, representatives, agents, advisors or affiliates are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Preliminary Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Eligible QIBs are advised to ensure that any single application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Preliminary Placement Document. Further, Eligible QIBs are required to satisfy themselves that their Bids would not result in triggering an open offer under the SEBI Takeover Regulations.

A minimum of 10% of the Equity Shares offered in the Issue shall be Allotted to Mutual Funds. In case of undersubscription in such portion, such portion or part thereof may be Allotted to other Eligible QIBs.

Note: *Affiliates or associates of the BRLM who are QIBs may participate in the Issue in compliance with applicable laws.*

Bid Process

Application Form

Eligible QIBs shall only use the serially numbered Application Forms (which are specifically addressed to them) supplied by our Company and/or the BRLM in either electronic form or by physical delivery for the purpose of making a Bid (including revision of a Bid) in terms of this Preliminary Placement Document and the Placement Document. The Application Form may be signed physically or digitally, if required under applicable law in the relevant jurisdiction applicable to each Eligible QIB and as permitted under such applicable law. An Eligible QIB may submit an unsigned copy of the Application Form, as long as the Application Amount is paid along with submission of the Application Form within the Issue Period, and in such case, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Application Amount to the Escrow Account, on behalf of the Eligible QIB is authorised to do so.

By making a Bid (including the revision thereof) for Equity Shares through Application Forms and pursuant to the terms of this Preliminary Placement Document, the Eligible QIB will be deemed to have made the following representations, warranties, acknowledgements and undertakings given or made under "***Notice to Investors***", "***Representations by Investors***", "***Selling Restrictions***" and "***Transfer Restrictions and Purchaser Representations***" on pages 1, 3, 251 and 256, respectively:

1. The Bidder confirms that it is a QIB in terms of Regulation 2(1)(ss) of the SEBI ICDR Regulations and is not excluded under Regulation 179(2)(b) of the SEBI ICDR Regulations, has a valid and existing registration under the applicable laws in India (as applicable) and is eligible to participate in this Issue;

2. The Bidder confirms that it is not a Promoter and is not a person related to the Promoters, either directly or indirectly and its Application Form does not directly or indirectly represent the Promoters or Promoter Group or persons related to the Promoters;

3. The Bidder confirms that it has no rights under a shareholders' agreement or voting agreement with the Promoters or members of the Promoter Group, no veto rights or right to appoint any nominee director on the Board other than those acquired in the capacity of a lender not holding any Equity Shares, which shall not be deemed to be a person related to the Promoters;

4. The Bidder acknowledges that it has no right to withdraw or revise its Bid downwards after the Issue Closing Date;

5. The Bidder confirms that if the Equity Shares are Allotted through the Issue, it shall not, for a period of one year from Allotment, sell such Equity Shares otherwise than on the floor of the Stock Exchanges;

6. The Bidder confirms that the QIB is eligible to Bid for and hold the Equity Shares so Allotted and together with any Equity Shares held by the QIB prior to the Issue. The Bidder further confirms that the holding of the QIB, does not and shall not, exceed the level permissible as per any regulations applicable to the QIB;

7. The Bidder confirms that the Application would not result in triggering a tender offer under the SEBI Takeover Regulations;

8. The Bidder confirms that in the event it is resident outside India, it is an Eligible FPI, having a valid and existing registration with SEBI under the applicable laws in India or a multilateral or bilateral development financial institution, and is eligible to invest in India under applicable law, including the FEMA Rules, as amended, and any notifications, circulars or clarifications issued thereunder, and has not been prohibited by SEBI or any other regulatory authority, from buying, selling, dealing in securities or otherwise accessing the capital markets and is not an FVCI;

9. The Bidder agrees that it will make payment of its Bid Amount, along with submission of the Application Form within the Issue Period. The Bidder agrees that once a duly filled Application Form is submitted by itself, whether signed or

not, and the Bid Amount has been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Issue Closing Date;

10. The Bidder agrees that although the Bid Amount is required to be paid by it, along with the Application Form within the Issue Period in terms of provisions of the Companies Act and rules made thereunder, our Company reserves the right to Allocate and Allot Equity Shares pursuant to this Issue on a discretionary basis in consultation with the BRLM. The Bidder further acknowledges and agrees that the payment of Bid Amount does not guarantee Allocation and/or Allotment of Equity Shares Bid for in full or in part;

11. The Bidder acknowledges that in terms of the requirements of the Companies Act, upon Allocation, the Company will be required to disclose their names as "proposed Allottees" and percentage of post-Issue shareholding of the proposed Allottees in the Placement Document and consents of such disclosure, if any Equity Shares are Allocated to it. However, the Bidder further acknowledges and agrees, disclosure of such details in relation to the proposed Allottees in the Placement Document will not guarantee Allotment to them, as Allotment in the Issue shall continue to be at the discretion of the Company, in consultation with the BRLM;

12. The Bidder confirms that the number of Equity Shares Allotted to it pursuant to the Issue, together with other Allottees that belong to the same group or are under common control, shall not exceed 50% of the Issue size. For the purposes of this representation:

    a. The expression "belonging to the same group" shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and Independent Directors, amongst an Eligible QIB, its subsidiary(ies) or holding company and any other QIB ; and

    b. 'Control' shall have the same meaning as is assigned to it by Regulation 2(1)(e) of the SEBI Takeover Regulations;

13. The Eligible QIB confirms that:

    a. It is outside the United States and subscribing to the Equity Shares in an "offshore transaction", as defined in, and in reliance on Regulation S, and is not our affiliate or a person acting on behalf of such an affiliate; and

    b. It has agreed to the other representations set forth in the sections titled, "***Selling Restrictions***" and "***Transfer Restrictions and Purchaser Representations***" on pages 251 and 256 respectively, and the other representations made in the Application Form.

14. The Bidder acknowledge that no Allotment shall be made to them if the price at which they have Bid for in the Issue is lower than the Issue Price;

15. The Bidder confirms that it shall not undertake any trade in the Equity Shares credited into the beneficiary account maintained with the Depository Participant by the QIBs until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges;

16. The Bidder acknowledges, represents and agrees that in the event its total interest in the paid-up share capital of our Company or voting rights in our Company, whether direct or indirect, beneficial or otherwise (any such interest, your "**Holding**"), when aggregated together with any existing Holding and/or Holding of any of the persons acting in concert, results in Holding of 5% or more of the total paid-up share capital of, or voting rights in, our Company a disclosure of the aggregate shareholding and voting rights will have to be made under the SEBI Takeover Regulations. In case such Eligible QIB is an existing shareholder who, together with persons acting in concert, holds 5% or more of the underlying paid up share capital of, or voting rights in our Company a disclosure will have to be made under the SEBI Takeover Regulations in the event of a change of 2% or more in the existing Holding of the Eligible QIB and persons acting in concert;

17. The Eligible FPI, confirms that it will participate in the Issue only under and in conformity with Schedule II of FEMA Rules. Further, each Eligible FPI acknowledges that Eligible FPIs may invest in such number of Equity Shares such that the individual investment of the Eligible FPI or its investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than fifty per cent or common control) in our Company does not exceed 10% of the post-Issue paid-up capital of our Company on a fully diluted basis. The Bidder confirms that it, individually or together with its investor group, is not restricted from making further investments in our Company through the portfolio investment route, in terms of Regulation 22(3) of the SEBI FPI Regulations; and

18. The Bidder has read and understood, and by making a Bid for the Equity Shares through the Application Forms and pursuant to the terms of this Preliminary Placement Document, will be deemed to have made the representations, warranties and agreements made under "***Notice to Investors***", "***Representations by Investors***", "***Selling Restrictions***" and "***Transfer Restrictions and Purchaser Representations***" on page 1, 3, 251 and 256, respectively.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, Government of India and the FDI Policy, investments where the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, can only be made through the Government approval route.

ELIGIBLE QIBS MUST PROVIDE THEIR NAME, COMPLETE ADDRESS, EMAIL ID, PHONE NUMBER, BANK ACCOUNT DETAILS, BENEFICIARY ACCOUNT DETAILS, PAN / PAN ALLOTMENT LETTER (IF APPLICABLE), DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE APPLICATION FORM. ELIGIBLE QIBS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THEIR DEPOSITORY / BENEFICIARY ACCOUNT IS HELD.

IF SO, REQUIRED BY THE BRLM, THE ELIGIBLE QIBS SUBMITTING A BID, ALONG WITH THE APPLICATION FORM, WILL ALSO HAVE TO SUBMIT REQUISITE DOCUMENT(S) TO THE BRLM TO EVIDENCE THEIR STATUS AS A "QIB" AS DEFINED HEREINABOVE.

IF SO, REQUIRED BY THE BRLM, THE ESCROW AGENT OR ANY STATUTORY OR REGULATORY AUTHORITY IN THIS REGARD, INCLUDING AFTER ISSUE CLOSING DATE, THE ELIGIBLE QIBS SUBMITTING A BID AND/OR BEING ALLOTTED EQUITY SHARES IN THE ISSUE, WILL ALSO HAVE TO SUBMIT REQUISITE DOCUMENT(S) TO FULFILL THE APPLICABLE KNOW YOUR CUSTOMER (KYC) NOR

Demographic details such as address and bank account will be obtained from the Depositories as per the Depository Participant account details provided in the Application Form. However, for the purposes of refund of all or part of the Bid Amount submitted by the Bidder, the bank details as mentioned in the Application Form from which the Bid Amount shall be remitted for the Equity Shares applied for in the Issue, will be considered.

The submission of an Application Form and payment of the Bid Amount pursuant to the Application Form by a Bidder shall be deemed a valid, binding and irrevocable offer for such Bidder to pay the entire Issue Price for the Equity Shares and becomes a binding contract on a Successful Bidder upon issuance of the CAN and the Placement Document (when dispatched) by our Company or by the BRLM in favour of the Successful Bidder.

Submission of Application Form

All Application Forms must be duly completed with information including the name of the Bidder, the number of Equity Shares applied for along with proof of payment and a copy of the PAN card or PAN allotment letter (if applicable). The Bid Amount shall be deposited in the Escrow Account as is specified in the Application Form and the Application Form shall be submitted to the BRLM either through electronic form or through physical delivery at either of the following addresses:

Name of the BRLM	Address	Contact Person	Email	Contact Number
SBI Capital Markets Limited	Unit No. 1501, 15th floor, A & B Wing, Parinee Crescenzo Building, Plot C- 38, G Block, Bandra Kurla Complex, Bandra (East), Mumbai- 400 051, Maharashtra, India	Raghavendra Bhat	kpigreen.qip@sbicaps.com	+ 91 22 4006 9807

The BRLM shall not be required to provide any written acknowledgement of the receipt of the Application Form and the Bid Amount.

Bidders Bidding in the Issue shall pay the entire Bid Amount along with the submission of the Application Form, within the Issue Period.

Payment of Bid Amount

Our Company has opened the Escrow Account in the name of "KPI GREEN ENERGY LIMITED- QIP ESCROW ACCOUNT 2024" with the Escrow Agent, in terms of the arrangement among our Company, the BRLM and the Escrow Agent. Each Bidder will be required to deposit the Bid Amount payable for the Equity Shares Bid by it along with the submission of the Application Form and during the Bidding Period. Bidders can make payment of the Bid Amount only through electronic transfer of funds from their own bank account.

Note: Payments are to be made only through electronic fund transfer. Payments made through cash or cheques are liable to be rejected. Further, if the payment is not made favouring the Escrow Account, the Application Form is liable to be cancelled and rejected.

Pending Allotment, our Company undertakes to utilise the amount deposited in "KPI GREEN ENERGY LIMITED- QIP ESCROW ACCOUNT 2024" only for the purposes of (i) adjustment against Allotment of Equity Shares in the Issue; or (ii) repayment of Bid Amount if our Company is not able to Allot Equity Shares in the Issue. Notwithstanding the above, in the event a Bidder is not Allocated Equity Shares in the Issue, or the number of Equity Shares Allocated to a Bidder, is lower than the number of Equity Shares applied for through the Application Form and towards which Application Amount has been paid by such Bidder, or the Application Amount was in excess of the amount equivalent to the product of the Equity Shares that have been Allocated to the Bidder and the Issue Price, or the Application Amount has been arrived at using an indicative price higher than the Issue Price, or any Bidder lowers or withdraws their Bid after submission of the Application Form but prior to the Issue Closing Date, the excess Application Amount will be refunded to the same bank account from which Application Amount was remitted, in the form and manner set out in "***Issue Procedure– Refunds***" on page 247.

Pricing and Allocation

There is a minimum pricing requirement under the SEBI ICDR Regulations. The Floor Price shall not be less than the average of the weekly high and low of the closing prices of the Equity Shares quoted on the stock exchange during the two weeks preceding the Relevant Date. However, a discount of not more than 5% of the Floor Price may be offered by our Company in accordance with the provisions of the SEBI ICDR Regulations.

Our Company, in consultation with the BRLM, shall determine the Issue Price, which shall be at or above the Floor Price.

The "Relevant Date" referred to above, for Allotment, will be the date of the meeting in which the our Board decides to open the Issue and "stock exchange" means any of the recognized stock exchanges in India on which the Equity Shares of the Company of the same class are listed and on which the highest trading volume in such Equity Shares has been recorded during the two weeks immediately preceding the Relevant Date.

Build-up of the Book

The Eligible QIBs shall submit their Bids (including any revision thereof) through the Application Forms within the Issue Period to the BRLM. Such Bids cannot be withdrawn or revised downwards after the Issue Closing Date. The book shall be maintained by the BRLM.

Price Discovery, Terms and Allocation

Our Company, in consultation with the BRLM, shall determine the Issue Price, which shall be at or above the Floor Price and the Allocation on a discretionary basis and in compliance with Chapter VI of the SEBI ICDR Regulations. However, our Company may offer a discount of not more than 5% on the Floor Price in terms of Regulation 176 of the SEBI ICDR Regulations as approved by the Board pursuant to resolution dated May 13, 2024, and the resolution of our Shareholders by way of postal ballot on June 28, 2024.

After finalisation of the Issue Price, our Company shall update this Preliminary Placement Document with the Issue details and file the same with the Stock Exchanges as the Placement Document.

Method of Allocation

Our Company shall determine the Allocation in consultation with the BRLM on a discretionary basis and in compliance with Chapter VI of the SEBI ICDR Regulations.

Bids received from the Eligible QIBs at or above the Issue Price shall be grouped together to determine the total demand. The Allocation to all such Eligible QIBs will be made at the Issue Price. Allocation to Mutual Funds for up to a minimum of 10% of the Issue Size shall be undertaken subject to valid Bids being received at or above the Issue Price.

In case of cancellations or default by the Bidders, our Company, in consultation with the BRLM, have the right to reallocate the Equity Shares at the Issue Price among existing or new Bidders at their sole and absolute discretion subject to the applicable laws.

THE DECISION OF OUR COMPANY, IN CONSULTATION WITH THE BRLM, IN RESPECT OF ALLOCATION SHALL BE FINAL AND BINDING ON ALL BIDDERS. BIDDERS MAY NOTE THAT ALLOCATION OF EQUITY SHARES IS AT THE SOLE AND ABSOLUTE DISCRETION OF OUR COMPANY, IN CONSULTATION WITH THE BRLM, AND ELIGIBLE QIBS MAY NOT RECEIVE ANY ALLOCATION EVEN IF THEY HAVE SUBMITTED VALID APPLICATION FORMS AND PAID THE ENTIRE BID AMOUNT AT OR ABOVE THE ISSUE PRICE. NEITHER OUR COMPANY NOR THE BRLM ARE OBLIGED TO ASSIGN ANY REASON FOR ANY NON-ALLOCATION.

Confirmation of Allocation Note (CAN)

Based on receipt of the serially numbered Application Forms and Bid Amount, our Company, in consultation with the BRLM, in their sole and absolute discretion, shall decide the Successful Bidders to whom the serially numbered CAN shall be dispatched, pursuant to which the details of the Equity Shares Allocated to them, the Issue Price and the Bid Amount for the Equity Shares Allocated to them shall be notified to such Successful Bidders. Additionally, the CAN will include the probable Designated Date, being the date of credit of the Equity Shares to the Bidders' account, as applicable to the respective Bidder.

The Successful Bidders would also be sent a serially numbered Placement Document (which will include the names of the proposed Allottees along with the percentage of their post-Issue Shareholding in the Company) either in electronic form or by physical delivery.

The dispatch of the serially numbered CAN and the Placement Document (when dispatched), to the Eligible QIBs shall be deemed a valid, binding and irrevocable contract for the Eligible QIBs to subscribe to the Equity Shares Allocated to such Successful Bidders. Subsequently, our Board will approve the Allotment of the Equity Shares to the Allottees in consultation with the BRLM.

Successful Bidders are advised to instruct their Depository Participant to accept the Equity Shares that may be Allotted to them pursuant to the Issue.

By submitting the Application Form, an Eligible QIB would have deemed to have made the representations and warranties as specified in "***Notice to Investors***" on page 1 and further that such Eligible QIB shall not undertake any trade on the Equity Shares credited to its Depository Participant account pursuant to the Issue until such time as the final listing and trading approval is issued by Stock Exchanges.

Designated Date and Allotment of Equity Shares

1. Subject to the satisfaction of the terms and conditions of the Placement Agreement, our Company will ensure that the Allotment of the Equity Shares is completed by the Designated Date provided in the respective CANs.

2. In accordance with the SEBI ICDR Regulations, the Equity Shares will be offered, and Allotment shall be made only in the dematerialized form to the Allottees. Allottees will have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act. However, no transfer in physical form is permitted as per Regulation 40 of the SEBI Listing Regulations.

3. Our Company, at its sole discretion, reserves the right to cancel the Issue at any time up to Allotment without assigning any reasons whatsoever.

4. Following the Allotment of the Equity Shares pursuant to the Issue, our Company shall submit the necessary documents with the Stock Exchanges in relation to the Issue and post that our Company shall credit the Equity Shares into the beneficiary accounts of the Eligible QIBs.

5. Following the credit of Equity Shares into the Successful Bidders' beneficiary accounts (a) the Successful Bidders will be eligible for trading on the Stock Exchanges immediately upon such credit, and (b) the monies lying to the credit of the Escrow Account shall be released until the final listing and trading approvals of the Stock Exchanges for the listing and trading of the Equity Shares issued pursuant to this Issue are received by our Company and the Company files the return of Allotment in connection with the Issue with the RoC.

6. After finalization of the Issue Price, our Company shall update this Preliminary Placement Document with the Issue details and file it with the Stock Exchanges as the Placement Document, including the details of names of the proposed Allottees and the percentage of their post-Issue shareholding in our Company. Pursuant to a circular dated March 5, 2010 issued by the SEBI, the Stock Exchanges are required to make available on their websites the details of those Allottees in Issue who have been allotted more than 5% of the Equity Shares offered in the Issue, namely, names of the Allottees, and number of Equity Shares Allotted to each of them, pre and post Issue shareholding pattern of our Company along with the Placement Document.

7. In the event that we are unable to issue and Allot the Equity Shares offered in the Issue or if the Issue is cancelled within the timelines prescribed under the applicable laws, our Company shall repay the application monies within the timelines prescribed under the applicable laws, failing which our Company shall repay that monies with interest at such rate and in such manner as prescribed under the Companies Act and SEBI ICDR Regulations. The application monies to be refunded by us shall be refunded to the same bank account from which application monies was remitted by the Bidders, as mentioned in the Application Form.

Refunds

In the event that the number of Equity Shares Allocated to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Bid Amount has been paid by such Bidder, or Equity Shares are not Allocated to a Bidder for any reasons, or the Application Amount paid by a Bidder is in excess of the amount equivalent to the product of the Equity Shares that have been Allocated to such Bidder and the Issue Price, or a Bidder lowers or withdraws the Bid prior to the Issue Closing Date, any excess Bid Amount paid by such Bidder will be refunded to the same bank account from which Bid Amount was remitted (as set out in the Application in the form and manner set out in the Refund Intimation Letter. The Refund Amount will be transferred to the relevant Bidders within two Working Days from the issuance of the CAN.

In the event that Equity Shares have been Allocated to Successful Bidders and our Company is unable to issue and Allot the Equity Shares offered in the Issue or on cancellation of the Issue within the timelines prescribed under the applicable laws, our Company shall repay the Bid Amount as per the timelines prescribed under the applicable laws, failing which our Company shall repay that money with interest at such rate and in such manner as prescribed under the Companies Act and SEBI ICDR Regulations.

Release of Funds to our Company

The monies lying to the credit of the Escrow Account shall not be released until the final listing and trading approvals of the Stock Exchanges for the listing and trading of the Equity Shares issued pursuant to the Issue are received by our Company and the Company files the return of Allotment in connection with the Issue with the RoC. In the event of any delay in the Allotment or credit of Equity Shares, or receipt of trading or listing approvals or cancellation of the Issue, no interest or penalty would be payable by us.

Other Instructions

Submission of Documents

A physical copy of the Application Form and relevant documents as required to be provided along with the Application Form shall be submitted as soon as practicable.

Permanent Account Number or PAN

Each Bidder should mention its PAN allotted under the Income Tax Act, 1961 ("**IT Act**"). A copy of PAN card is required to be submitted with the Application Form. However, this requirement may not apply to certain Bidders who are exempted from the requirement of obtaining a PAN under the IT Act. Further, the Application Forms without this information will be considered incomplete and are liable to be rejected. It is to be specifically noted that applicants should not submit the GIR number instead of the PAN as the Application Form is liable to be rejected on this ground.

Bank account details

Each Bidder shall mention the details of the bank account from which the payment of Bid Amount has been made along with confirmation that such payment has been made from such account.

Right to Reject Applications

Our Company, in consultation with the BRLM, may reject Bids, in part or in full, without assigning any reason whatsoever. The decision of our Company in consultation with the BRLM in relation to the rejection of Bids shall be final and binding. In the event the Bid is rejected by our Company, the Bid Amount paid by the Bidder shall be refunded to the same bank account from which the Bid Amount was remitted by such Bidder, as set out in the Application Form. For details see "***Issue Procedure – Refund***" on page 247. Our Company, at its sole discretion, reserves the right to cancel the Issue at any time up to Allotment without assigning any reason whatsoever.

Equity Shares in dematerialised form with the Depositories

The Allotment of the Equity Shares in this Issue shall be only in dematerialised form (i.e., not in physical certificates but be fungible and be represented by the statement issued through the electronic mode). Allottees will have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act, the Depositories Act and other applicable laws. However, no transfer in physical form is permitted as per Regulation 40 of the SEBI Listing Regulations.

The Bidders applying for Equity Shares to be issued pursuant to the Issue must have at least one beneficiary account with a Depository Participant of either of the Depositories prior to making the Bid. Equity Shares Allotted to a Successful Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Successful Bidder, as indicated in the Application Form.

Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with the Depositories. The Stock Exchanges have electronic connectivity with the Depositories. The trading of the Equity Shares would be in dematerialised form only for all Allottees in the respective demat segment of the Stock Exchanges. Our Company and the BRLM will not be responsible or liable for the delay in the credit of the Equity Shares to be issued pursuant to the Issue due to errors in the Application Form or otherwise on part of the Bidder.

PLACEMENT

No assurance can be given as to the liquidity or sustainability of the trading market for the Equity Shares, the ability of holders of the Equity Shares to sell their Equity Shares or the price at which holders of the Equity Shares will be able to sell their Equity Shares

Placement Agreement

The BRLM has entered into the Placement Agreement dated August 12, 2024, with our Company, pursuant to which the BRLM has agreed, subject to certain conditions, to manage the Issue and to act as placement agents in connection with the proposed Issue and procure subscription for Equity Shares to be placed with the Eligible QIBs, pursuant to Chapter VI of the SEBI ICDR Regulations, Section 42 of the Companies Act, 2013 read with Rule 14 of the PAS Rules, to the extent applicable, as amended and other applicable provisions of the Companies Act and the rules made thereunder. The Placement Agreement contains customary representations, warranties and indemnities from our Company, and it is subject to satisfaction of certain conditions and subject to termination in accordance with the terms contained therein.

This Preliminary Placement Document and the Placement Document has not been, and will not be, registered as a prospectus with the RoC and, no Equity Shares offered pursuant to the Issue, will be offered in India or overseas to the public or any members of the public or any other class of prospective investors, other than Eligible QIBs.

No assurance can be given as to the liquidity or sustainability of the trading market for such Equity Shares, the ability of holders of the Equity Shares to sell their Equity Shares or the price at which holders of the Equity Shares will be able to sell their Equity Shares. The Equity Shares offered hereby have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares offered in this Issue are being offered and sold outside the United States in "offshore transactions" as defined in, and in reliance on Regulation S and the applicable laws of the jurisdiction where those offers, and sales are made. For further information, see "***Selling Restrictions***" and "***Transfer Restrictions and Purchase Representations***" on pages 251 and 256, respectively.

Applications shall be made to list the Equity Shares issued pursuant to the Issue and admit them to trading on the Stock Exchanges.

In connection with the Issue, the BRLM (or its affiliates) may, for its own account, subscribe to the Equity Shares or enter into asset swaps, credit derivatives or other derivative transactions relating to the Equity Shares to be offered pursuant to the Issue at the same time as the offer and sale of the Equity Shares, or in secondary market transactions. As a result of such transactions, the BRLM may hold long or short positions in such Equity Shares. These transactions may comprise a substantial portion of the Issue and no specific disclosure will be made of such positions. The Affiliates of the BRLM may purchase Equity Shares and be Allotted Equity Shares for proprietary purposes and not with a view to distribute or in connection with the issuance of P-Notes. For further details, see "***Offshore Derivative Instruments***" on page 8.

From time to time, the BRLM, and its affiliates may be engaged in or may in the future engage in transactions with and perform services, including but not limited to investment banking, advisory, banking, trading services for our Company, its Subsidiaries, its group companies, affiliates and the shareholders of our Company, as well as to their respective affiliates, pursuant to which fees and commissions have been paid or will be paid to the BRLM and its affiliates.

Lock-up

Our Company undertakes that it will not for a period of 90 days from the date of Allotment under the Issue, without the prior written consent of the Placement Agent, directly or indirectly, (a) lend, sell, offer, issue, contract to issue, issue or offer any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, any Equity Shares or any securities convertible into or exercisable for Equity Shares (including, without limitation, securities convertible into or exercisable or exchangeable for Equity Shares which may be deemed to be beneficially owned), or file any registration statement under the U.S. Securities Act, with respect to any of the foregoing; or (b) enter into any swap or other agreement or any transaction that transfers, in whole or in part, directly or indirectly, any of the economic consequences associated with the ownership of any of the Equity Shares or any securities convertible into or exercisable or exchangeable for Equity Shares (regardless of whether any of the transactions described in clause (a) or (b) is to be settled by the delivery of Equity Shares or such other securities, in cash or otherwise), or (c) deposit Equity Shares with any other depositary in connection with a depositary receipt facility, (d) enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of an issue, offer, sale or deposit of the Equity Shares in any depository receipt facility, or (e) publicly announce any intention to enter into any transaction falling within (a) to (d) above or enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of an issue or offer or deposit of Equity Shares in any depositary receipt facility or publicly announce any intention to enter into any transaction falling within (a) to (d) above. Provided that, the foregoing restriction shall not apply to an issuance of Equity Shares or options pursuant to any employee stock option scheme formulated by our Company

Our Company acknowledges that the Promoter, has undertaken that it will not for a period of 90 days from the date of Allotment under the Issue, without the prior written consent of the Placement Agent, directly or indirectly: (a) sell, lend, contract to sell any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any Equity Shares, or any securities convertible into or exercisable or exchangeable for Equity Shares or publicly announce an intention with respect to any of the foregoing; (b) enter into any swap or other agreement that transfers, directly or indirectly, in whole or in part, any of the economic consequences of ownership of Equity Shares or any securities convertible into or exercisable or exchangeable for Equity Shares; (c) sell, lend, contract to sell any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any shares or interest in an entity which holds any Equity Shares; or (d) publicly announce any intention to enter into any transaction whether any such transaction described in (a), (b) or (c) above is to be settled by delivery of Equity Shares, or such other securities, in cash or otherwise, or enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of an issue or offer or deposit of Equity Shares in any depositary receipt facility or publicly announce any intention to enter into any transaction falling within (a) to (c) above.

SELLING RESTRICTIONS

The distribution of this Preliminary Placement Document or any offering material and the offering, sale or delivery of Equity Shares in this Issue is restricted by law in certain jurisdictions. Therefore, persons who may come into possession of this Preliminary Placement Document or any offering material are advised to consult with their own legal advisors as to what restrictions may be applicable to them and to observe such restriction. This Preliminary Placement Document may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorised.

General

No action has been taken or will be taken by our Company or the BRLM that would permit a public offering of the Equity Shares to occur in any jurisdiction, or the possession, circulation or distribution of this Preliminary Placement Document or any other material relating to our Company or the Equity Shares in any jurisdiction where action for such purpose is required (including filing of prospectus in India with SEBI or any other authority in connection with the Issue). Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and none of this Preliminary Placement Document, any offering materials and any advertisements in connection with the offering of the Equity Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. The Issue will be made in compliance with the applicable SEBI ICDR Regulations. Each purchaser of the Equity Shares in this Issue will be deemed to have made representations, warranties, acknowledgments and agreements as described in this section and under "***Notice to Investors***", "***Representations by Investors***" and "***Transfer Restrictions and Purchase Representations***" on page 1, 3 and 256.

Republic of India

The Issue will be made in compliance with the SEBI ICDR Regulations, Section 42 of the Companies Act, 2013 read with Rule 14 of the PAS Rules and other applicable provisions of the Companies Act and the rules made thereunder.

This Preliminary Placement Document may not be distributed directly or indirectly in India or to residents of India and any Equity Shares may not be offered or sold directly or indirectly in India to, or for the account or benefit of, any resident of India except as permitted by applicable Indian laws and regulations, under which an offer is strictly on a private and confidential basis and is limited to Eligible QIBs and is not an offer to the public or any other class of investors other than Eligible QIBs. This Preliminary Placement Document has not been and will not be filed as a prospectus with the RoC, or an advertisement and will not be circulated or distributed to the public in India or any other jurisdiction and will not constitute a public offer in India or any other jurisdiction.

Australia

This Preliminary Placement Document:

- does not constitute a product disclosure document or a prospectus under Chapter 6D.2 of the Corporations Act 2001 (Cth) (the "**Corporations Act**");
- has not been, and will not be, lodged with the Australian Securities and Investments Commission ("**ASIC**"), as a disclosure document for the purposes of the Corporations Act and does not purport to include the information required of a disclosure document under Chapter 6D.2 of the Corporations Act;
- does not constitute or involve a recommendation to acquire, an offer or invitation for issue or sale, an offer or invitation to arrange the issue or sale, or an issue or sale, of interests to a "retail client" (as defined in section 761G of the Corporations Act and applicable regulations) in Australia; and
- may only be provided in Australia to select investors who are able to demonstrate that they fall within one or more of the categories of investors ("**Exempt Investors**"), available under section 708 of the Corporations Act.

The Equity Shares may not be directly or indirectly offered for subscription or purchased or sold, and no invitations to subscribe for or buy the Equity Shares may be issued, and no draft or definitive Preliminary Placement Document, advertisement or other offering material relating to any Equity Shares may be distributed in Australia, except where disclosure to investors is not required under Chapter 6D of the Corporations Act or is otherwise in compliance with all applicable Australian laws and regulations. By submitting an application for the Equity Shares, you represent and warrant to us that you are an Exempt Investor.

As any offer of Equity Shares under this Preliminary Placement Document will be made without disclosure in Australia under Chapter 6D.2 of the Corporations Act, the offer of those securities for resale in Australia within 12 months may, under section 707 of the Corporations Act, require disclosure to investors under Chapter 6D.2 if none of the exemptions in section 708 applies to that resale. By applying for the Equity Shares you undertake to us that you will not, for a period of 12 months from the date of issue of the Equity Shares, offer, transfer, assign or otherwise alienate those securities to investors in Australia except in circumstances where disclosure to investors is not required under Chapter 6D.2 of the Corporations Act or where a compliant disclosure document is prepared and lodged with ASIC.

Bahrain

All applications for investment should be received, and any allotments should be made, in each case from outside Bahrain. This Preliminary Placement Document has been prepared for private information purposes of intended investors only who will be high net worth individuals and institutions. Our Company has not made and will not make any invitation to the public in the Kingdom of Bahrain and this Preliminary Placement Document will not be issued, passed to, or made available to the public generally. The Bahrain Monetary Agency ("**BMA**") has not reviewed, nor has it approved, the Preliminary Placement Document or the marketing of Equity Shares in the Kingdom of Bahrain. Accordingly, Equity Shares may not be offered or sold in Bahrain or to residents thereof except as permitted by Bahrain law.

British Virgin Islands

The Equity Shares are not being, and may not be offered to the public or to any person in the British Virgin Islands for purchase or subscription by or on our behalf. The Equity Shares may be offered to companies incorporated under the BVI Business Companies Act, 2004 (British Virgin Islands) (each a "**BVI Company**"), but only where the offer will be made to, and received by, the relevant BVI Company entirely outside of the British Virgin Islands.

This Preliminary Placement Document has not been, and will not be, registered with the Financial Services Commission of the British Virgin Islands. No registered document has been or will be prepared in respect of the Equity Shares for the purposes of the Securities and Investment Business Act, 2010 or the Public Issuers Code of the British Virgin Islands.

Cayman Islands

No offer or invitation to subscribe for Equity Shares may be made to the public in the Cayman Islands.

European Economic Area

In relation to each Member State of the European Economic Area (each a "**Relevant State**"), no Equity Shares have been offered or will be offered pursuant to the Issue to the public in that Relevant State prior to the publication of a prospectus in relation to the Equity Shares which has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, all in accordance with the Prospectus Regulation, except that it may make an offer to the public in that Relevant State of any Equity Shares at any time:

(a) to any legal entity which is a qualified investor as defined under Article 2 of the Prospectus Regulation;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the Prospectus Regulation), subject to obtaining the prior consent of the placement agent for any such offer; or

(c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of the Equity Shares shall require the Company or placement agent to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation. For the purposes of this provision, the expression an "offer to the public" in relation to the Equity Shares in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and any Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Equity Shares, and the expression "Prospectus Regulation" means Regulation (EU) 2017/1129.

Hong Kong

The Equity Shares have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "**SFO**") and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "**CWUMPO**") or which do not constitute an offer to the public within the meaning of the CWUMPO.

No advertisement, invitation or document relating to the Equity Shares has been or will be issued for the purposes of the issue, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong), other than with respect to Equity Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

Japan

The Equity Shares have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Law. No. 25 of 1948 as amended) (the "**FIEA**") and disclosure under the FIEA has not been and will not be made with respect to the Equity Shares. No Equity Shares have, directly or indirectly, been offered or sold, and may not, directly or indirectly, be offered or sold in Japan or to, or for the benefit of, any resident of Japan as defined in the first sentence of Article 6, Paragraph 1, Item 5 of the Foreign Exchange and Foreign Trade Law of Japan ("**Japanese Resident**") or to others for re-offering or re-sale, directly or indirectly in Japan or to, or for the benefit of, any Japanese Resident except (i) pursuant to an exemption from the registration requirements of the FIEA and (ii) in compliance with any other relevant laws, regulations and governmental guidelines of Japan.

If an offeree is not a "qualified institutional investor" (*tekikaku kikan toshika*), as defined in Article 10, Paragraph 1 of the Cabinet Office Ordinance Concerning Definition Provided in Article 2 of the Financial Instruments and Exchange Act (the "**Qualified Institutional Investor**"), the Equity Shares will be offered in Japan by a private placement to small number of investors (*shoninzu muke kanyu*), as provided under Article 23- 13, Paragraph 4 of the FIEA, and accordingly, the filing of a securities registration statement for a public offering pursuant to Article 4, Paragraph 1 of the FIEA will not be made.

If an offeree is a Qualified Institutional Investor, the Equity Shares will be offered in Japan by a private placement to the Qualified Institutional Investors (*tekikaku kikan toshikamuke kanyu*), as provided under Article 23-13, Paragraph 1 of the FIEA, and accordingly, the filing of a securities registration statement for a public offering pursuant to Article 4, Paragraph 1 of the FIEA will not be made. To subscribe to the Equity Shares (the "**QII Equity Shares**") such offeree will be required to agree that it will be prohibited from selling, assigning, pledging or otherwise transferring the QII Equity Shares other than to another Qualified Institutional Investor.

Kuwait

The Equity Shares have not been authorised or licensed for offering, marketing or sale in the State of Kuwait. The distribution of the Preliminary Placement Document and the offering and sale of the Equity Shares in the State of Kuwait is restricted by law unless a license is obtained from the Kuwaiti Ministry of Commerce and Industry in accordance with Law 31 of 1990.

Malaysia

No prospectus or other offering material or document in connection with the offer and sale of the Equity Shares has been or will be registered with the Securities Commission of Malaysia ("**Commission**") for the Commission's approval pursuant to the Capital Markets and Services Act 2007. Accordingly, this Preliminary Placement Document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Equity Shares may not be circulated or distributed, nor may the Equity Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Malaysia other than (i) a closed end fund approved by the Commission; (ii) a holder of a Capital Markets Services Licence; (iii) a person who acquires the Equity Shares, as principal, if the offer is on terms that the Equity Shares may only be acquired at a consideration of not less than RM250,000 (or its equivalent in foreign currencies) for each transaction; (iv) an individual whose total net personal assets or total net joint assets with his or her spouse exceeds RM3 million (or its equivalent in foreign currencies), excluding the value of the primary residence of the individual; (v) an individual who has a gross annual income exceeding RM300,000 (or its equivalent in foreign currencies) per annum in the preceding twelve months; (vi) an individual who, jointly with his or her spouse, has a gross annual income of RM400,000 (or its equivalent in foreign currencies), per annum in the preceding twelve months; (vii) a corporation with total net assets exceeding RM10 million (or its equivalent in a foreign currencies) based on the last audited accounts; (viii) a partnership with total net assets exceeding RM10 million (or its equivalent in foreign currencies); (ix) a bank licensee or insurance licensee as defined in the Labuan Financial Services and Securities Act 2010; (x) an Islamic bank licensee or takaful licensee as defined in the Labuan Financial Services and Securities Act 2010; and (xi) any other person as may be specified by the Commission; provided that, in the each of the preceding categories (i) to (xi), the distribution of the Equity Shares is made by a holder of a Capital Markets Services Licence who carries on the business of dealing in securities. The distribution in Malaysia of this Preliminary Placement Document is subject to Malaysian laws. This Preliminary Placement Document does not constitute and may not be used for the purpose of public offering or an issue, offer for subscription or purchase, invitation to subscribe for or purchase any securities requiring the registration of a prospectus with the Commission under the Capital Markets and Services Act 2007.

Mauritius

The Equity Shares may not be offered or sold, directly or indirectly, to the public in Mauritius. Neither this Preliminary Placement Document nor any offering material or information contained herein relating to the offer of Equity Shares may be released or issued to the public in Mauritius or used in connection with any such offer. This Preliminary Placement Document does not constitute an offer to sell Equity Shares to the public in Mauritius and is not a prospectus as defined under the Companies Act 2001.

Sultanate of Oman

This Preliminary Placement Document and the Equity Shares to which it relates may not be advertised, marketed, distributed or otherwise made available to any person in Oman without the prior consent of the Capital Market Authority ("**CMA**") and then only in accordance with any terms and conditions of such consent. In connection with the offering of Equity Shares, no prospectus has been filed with the CMA. The offering and sale of Equity Shares described in the Preliminary Placement Document will not take place inside Oman. The Preliminary Placement Document is strictly private and confidential and is being issued to a limited number of sophisticated investors, and may neither be reproduced, used for any other purpose, nor provided to any other person than the intended recipient hereof.

Qatar (excluding the Qatar Financial Centre)

The Equity Shares have not been offered, sold or delivered, and will not be offered, sold or delivered at any time, directly or indirectly, in the State of Qatar in a manner that would constitute a public offering. This Preliminary Placement Document has not been reviewed or registered with Qatari Government Authorities, whether under Law No. 25 (2002) concerning investment funds, Central Bank resolution No. 15 (1997), as amended, or any associated regulations. Therefore, this Preliminary Placement Document is strictly private and confidential, and is being issued to a limited number of sophisticated investors and may not be reproduced or used for any other purposes, nor provided to any person other than the recipient thereof.

The Capital Market Authority does not make any representation as to the accuracy or completeness of this Preliminary Placement Document, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this Preliminary Placement Document. Prospective purchasers of the Equity Shares offered hereby should conduct their own due diligence on the accuracy of the information relating to the Equity Shares. If you do not understand the contents of this Preliminary Placement Document, you should consult an authorized financial adviser.

Qatar Financial Centre

This Preliminary Placement Document does not, and is not intended to, constitute an invitation or offer of securities from or within the Qatar Financial Center ("**QFC**"), and accordingly should not be construed as such. This Preliminary Placement Document has not been reviewed or approved by or registered with the Qatar Financial Centre Authority, the Qatar Financial Centre Regulatory Authority or any other competent legal body in the QFC. This Preliminary Placement Document is strictly private and confidential and may not be reproduced or used for any other purpose, nor provided to any person other than the recipient thereof. Our Company has not been approved or licensed by or registered with any licensing authorities within the QFC.

Singapore

This Preliminary Placement Document has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Preliminary Placement Document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of any Equity Shares, may not be circulated or distributed, whether directly or indirectly, to persons in Singapore other than (a) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001, of Singapore as modified and amended from time to time (the "**SFA**")) or (b) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA.

Switzerland

The Equity Shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange ("**SIX**") or on any other stock exchange or regulated trading facility in Switzerland. This Preliminary Placement Document does not constitute a prospectus within the meaning of, and has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the Equity Shares or the offering may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this Preliminary Placement Document nor any other offering or marketing material relating to the offering, our Company or the Equity Shares have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of Equity Shares will not be supervised by, the Swiss Financial Market Supervisory Authority and the offer of Equity Shares has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes ("**CISA**"). The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of Equity Shares.

United Arab Emirates (excluding the Dubai International Financial Centre)

This document does not constitute or contain an offer of securities to the general public in the UAE. No offering, marketing, promotion, advertising or distribution (together, "**Promotion**") of this document or the Equity Shares may be made to the general public in the United Arab Emirates (the "**UAE**") unless: (a) such Promotion has been approved by the UAE Securities and Commodities Authority (the "**SCA**") and is made in accordance with the laws and regulations of the UAE, including SCA Board of Directors' Chairman Decision no. (3/R.M.) of 2017 (the "**Promotion and Introduction Regulations**"), and is made by an entity duly licensed to conduct such Promotion activities in the UAE; or (b) such Promotion is conducted by way of private placement made: (i) only to "Qualified Investors" (excluding "**High Net Worth Individuals**") (as such terms are defined in the Promotion and Introduction Regulations); or (ii) otherwise in accordance with the laws and regulations of the UAE; or (c) such Promotion is carried out by way of reverse solicitation only upon an initiative made in writing by an investor in the UAE. None of the SCA, the UAE Central Bank, the UAE Ministry of Economy or any other regulatory authority in the UAE has reviewed or approved the contents of this document nor does any such entity accept any liability for the contents of this document.

Dubai International Financial Centre

This Preliminary Placement Document relates to an Exempt Offer in accordance with the Markets Rules 2012 of the Dubai Financial Services Authority ("**DFSA**"). This Preliminary Placement Document is intended for distribution only to persons of a type specified in the Markets Rules 2012 of the DFSA. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this prospectus supplement nor taken steps to verify the information set forth herein and has no responsibility for this Preliminary Placement Document. The securities to which this Preliminary Placement Document relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the securities offered should conduct their own due diligence on the securities. If you do not understand the contents of this Preliminary Placement Document you should consult an authorized financial advisor. In relation to its use in the DIFC, this Preliminary Placement Document is strictly private and confidential and is being distributed to a limited number of investors and must not be provided to any person other than the original recipient, and may not be reproduced or used for any other purpose. The interests in the securities may not be offered or sold directly or indirectly to the public in the DIFC.

United Kingdom

No Equity Shares have been offered or will be offered pursuant to the Issue to the public in the United Kingdom prior to the publication of a prospectus in relation to the Equity Shares, except that the Equity Shares may be offered to the public in the United Kingdom at any time:

(a) to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation), subject to obtaining the prior consent of the BRLMs for any such offer; or

(c) in any other circumstances falling within Section 86 of the FSMA provided that no such offer of the Equity Shares shall require the Issuer or any placement agent to publish a prospectus pursuant to Section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision, the expression an "offer to the public" in relation to the Equity Shares in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and any Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Equity Shares and the expression "UK Prospectus Regulation" means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

Other Jurisdictions

The distribution of this Preliminary Placement Document and the offer and sale of the Equity Shares may be restricted by law in certain jurisdictions. Persons into whose possession this Preliminary Placement Document comes are required to inform themselves about, and to observe, any such restrictions to the extent applicable.

TRANSFER RESTRICTIONS AND PURCHASER REPRESENTATIONS

Due to the following restrictions, investors are advised to consult legal counsel prior to purchasing Equity Shares or making any resale, pledge or transfer of Equity Shares.

Purchasers are not permitted to sell the Equity Shares Allotted pursuant to the Issue, for a period of one year from the date of Allotment, except on the Stock Exchanges. Allotments made to Eligible QIBs in the Issue (including to FPIs) are subject to the rules and regulations that are applicable to them, including in relation to lock-in requirements. Additional transfer restrictions applicable to the Equity Shares are listed below.

Transfer Restrictions and Purchaser Representations

The Equity Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws.

By accepting delivery of this Preliminary Placement Document, submitting a bid to purchase Equity Shares and/or accepting delivery of any Equity Shares, you will be deemed to have represented and agreed as follows:

- It is authorised to consummate the purchase of the Equity Shares in compliance with all applicable laws and regulations.

- It acknowledges (or if it is a broker-dealer acting on behalf of a customer, its customer has confirmed to it that such customer acknowledges) that the Equity Shares are being issued in reliance upon Regulation S and such Equity Shares have not been and will not be registered under the U.S. Securities Act.

- It certifies that either (A) it is, or at the time the Equity Shares are purchased will be, the beneficial owner of the Equity Shares, is located outside the United States (within the meaning of Regulation S), and it has not purchased the Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of the Equity Shares or an economic interest therein to any person in the United States, or (B) it is a broker-dealer acting on behalf of its customer and its customer has confirmed to it that (i) such customer is, or at the time the Equity Shares are purchased will be, the beneficial owner of the Equity Shares, and (ii) such customer is located outside the United States (within the meaning of Regulation S), and such customer has not purchased the Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of the Equity Shares or an economic interest therein to any person in the United States.

- It is aware of the restrictions of the offer, sale and resale of the Equity Shares pursuant to Regulation S.

- It agrees (or it is a broker-deal acting on behalf of a customer that has confirmed to it that such customer agrees) that neither it, nor any of its affiliates, nor any person acting on its behalf, will make any "directed selling efforts" as defined in Regulation S. It acknowledges and agrees that it is not purchasing any Equity Shares as a result of any "directed selling efforts" as defined in Regulation S.

- It agrees (or it is a broker-deal acting on behalf of a customer that has confirmed to it that such customer agrees) that the Equity Shares are being offered in a transaction not involving any public offering in the United States within the meaning of the U.S. Securities Act, that the Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be reoffered, resold, pledged or otherwise transferred except in an "offshore transaction" in compliance with Rule 903 or Rule 904 of Regulation S, as applicable and in each case, in accordance with all applicable securities laws of the states of the United States and any other jurisdiction.

- It is a sophisticated investor and has such knowledge and experience in financial, business and investments as to be capable of evaluating the merits and risks of the investment in the Equity Shares. It is experienced in investing in private placement transactions of securities of companies in a similar stage of development and in similar jurisdictions. It and any accounts for which it is subscribing to the Equity Shares (i) are each able to bear the economic risk of the investment in the Equity Shares, (ii) will not look to the Company or the BRLM for all or part of any such loss or losses that may be suffered, (iii) are able to sustain a complete loss on the investment in the Equity Shares, (iv) is seeking to subscribe to the Equity Shares in this Issue for investment purposes and not with a view to resell or distribute them and it has no reason to anticipate any change in its circumstances, financial or otherwise, which may cause or require any sale or distribution by it of all or any part of the Equity Shares, (v) have no need for liquidity with respect to the investment in the Equity Shares, and (vi) have no reason to anticipate any change in its or their circumstances, financial or otherwise, which may cause or require any sale or distribution by it or them of all or any part of the Equity Shares. It acknowledges that an investment in the Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment.

- It has been provided access to this Preliminary Placement Document and will be provided access to the Placement Document which it has read in its entirety.

- It agrees to indemnify and hold the Company and the BRLM harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations and warranties. It will not hold any of the Company or the BRLM liable with respect to its investment in the Equity Shares. It agrees that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares.

- Where it is subscribing to the Equity Shares for one or more managed accounts, it represents and warrants that it is authorised in writing, by each such managed account to subscribe to the Equity Shares for each managed account and to make (and it hereby makes) the acknowledgements and agreements herein for and on behalf of each such account, reading the reference to "it" to include such accounts.

- It agrees that any resale or other transfer, or attempted resale or other transfer, of the Equity Shares made other than in compliance with the above-stated restrictions shall not be recognised by the Company.

It acknowledges that the Company and the BRLM and their affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations or agreements is no longer accurate, it will promptly notify the Company and the BRLM. It agrees that the terms and provisions of the foregoing acknowledgements, representations and agreements shall inure to the benefit of and any document incorporating such acknowledgements, representations and agreements shall be enforceable by the Company, its successors and its permitted assigns, and the terms and provisions hereof shall be binding on its permitted successors in title, permitted assigns and permitted transferees. It understands that these acknowledgments, representations and undertakings are required in connection with United States securities laws and irrevocably authorizes the Company to produce these acknowledgments, representations and undertakings (or any document incorporating them) to any interested party in any administrative or legal proceedings or official enquiry with respect to the matters covered herein.

THE SECURITIES MARKET OF INDIA

The information in this section has been extracted from documents available on the respective websites of SEBI and the Stock Exchanges and has not been prepared or independently verified by our Company or the BRLM or any of its respective affiliates or advisors.

The Indian Securities Market

India has a long history of organized securities trading. In 1875, the first stock exchange was established in Mumbai. BSE and NSE are the significant stock exchanges in India in terms of the number of listed companies, market capitalisation and trading activity.

Indian Stock Exchanges

Indian stock exchanges are regulated primarily by SEBI, as well as by the Government acting through the Ministry of Finance, Capital Markets Division, under the SCRA and the SCRR. On October 9, 2018, SEBI, in exercise of its powers under the SCRA and the SEBI Act, notified the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 (the "**SCR (SECC) Regulations**"), which regulate *inter alia* the recognition, ownership and governance of stock exchanges and clearing corporations in India together with providing for minimum net-worth requirements for stock exchanges. The SCRA, the SCRR and the SCR (SECC) Regulations along with various rules, bye-laws and regulations of the respective stock exchanges, regulate the recognition of stock exchanges, the qualifications for membership thereof and the manner, in which contracts are entered into, settled and enforced between members of the stock exchanges.

The SEBI Act empowers SEBI to regulate the Indian securities markets, including stock exchanges and intermediaries in the capital markets, promote and monitor self-regulatory organisations and prohibit fraudulent and unfair trade practices. Regulations and guidelines concerning minimum disclosure requirements by listed companies, rules and regulations concerning investor protection, insider trading, substantial acquisitions of shares and takeover of companies, buy-backs of securities, employee stock option schemes, stockbrokers, merchant bankers, underwriters, mutual funds, foreign portfolio investors, credit rating agencies and other capital market participants have been notified by the relevant regulatory authority.

BSE

Established in 1875, it is the oldest stock exchange in India. In 1956, it became the first stock exchange in India to obtain permanent recognition from the Government under the SCRA. Pursuant to the BSE (Corporatization and Demutualization) Scheme 2005 of SEBI, with effect from August 19, 2005, BSE was incorporated as a company under the Companies Act, 1956. BSE was listed on NSE with effect from February 3, 2017.

NSE

NSE was established by financial institutions and banks to provide nationwide online, satellite-linked, screen-based trading facilities with market-makers and electronic clearing and settlement for securities including government securities, debentures, public sector bonds and units. NSE was recognised as a stock exchange under the SCRA in April 1993 and commenced operations in the wholesale debt market segment in June 1994. The capital market (equities) segment commenced operations in November 1994 and operations in the derivatives segment commenced in June 2000.

Listing and delisting of Securities

The listing of securities on a recognised Indian stock exchange is regulated by the applicable Indian laws including the Companies Act, 2013 the SCRA, the SCRR, the SEBI Act and various guidelines and regulations issued by SEBI including the SEBI ICDR Regulations and the SEBI Listing Regulations, as well as pursuant to the listing agreements entered into by our Company with the Stock Exchanges. The SCRA empowers the governing body of each recognised stock exchange to suspend trading of or withdraw admission to dealings in a listed security for breach of or non-compliance with any conditions or breach of company's obligations under the SEBI Listing Regulations or for any reason, subject to the issuer receiving prior written notice of the intent of the exchange and upon granting of a hearing in the matter. SEBI also has the power to amend the SEBI Listing Regulations and bye-laws of the stock exchanges in India, to overrule a stock exchange's governing body and withdraw recognition of a recognized stock exchange.

Delisting of equity shares from the stock exchanges, whether by way of a compulsory or a voluntary delisting, is governed by the provisions of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, as amended (the "**Delisting Regulations**"). Following a compulsory delisting of equity shares, a company, its whole-time directors, its promoters, person(s) responsible for ensuring compliance with the securities laws and the companies promoted by any of them cannot directly or indirectly access the securities market or seek listing of any equity shares for a period of 10 years from the date of such delisting. In addition, certain amendments to the SCRR have also been notified in relation to delisting.

Minimum Level of Public Shareholding

All listed companies (except exempted public sector undertakings) are required to maintain a minimum public shareholding of 25%. Where the public shareholding in a listed company falls below 25% at any time, such company shall bring the public shareholding to 25% within a maximum period of 12 months from the date of such the public shareholding having fallen below the 25% threshold. Consequently, a listed company may be delisted from the Stock Exchanges for not complying with the above-mentioned requirements. Our Company is in compliance with this minimum public shareholding requirement.

Disclosures under the Companies Act and securities regulations

Under the Companies Act, a public offering of securities in India must be made by means of a prospectus, which must contain information specified in the Companies Act, 2013, the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the SEBI ICDR Regulations. The prospectus must be filed with the relevant registrar of companies having jurisdiction over the place where a company's registered office is situated. A company's directors and promoters shall be subject to civil and criminal liability for misrepresentation in a prospectus. The Companies Act also sets forth procedures for the acceptance of subscriptions and payment of commission rates for the sale of securities. Pursuant to the provisions of the SEBI Act, SEBI has issued detailed guidelines concerning disclosures by public companies and to further investor protection. The SEBI ICDR Regulations permit companies to price their domestic issues of securities in consultation with the lead merchant banker or through the book building process.

Public limited companies are required under the Companies Act, and other applicable guidelines to prepare, file with the RoC and circulate to their shareholders audited annual accounts which comply with the Companies Act's disclosure requirements and regulations governing their manner of presentation and which include sections pertaining to corporate governance, related party transactions and the management's discussion and analysis as required under the SEBI Listing Regulations. In addition, a listed company is subject to continuing disclosure requirements pursuant to the terms of the SEBI Listing Regulations. Accordingly, companies are required to publish unaudited financial statements (subject to a limited review by the company's auditors) on a quarterly basis and are required to inform stock exchanges immediately regarding any unpublished price sensitive information.

Insider Trading Regulations

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended (the "**Insider Trading Regulations**") have been notified by SEBI to amongst other things, prohibit and penalize insider trading in India and prohibit dealing in the securities of a listed company when in possession of unpublished price sensitive information ("**UPSI**").

The Insider Trading Regulations also impose certain restrictions on the communication of UPSI relating to a company or securities listed or proposed to be listed. In terms of the Insider Trading Regulations, (i) no insider shall communicate, provide or allow access to any UPSI relating to such companies and securities to any person including other insiders; and (ii) no person shall procure or cause the communication by any insider of UPSI relating to such companies and securities, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations. It also provides disclosure obligations for promoters, employees and directors, with regard to their shareholding in the company, and the changes therein. However, UPSI may be communicated, provided or allowed access to or procured, under certain circumstances specified in the Insider Trading Regulations.

The Insider Trading Regulations define the term "unpublished price sensitive information" to mean any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of its securities and ordinarily includes but not restricted to information relating to the following: (a) financial results; (b) dividends; (c) change in capital structure; (d) mergers, de-mergers, acquisitions, de-listings, disposals and expansion of business and such other transactions; and (e) changes in key managerial personnel. Further, in terms of the Insider Trading Regulations, "generally available information" is defined as information that is accessible to the public on a non-discriminatory basis. An "insider" means any person who is i) a connected person; or ii) in possession of or having access to unpublished price sensitive information. The term "connected person" means any person who is or has during the six months prior to the concerned act been associated with a company, directly or indirectly, in any capacity, including by reason of frequent communication with its officers or by being in any contractual, fiduciary or employment relationship or by being a director, officer or an employee of the company or holding any position, including a professional or business relationship between himself and the company, whether temporary or permanent, that allows such person, directly or indirectly, to have access to unpublished price sensitive information or is reasonably expected to allow such access.

The Insider Trading Regulations make it compulsory for listed companies and certain other entities (including fiduciaries and intermediaries) that are required to handle UPSI in the course of business operations to establish (i) an internal code of practices and procedures for fair disclosure of UPSI; (ii) an internal code to regulate, monitor and report trading by designated persons and immediate relatives of designated persons; and (iii) a policy for procedures to be adopted by a company in case of any leak of UPSI. There are also initial and continuing shareholding disclosure obligations under the Insider Trading Regulations.

Index-Based Market-Wide Circuit Breaker System

In order to restrict abnormal price volatility in any particular stock, SEBI has instructed stock exchanges to apply daily circuit breakers which do not allow transactions beyond a certain level of price volatility. The index-based market-wide circuit breaker system (equity and equity derivatives) applies at three stages of the index movement, at 10%, 15% and 20%. These circuit breakers, when triggered, bring about a coordinated trading halt in all equity and equity derivative markets nationwide. The market-wide circuit breakers are triggered by movement of either the SENSEX of BSE or the NIFTY 50 of NSE, whichever is breached earlier.

In addition to the market-wide index-based circuit breakers, there are currently in place individual scrip-wise price bands of 20% movements either up or down, for all scrips in the compulsory rolling settlement. However, no price bands are applicable on scrips on which derivative products are available or scrips included in indices on which derivative products are available.

The stock exchanges in India can also exercise the power to suspend trading during periods of market volatility. Margin requirements are imposed by stock exchanges that are required to be paid by the stockbrokers.

Settlement

The stock exchanges in India operate on a trading day plus two, or T+1 rolling settlement system. At the end of the T+1 period, obligations are settled with buyers of securities paying for and receiving securities, while sellers transfer and receive payment for securities. For example, trades executed on a Monday would typically be settled on a Tuesday.

Trading Hours

Trading on both BSE and NSE normally occurs from Monday through Friday between 9:15 a.m. IST and 3:30 p.m. IST (excluding the 15 minutes pre-open session from 9.00 a.m. IST to 9.15 a.m. IST that has been introduced). BSE and NSE are closed on public holidays.

Internet-Based Securities Trading and Security Trading using Wireless Technology Services

Internet trading takes place through order routing systems, which route client orders to exchange trading systems for execution. This permits clients throughout the country to trade using brokers' internet trading system. Stock brokers interested in providing this service are required to apply for permission to the relevant stock exchange and also have to comply with certain minimum conditions stipulated under applicable law. NSE became the first exchange to grant approval to its members for providing internet-based trading services. Internet trading is possible on both the "equities" as well as the "derivatives" segments of NSE.

Trading Procedure

In order to facilitate smooth transactions, BSE replaced its open outcry system with BSE online trading facility in 1995. This 100% automated screen-based trading in securities was put into practice nationwide. This has enhanced transparency in dealings and has assisted considerably in smoothening settlement cycles and improving efficiency in back-office work. In the year 2014, BSE introduced its new generation trading platform BOLT Plus. NSE has a fully automated trading system called NEAT, which operates on strict time/price priority besides enabling efficient trade.

Depositories

The Depositories Act, 1996 provides a legal framework for the establishment of depositories to record ownership details and effect transfers in electronic book-entry form. Further, SEBI has framed the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 in relation to, among other things, the formation and registration of such depositories, the registration of participants as well as the rights and obligations of the depositories, participants, companies and beneficial owners.

Takeover Regulations

Disclosure and mandatory bid obligations for listed Indian companies under Indian law are governed by the specific regulations in relation to substantial acquisition of shares and takeover. After listing on the stock exchanges, the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (the "**Takeover Regulations**") will apply to our Company, which provide specific regulations in relation to substantial acquisition of shares and takeovers. Once the equity shares of a company are listed on a stock exchange in India, the provisions of the Takeover Regulations will apply to any acquisition of the company's shares/voting rights/control. The Takeover Regulations prescribes certain thresholds or trigger points in the shareholding that a person or entity (along with persons acting in concert with such person or entity) has in the listed Indian company, which give rise to certain obligations on the part of the acquirer. Acquisition of shares or voting rights up to a certain threshold prescribed under the Takeover Regulations mandate specific disclosure requirements, while acquisitions (direct or indirect, along with persons acting in concert with such acquirer) crossing particular thresholds may result in the acquirer having to make an open offer for the shares of the target company.

Buy-back

A company may buy-back its shares subject to compliance with the requirements of Section 68 of the Companies Act, 2013, as amended and the SEBI (Buy-back of Securities) Regulations 2018, as amended. Under Section 68 of the Companies Act, 2013, as amended, a company may buy-back its shares out of its free reserves or securities premium account or the proceeds of the issue of any shares or other specified securities, other than proceeds of an earlier issue of the same kind of shares or same kind of other specified securities.

Derivatives (Futures and Options)

Trading in derivatives is governed by the SCRA, the SCRR and the SEBI Act. The SCRA was amended in February 2000 and derivatives contracts were included within the term "securities", as defined by the SCRA. Trading in derivatives in India takes place either on separate and independent derivatives exchanges or on a separate segment of an existing stock exchange. The derivatives exchange or derivatives segment of a stock exchange functions as a self-regulatory organisation under the supervision of the SEBI.

DESCRIPTION OF THE EQUITY SHARES

The following is the information relating to the Equity Shares including a brief summary of the Memorandum of Association and Articles of Association and the Companies Act. The prospective investors are urged to read the Memorandum of Association and Articles of Association carefully, and consult with their advisers, as the Memorandum of Association and Articles of Association and applicable Indian law, and not this summary, govern the rights attached to the Equity Shares.

Share Capital

The authorised share capital of the Company is ₹ 700,000,000 comprising of 140,000,000 Equity Shares of face value of ₹ 5 each. As on the date of this Preliminary Placement Document, the issued, subscribed and paid-up capital of the Company is ₹ 602,826,080 comprising of 120,565,216 Equity Shares of face value of ₹ 5 each. The Equity Shares are listed on BSE and NSE.

Main objects of our Company

- To carry on the business of and act as promoters, organizers, consultants and developers in real estate and agents of lands, estate, property industrial estate, Housing schemes, shopping / office complexes, township, warehouses, farm-houses, holiday resorts and building for hotels, motels, factories and to deal with purchase, sell, such properties, either as owner and/or agents.

- To carry on the business of construction and to act as builders, contractors of prefabricated concrete buildings and constructional works and contractors, decor architects, surveyors, designers, constructional engineers sanitary and water engineers and plumbers and to erect, construct, re-construct, alter, improve, decorate, furnish and maintain houses, buildings or all description commercial centres, hotels in connection with any building or building or schemes, roads, large projects, entertainment house, highways, docks, tramways, bridges, canals, wells, sprints, dams, gardens, power plants, culverts, earthwork, channels, bowers, sewers, tanks, drains, wharfs, ports, reservoirs, sewage embarkment, irrigations, reclamations, improvements, sanitations, clubs, tanks, schools, hospitals, restaurants, bath, places of worship, playgrounds, parks, libraries, reading rooms, vehicle stands, shops, carriges dairy farms of any other structural or architectural work of any kind and for such purposes to prepare estimates, designs, plans, specifications, models, that may be require including preparations of layouts, develop, erect, demolish, recreate, prepare, re-model, execute, undertake, establish, acquire, maintain, control, manage, take on lease, purchase or acquire any work in connection with the above and generally to deal with and improve the property of the company by any other property and to undertake or direct the construction, development and the management of the property, buildings, land and estate (of any tenure or kind) any to acquire by purchase, lease, exchange, hire or otherwise lands and property of in the same and to sell or otherwise dispose of the land houses, buildings and other property of the company.

- To carry on in India or abroad the business of establishing, generating, storing, accumulating, supplying, transmitting, distributing, transferring, purchasing, manufacturing, trading, selling, managing, supervising, bidding, acquiring, getting into JV/Partnership, controlling and dealing in all forms and types of electricity or power generated, including but not limited to, thermal, hydro, nuclear, solar, wind, hybrid, geo-thermal, tidal, biomass or by any other source whether conventional, non-conventional and Renewable Energy sources.

- To own, plan, develop, build, construct, lay down, establish, set up, manufacture, erect, improve, enlarge, demolish, re-erect, alter, repair, remodel, acquire, run, manage, hire, lease, buy, sell, renovate & modernize, operate and maintain all types of power plants, power substations, transmission lines, transmission towers, switch yards, power system networks of all types, including but not limited to, ultra-high voltage (UHV), extra high voltage (EHV), high voltage (HV), high voltage direct current (HVDC), medium voltage (MV) and low voltage (LV) lines and associated stations, substations, transmission or any work of structural, architectural, civil or other allied / ancillary services connected with generation, transmission, supply and other ancillary activities relating to the electrical power whether thermal, hydro, nuclear, solar, wind, hybrid, geo-thermal, tidal, biomass and power generated through any Conventional / non-conventional / Renewable Energy sources, power supply or any work of structural, architectural, civil or other allied / ancillary services or to undertake for and on behalf of others all these activities in any manner or through contract, sub-contract, bidding, joint venture, partnership and or in any manner whatsoever of any work in connection therewith, whether in India or outside.

- To carry on in India or abroad the business of establishing, commissioning, setting up, operating and maintaining power distribution system, supply of power through establishing distribution lines in any manner including build, own and transfer (BOT), and/or build, own and operate (BOO) and/or build, own, lease and transfer (BOLT) and/or build, own, operate and transfer (BOOT) basis or otherwise and to acquire in any manner power distribution systems/networks from State Electricity Boards, Vidyut Boards, Distribution Companies, Central or State Government Undertakings, Licensees, other local authorities or statutory bodies.

- To undertake or to carry on the business of managing, owning, controlling, erecting, Engineering, Procurement, Construction, Commissioning (EPCC), operating, running, leasing, transferring or establishing, purchasing, selling, developing, re-purchasing power plants based on thermal power plants, atomic power plants, solar energy plants, wind energy plants, or plants based on any conventional or non-conventional energy source or to undertake for and on behalf of others all these activities in any manner through contract, sub-contract, bidding, joint venture, partnership and or in any manner whatsoever of any work in connection therewith, whether in India or outside India.

- To carry on business in India or outside India as manufacturers, producers, processors, makers, convertors, consultants, assemblers, fabricators, importers, exporters, traders, buyers, sellers, retailers, wholesalers, suppliers, packers, movers, stockists, agents, sub agents, merchants, distributors, consignors, jobbers, brokers, or otherwise deal in all apparatuses and things required for or capable of being used in connection with the energy generation, transmission, distribution, manufacturing, trading, import, export, installation and operation for all forms and types of electricity or power generated, including but not limited to, thermal, hydro, nuclear, solar, wind, hybrid, geo-thermal, tidal, biomass or by any other source whether conventional, non-conventional and Renewable Energy sources.

- To buy, acquire, sell, lease, transfer, purchase, develop, construct, give on relit, to let, mortgage, assist in selling, purchasing, leasing and find or introduce purchaser or vendors of and to manage or otherwise any land, plot(s) of land or any movable or immovable property whether belonging to the company or not, including any share or shares, industrial, commercial, residential, or farm lands, farm houses, agricultural lands, plots, buildings, houses, apartments, shops, hospital & nursing house's building, canals, reservoirs, mills, offices, huts, tenements, warehouses, cold storage's buildings, industrial sheds, hydel/solar/wind projects, power houses, EV charging substations, tunnels, culverts, channels sewage, roads, bridges, flats within or outside the limits of Municipal Corporation or other local bodies, anywhere within the Domain of India or any right or interest therein either singly or jointly or in Partnership with any person(s) or Body corporate or partnership Firm, to divide the same into suitable plots, and to rent or sell or self-use or for earning rental income thereon or for foraying into generating, accumulating, supplying, transmitting, distributing, transferring, purchasing, manufacturing, trading, selling, managing, supervising, controlling and dealing in any form of electricity or power generated in form of thermal, hydro, nuclear, solar, wind, hybrid or by any other source whether conventional / non-conventional / Renewable Energy sources.

Dividends

Under Indian law, a company pays dividends upon a recommendation by its board of directors and approval by a majority of its shareholders at the annual general meeting of its shareholders. The shareholders have the right to decrease but not increase the dividend amount recommended by the board of directors. Dividends are generally declared as a percentage of par value (on per share basis) and distributed and paid to shareholders. The Companies Act, 2013 provides that shares of the same class of a company must receive equal dividend treatment.

These distributions and payments are required to be paid to or claimed by shareholders within 30 days of the date of declaration of dividend. The Companies Act, 2013 states that any dividends that remain unpaid or unclaimed after that period are to be transferred to a special bank account within seven days from the date of expiry of the period of 30 days. Any dividend amount that remains unclaimed for seven years from the date of such transfer is to be transferred by our Company to a fund, called the Investor Education and Protection Fund, created by the Government of India.

The Articles authorize the Board to pay to the members such interim dividends as in their judgement the position of our Company justifies. Under the Companies Act, 2013 dividends payable can be paid only in cash to the registered shareholder at a record date fixed prior to the relevant AGM, to his order or to the order of his banker. However, any dividend payable in cash may be paid by cheque or warrant or in any electronic mode to the shareholder entitled to the payment of the dividend.

No dividend shall be payable except out of the profits of the year or any other undistributed profits of our Company, or otherwise than in accordance with the provisions of the Act and no dividend shall carry interest as against our Company.

Bonus Shares

In addition to permitting dividends to be paid as described above, the Companies Act, 2013, permits the Board, subject to the approval of the Shareholders of our Company, to distribute to the Shareholders, in the form of fully paid-up bonus shares, an amount transferred from the company's free reserves, securities premium account or the capital redemption reserve account. These bonus equity shares must be distributed to the Shareholders in proportion to the number of equity shares owned by them. Bonus shares can only be issued if the company has not defaulted in payments of statutory dues of the employees, such as, contribution to provident fund, gratuity and bonus or principal/interest payments on fixed deposits or debt securities issued by it. Bonus shares shall not be issued in lieu of dividend.

Pre-Emptive Rights and Offer of Additional Shares

The Companies Act gives shareholders the right to subscribe for new shares in proportion to their existing shareholdings unless otherwise determined by a resolution passed members who, being entitled so to do, vote in person or by proxy or by postal ballot, are required to be not less than three times the number of the votes, if any, cast against the resolution by members so entitled and voting. Under the Companies Act and the Articles, in the event of an issuance of securities, subject to the limitations set forth above, our Company must first offer the new Equity Shares to the holders of Equity Shares at the date of offer. The offer shall be made by notice specifying the number of Equity Shares offered and the date (being not less than 15 days and not exceeding 30 days from the date of the offer) within which the offer, if not accepted, will be deemed to have been declined. The offer, required to be made by notice, shall include a statement that the right exercisable by the Shareholders to renounce the Equity Shares offered in favour of any other person.

Our Board is permitted to distribute Equity Shares not accepted by existing shareholders in the manner it deems beneficial for us in accordance with the Articles.

Issuance of Preference Shares

Subject to Section 55 of the Companies Act, 2013, and in accordance with the Articles, any new shares may be issued as redeemable preference shares which are liable to be redeemed in any manner permissible under the Companies Act, 2013.

General meetings of shareholders

There are two types of general meetings of shareholders: (i) AGM; and (ii) EGM. Our Company must hold its AGM within six months after the expiry of each Fiscal provided that not more than 15 months shall elapse between the AGM and next one, unless extended by the RoC at its request for any special reason for a period not exceeding three months. Our Board may convene an EGM when necessary or at the request of Shareholders in accordance with the Companies Act. Written notice or notice via electronic mode means setting out the business to be transacted at the meeting must be given at least 21 days prior to the date set for the general meeting to the Shareholders.

Shorter notice is permitted if consent is received from 95% of the Shareholders entitled to vote at such meeting. Five Shareholders or such other number of Shareholders as required under the Companies Act or applicable law personally present shall constitute quorum for a general meeting.

Voting rights

A shareholder has one vote for each Equity Share and voting may be on a poll or through electronic means or postal ballot.

Ordinary resolutions may be passed by simple majority if the votes cast in favour exceeds the votes cast against the resolution. Special resolutions require that the votes cast in favour of the resolution must be at least three times the votes cast against the resolution.

A shareholder may exercise his voting rights by proxy to be given in the form required by the Companies Act, 2013 read with the rules issued thereunder. The instrument appointing a proxy is required to be lodged with our Company at least 48 hours before the time of the meeting.

Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 deal with the exercise of right to vote by members by electronic means.

Transfer and transmission of shares

Shares held through depositories are transferred in the form of book entries or in electronic form in accordance with the regulations laid down by SEBI. These regulations provide the regime for the functioning of the depositories and the participants and set out the manner in which the records are to be kept and maintained and the safeguards to be followed in this system. Transfers of beneficial ownership of shares held through a depository are subject to securities transaction tax (levied on and collected by the stock exchanges on which such equity shares are sold), however, are exempt from stamp duty. Our Company has entered into an agreement for such depository services with the Depositories. SEBI requires that the shares for trading and settlement purposes be in book-entry form for all investors, except for transactions that are not made on a stock exchange and transactions that are not required to be reported to the stock exchange. Our Company shall keep a book in which every transfer or transmission of shares will be entered.

Pursuant to the SEBI Listing Regulations, except in case of transmission or transposition of Equity Shares, requests for effecting transfer of Equity Shares shall not be processed unless the Equity Shares are held in dematerialized form with a depository.

The Equity Shares shall be freely transferable, subject to applicable laws.

Winding up

In compliance with our Articles of Association provide that on winding up, the Companies Act, and the Insolvency and Bankruptcy Code, 2016, each as amended, shall be applicable.

TAXATION

To,

The Board of Directors
KPI Green Energy Limited
KP House, Near KP Circle,
Opp. Ishwar Farm Junction BRTS, Canal Road,
Bhatar, Surat, Gujarat – 395 017

SBI Capital Markets Limited
Unit No. 1501, 15th floor,
A & B Wing, Parinee Crescenzo Building,
Plot C- 38, G Block,
Bandra Kurla Complex, Bandra (East),
Mumbai- 400 051, Maharashtra, India

(SBI Capital Markets Limited is referred to as the "**Book Running Lead Manager**" or "**BRLM**")

Dear Madam(s) / Sir(s),

Sub: Qualified Institutions Placement of equity shares of face value ₹5 each ("Equity Shares") (such placement, the "Issue") by KPI Green Energy Limited (the "Company")

1. We, K A SANGHAVI AND CO LLP, Chartered Accountants, (Firm Registration Number 0120846W/W100289), statutory auditors of the Company, hereby confirm that the enclosed **Annexure A and Annexure B** states the possible tax benefits available to the Company, its subsidiaries and to its shareholders (the "**Statement**"), under direct and indirect taxes (together, the "**Tax Laws**") presently in force in India**,** as on the date of this certificate and as amended by the Finance Act, 2024, i.e. applicable for the Financial Year 2024-25 relevant to the assessment year 2025-26. These possible special tax benefits are dependent on the Company, its subsidiaries and its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company, its subsidiaries and its shareholders to derive these possible tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company, its subsidiaries and its shareholders may or may not choose to fulfil such conditions.

2. The benefits discussed in the enclosed **Annexure A** and **Annexure B** are not exhaustive and cover the possible special tax benefits available to the Company, its subsidiaries and its shareholders and do not cover any general tax benefits available to them. The Statement is only intended to provide general information to investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her or its own tax consultant with respect to the specific tax implications arising out of their participation in the proposed Issue, particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the possible special tax benefits, which an investor can avail. Neither do we suggest nor do we advise the investors to invest money based on this Statement.

3. We do not express any opinion or provide any assurance as to whether:

    i) the Company, its subsidiaries and its shareholders will continue to obtain these possible special tax benefits in future; or

    ii) the conditions prescribed for availing the possible special tax benefits where applicable, have been/would be met with, or

    iii) the revenue authorities will concur with the views expressed herein.

4. The contents of the enclosed **Annexure A and Annexure B** are based on the information, explanation and representations obtained from the Company, and on the basis of our understanding of the business activities and operations of the Company.

5. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

6. We confirm that the information in this certificate is true, accurate, complete and not misleading and there is no untrue statement or omission which would render the contents of this certificate misleading in its form or context.

7. Capitalized terms used herein, unless otherwise specifically defined, shall have the same meaning as ascribed to them in the preliminary placement document and placement document of the Company prepared in connection with the Issue to be filed with the stock exchanges on which the Equity Shares of the Company are listed (the "**Stock Exchanges**") and any other authority (together the "**Placement Documents**").

8. We consent to the inclusion of the above information in the Placement Documents to be filed by the Company with the Stock Exchanges and any other authority and such other documents as may be prepared in connection with the Issue.

9. **Restriction on use:** This certificate and the aforesaid information herein has been provided at the request of the Company and may be relied upon by the Company, the BRLM and the legal counsel appointed pursuant to the Issue, solely for the purposes of this Issue, and may be submitted to the Securities and Exchange Board of India ("**SEBI**"), Stock Exchanges and any other regulatory or statutory authority in respect of the Issue and/or for the purpose of conducting due diligence and maintaining records by the BRLM in connection with the Issue and for any defense, the BRLM may advance in any claim or proceeding or any other matter in connection with the contents of the Placement Documents. Except for the foregoing, this certificate should not be used by any other person or for any other purpose. Accordingly, except as otherwise stated in this paragraph, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

10. We undertake to immediately inform the BRLM and legal counsel in case of any changes to the above until the date when the Equity Shares pursuant to the Issue commence trading on the Stock Exchanges. In the absence of any such communication, you may assume that there is no change in respect of the matters covered in this certificate.

K A SANGHAVI AND CO LLP
Chartered Accountants
Firm Registration Number: 0120846W/W100289
Peer Review Certificate Number: 016959

CA AMISH A. SANGHAVI
Partner
ICAI Membership Number: 101413
Place: Surat
Date: August 12, 2024
ICAI UDIN: 24101413BKAAEP9935

ANNEXURE A

Statement of Tax Benefits

Annexure to the statement of possible special direct tax benefits available to KPI Green Energy Limited*)* (the "Company"), its Subsidiaries and to its Shareholders.

DIRECT TAXATION

This statement of possible special direct tax benefits is required as per Schedule VI Part (A)(9)(L) of the Securities and Exchange Board of India (issue of Capital and Disclosure Requirements) Regulations, 2018 as amended ('SEBI ICDR Regulations'). The term 'special tax benefit' has not been defined under the SEBI ICDR Regulations, for the purpose of this statement, possible special tax benefits which could be available dependent on the Company, its subsidiaries and to its shareholders fulfilling the conditions prescribed under the tax laws, are enumerated below.:

A) Under the Income-tax Act, 1961 (hereinafter referred to as 'the Act'), as amended by the Finance Act, 2024, applicable for Financial Year 2024-25 relevant to Assessment Year 2025- 26 (`Year').

This Annexure sets out only the possible special direct tax benefits available to the Company its subsidiaries and to its shareholders under the income Tax Act, 1961 (the "Act") as amended by the Finance Act, 2024 i.e. applicable to Financial Year 2024-2025 relevant to Assessment Year 2025-2026, presently in force in India.

I. Special direct tax benefits available to the Company under the Act.

a) <u>Lower Corporate Tax Rate under section 115BAA</u>

A new section 115BAA was inserted by the Taxation Laws (Amendment) Act, 2019 ('The Amendment Act, 2019') with effect from 1 April 2020 (Assessment Year 2020-21) granting an option to domestic companies to compute corporate tax at a reduced rate of 25.168% (22% plus surcharge of 10% and cess of 4%), subject to the condition that going forward it does not claim specified deductions/ exemptions as specified in section 115BAA(2) of the Act and computes total income as per the provisions of section 115BAA(2) of the Act Proviso to section 115BAA (5) provides that once the Company opts for paying tax as per section 115BAA of the Act, such option cannot be subsequently withdrawn for the same or any other previous year. Further, the provisions of Section 115JB i.e., MAT provisions shall not apply to the Company on exercise of the option under section 115BAA, as specified under sub-section (5A) of Section 115JB of the Act.

The Company has evaluated and decided to opt for the lower corporate tax rate of 25.168% with effect from the Financial Year 2020-21. Such option has been exercised by the Company while filing its return for the Financial Year 2020-21 within the due date prescribed under sub-section (1) of section 139 of the Act. Once the Company exercises such option, the MAT tax credit (under section 115JAA) which it is entitled to on account of MAT paid in earlier years, will no longer be available for set-off or carry forward in future years.

b) <u>Higher depreciation on Solar plant, Wind Mills used for Independent Power Producer (IPP)</u>

As per Section 32 (1) of the Act, the Company is entitled to claim higher depreciation @ 40% p.a. by following WDV method on the block of solar plant, wind mills and other related plant and machineries producing solar and / or wind energy during any year. The Company has evaluated these provisions and accordingly claims higher depreciation on the block of assets used in production of Solar and Wind energy. Such higher depreciation can be claimed at 20% for the first year if these solar or wind mills and other relevant plant and machineries covered under the said block of assets have been put to use for less than 180 days during the year of acquisition of the said assets.

II. Special tax benefits available to Shareholders

There are no special tax benefits available to the shareholders of the Company from investment in the equity shares of the Company. However, such shareholders shall be liable to tax at concessional tax rates on certain incomes (arising from sale of equity shares of the Company) under the extant provisions of the Act.

Section 112A of the Act provides for concessional rate of tax with at the rate of 12.5% plus Surcharge (if applicable) plus cess at 4% in respect of specified long-term capital gains gain exceeding Rs.1,25,000 arising from the transfer of a long-term capital asset (i.e., capital asset held for the period of 12 months or more) being an equity share in an Indian company or a unit of an equity-oriented fund wherein Securities Transaction Tax ('STT') is paid on both acquisition and transfer. Further, the benefit of lower rate is extended in case STT is not paid on acquisition / allotment of equity shares through Initial Public Offering.

Section 111A of the Act provides for concessional rate of tax @ 20% plus Surcharge (if applicable) plus cess at 4% in respect of short-term capital gains (provided the short term capital gains exceed the basic threshold limit of exemption, where applicable) arising from the transfer of a short-term capital asset (i.e. capital asset held for the period of less than 12 months) being an equity share in a Company or a unit of an equity-oriented fund wherein STT is paid on transfer.

Dividend income earned by the shareholders would be taxable in their hands at the applicable rates. However, in case of domestic corporate shareholders, deduction under section 80M of the Act would be available on fulfilling the conditions. Further, in case of shareholders who are individuals, Hindu Undivided Family, Association of Persons, Body of individuals, whether incorporated or not and every artificial judicial person, surcharge would be restricted to 15% irrespective of the amount of dividend.

In respect of non-residents shareholder, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which such non-resident shareholder has fiscal domicile.

NOTES:

1. The above benefits are as per the current tax law as amended by the Finance Act, 2024 applicable for Financial year 2024-25 relevant to the Assessment year 2025-26, presently in force in India.

2. This statement also does not discuss any tax consequences, in the country outside India, of an investment in the shares of an Indian company. The shareholders/investors in the country outside India are advised to consult their own professional advisors regarding possible Income tax consequences that apply to them.

3. The Statement has been prepared on the basis that the shares of the Company are listed on a recognized stock exchange in India and the Company will be issuing equity shares.

4. The benefits discussed above cover only possible special tax benefits available to the Company and to its subsidiaries and to its shareholders and do not cover general tax benefits. The above statement sets out the provisions of the law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.

Annexure B

Statement of Tax Benefits

Annexure to the statement of possible special direct tax benefits available to KPI Green Energy Limited (the "company"), its subsidiaries and to its shareholders

INDIRECT TAXATION

This statement of possible special indirect tax benefits is required as per Schedule VI (Part AX9XL) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended ('SEBI ICDR Regulations'). The term 'special tax benefit' has not been defined under the SEBI ICDR Regulations; for the purpose of this statement possible special tax benefits which could be available dependent on the Company or its shareholders or its material subsidiary fulfilling the conditions prescribed under the tax laws, are enumerated below.

I. Special tax benefits available to the Company under the GST Laws, Customs Act, Customs Tariff Act and FTP

Under the GST laws, the Company is not entitled to any special tax benefits as per the provisions which are in force today under the GST laws in India.

II. Special tax benefits available to the Shareholders of the Company

i) The shareholders of the Company are not required to discharge any GST on transaction in securities of the Company. Securities are excluded from the definition of Goods as defined u/s 2(52) of the Central Goods and Services Tax Act, 2017 as well from the definition of Services as defined u/s 2(102) of the Central Goods and Services Tax Act, 2017,

ii) Apart from above, the shareholders of the Company are not eligible to special tax benefits under the provisions of the Customs Tariff Act, 1975 and / or Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, respective Union Territory Goods and Services Tax Act, 2017 respective State and Goods and Service Tax (Compensation to State) Act,2017 including the relevant rules, notification and circulars issued there under.

LEGAL PROCEEDINGS

Our Company is involved in various legal proceedings from time to time, mostly arising in the ordinary course of business. These legal proceedings are primarily in the nature of, amongst others, tax disputes and civil proceedings, which are pending before various adjudicating forum.

As on the date of this Preliminary Placement Document, except as disclosed below, there is no outstanding legal proceeding which has been considered material in accordance with our Company's policy in relation to disclosure of material events framed in accordance with Regulation 30 of the SEBI Listing Regulations and adopted by the Board pursuant to its resolution dated May 13, 2024.

*Except as disclosed in this section, such disclosures having been made solely for the purpose of the Issue, there are no (i) outstanding criminal proceedings involving our Company, our Subsidiaries, our Directors and our Promoters; (ii) outstanding actions by statutory or regulatory authorities against our Company and our Subsidiaries; (iii) outstanding civil proceedings involving our Company or its Subsidiaries, where the amount involved in such proceeding exceeds ₹ 16.16 million i.e., 1% of profit after tax, on a consolidated basis for Fiscal 2024 ("**Materiality Threshold**"); (iv) outstanding direct and indirect tax matters involving our Company or our Subsidiaries, disclosed in a consolidated manner; (v) other outstanding litigation involving our Company or our Subsidiaries wherein the amount involved cannot be determined or is below the Materiality Threshold, but an adverse outcome of which could, individually or in the aggregate, materially and adversely affect the reputation, operations or financial position of our Company or its Subsidiaries, and (vi) other outstanding litigation involving our Promoters and our Directors wherein an adverse outcome could materially and adversely affect the reputation, operations or financial position of our Company and our Subsidiaries (as a whole).*

Further, as on the date of this Preliminary Placement Document, other than as disclosed in this section: (i) there is no litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against our Promoters during the last three years immediately preceding the year of circulation of this Preliminary Placement Document and no directions have been issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action; (ii) there are no inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or the Companies Act, 1956 in the last three years immediately preceding the year of circulation of this Preliminary Placement Document involving our Company or our Subsidiaries, nor are there any prosecutions filed (whether pending or not), fines imposed, compounding of offences in the last three years immediately preceding the year of this Preliminary Placement Document involving our Company or Subsidiaries; (iii) there are no defaults in repayment of (a) statutory dues; (b) debentures and interest thereon; (c) deposits and interests thereon and (d) any loan obtained from any bank or financial institution and interest thereon by our Company, as of the date of this Preliminary Placement Document; (iv) there are no material frauds committed against us in the last three years; (v) there are no defaults in annual filing of our Company under the Companies Act, 2013 and the rules made thereunder; (vi) there are no significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of our Company and its future operations.

It is clarified that for the purposes of the above, pre-litigation notices received by any of our Company, our Subsidiaries, our Directors and/or our Promoters from third parties (excluding statutory / regulatory / governmental authorities or notices threatening criminal action) shall, not be considered as litigation proceedings till such time that any of our Company, our Subsidiaries, our Directors and/or our Promoters, are impleaded as parties in any such litigation proceedings before any court, tribunal or governmental authority, or is notified by any governmental, statutory or regulatory authority of any such proceeding that may be commenced.

Capitalised terms used herein shall, unless otherwise specified, have the meanings ascribed to such terms in this section.

Litigation involving our Company

Criminal litigation by our Company

1. Our Company filed criminal complaints against Tesco Project Private Limited and Kartikey Hariyani ("**Accused**") before the Additional Senior Civil Judge, Vadodara under section 138 of the Negotiable Instruments Act, 1881 for the dishonour of cheques dated August 20, 2014, and September 22, 2014, for amounts involving ₹ 1.26 million and ₹ 0.31 million payable by the Accused for the installation of solar panel project at Sudi, Bharuch. Subsequently, the complaints were transferred to the Additional Senior Civil Judge, Surat. The matter is currently under disposal and our Company is yet to receive the disposal order.

2. Our Company filed criminal complaints against Kiri Industries and its directors ("**Accused**") before the Additional Senior Civil and Judicial Magistrate First Class, Surat under section 138 of the Negotiable Instruments Act, 1881 for the dishonour of cheques, for aggregate amount involving ₹ 3.53 million payable by the Accused for supply of solar power services pursuant to a power purchase agreement. The cases are currently pending before the Additional Senior Civil and Judicial Magistrate First Class, Surat.

3. Our Company filed a criminal complaint against Prafful Overseas Private Limited and its directors and chief financial officer ("**Accused**") before the Additional Senior Civil and Judicial Magistrate First Class, Surat under section 138 of the Negotiable Instruments Act, 1881 for the dishonour of cheques, for aggregate amount involving ₹ 13.85 million payable by the Accused for supply of solar power services pursuant to a power purchase agreement. The case is currently pending before the Additional Senior Civil and Judicial Magistrate First Class, Surat.

Outstanding actions by statutory or regulatory authorities against our Company

1. Our Company ("**Applicant**") had applied for the grant of intra-state trading license ("**License**") within the state of Gujarat under the provisions of the Electricity Act, 2003 read with the Gujarat Electricity Regulatory Commission (Licensing of Electricity Trading) Regulations, 2005 before the Gujarat Electricity Regulatory Commission ("**GERC**"). The GERC by way of its letter dated July 30, 2021, directed the Applicant to issue public notice in newspapers inviting objections from the public to the grant of the License. Rajeshkumar Rasiklal Maniyar by way a letter dated September 6, 2021, objected to the grant of the License on the grounds that K.P. Energy Limited, our group company had illegally set up more windmills in Mahuva, Bhavnagar than approved by the State Government and some of the windmills are located at places other at locations for which the approval was granted and within the forest boundary. The GERC by way its order dated October 26, 2021, directed our Company to file reply to the objection. Our Company has by way of its letter dated November 26, 2021, filed reply to the objection. The case is currently pending before the GERC.

2. Our Company ("**Petitioner**") set up a solar power project at Sudi, Bharuch for wheeling of power under third-party sale arrangement ("**Project**") with a view to avail concessional benefits under the Gujarat Solar Power Policy, 2015 and the Gujarat Electricity Regulatory Commission ("**GERC**") Order No. 3 of 2015 ("**2015 Tariff Order**"). The Petitioner entered into a tripartite wheeling agreement with the Madhya Gujarat Vij Company Limited ("**Respondent**") on May 25, 2021, for wheeling of 3 MW solar power generated from the Project. Subsequently, the GERC notified Order No. 3 of 2020 ("**2020 Tariff Order**") which imposed 50% cross-subsidy surcharge and additional surcharge for sale of power under third-party arrangement which was exempted under the 2015 Tariff Order. Subsequently, the Petitioner and Respondent entered into an amended wheeling agreement on August 28, 2022 ("**Amended Wheeling Agreement**") to incorporate the provisions of the 2020 Tariff Order. The Petitioner filed a petition under section 86 of the Electricity Act, 2003, before the GERC, inter alia, seeking direction against Respondent to set aside the Amended Wheeling Agreement and in the alternative consider the effective date of Amended Wheeling Agreement from June 1, 2021, being the date of commissioning of the Project instead of September 1, 2022. The case is currently pending before the GERC.

3. Gujarat Urja Vikas Nigam Limited ("**Petitioner**") filed a petition under section 86 of the Electricity Act, 2003, against our Company and our Subsidiary, KPIG Energia Private Limited ("**Respondents**") before the Gujarat Electricity Regulatory Commission ("**GERC**") to incorporate certain provisions of the Gujarat Solar Power Policy, 2021 ("**Solar Power Policy**") in the GERC's order on Tariff Framework for Procurement of Power by Distribution Licensees and Others from Solar Energy Projects and Other Commercial Issues for the State of Gujarat' dated May 8, 2020 ("**Solar Tariff Order**"). The GERC by way of its order dated June 11, 2021, as amended by way of corrigendum dated July 6, 2021, allowed amendment of the Solar Tariff Order, in relation to cross subsidy surcharge, additional surcharge, wheeling charge and wheeling losses ("**GERC Order**"). The Respondents challenged the GERC Order before the Appellate Tribunal for Electricity ("**APTEL**") on the grounds, inter-alia, that the petition was time-barred, in terms of the period of limitation provided under the Electricity Act, 2003, and that imposition of provisions of the Solar Power Policy will in the Solar Tariff Order shall result in the solar assets becoming non-performing assets. The case is currently pending before the APTEL.

Litigation involving our Subsidiaries

Criminal litigation by our Subsidiaries

1. Our Subsidiary, KPIG Energia Private Limited filed criminal complaints against Prafful Overseas Private Limited and its directors and chief financial officer ("**Accused**") before the Additional Senior Civil and Judicial Magistrate First Class, Surat under section 138 of the Negotiable Instruments Act, 1881 for the dishonour of cheques, for aggregate amount involving ₹ 5.53 million payable by the Accused for supply of solar power services pursuant to a power purchase agreement. The case is currently pending before the Additional Senior Civil and Judicial Magistrate First Class, Surat.

Outstanding actions by statutory or regulatory authorities against our Company

2. For details in relation to litigation involving incorporation of provisions of the Solar Power Policy in the Solar Tariff Order, involving our Subsidiary, KPIG Energia Private Limited, please see, "***Outstanding actions by statutory or regulatory authorities against our Company – Litigation involving our Company***" on page 271.

Litigation involving our Directors

Criminal litigation against our Directors

1. Our Group Company, K.P. Energy Limited was engaged in the development of utility scale wind energy project on the Mahuva coast in Bhavnagar, Gujarat ("**Project**"). The Gujarat Pollution Control Board ("**Complainant**") filed a criminal complaint against, inter-alia, our Promoters and Directors, namely, Farukbhai Gulambhai Patel and Bhadrabala Dhimant Joshi ("**Accused**") before the Judicial Magistrate First Class, Mahuvaon ("**Magistrate**") for violation of punishable offenses under the Environment Protection Act, 1986. The compliant, inter-alia, alleged violation of Coastal Regulation Zone Notification, 2011 for development of the Project in the ecologically sensitive areas resulting in destruction of mangroves and Asiatic animals. The Accused filed a discharge application before the Magistrate alleging that the complaint was based on false allegations and not maintainable on the grounds of law and facts. The case is currently pending before the Magistrate.

2. Mukesh Bhimraj Gupta ("**Complainant**") filed a first information report ("**Complaint**") against our Director, Farukbhai Gulambhai Patel ("**Accused**") under sections 114, 406, 420, 447 and 506 of the Indian Penal Code, 1860, alleging the offense of cheating and criminal breach of trust, in relation to the sale of factory and machinery by the Complainant to the Accused. The Accused filed a quashing petition before the High Court of Gujarat ("**High Court**") challenging the Complaint on the grounds that the Accused is not interested continuing the possession of the factory and the machinery. The case is currently pending before the High Court.

Litigation against our Promoters

1. For details in relation to litigation involving the offense of cheating and criminal breach of trust, in relation to the sale of factory and machinery to our Promoter, Farukbhai Gulambhai Patel, please see "***Criminal litigation against our Directors - Litigation involving our Directors***" on page 272.

Tax litigation

As on the date of this Preliminary Placement Document, except as disclosed below, there are no outstanding tax litigations, involving our Company and our Subsidiaries:

Nature of case	Number of cases	Amount involved (in ₹ million)*
Tax litigation involving our Company		
Direct tax	2	8.85
Indirect tax	Nil	Nil
Total	**2**	**8.85**
Tax litigation involving our Subsidiaries		
Direct tax	Nil	Nil
Indirect tax	Nil	Nil
Total	**Nil**	**Nil**

* *To the extent quantifiable, including interest and penalty thereon.*

Details of inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or the Companies Act, 1956 in the last three years immediately preceding the year of circulation of this Preliminary Placement Document involving our Company or our Subsidiaries, or any prosecutions filed (whether pending or not), fines imposed, compounding of offences in the last three years immediately preceding the year of this Preliminary Placement Document involving our Company or Subsidiaries

1. Our Company on August 16, 2021, received an email from BSE alleging non-compliance with Regulation 31 of the SEBI LODR Regulations, in relation to non-submission of shareholding pattern for the quarter ended June 30, 2021. BSE imposed a fine of ₹ 59,000. Our Company by way of its email dated August 18, 2021, informed BSE that the Company was allowed flexibility in submission of shareholding pattern under the SEBI LODR Regulations, on account of it being listed on the SME segment of BSE and requested for waiver of the fine imposed. Our Company paid the fine of ₹ 59,000 and intimated BSE by way of its letter dated September 3, 2021, along with the details of the payment. Subsequently, BSE by way its email dated January 17, 2022, withdrew the fine imposed on our Company.

2. Our Company on July 14, 2022, received notices from NSE and BSE alleging non-compliance with Regulation 23(9) of the SEBI LODR Regulations, in relation to delay in submission of disclosures of related party transactions within the applicable time period and each imposed a fine of ₹ 70,800. Our Company paid the fine and intimated NSE by way of its email dated July 26, 2022, along with the details of the payment. Further, by way of its email dated July 19, 2022, our Company requested BSE to adjust the fine against an earlier fine incorrectly imposed by BSE, in relation to delay in compliance with Regulation 23(9) of the SEBI LODR Regulations. Subsequently, BSE by way of its email dated August 4, 2022, adjusted an amount of ₹59,000 and directed our Company to pay a fine of ₹ 11,800. Our

Company paid the fine of ₹ 11,800 and intimated BSE by way of its email dated August 9, 2022, along with the details of the payment.

3. Our Company on December 14, 2023, received notices from NSE and BSE alleging non-compliance with Regulation 23(9) of the SEBI LODR Regulations, in relation to delay in submission of disclosures of related party transactions within the applicable time period and each imposed a fine of ₹ 5,900. Our Company paid the fines of ₹ 5,900 and intimated NSE and BSE by way of its emails dated December 21, 2023, along with the details of the payment.

4. Our Company on June 28, 2024, received notices from NSE and BSE alleging non-compliance with Regulation 23(9) of the SEBI LODR Regulations, in relation to delay in submission of disclosures of related party transactions within the applicable time period and each imposed a fine of ₹ 5,900. Our Company paid the fines of ₹ 5,900 and intimated NSE and BSE by way of its emails dated July 8, 2024, along with the details of the payment.

STATUTORY AUDITORS

Our Company's current Statutory Auditors, M/s. K A Sanghavi & Co LLP, Chartered Accountants, are independent auditors with respect to our Company as required by the Companies Act, 2013 and in accordance with the guidelines prescribed by the ICAI and have been reappointed as the statutory auditors of our Company, pursuant to the approval of the shareholders of our Company at the general meeting held on September 30, 2021 for a period of five years till Fiscal 2026.

Fiscal 2022 Audited Ind AS Consolidated Financial Statements, Fiscal 2023 Audited Ind AS Consolidated Financial Statements, the Fiscal 2024 Audited Ind AS Consolidated Financial Statements and the Unaudited Consolidated Financial Results together with the respective reports issued thereon by our current Statutory Auditors, M/s. K A Sanghavi & Co LLP, Chartered Accountants, have been included in this Preliminary Placement Document.

The peer review certificate of our current Statutory Auditor, M/s. K A Sanghavi & Co LLP, Chartered Accountants is valid till May 31, 2027.

FINANCIAL INFORMATION

Financial Statements	Page Nos.
Fiscal 2022 Audited Ind AS Consolidated Financial Statements	276
Fiscal 2023 Audited Ind AS Consolidated Financial Statements	331
Fiscal 2024 Audited Ind AS Consolidated Financial Statements	386
Unaudited Consolidated Financial Results	441

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF
KPI GREEN ENERGY LIMITED
(formerly known as "K.P.I. GLOBAL INFRASTRUCTURE LIMITED")

Report on the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying Consolidated Ind AS Financial Statements of KPI GREEN ENERGY LIMITED (formerly known as "K.P.I. GLOBAL INFRASTRUCTURE LIMITED") ("the Holding company"), its subsidiaries (the Holding Company and its Subsidiaries together referred to as "the Group"), its associates and joint ventures comprising of the consolidated Balance Sheet as at March 31, 2022, 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 Ind AS 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 Ind AS financial statements give the information required by the Companies Act, 2013 ("the 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 consolidated state of affairs of the Group as at March 31, 2022 and their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the companies Act, 2013. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the consolidated Ind AS Financial Statements section of our report. We are independent of the Group, associates and joint ventures 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 Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS 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 Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the 'Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements' section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

Sr. No.	Key Audit Matter	How the matter was addressed in our audit
1.	**Evaluation of uncertain Tax positions** The Group has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of the said dispute. Refer Note No. 48 to the consolidated financial statements	Obtained details of completed Income tax assessment and demand as on March 31, 2022 from management. We involved our internal experts to challenge the management's underlying assumptions in estimating the tax provision and the possible outcome of the dispute. Our internal experts also considered legal precedence and other rulings in evaluating management's position on this uncertain tax position. Additionally, we considered the effect of new information in respect of uncertain tax position as at 01.04.2021 to evaluate whether any change was required to management's position on these uncertainties.
2.	**Evaluation of procedure for recognizing the revenue from sale of power** The Group 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 Group 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 Solar Power plants issued by the GETCO – State Load Dispatch Centre on monthly basis, Calculations of transmission Loss of solar energy 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 2022 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.

Information other than the consolidated Financial Statements and Auditor's Report thereon

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 annual report but does not include the consolidated Ind AS Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated Ind AS 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 Ind AS 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 Ind AS Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated / inconsistent.

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 Ind AS Financial Statements

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associates and joint ventures in accordance with the accounting principles generally accepted in India, including The Indian Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 , as amended. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Group and its associates and joint ventures and for preventing and detecting the frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 Ind AS 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 Ind AS financial statements, the respective management and Board of Directors of the Companies included in the Group and its associates and joint ventures are responsible for assessing the ability of the Group and of its associates and joint ventures 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 Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associates and joint ventures are also responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS 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 Ind AS 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 Holding Company has adequate internal financial controls with reference to consolidated Ind AS 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 consolidated Ind AS 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 ability of the Group and its associates and joint ventures 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 consolidated Ind AS 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 and its associates and joint ventures to cease to continue as a going concern.

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

- Obtain sufficient appropriate audit evidence regarding thefinancial information of the entities or business activities within the Group and its associates and joint ventures of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

Materiality is the magnitude of misstatements in the consolidated Ind AS 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 consolidated Ind AS financial statements.

We communicate with those charged with governance of the 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 Ind AS 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, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013 we give in the **"Annexure-A"**, a statement on the matters specified in the paragraph 3 (xxi) of the Order.

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 relating to the preparation of the aforesaid consolidation of the financial statements have been kept so far as appears from our examination of those books ;

    c. The Consolidated Balance Sheet, the consolidated Statement of Profit and Loss including the statement of other comprehensive income, the consolidated Cash Flow Statement and the consolidated statement of changes in equity 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 Ind AS Financial Statements comply with the IND AS specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

    e. On the basis of written representations received from the directors of the Holding Company as on 31st March, 2022, taken on record by the Board of Directors of the Holding company , of its subsidiary companies, its associates and joint ventures, none of the directors of Group companies , its associates and joint ventures are disqualified as on 31st March, 2022, 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 these consolidated Ind AS financial statements of the Holding Company, its subsidiaries, joint ventures and associate companies 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 Auditor's Report in accordance with the requirements of section 197(16) of the Act :

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company, its subsidiaries, associates and joint ventures to its directors during the current year is in accordance with the provisions of section 197 read with Schedule V of the Act.
The remuneration paid to any director is not in excess of the limits 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.

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

1. The consolidated financial statements disclose the impact of pending litigations as at 31ST March, 2022 on its consolidated financial position of the Group, its associates and joint ventures in its consolidated Ind AS financial statements – Refer Note 48 to the consolidated financial statements.
2. The Group, its associates and joint ventures did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
3. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, its associates and joint ventures during the year ended 31ST March, 2022
4.
   i) The respective management of the Holding Company, its subsidiaries, its associates and joint ventures have represented that, to the best of its knowledge and belief, other than as disclosed in the 14 to the consolidated Ind AS financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group. Associates and joint ventures to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group, associates and joint ventures ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
   ii) The respective management of the Holding Company, its subsidiaries, its associates and joint ventures have represented that, to the best of its knowledge and belief, no funds have been received by the Group, its associates and joint ventures from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group, its associates and joint ventures shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

iii) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (i) and (ii) contain any material misstatement.

for **K A SANGHAVI AND CO LLP**
Chartered Accountants
FRN : 0120846W/W100289

Place : **SURAT**
Date : **May 03, 2022**

AMISH ASHVINBHAI SANGHAVI
PARTNER
M. NO. 101413
ICAI UDIN : 22101413AIJQSZ6981

<u>Annexure A referred to in paragraph 1 under the heading Report on other legal and regulatory requirements of our report of even date</u>

<u>Re: KPI GREEN ENERGY LIMITED (formerly known as K. P. I. Global Infrastructure Limited)</u>

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

XXI. There has been no qualification or adverse remarks by the auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated Ind As Financial statements. Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.

for K A SANGHAVI AND CO. LLP
Chartered Accountants
FRN : 120846W / W100289

AMISH ASHVINBHAI SANGHAVI
M. NO. 101413
ICAI UDIN : 22101413AIJQSZ6981
1001, 1002, 1003, RAJHANS BONISTA,
RAM CHOWK, GHOD DOD ROAD,
SURAT-395007 GUJARAT

Place : SURAT
Date : May 03, 2022

ANNEXURE - B TO THE AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of KPI Green Energy Limited (Formerly known as K.P.I. Global Infrastructure Limited) (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2022, 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 (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and joint ventures as of that date.

Management's Responsibility for Internal Financial Controls

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the 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 the 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 the internal financial controls over financial reporting with reference to consolidate financial statements 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 Companies Act, 2013, 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 over financial reporting with reference to consolidated 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 consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting with reference to consolidated 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 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 controls system over financial reporting with reference to the consolidated financial statements.

Meaning of Internal Financial Controls over Financial Reporting with reference to Consolidated Financial Statements

A company's internal financial control over financial reporting with reference to the 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 over financial reporting with reference to the 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 the Consolidated Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting 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 consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting 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.

Opinion

In our opinion, the Group, its associates and joint ventures 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 2022, 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")

for K A SANGHAVI AND CO. LLP
Chartered Accountants
FRN : 120846W / W100289

AMISH ASHVINBHAI SANGHAVI
M. NO. 101413
ICAI UDIN : 22101413AIJQSZ6981
1001, 1002, 1003, RAJHANS BONISTA,
RAM CHOWK, GHOD DOD ROAD,
SURAT-395007 GUJARAT

Place : SURAT
Date : May 03, 2022

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

1 CORPORATE INFORMATION:

KPI Green Energy Limited (formerly known as K.P.I. Global Infrastructure Limited)("the Company") was incorporated on 01/02/2008 as a Limited company domiciled in India under The Companies Act, 1956. The securities of the company were listed on BSE SME platform and during the year the Company has migrated to BSE Main Board and its securities were listed on NSE also during the year. The Company develops, builds, owns, operates and maintains solar power plants as an Independent Power Producer (IPP) and Captive Power Producer (CPP) both under the brand name of 'Solarism'. Both these businesses, IPP and CPP, are currently carried out at plant located at Dist. Bharuch, Gujarat (Solarism Plant).

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

(i) Basis of preparation of Financial Statements:

These consolidated financial statements of the company have been prepared in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Indian Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant provisions of the Companies Act, 2013 and guidelines issued by Securities and Exchange Board of India (SEBI) as amended from time to time. The financial statements have been prepared on a going concern basis under the historical cost convention on accrual basis, except in case of assets for which provision for impairment for certain financial instruments which are measured at fair value.

The Company has adopted all the Ind AS standards w.e.f 1St April, 2021 and the adoption was carried out in accordance with Ind As 101, First-Time Adoption of Indian Accounting Standards with transition date as 1St April, 2020. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP. Reconciliations and descriptions of effect of the transition have been summarized in Note 3.

All amounts included in the financial statements are reported in Lacs of Indian Rupees except wherever absolute figure of Indian Rupees mentioned.

Refer Note 3 for details of first-time adoption exemptions availed by the company.

(ii) Presentation and disclosure of financial statements:

During the year end 31ST March 2022, the company has presented the financial statements as per the Schedule III notified under the Companies Act, 2013. The statement of Cash Flows has been prepared and presented as per requirements of Ind As 7 " Statement of Cash Flows ". The disclosure requirements with respect to items in the Balance sheet and Profit & Loss Account , as prescribed in Schedule III of the Act are presented by way of notes forming part of the consolidated financial statements. The company has also reclassified the previous figures in accordance with the requirements applicable in the current year.
Accounting policies have been consistently applied except where a newly issued Indian Accounting Standard is initially adopted or a revision to an existing Indian Accounting Standard requires such change in the accounting policy hitherto in use.

(iii) Basis of Consolidation:

The Group consolidates all entities which are controlled by it. The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. The entities are consolidated from the date control commences until the date control ceases.

a. **Subsidiaries:**

The consolidated financial statements of the Group companies are consolidated on a line-by-line basis and intra-group balances and transactions including unrealised gain/loss from such transactions are eliminated upon consolidation. These consolidated financial statements are prepared by applying uniform accounting policies in use at the Group. Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interest having a deficit balance.

Changes in the Group's holding that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's holding and the non-controlling interests are adjusted to reflect the changes in their relative holding. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

(iv) Use of Estimates:

In the application of the Company's accounting policies, management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Consolidated Financial Statements.

(v) Property, Plant and Equipment:

a. Accounting Policy for recognition and measurement :

Property, plant and equipment are stated at acquisition cost less accumulated depreciation and accumulated impairment losses, if any. All costs, including borrowing costs incurred up to the date the asset is ready for its intended use, are capitalised along with the respective asset.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, Write back of creditors over concern of performance of assets, any directly attributable cost of bringing the item to its working condition for its intended use. The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The residual values, useful lives and method of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

b. Subsequent measurement :

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

c. Impairment:

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses of tangible and intangible assets are recognised in the statement of profit and loss. 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.

In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

d. Depreciation:

Depreciation commences when an asset is ready for its intended use. Freehold land and assets held for sale are not depreciated.

Depreciation is recognised on the cost of assets (other than freehold land and properties under construction) less their residual values over their estimated useful lives, using the straight-line method.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset.

Estimated Useful lives of Various Items of Property, Plant and Equipment are as follows:

Type of Asset	Useful Life (in years)
Building (including civil construction)	60
Solar Plant	25

Plant and Machinery	15
Electrical Installation and Equipment	10
Furniture & Fixtures	10
Vehicle (Two-Wheeler)	10
Vehicle (Four-Wheeler)	8
Heavy Vehicles	8
Office Equipment	5
Computer & Related Accessories	3
Right of Use Assets	Period of Lease

e. Derecognition:

An item of Property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

(vi) <u>Intangible Assets:</u>

a. Accounting Policy:

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

The residual values, useful lives and method of depreciation of Intangible Assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

b. Amortisation:

Amortisation is recognised using Straight Line method over their estimated useful lives. Estimated useful life of the Computer Software is 10 years.

c. Derecognition of Intangible Assets:

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in statement of profit and loss when the asset is derecognised.

(vii) <u>Capital Work in Progress:</u>

Expenditure related to and incurred during implementation of capital projects to get the assets ready for intended use is included under “Capital Work in Progress”. The same is allocated to the respective items of property plant and equipment on completion of construction/ erection of the capital project/property plant and equipment.

(viii) <u>Financial Instruments:</u>

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities measured at fair value through profit or loss are recognised immediately in the statement of profit and loss.

(ix) Financial Assets:

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

a) Financial Assets at amortised cost:

Financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method if these financial assets are held within a business whose objective is to hold these assets 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.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

The effective interest method is a method of calculating the amortised cost of financial assets and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and transaction costs and other premiums or discounts) through the expected life of the financial assets, or where appropriate, a shorter period, to the net carrying amount on initial recognition. Interest is recognised on an effective interest basis for debt instruments other than those financial assets classified as at Fair Value through Profit and Loss (FVTPL).

b) Financial Assets at fair value through other comprehensive income (FVTOCI) :

A financial asset is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; 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.

c) Financial Assets at fair value through profit or loss (FVTPL) :

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Fair value changes related to such financial assets including derivative contracts are recognised in the Statement of Profit and Loss.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset.

d) Business Model Assessment :

The Company makes an assessment of the objectives of the business model in which a financial asset is held at portfolio level because it best reflects the way business is managed and information is provided to management.

The assessment of business model comprises the stated policies and objectives of the financial assets, management strategy for holding the financial assets, the risk that affects the performance etc.

e) **Derecognition :**

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the Statement of Profit and Loss if such gain or loss would have otherwise been recognised in the Statement of Profit and Loss on disposal of that financial asset.

f) **Impairment :**

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

(x) Financial Liabilities :

a) **Classification as debt or equity :**

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

b) **Equity Instruments :**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

c) **Financial Liabilities :**

All financial liabilities are measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item in the Statement of Profit and Loss.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Trade and other payables are recognised at the transaction cost, which is its fair value, and subsequently measured at amortised cost.

Financial liabilities at FVTPL

A financial liability may be designated as at FVTPL upon initial recognition if:

i) such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;

ii) the financial liability whose performance is evaluated on a fair value basis, in accordance with the Company's documented risk management;

Fair value changes related to such financial liabilities including derivative contracts like forward currency contracts and options to hedge the Company's foreign currency risks are recognised in the Statement of Profit and Loss.

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Financial liabilities are classified as held for trading if these are incurred for the purpose of repurchasing in the near term. Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in the statement of profit and loss.

d) **Derecognition :**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

(xi) 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.

(xii) 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.

(xiii) Borrowing Costs:

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

(xiv) <u>Inventories :</u>

Inventories are stated at the lower of cost and net realisable value. Cost of Inventories comprises all cost of purchase and other cost incurred in bringing inventories to their present location and condition. Cost in case of work in progress is determined on the basis of the actual expenditure attributable to the said work till the end of the reporting period. In determining the cost of Plots, Weighted Average Method is used.

Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

(xv) <u>Revenue recognition :</u>

Revenue from contracts with customers is recognised when control of the goods or services are rendered to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts and other incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes or other amounts collected from customers in its capacity as an agent. If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

The accounting policies for the specific revenue streams of the Company are summarised below:

a) The Company’s contracts with customers for the sale of power plant generally include one performance obligation satisfied over a period of time. Revenue from sale of solar power plant is recognized over time based on output method where direct measurements of value to the customer based on milestones reached to date.
b) The Company’s contracts with customers for the sale of goods generally include one performance obligation. Revenue from the sale of goods is recognised at the point in time when control of the asset is transferred to the customers, generally on delivery of the goods. The transaction price has been adjusted for significant financing component, if any and the adjustment is accounted as finance cost. The difference between the revenue recognised and amount invoiced has been presented as deferred revenue/unbilled revenue.
c) Revenue from Services rendered is recognised when the work is performed as per the terms of agreement.
d) Interest income is recognised on Effective Interest Rate (EIR) basis taking into account the amount outstanding and the applicable interest rate.

Contract Balances:

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional i.e. only the passage of time is required before payment of consideration is due.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. Contract liabilities are recognised as revenue when the Company performs obligations under the contract.

(xvi) Employee Benefit Plan :

a) Defined Benefit Plan:

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. However, the company has not made any such contributions during the year. The cost of providing benefits under the defined benefit plan is based on an independent acturial valuation carried out using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit and loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Company recognises the following changes in the net defined benefit obligation as a charge to the capital work-in-progress till the capitalisation of the projects otherwise the same is charged to the Statement of Profit and Loss.

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income.

b) Defined Contribution Plan:

Retirement benefit in the form of Provident Fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as a charge to the Statement of Profit and Loss for the period in which the contributions to the respective funds accrue.

c) Short Term Employee benefits :

Short-term employee benefit obligations, if any are recognised at an undiscounted amount is charged to the Statement of Profit and Loss for the period in which the related services are received.

(xvii) Current and 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:

a. Expected to be realised or intended to be sold or consumed in normal operating cycle or
b. Held primarily for the purpose of trading or
c. Expected to be realised within twelve months after the reporting period, or
d. 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:

a. It is expected to be settled in normal operating cycle or
b. It is held primarily for the purpose of trading or
c. It is due to be settled within twelve months after the reporting period, or
d. 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 respectively. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

(xviii) Taxation :

Tax on Income comprises current and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current Tax:

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the reporting period and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred Tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

(xix) Leases:

The Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

Lease term is a non-cancellable period together with periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments to be paid over the lease term at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate. Subsequently, the lease liability is measured at amortised cost using the effective interest method.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(xx) Provisions and Contingent Liabilities, Contingent Assets :

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are not recognised but are disclosed in the notes where an inflow of economic benefits is probable.

(xxi) Earning per share :

Basic earnings per equity share is 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 is 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 consolidated financial statements by the Board of Directors.

(xxii) Dividend distribution to equity shareholders of the Company :

The Company recognises a liability to make dividend distributions to its equity holders when the distribution is authorised and the distribution is no longer at its discretion. A corresponding amount is recognised directly in equity.

(xxiii) 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.

(xxiv) 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.

(xxv) 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.

KPI Green Energy Limited

CIN: L40102GJ2008LC083302

Reg. office : 'KP House', Opp. Ishwar Farm Junction BRTS, Near Bliss IVF Circle. Canal Road, Bhatar, Surat 395017, Gujarat

Consolidated Balance sheet as at 31st March, 2022

(Rs. In lakhs)

Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
I. ASSETS				
1) Non-current assets				
a) Property, Plant and Equipment	4	48129.47	31510.68	28837.37
b) Capital work-in-progress	5	3133.26	2101.89	85.68
c) Investment Property				
d) Goodwill				
e) Other Intangible assets	6	28.95	21.36	4.88
f) Intangible assets under development				
g) Biological Assets other than bearer plants				
h) Financial Assets				
(i) Investments	7	0.01	0.01	0.01
(ii) Trade receivables				
(iii) Loans				
(iv) other financial assets	8	220.54	207.81	194.45
i) Deferred tax assets (net)				
j) Other non-current assets	9	18.00	18.00	18.00
Total Non-current assets		51530.24	33859.75	29140.39
2) Current assets				
a) Inventories	10	10665.96	4026.75	3473.37
b) Financial Assets				
(i) Investments				
(ii) Trade receivables	11	3678.35	4987.17	2837.86
(iii) Cash and cash equivalents	12	643.71	608.20	134.59
(iv) Bank balances other than (iii) above	13	1920.44	1560.07	902.86
(v) Loans	14	18.22	29.31	25.68
(vi) Others	15	128.89	22.68	9.38
c) Current Tax Assets (Net)				
d) Other current assets	16	9148.35	2985.69	857.77
Total Current assets		26203.91	14219.87	8241.50
Total Assets		77734.15	48079.62	37381.89
II. EQUITY AND LIABILITIES				
A) EQUITY				
a) Equity share capital	17	1806.70	1806.70	1806.70
b) Other Equity	18	13566.86	9423.42	7994.52
Total Equity		15373.56	11230.12	9801.22
B) LIABILITIES				
1) Non-current liabilities				
a) Financial Liabilities				
(i) Borrowings	19	28929.23	20838.18	10671.60
(ii) Lease liabilities	20	10957.86	7910.22	7543.42
(iii) Trade Payables				
Total outstanding dues of micro enterprises and small enterprises (MSE) and Total outstanding dues of creditors other than (MSE)				
(iv) Other financial liabilities (other than those specified in item b)	21	50.00	50.00	111.06
b) Provisions	22	49.27	19.93	8.05
c) Deferred tax liabilities (Net)	23	4079.83	2468.70	1655.72
d) Other non-current liabilities				
Total Non-current Liabilities		44066.19	31287.02	19989.85
2) Current liabilities				
a) Financial Liabilities				
(i) Borrowings	24	4760.89	2928.21	3225.15

Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
(ii) Lease liabilities				
(iii) Trade Payables	25			
Total outstanding dues of micro enterprises and small enterprises (MSE) and		371.45	-	-
Total outstanding dues of creditors other than (MSE)		4312.88	2181.10	4169.75
(iv) Other financial liabilities (other than those specified in item c)	26	198.22	452.50	71.34
b) Other Current liabilities	27	8648.03	-	-
c) Provisions	28	2.92	0.68	124.58
d) Current Tax Liabilities (net)				
Total Current liabilities		18294.39	5562.48	7590.82
Total Liabilities		62360.59	36849.50	27580.67
Total Equity and Liabilities		77734.15	48079.62	37381.89

The accompanying notes form an integral part of the Consolidated Financial Statements.

In terms of our attached report of even date
For K A Sanghavi and Co LLP
Chartered Accountants
ICAI FRN : 0120846W/W100289

CA Amish A. Sanghavi

Partner

M. NO. 101413
ICAI UDIN : 22101413AIJQSZ6981

Place : Surat
Date : May 3, 2022

For and on behalf of the Board
KPI Green Energy Limited
(Formerly Known as K.P.I. Global Infrastructure Limited)

Faruk G. Patel
(Chairman And Managing Director)
DIN : 00414045

Mohmed Sohil Y. Dabhoya
(Whole Time Director)
DIN : 07112947

Nirav G. Raval
(Chief Financial Officer)

Rajvi Upadhyay
(Company Secretary)
Place : Surat
Date : May 3, 2022

KPI Green Energy Limited

CIN: L40102GJ2008LC083302

Reg. office : 'KP House', Opp. Ishwar Farm Junction BRTS, Near Bliss IVF Circle. Canal Road, Bhatar, Surat 395017, Gujarat

Consolidated Profit and Loss for the year ended 31st March, 2022

(Rs. In lakhs)

Particulars	Note No.	For the year ended 31st March,2022	For the year ended 31st March,2021
I. Revenue from operation	29	22994.11	10350.21
II. Other Income	30	157.58	43.53
III. Total Income (I+II)		**23151.69**	**10393.73**
IV. Expenses			
a) cost of materials consumed	31	9141.16	2260.71
b) purchase of stock-in-trade	32	339.30	272.22
c) Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	33	-70.36	-81.80
d) Employee benefits expense	34	426.11	169.16
e) Finance costs	35	3693.32	2506.18
f) Depreciation and amortization expenses	36	1406.01	1647.14
g) Other expenses	37	2268.68	1358.06
Total expenses (IV)		**17204.21**	**8131.67**
V. Profit/(loss) before exceptional items and tax (I-IV)		5947.47	2262.06
VI. Exceptional Items	38	11.45	11.40
VII. Profit/(loss) after exceptions items and tax (V-VI)		5936.03	2250.66
VIII. Tax expenses			
a) Current tax			
b) Deferred tax	39	1611.50	815.19
IX. Profit/(loss) for the period from continuing operations (VII-VIII)		4324.53	1435.47
X. Profit/(loss) from discontinued operations		-	-
XI. Tax expenses of discontinued operations		-	-
XII. Profi(loss) from discontinued operations (after tax) (X-XI)		-	-
XIII. Profit/(loss) for the period (IX+XII)		4324.53	1435.47
XIV. Other Comprehensive income			
a) (i) Items that will not be reclassified to profit or loss	40	1.49	8.78
(ii) Income tax relating to items that will not be reclassified to profit or loss	41	-0.37	-2.21
b) (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XV. Total Comprehensive Income for the period (13+14) comprising Profit/(loss) and other comprehensive income for the period		4323.41	1428.90
XVI. Earnings per equity share (for continuing operation)			
a) Basic *		23.93	7.91
b) Diluted *		23.93	7.91

* Figures are in absolute amount.

The accompanying notes form an integral part of the Consolidated Financial Statements.

In terms of our attached report of even date
For K A Sanghavi and Co LLP
Chartered Accountants
ICAI FRN : 0120846W/W100289

CA Amish A. Sanghavi

Partner
M. NO. 101413
ICAI UDIN : 22101413AIJQSZ6981

Place : Surat
Date : May 3, 2022

For and on behalf of the Board
KPI Green Energy Limited
(Formerly Known as K.P.I. Global Infrastructure Limited)

Faruk G. Patel
(Chairman And Managing
DIN : 00414045

Mohmed Sohil Y. Dabhoya
(Whole Time Director)
DIN : 07112947

Nirav G. Raval
(Chief Financial Officer)

Rajvi Upadhyay
(Company Secretary)

Place : Surat
Date : May 3, 2022

KPI Green Energy Limited

CIN: L40102GJ2008LC083302

Reg. office : 'KP House', Opp. Ishwar Farm Junction BRTS, Near Bliss IVF Circle. Canal Road, Bhatar, Surat 395017, Gujarat

Consolidated Cash flow statement for the year ended 31st March, 2022

(Rs. in Lacs)

Particulars	For the year ended 31st March,2022	For the year ended 31st March,2021
Cash flow from operating activities		
Profit / (loss) before tax and exceptional items	5936.03	2250.66
Non-cash Adjustment to reconcile Profit before tax to net cash flow:		
Depreciation and amortisation expense	1406.01	1647.14
Interest Income	-123.73	-41.78
Interest Expense	3693.32	2506.18
Amount Directly debited to OCI/Reserves	-1.49	-8.78
Loss/ (Profit) on sale of fixed assets	0.00	0.00
Operating profit / (loss) before working capital change	**10910.14**	**6353.42**
Changes in operating Asset & Liabilities		
(decrease) / Increase in trade payables	2503.24	-1988.66
(decrease) / increase in provisions and other liabilities	31.59	-112.02
(decrease) / increase in other current and other non-current financial liabilities	-254.28	320.10
(decrease) / increase in other current and other non-current liabilities	8648.03	-
(Increase) / decrease in trade receivables	1308.82	-2149.31
(Increase) / decrease in inventories	-6639.21	-553.38
(Increase) / decrease in other current and other non-current financial assets	0.01	103.23
(Increase) / decrease in other current and other assets	-6162.66	-2127.91
Cash (used in) / generated from operating activities	**10345.67**	**-154.53**
Direct tax paid, (net of refunds)	-107.85	-133.52
Net cash (used in) / generated from operating activities (A)	**10237.83**	**-288.05**
Cash flow from investing activites		
Payment for purchase of fixed asset including capital work in progress	-19063.76	-6353.14
Interest Income received	123.73	41.78
Proceeds from sale of fixed assets	-	-
Investment in equity shares of Subsidiary	-	-
Net cash (used in) / generated from investing activities (B)	**-18940.04**	**-6311.36**
Cash flow from financing activities		
Proceeds from issuance of share capital	-	-
Proceeds / (repayment) of lease liability, net	3047.65	366.79
Proceeds / (repayment) of short term borrowings, net	1832.69	-296.95
Proceeds / (repayment) from long term borrowings, net	8091.05	10166.58
Interest Expense	-3693.32	-2506.18
Cash payments for interest portion of lease liability	-	-
Dividend Paid	-179.98	-
Net cash (used in) / generated from financing activities (C)	**9098.08**	**7730.25**
Net Increase / (decrease) in cash and cash equivalment (A+B+C)	**395.87**	**1130.83**
Cash and cash equivalent at the beginning of the period	**2168.27**	**1037.45**
Cash and cash equivalent at the end of the period	**2564.14**	**2168.27**
Components of cash and cash equivalents		
Cash on hand	**6.69**	**7.73**
Balance with banks		
-on current account	**637.02**	**600.47**
-other bank balance	**1920.44**	**1560.07**
Total Cash and cash equivalent at the end of the period	**2564.15**	**2168.27**

The accompanying notes form an integral part of the Consolidated Financial Statements.

In terms of our attached report of even date	**For and on behalf of the Board**	
For K A Sanghavi and Co LLP	**KPI Green Energy Limited**	
Chartered Accountants	**(Formerly Known as K.P.I. Global Infrastructure Limited)**	
ICAI FRN : 0120846W/W100289		
CA Amish A. Sanghavi	**Faruk G. Patel**	**Mohmed Sohil Y. Dabhoya**
Partner	**(Chairman And Managing Director)**	**(Whole Time Director)**
M. NO. 101413	**DIN : 00414045**	**DIN : 07112947**
ICAI UDIN : 22101413AIJQSZ6981		
	Nirav G. Raval	**Rajvi Upadhyay**
	(Chief Financial Officer)	**(Company Secretary)**
Place : Surat	Place : Surat	
Date : May 3, 2022	Date : May 3, 2022	

KPI Green Energy Limited

CIN: L40102GJ2008LC083302

Reg. office : 'KP House', Opp. Ishwar Farm Junction BRTS, Near Bliss IVF Circle. Canal Road, Bhatar, Surat 395017, Gujarat

Consolidated statement of changes in equity for year ended 31st March, 2022

A. Equity Share Capital

(All the figures are in Lakhs)

Particulars	Amount
Balance as at 31st march, 2020	**1806.70**
Changes in Equity Share Capital during the year	-
Balance as at 31st march, 2021	**1806.70**
Changes in Equity Share Capital during the year	-
Balance as at 31st march, 2022	**1806.70**

B. Other Equity

(All the figures are in Lakhs)

	Reserves and Surplus				Items of Other Comprehensive Income	
Particulars	**Securities Premium**	**General Reserve**	**Capital Reserve**	**Retained Earnings**	**Acturial Gains and Losses**	**Total**
Balance as at 1st April, 2020	**5139.40**	**-**	**-**	**2855.12**	-	**7994.52**
Profit for the year	-	-	-	1435.47	-	1435.47
Other Comprehensive Income for the year	-	-	-	-	-8.78	-8.78
Tax impact of items not classified to statement of profit and loss	-	-	-	-	2.21	2.21
Balance as at 31st March, 2021	**5139.40**	**-**	**-**	**4290.59**	**-6.57**	**9423.42**
Profit for the year	-	-	-	4324.53	-	4324.53
Dividend Distributed	-	-	-	-179.98	-	-179.98
Other Comprehensive Income for the year	-	-	-	-	-1.49	-1.49
Tax impact of items not classified to statement of profit and loss	-	-	-	-	0.37	0.37
Balance as at 31st March, 2022	**5139.40**	**-**	**-**	**8435.14**	**-7.69**	**13566.85**

The accompanying notes form an integral part of the Consolidated Financial Statements.

In terms of our attached report of even date
For K A Sanghavi and Co LLP
Chartered Accountants
ICAI FRN : 0120846W/W100289

CA Amish A. Sanghavi

Partner

M. NO. 101413

ICAI UDIN : 22101413AIJQSZ6981

Place : Surat Date : May 3, 2022

For and on behalf of the Board
KPI Green Energy Limited
(Formerly Known as K.P.I. Global Infrastructure Limited)

Faruk G. Patel	**Mohmed Sohil Y. Dabhoya**	**Nirav G. Raval**	**Rajvi Upadhyay**
(Chairman And Managing Director)	**(Whole Time Director)**	**(Chief Financial Officer)**	**(Company Secretary)**
DIN : 00414045	**DIN : 07112947**		

Place : Surat
Date : May 3, 2022

3. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

3.1 FIRST TIME ADOPTION OF IND AS

These CONSOLIDATED financial statements for the year ended March 31, 2022 have been prepared in accordance with the Companies (Indian Accounting Standards)
The transition to Ind AS has resulted in changes in the presentation of the financial statements, disclosures in the notes thereto and accounting policies and principles.

3.1.1 EXEMPTIONS AVAILED ON FIRST-TIME ADOPTION OF IND AS 101

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The company has accordingly applied

(a)Deemed cost for property, plant and equipment, investment property and intangible assets
Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as

(b) Estimates
An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with Previous

3.2 Effect of IND AS Adoption on the consolidated balance sheet as at 31st March, 2021 and 1st April, 2020.

(All the figures are in Lakhs)

	As at 31st March, 2021			**As at 1st April, 2020**		
I. ASSETS	**Previous GAAP**	**Effect of transition to IND AS**	**As per IND AS**	**Previous GAAP**	**Effect of transition to IND AS**	**As per IND AS**
1) Non-current assets						
a) Property, Plant and Equipment	24362.23	7148.46	31510.68	21293.94	7543.42	28837.37
b) Capital work-in-progress	2101.89	-	2101.89	85.68	-	85.68
c) Investment Property	-		-	-	-	-
d) Goodwill	-		-	-	-	-
e) Other Intangible assets	21.36	-	21.36	4.88	-	4.88
f) Intangible assets under development	-		-	-	-	-
g) Biological Assets other than bearer plants	-		-	-	-	-
h) Financial Assets	-		-	-	-	-
(i) Investments	0.01	-	0.01	0.01	-	0.01
(ii) Trade receivables	-		-	-	-	-
(iii) Loans	-	-	-	-	-	-
(iv) other financial assets	207.81	-	207.81	194.45	-	194.45
i) Deferred tax assets (net)	-		-	-	-	-
j) Other non-current assets	18.00	-	18.00	18.00	-	18.00
Total Non-current assets	**26711.29**	**7148.46**	**33859.75**	**21596.97**	**7543.42**	**29140.39**
2) Current assets						
a) Inventories	4026.75	-	4026.75	3473.37	-	3473.37
b) Financial Assets	-		-	-	-	-
(i) Investments	-		-	-	-	-
(ii) Trade receivables	4987.17	-	4987.17	2837.86	-	2837.86
(iii) Cash and cash equivalents	608.20	-	608.20	134.59	-	134.59
(iv) Bank balances other than (iii) above	1560.07	-	1560.07	902.86	-	902.86
(v) Loans	29.31	-	29.31	25.68	-	25.68
(vi) Others	22.68		22.68	9.38	-	9.38
c) Current Tax Assets (Net)	-		-	-	-	-
d) Other current assets	2985.69	-	2985.69	857.77	-	857.77
Total Current assets	**14219.87**	**-**	**14219.87**	**8241.50**	**-**	**8241.50**
Total Assets	**40931.17**	**7148.46**	**48079.62**	**29838.47**	**7543.42**	**37381.89**
II. EQUITY AND LIABILITIES						
A) EQUITY						
a) Equity share capital	1806.70	-	1806.70	1806.70	-	1806.70
b) Other Equity	10185.18	-761.76	9423.42	7993.18	1.34	7994.52
Total Equity	**11991.88**	**-761.76**	**11230.12**	**9799.88**	**1.34**	**9801.22**
B) LIABILITIES						
1) Non-current liabilities						
a) Financial Liabilities						
(i) Borrowings	20838.18	-	20838.18	10671.60	-	10671.60
(ii) Lease liabilities	-	7910.22	7910.22	-	7543.42	7543.42
(iii) Trade Payables						
Total outstanding dues of micro enterprises and small enterprises (MSE) and	-	-	-	-	-	-
Total outstanding dues of creditors other than (MSE)	-	-	-	-	-	-
(iv) Other financial liabilities (other than those specified in item b)	50.00	-	50.00	111.06	-	111.06
b) Provisions	19.93	-	19.93	9.39	-1.34	8.05
c) Deferred tax liabilities (Net)	2468.70	-	2468.70	1655.72	-	1655.72
d) Other non-current liabilities	-	-	-	-	-	-
Total Non-current Liabilities	**23376.81**	**7910.22**	**31287.02**	**12447.77**	**7542.08**	**19989.85**

2) Current liabilities						
a) Financial Liabilities						
(i) Borrowings	2928.21	-	2928.21	3225.15	-	3225.15
(ii) Lease liabilities	-	-	-	-	-	-
(iii) Trade Payables	2181.10	-	2181.10	4169.75	-	4169.75
Total outstanding dues of micro enterprises and small enterprises (MSE) and	-	-	-	-	-	-
Total outstanding dues of creditors other than (MSE)	-	-	-	-	-	-
(iv) Other financial liabilities (other than those specified in item c)	452.50	-	452.50	71.34	-	71.34
b) Other Current liabilities	-	-	-	-	-	-
c) Provisions	0.68	-	0.68	124.58	-	124.58
d) Current Tax Liabilities (net)	-	-	-	-	-	-
Total Current liabilities	**5562.48**	**-**	**5562.48**	**7590.82**	**-**	**7590.82**
Total Liabilities	**28939.29**	**7910.22**	**36849.50**	**20038.59**	**7542.08**	**27580.67**
Total Equity and Liabilities	**40931.17**	**7148.46**	**48079.62**	**29838.47**	**7543.42**	**37381.89**

1. The effect of Transition as at 1st April, 2020 of increase of Rs. 7543.42 Lakhs in PPE is due to recognition of ROU Assets on plots and KP House taken on lease which
2. The effect of Transition as at 1st April, 2020 of decrease of Rs. 1.34 Lakhs in provisions is due to decrease in the total amount of gratuity payable which was recognised
3. The effect of Transition as at 31st March, 2021 of increase of Rs. 7148.46 Lakhs in PPE is due to recognition of ROU Assets on plots and KP house taken on lease which
4. The effect of Transition as at 31st March, 2021 of increase of Rs. 7910.22 Lakhs in lease liability is due to recognition of Lease Liabilities on plots and KP house taken on
5. The effect of transition as at 31st March, 2021 on other equity is explained below in note 3.4

3.3 Effect of IND AS Adoption on the statement of Profit and Loss for the year ended 31st March, 2021

Particulars	Amount (in Lakhs)
Net Profit as per previous GAAP	2192.00
Add: Acturial loss on Defined Benefit Obligation recognised in OCI	8.78
Add: Rent expense recognised as per previous GAAP	523.33
Less: Grautuity expense not recognised as per previous GAAP	1.34
Less: Lease Finance Cost not recognised as per previous GAAP	890.12
Less: Ammortisation of ROU asset not recognised as per previous GAAP	394.97
Less: Deferred Tax on Acturial loss on Defined Benefit Obligation recognised in OCI	2.21
Profit/(Loss) as per IND AS	**1435.47**
Less: Acturial loss on Defined Benefit Obligation recognised in OCI	8.78
Add: Deferred Tax on Acturial loss on Defined Benefit Obligation recognised in OCI	2.21
Total Comprehensive Income for the period	**1428.90**

3.4 Effect of IND AS Adoption on other equity

Particulars	Amount
Balance of other equity as on 1st April, 2020 as per previous GAAP	**7993.18**
Add: Provision for gratuity decreased due to change in amount of Defined Benefit Obligation as per IND AS as compared to previous	1.34
Balance of other equity as on 1st April, 2020 as per IND AS	**7994.52**
Balance of other equity as on 31st March, 2021 as per previous GAAP	**10185.18**
Less: Profit as per previous GAAP	2192.00
Add: Total Comprehensive Income as per IND AS	1428.90
Add: Provision for gratuity decreased due to change in amount of Defined Benefit Obligation as per IND AS as compared to previous	1.34
Balance of other equity as on 31st March, 2021 as per IND AS	**9423.42**

3.5 Effect of IND AS Adoption on Cash Flow Statement for the Year ended on 31st March, 2021

Particulars	As per previous GAAP	Effect of transition to IND AS	As per IND AS	Remarks
Cash flow from operating activities				
Profit / (loss) before tax and exceptional items	3004.98	-754.32	2250.66	Change in Profit as per IND AS
Non-cash Adjustment to reconcile Profit before tax to net cash flow:				
Depreciation and amortisation expense	1252.17	394.97	1647.14	Increase due to ammortization of
Interest Income	-41.78	-	-41.78	
Interest Expense	1616.06	890.12	2506.18	Increase due to Lease Finance Cost
Amount Directly debited to OCI/Reserves	-	-8.78	-8.78	Acturial Loss of Rs. 8.78 Lakhs
Loss/ (Profit) on sale of fixed assets	-	-	-	
Operating profit / (loss) before working capital change	5831.43	521.99	6353.42	
Changes in operating Asset & Liabilities				
(decrease) / Increase in trade payables	-1988.66	-	-1988.66	
(decrease) / increase in provisions and other liabilities	11.04	-123.06	-112.02	Due to internal re-grouping.
(decrease) / increase in other current and other non-current financial	-61.06	381.16	320.10	Due to internal re-grouping.
(decrease) / increase in other current and other non-current liabilities	138.21	-138.21	-	Due to internal re-grouping.

(Increase) / decrease in trade receivables	-2149.31	-	-2149.31	
(Increase) / decrease in inventories	-553.38	-	-553.38	
(Increase) / decrease in other current and other non-current financial	-2149.67	2252.89	103.23	Due to internal re-grouping.
(Increase) / decrease in other current and other assets	0.58	-2128.49	-2127.91	Due to internal re-grouping.
Cash (used in) / generated from operating activities	-920.82	766.28	-154.53	
Direct tax paid, (net of refunds)	-133.52	-	-133.52	
Net cash (used in) / generated from operating activities (A)	-1054.34	766.28	-288.05	
Cash flow from investing activites				
Payment for purchase of fixed asset including capital work in progress	-6353.14	-	-6353.14	
Interest Income received	41.78	-	41.78	
Proceeds from sale of fixed assets	-	-	-	
Investment in equity shares of Subsidiary	-	-	-	
Net cash (used in) / generated from investing activities (B)	-6311.36	-	-6311.36	
Cash flow from financing activities				
Proceeds from issuance of share capital	-	-	-	
Proceeds / (repayment) of lease liability, net	-	366.79	366.79	Increase due to recognition of Lease
Proceeds / (repayment) of short term borrowings, net	-53.99	-242.95	-296.95	Due to internal re-grouping.
Proceeds / (repayment) from long term borrowings, net	10166.58	-	10166.58	
Interest Expense	-1616.06	-890.12	-2506.18	Increase due to Lease Finance Cost
Cash payments for interest portion of lease liability	-	-	-	
Dividend Paid	-	-	-	
Net cash (used in) / generated from financing activities (C)	8496.53	-766.28	7730.25	
Net Increase / (decrease) in cash and cash equivalment (A+B+C)	1130.83	-	1130.83	
Cash and cash equivalent at the beginning of the period	1037.45	-	1037.45	
Cash and cash equivalent at the end of the period	2168.27	-	2168.27	
Components of cash and cash equivalents				
Cash on hand	7.73	-	7.73	
Balance with banks				
-on current account	600.47	-	600.47	
-other bank balance	1560.07	-	1560.07	
Total Cash and cash equivalent at the end of the period	2168.27	-	2168.27	

4. PROPERTY, PLANT AND EQIPMENT

(All amounts are in Lakhs unless otherwise stated)

PARTICULARSS	LAND- FREEHOLD	BUILDINGS	PLANT & MACHINERY	OFFICE EQUIPMENT	ELECTRICAL INSTALLATIONS AND EQUIPMENT	COMPUTER EQUIPMENT	ROU ASSETS - LAND	ROU ASSETS - KP HOUSE	ROU ASSETS - PLOT	FURNITURE & FIXTURES	VEHICLES	TOTAL
GROSS VALUE												
AS AT 1st APRIL, 2020	4657.12	25.59	18050.50	15.42	41.53	34.55	-	409.88	7133.55	133.16	145.88	30647.17
ADDITIONS FOR THE YEAR	1295.25	19.58	2916.01	4.74	10.20	4.05	-	-	-	68.22	1.85	4319.89
DELETIONS FOR THE YEAR												
AS AT 31st MARCH, 2021	**5952.37**	**45.17**	**20966.51**	**20.16**	**51.73**	**38.60**	**-**	**409.88**	**7133.55**	**201.38**	**147.73**	**34967.07**
ADDITIONS FOR THE YEAR	406.49	12.82	14177.00	3.16	22.09	17.33	2796.53	-	429.36	79.96	77.90	**18022.62**
DELETIONS FOR THE YEAR	-	-	-	-	-	-	-	-	-	-	-	
AS AT 31st MARCH, 2022	**6358.86**	**57.99**	**35143.50**	**23.31**	**73.82**	**55.93**	**2796.53**	**409.88**	**7562.90**	**281.34**	**225.63**	**52989.69**
ACCUMULATED DEPRECIATION												
AS AT 1st APRIL, 2020	-	0.16	1696.61	5.28	6.31	16.73	-	-	-	7.38	77.32	**1809.80**
ADDITIONS FOR THE YEAR	-	0.46	1206.86	3.04	4.25	6.85	-	19.52	375.45	12.87	17.28	**1646.58**
DELETIONS FOR THE YEAR												
AS AT 31st MARCH, 2021	**-**	**0.62**	**2903.47**	**8.32**	**10.55**	**23.59**	**-**	**19.52**	**375.45**	**20.26**	**94.61**	**3456.38**
ADDITIONS FOR THE YEAR	-	0.88	906.87	3.98	5.88	8.98	26.98	19.52	389.06	21.83	19.85	**1403.84**
DELETIONS FOR THE YEAR	-	-	-	-	-	-	-	-	-	-	-	-
AS AT 31st MARCH, 2022	**-**	**1.50**	**3810.34**	**12.31**	**16.43**	**32.57**	**26.98**	**39.04**	**764.51**	**42.09**	**114.45**	**4860.22**
NET VALUE												
AS AT 1st APRIL, 2020	**4657.12**	**25.43**	**16353.88**	**10.13**	**35.22**	**17.81**	**-**	**409.88**	**7133.55**	**125.77**	**68.56**	**28837.37**
AS AT 31st MARCH, 2021	**5952.37**	**44.55**	**18063.04**	**11.83**	**41.18**	**15.01**	**-**	**390.36**	**6758.10**	**181.12**	**53.13**	**31510.68**
AS AT 31st MARCH, 2022	**6358.86**	**56.49**	**31333.17**	**11.00**	**57.39**	**23.37**	**2769.55**	**370.84**	**6798.39**	**239.25**	**111.17**	**48129.47**

(i) There is no intent to sell any of the assets held by the company and hence there is no fixed assets held for disposal.
(ii) Refer Schedule no. 19 for details on Property, Plant and equipment pledged as security by the company.
(iii) All the assets purchased during the year were put to use before 31st March 2022 (31st march 2021). The assets which are not put to use during the year are separately shown under capital work-in-progress at the year end.
(iv) Plant & Machinery includes Solar Power Plant whose useful life being an estimate has been changed from 15 years to 25 years and change in depreciation on such change has been accounted for prospectively.
(v) During the year, there is no change in amount of the Property, Plant and Equipment due to business combination, revaluation and other adjustments.
(vi) During the year, the Company has not hold any Benami property as defined under the Benami Transactions (prohibition) Act, 1988.

5. Capital work-in-progress

(All the figures are in Lakhs)

Particulars	31/03/2022	31/03/2021	01/04/2020
Tangible Assets Work in Progress			
Capital Work in Progress	3133.26	2101.89	85.68
	3133.26	2101.89	85.68

Refer Schedule no. 19 for details on Capital work-in-progress pledged as security by the company.

CWIP ageing schedule for year ended 31st March, 2022

(All the figures are in Lakhs)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 year	2-3 year	More than 3 year	
Project In Progress	3126.97	6.29	-	-	**3133.26**
Projects temporarily suspended	-	-	-	-	-

CWIP ageing schedule for year ended 31st March, 2021

(All the figures are in Lakhs)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 year	2-3 year	More than 3 year	
Project In Progress	2101.89	-	-	-	**2101.89**
Projects temporarily suspended	-	-	-	-	-

The Company does not have any capital-work-in progress whose completion is overdue or has exceeded its cost compared to its original plan.

6. Other Intangible assets

(All the figures are in Lakhs)

Particulars	Computer Software
Cost	
Balance as at 1st April 2021	**22.82**
Additions	9.77
Deletions	-
Balance as at 31st March 2022	**32.59**
Accumulated Ammortisation	
Balance as at 1st April 2021	**1.46**
Additions	2.17
Deletions	-
Balance as at 31st March 2022	**3.63**
Net carrying amount as at 31st March 2022	**28.95**
Cost	
Balance as at 1st April 2020	**5.78**
Additions	17.04
Deletions	-
Balance as at 31st March 2021	**22.82**
Accumulated Ammortisation	
Balance as at 1st April 2020	**0.90**
Additions	0.56
Deletions	-
Balance as at 31st March 2021	**1.46**
Net carrying amount as at 31st March 2021	**21.36**
Net carrying amount as at 1st April 2020	**4.88**

(i) There is no intent to sale any of the Intangible Asset held by the company and hence there is no Intangible Asset held for disposal.
(ii) All the Intangible Asset purchased during the year were put to use before 31st March 2022.
(iii) During the year, there is no change in amount of the Intangible Asset due to business combination, revaluation and other adjustments.
(iv) Refer Schedule no. 19 for details on Intangible Assets pledged as security by the company.

7. Investments

(All the figures are in Lakhs)

Particulars	31/03/2022	31/03/2021	01/04/2020
Investment in other than subsudiaries			
100 (100) Unquoted Equity Shares of Rs. 10 Each Fully Paid Up in	0.01	0.01	0.01
	0.01	0.01	0.01

(i) The cost of these investments approximate their fair value because there is a wide range of possible fair value measurements and the cost

8. Other financial assets

(All the figures are in Lakhs)

Particulars	31/03/2022	31/03/2021	01/04/2020
Security Deposits			
Unsecured, considered good			
Security Deposit	11.21	1.41	2.20
Rent Deposit	84.12	30.60	30.60
Other Deposit	9.97	35.56	21.42
Others			
Unsecured, considered good			
Dinesh Patel	10.56	10.56	10.56
Kashi Parekh Bros	52.00	77.00	77.00
Mustak Ibrahim Patel	15.00	15.00	15.00
Tecso Projects Limited	37.69	37.69	37.69
	220.54	207.81	194.45

9. Other non-current assets

(All the figures are in Lakhs)

Particulars	31/03/2022	31/03/2021	01/04/2020
Other non-current assets			
Income Tax paid under appeal	18.00	18.00	18.00
	18.00	18.00	18.00

10. Inventories

(All the figures are in Lakhs)

Particulars	31/03/2022	31/03/2021	01/04/2020
Work in Progress			
Closing Stock of Power Plant	9917.71	3348.86	2877.28
Stock in Trade			
Closing Stock of Land	673.51	603.15	521.35
Closing Stock of Flats	74.74	74.74	74.74
	10665.96	4026.75	3473.37

Refer Schedule no. 19 and 24 for details on inventories pledged as security by the company.

11. Trade receivables

(All the figures are in Lakhs)

Particulars	31/03/2022	31/03/2021	01/04/2020
Trade receivables			
Unsecured, considered good			
Sundry debtors (CPP)	1517.51	3166.18	1235.04
Sundry debtors (OTHER)	-	-	0.03
Sundry debtors (PLOT)	763.81	737.58	720.45
Sundry debtors (POWER SALES)	1397.03	1083.42	882.34
	3678.35	4987.17	2837.86

Ageing Schedule as on 31st March, 2022

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment (Refer Note below)					Total
			Less than 6 Month	6 Months-1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade receivables-considered good	1277.18	1678.48	455.81	266.89	-	-	-	**3678.35**
(ii) Undisputed Trade receivables-Which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables-credit impaired	-	-	-	-	-	-	-	-
(iv) disputed Trade receivables-considered good	-	-	-	-	-	-	-	-

(v) disputed Trade receivables- Which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) disputed Trade receivables- credit impaired	-	-	-	-	-	-	-	-

Where due date of payment is not available date of transaction has been considered.

Ageing Schedule as on 31st March, 2021

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment (Refer Note below)					Total
			Less than 6 Month	6 Months-1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade receivables- considered good	1008.29	1439.44	2460.03	52.59	26.83	-	-	4987.17
(ii) Undisputed Trade receivables- Which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables- credit impaired	-	-	-	-	-	-	-	-
(iv) disputed Trade receivables- considered good	-	-	-	-	-	-	-	-
(v) disputed Trade receivables- Which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) disputed Trade receivables- credit impaired	-	-	-	-	-	-	-	-

Where due date of payment is not available date of transaction has been considered.

12. Cash and cash equivalents

(All the figures are in Lakhs)

Particulars	31/03/2022	31/03/2021	01/04/2020
Cash in hand			
Cash in hand	6.69	7.73	14.06
Balance with Banks			
Balance with scheduled Banks			
Current Account			
Axis Bank	226.89	-	5.31
Bank of Baroda	-	2.51	68.59
Kotak Mahindra Bank	-	0.54	4.38
State Bank of India	409.15	595.00	34.96
Uco Bank	0.17	1.77	3.52
Yes Bank	-	-	2.85
ICICI Bank	-	0.25	0.50
Other Account			
State Bank of India- Escrow Account	0.13	0.41	0.41
State Bank of india- Dividend Account	0.68	-	-
	643.71	608.20	134.59

13. Bank balances other than (iii) above

(All the figures are in Lakhs)

Particulars	31/03/2022	31/03/2021	01/04/2020
Deposit Accounts			
Fixed Deposit	1920.44	1560.07	902.86
	1920.44	1560.07	902.86

Fixed Deposits are stated along with accrued interest upto the date of balance sheet on the basis of interest certificate obtained from the banks by the management.

14. Loans

(All the figures are in Lakhs)

Particulars	31/03/2022	31/03/2021	01/04/2020
Loans to others			
Loan to Employees	18.22	29.31	25.68
	18.22	29.31	25.68

Type of Borrower	Balance as on 31st March 2022	Percentage to Total Loans	Balance as on 31st March 2021	Percentage to Total Loans
Promoters	-	0%	-	0%
Directors	-	0%	-	0%
KMPs	3.75	21%	1.37	5%
Related Parties	-	0%	-	0%

15. Others

(All the figures are in Lakhs)

Particulars	31/03/2022	31/03/2021	01/04/2020
Other Financial Assets			
Ahmed Mo. Hanif Variyava	0.50	0.50	0.50
TDS Receivable From NBFC	0.68	0.68	0.68
TDS Receivable	123.51	17.35	8.20
TCS Receivable	4.19	0.10	-
Registration Fee Receivable A/c	-	1.92	-
Security Deposit	-	0.14	-
Shailesh Joshi	-	2.00	-
	128.89	22.68	9.38

16. Other current assets

(All the figures are in Lakhs)

Particulars	31/03/2022	31/03/2021	01/04/2020
Advances other than capital advances			
Advance Given to Suppliers	6765.52	2093.73	1.86
Brokerage Paid in Advance	5.97	-	-
Other current assets			
GST Credit Receivable	1799.10	755.76	593.79
GST Refund Receivable	24.50	24.50	158.91
Prepaid Expenses	27.01	34.66	13.45
Fd interest receivable	-	-	0.58
Fast Tag A/c	-	0.04	0.02
Other Advances	526.25	77.00	89.17
	9148.35	2985.69	857.77

17. Equity share capital

(All the figures are in Lakhs)

Particulars	31/03/2022	31/03/2021	01/04/2020
Authorised share capital			
20000000 (20000000) Equity Shares FULLY PAID of Rs. 10/- Par Value	2000.00	2000.00	2000.00
Issued			
1,80,67,000 (1,80,67,000) Equity Shares FULLY PAID of Rs. 10/- Par Value	1806.70	1806.70	1806.70
Subscribed			
1,80,67,000 (1,80,67,000) Equity Shares FULLY PAID of Rs. 10/- Par Value	1806.70	1806.70	1806.70
Paidup			
1,80,67,000 (1,80,67,000) Equity Shares FULLY PAID of Rs. 10/- Par Value	1806.70	1806.70	1806.70
	1806.70	1806.70	1806.70

Holding more than 5%

Particulars	31/03/2022 Number of shares	31/03/2022 % Held	31/03/2021 Number of shares	31/03/2021 % Held	01/04/2020 Number of shares	01/04/2020 % Held
FARUKBHAI GULAMBHAI PATEL	9838767	54.46	9508000	52.63	9287200	51.40
RAISONNEUR CAPITAL LTD.			1357444	7.51	1357444	7.51

Details of Shares for preceding Five years

Particulars	31/03/2022	31/03/2021	31/03/2020	31/03/2019	31/03/2018
Number of Equity shares bought back	0	0	0	0	0
Number of Preference shares reedeemed	0	0	0	0	0
Number of Equity shares issued as bonus share	0	0	0	0	6472222
Number of Preference shares issued as bonus share	0	0	0	0	0
Number of Equity shares alloted for contracts without	0	0	0	0	0
Number of Preference shares alloted for contracts without payment received	0	0	0	0	0

Reconciliation

Particular	31/03/2022 Number of shares	31/03/2022 Amount	31/03/2021 Number of shares	31/03/2021 Amount	31/03/2020 Number of shares	31/03/2020 Amount
Number of shares at the beginning	18067000	180670000	18067000	180670000	18067000	180670000
Add: Issue	0	0	0	0	0	0
Less: Bought back	0	0	0	0	0	0
others	0	0	0	0	0	0
Numbers of shares at the end	18067000	180670000	18067000	180670000	18067000	180670000

Shareholding of Promoters

Shares held by promoters as at 31st March, 2022			% Change during
Name of the Promoter	No. of shares	% of total shares	the year
Farukbhai Gulambhai Patel	9838767	54.46	3.48%
Gulammahmad Alibhai Patel	5500	0.03	0.00%
Vahidabanu Faruk Patel	342	0	0.00%
Rashida Gulam Patel	5500	0.03	0.00%
Aayesha Farukbhai Patel	342	0	0.00%

Shares held by promoters as at 31st March, 2021			% Change during
Name of the Promoter	No. of shares	% of total shares	the year
Farukbhai Gulambhai Patel	9508000	52.63	2.38%
Gulammahmad Alibhai Patel	5500	0.03	0.00%
Vahidabanu Faruk Patel	342	0	0.00%
Rashida Gulam Patel	5500	0.03	0.00%
Aayesha Farukbhai Patel	342	0	0.00%

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.
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.
During the year ended March 31, 2022 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.

18. Other Equity

(All the figures are in Lakhs)

Particulars	31/03/2022	31/03/2021	01/04/2020
Securities Premium Opening (Refer Note No. (i) below)	5139.40	5139.40	5139.40
Retained Earnings Opening	4284.02	2855.12	2855.12
Amount Transferred from Statement of P & L	4324.54	1435.47	
Appropriation and Allocation	-1.11	-6.57	
Dividend Payment (Refer Note (iii) Below)	-179.98		
Retained Earnings Closing	8427.46	4284.02	
	13566.86	9423.42	7994.52

(i) Securities Premium is used to record the premium on issue of shares and is utilised in accordance with the provisions of the Companies Act, 2013.
(ii) Retained Earnings are the profits of the Company earned till date net of appropriations.
(iii) The Board of Directors at its meeting held on 2nd November, 2021 and 17th January, 2022 has declared an interim dividend at Rs. 0.60 per share and Rs. 0.40 per share

19. Borrowings

(All the figures are in Lakhs)

Particulars	31/03/2022	31/03/2021	01/04/2020
Term Loan			
Banks			
Secured			
State Bank of India	28004.42	3740.47	2441.20
Axis Bank Limited	1.57	8.29	13.11
HDFC Bank Limited	-	0.56	3.79
ICICI Bank Limited	11.58	-	11.94
Financial Institution			
Secured			
Cholamandalam Investment and Finance Limited	3.33	-	-
Daimler Financial Services Private Limted	28.90	-	-
Vivriti Capital Private Limited	866.67	-	-
Power Finance Corporation Limited	-	16809.58	7944.95
Unsecured			
Bajaj Finance Limited	12.36	22.68	-
State Bank of India	0.42	-	-
Loan and Advances From Related Parties			
Unsecured			
Director			
FARUK GULAM PATEL	-	256.60	256.60
	28929.23	20838.18	10671.60

Loan Details	Principal Amount Outstanding	Rate of Interest	Tenure (in months)	Monthly Installment	Security Offered
Daimler Financial Services Private	35.00	6.64%	60	0.69	Hypothecation of Car.
ICICI Bank	0.71	18.10%	24	0.04	Hypothecation of Bike.
ICICI Bank	0.71	18.10%	24	0.04	Hypothecation of Bike.
ICICI Bank	0.71	18.10%	24	0.04	Hypothecation of Bike.
Cholamandalam Investment and	7.00	16%	36	0.25	Hypothecation of Tractor.
Vivriti Capital Private Limited	2000.00	6 Months VCPL Index + 5.56%	30	66.67	A. Exclusive Charge on Various Land holdings of the company and promoter loacted at Sudi, Tancha and Bhimpura. B. Further security of firm purchase orders providing cover upto 1.2x of the exposure. C. Exclusive charge on receivables of specific CPP clients for whose order fulfilment the proceeds will be used. D. Second Pari passu charge on entire current assets of the company. E. Cash Collateral of 10% through lien marked fixed deposits. F. A general lien and set off right on all assets of the company.
ICICI Bank	9.84	7.80%	36	0.31	Hypothecation of Car.
Axis Bank	24.00	9.35%	48	0.60	Hypothecation of JCB.
Bajaj Finance Limited	30.41	17%	36	1.08	Nil
State Bank of India	100.00	10.75%	12	8.34	Hypothecation Charge over the entire current assets of the company, both present and future including inventories and receivables and entire cash flows of the company.
State Bank of India	675.00	6 Months MCLR + 1%	48	14.06	
State Bank of India	4800.00	6 Months MCLR + 1%	48	100.00 (EMI shallstartafter 2 Years)	

State Bank of India	2800.00	6 Months MCLR + 0.5%	72	39.33	A. Mortgage of Immovable properties in the form of various lands pertaining to 15.35 MW, 20 MW & 25MW Project, both present and Future as per Sanction letter obtained from Bank. B. Hypothecation of entire plant and machinery of the company both present and future. C. Pledge of 48,55,039 equity shares of Mr. Farukbhai Gulambhai Patel as a colleteral security. D. Personal guarantee of Mr. Farukbhai Gulambhai Patel, Sohil Dabhoya, Rashida Patel and Gulam Ahmed patel. E. Corporate guarantee of M/s Faaiz Money Changer Private Limited. F. Charge on immovable property of M/s Faaiz Money Changer Private Limited. G. Hypothecation of movable properties and assets, including plant and machinery, machinery spares, furniture, fixtures, vehicles and all other movable assets, intangible assets, uncalled capital relating to 25MW project. H. Charge on the operating cash flows, book debts, receivables, revenues, etc. I. Charge on the Debt Service Reserve Account, TRA, any letter of credit, and any other bank accounts. J. Charge on Fixed Deposit of Rs. 3.16 Crore
State Bank of India	7400.00	6 Months MCLR + 0.5%	129	57.00	
State Bank of India	7600.00	6 Months MCLR + 0.5%	150	127.00	
State Bank of India	3480.00	MCLR- 6 Month +3.25 %	120	20.00	A. Mortgage of Immovable properties in the form of various lands as per Sanction letter obtained from Bank. B. Hypothecation of entire plant and machinery of the company comprising of solar plants. C. Personal guarantee of Mr. Farukbhai Gulambhai Patel and Sohil Dabhoya. D. Corporate guarantee of KPI Green Energy Limited. E. Pledge of 51 % of Shares of KPIG Energia Pvt. Ltd. held by KPI Green Energy Limited.
State Bank of India	2300.00	MCLR- 6 Month +3.25 %	114	20.00	
State Bank of India	2301.00	EBLR- 3 Month + 2.75%	120	19.18	A. Mortgage of Immovable properties in the form of various lands as per Sanction letter obtained from Bank. B. Hypothecation of entire plant and machinery of the company comprising of solar plants. C. Personal guarantee of Mr. Farukbhai Gulambhai Patel and Sohil Dabhoya. D. Corporate guarantee of KPI Green Energy Limited. E. Pledge of 30% of shares of Sun Drops Energia Pvt. Ltd. held by KPI Green Energy Ltd.

20. Lease liabilities

(All the figures are in Lakhs)

Particulars	31/03/2022	31/03/2021	01/04/2020
Lease Liability KP House	424.20	425.32	409.88
Lease Liability Plot	7879.01	7484.90	7133.55
Lease Liability Land	2654.65	-	-
	10957.86	7910.22	7543.42

The birfurcation of lease liability into Current and Non-current is not ascertainable as on the date of Balance sheet and hence the entire lease liability has been classified as non-

21. Other financial liabilities

(All the figures are in Lakhs)

Particulars	31/03/2022	31/03/2021	01/04/2020
Other Long Term Liabilities			
Bondada Engineering Private Limited	50.00	50.00	50.00
Mafatlal industries	-	-	11.00
Solarsquare Energy Private Limited	-	-	50.00
Tierra Manpower & Consultancy Private Limited	-	-	0.06
	50.00	50.00	111.06

22. Provisions

(All the figures are in Lakhs)

Particulars	31/03/2022	31/03/2021	01/04/2020
Employee Benefits			
Gratuity			
Gratuity Payable and others	49.27	19.93	8.05
	49.27	19.93	8.05

23. Deferred tax liabilities (Net)

(All the figures are in Lakhs)

Particulars	31/03/2022	31/03/2021	01/04/2020
Deferred Tax Assets			
Employee Benefits	7.29	4.85	2.07
Expenditure disallowances	36.25	53.40	70.55
Deferred Tax Liabilities			
Depreciation	4123.36	2526.95	1728.35
	4079.83	2468.70	1655.72

Calculation of Deferred Tax	As at 31st March, 2022	As at 31st March, 2021
Deferred Tax Liabilities		
Preliminary Expenses Allowable in 5 Years	68.15	68.15
Depreciation	6342.56	3172.84
Tax on Deferred Liabilities @25.17%	1613.58	815.76
Deferred Tax Assets		
Provision for Gratuity	9.70	11.04
Tax on Deferred Assets @25.17%	2.44	2.78
Deferred Tax Liabilities / Assets Transferred to Balance Sheet		
Opening Balance of Deferred Tax (Liabilities)	2468.70	1655.72
Deferred Tax (Liabilities) Charged to P & L A/c	1611.51	815.19
Deferred Tax Assetcreated through OCI	0.37	2.21
Deferred Tax (Liabilities) transferred to Balance sheet	4079.83	2468.70

24. Borrowings

(All the figures are in Lakhs)

Particulars	31/03/2022	31/03/2021	01/04/2020
Current Maturities of Long-term debt			
State Bank of India	2455.24	192.11	915.87
Axis Bank Limited	6.72	6.13	18.01
HDFC Bank Limited	0.56	3.22	2.96
ICICI Bank Limited	6.45	11.94	13.80
Cholamandalam Investment and Finance Limited	2.22	-	1.56
Daimler Financial Services Private Limted	6.10	-	-
Vivriti Capital Private Limited	800.00	-	-
Power Finance Corporation Limited	-	1530.32	797.71
Bajaj Finance Limited	9.90	7.72	-
Kotak Mahindra Bank Limited	-	-	4.49
Loans repayable on Demand			
Banks			
Secured			
HDFC - BG and LC	-	-	1171.72
State bank of India -CC	1473.69	1176.76	-
HDFC Bank Ltd. -CC	-	-	299.03
	4760.89	2928.21	3225.15

The CC from State Bank of India is secured by hypothecation charge over the entire current assets of the company both present and future comprising of raw materials, semi-finis

25. Trade Payables

(All the figures are in Lakhs)

Particulars	31/03/2022	31/03/2021	01/04/2020
Creditors due others			
Sundry creditors	4437.59	2527.22	3743.93
Sundry creditors (PLOT)	23.14	-25.20	7.75
Sundry creditors (LAND)	223.60	-320.93	418.07
	4684.33	2181.10	4169.75

Ageing Schedule as on 31st March, 2022

Particulars	Outstanding for following periods from due date of payments				Total
	Less than 1 year	1-2 year	2-3 year	More than 3 years	
(i) MSME	333.45	-	38.00	-	371.45
(II) Others	4046.44	109.27	117.82	39.34	4312.88
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-

Ageing Schedule as on 31st March, 2021

Particulars	Outstanding for following periods from due date of payments				Total
	Less than 1 year	1-2 year	2-3 year	More than 3 years	
(i) MSME	2.65	53.72	-	-	56.37
(II) Others	1682.62	382.55	58.45	1.10	2124.72
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-

Trade Payables Covered Under MSMED Act, 2006 :

Trade Payables covered under MSMED Act, 2006 are those creditors who are outstanding at the balance sheet date. Out of which creditors due for more than 45 days as on the

(All the figures are in Lakhs)

Particulars	31/03/2022	31/03/2021
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	333.45	56.37
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Interest paid/reversed during the year	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	NA	NA
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-

26. Other financial liabilities

(All the figures are in Lakhs)

Particulars	31/03/2022	31/03/2021	01/04/2020
Other Payables			
Employee Related			
Accured Salary Payable			
Salary Payable	42.81	29.23	25.90
Tax Payable			
TDS & TCS			
TDS Payable	65.91	21.86	23.57
GST Payable	15.78	1.23	1.59
Professional Tax Payable	0.28	-	0.14
TCS Payable	-	0.27	-
Other Advances			
Cutomer Deposit			
Kpark Sunbeat Private Limited	-	40.00	-
KPEV Charging Private Limited	-	40.00	-
KPGenix Sunray Private Limited	-	40.00	-
KPIG Renewables Private Limited	-	40.00	-
KP Sor-Urja Limited	-	40.00	-
Quyosh Energia Private Limited	-	40.00	-
Other Accured Expenses			
P.F. Payable	0.98	0.60	0.44
Rent Payable	6.17	7.65	12.99
ESIC payable	0.17	0.07	-
Provision for Expenses	64.04	149.21	1.22
Wages for site payable	-	-	3.75
Other Current Liabilities			
Director Sitting Fees Payable	1.55	1.13	1.35
Employee Imprest Payable A/c	0.53	1.25	0.38
	198.22	452.50	71.34

27. Other Current liabilities

(All the figures are in Lakhs)

Particulars	31/03/2022	31/03/2021	01/04/2020
Revenue Received in Advance			
Income Received in Advance	0.50	-	-
Other Current Liabilities			
Advance Received from Debtors	8647.53	-	-
	8648.03	-	-

28. Provisions

(All the figures are in Lakhs)

Particulars	31/03/2022	31/03/2021	01/04/2020
Employee Benefits			
Gratutity			
Provision for Gratuity	2.92	0.68	0.17
Tax Provision			
Current Tax			
Provision For Income Tax	-	-	124.40
	2.92	0.68	124.58

29. Revenue from operation

(All the figures are in Lakhs.)

Particulars		31/03/2022	31/03/2021
Sale of products			
Sale of power		5759.32	4818.20
Sale of power plant		16792.75	4978.78
Sale of plot		395.99	553.22
Sale of solar panel		30.88	-
Sale of services			
Sale of lease, operation and maintanance services (Refer Note (i)			
		15.16	-
		22994.11	10350.21

(i) The company has granted operating lease of the Lands on which CPP Plant has been constructed to the respective customers and has

30. Other income

(All the figures are in Lakhs.)

Particulars		31/03/2022	31/03/2021
Interest			
Interest income		123.73	41.78
Miscellaneous			
Scrap Sales		17.87	-
Other Income		15.38	-
Round off		0.02	-
Rate difference		-	1.74
Discount		0.58	-
		157.58	43.53

31. Cost of material consumed

(All the figures are in Lakhs.)

Particulars		31/03/2022	31/03/2021
Raw Material			
Opening		3348.86	2877.28
Purchase		18881.12	5252.29
Adjustment		-3171.12	-2520.00
Closing		9917.71	3348.86
		9141.16	2260.71

Details of Raw Material

Particulars		31/03/2022	31/03/2021
Solar Plant		9141.16	2260.71
		9141.16	2260.71

32. Purchase of Stock-in-Trade

(All the figures are in Lakhs.)

Particulars		31/03/2022	31/03/2021
Stock-in-Trade			
Land Purchase		132.95	126.16
Purchase Power Units		206.36	146.06
		339.30	272.22

33. Changes in inventories of finished goods, work-in-progress and stock-in-trade

(All the figures are in Lakhs.)

Particulars		31/03/2022	31/03/2021
Opening			
Stock-in-Trade		677.89	596.09
Closing			
Stock-in-Trade		748.25	677.89
Increase/Decrease			
Stock-in-Trade		-70.36	-81.80
		-70.36	-81.80

Details of Changes in Inventory

Particulars		31/03/2022	31/03/2021
Stock-in-Trade			
Land		-70.36	-81.80
		-70.36	-81.80

34. Employee benefit expense

(All the figures are in Lakhs.)

Particulars		31/03/2022	31/03/2021
Salaries, Wages & Bonus			
Incentive Expenses		21.09	2.28
Bonus Expense		0.42	10.50
Salary Expenses		334.49	144.40
Stipend Expenses		1.10	0.69
Contribution to Gratuity			
Provision for Gratuity and others		30.30	3.60
Contribution to Provident Fund			
Contribution to PF		4.17	3.07
Staff Welfare Expenses			
Staff Welfare Expenses		33.19	3.66
Administration Charges		0.28	-
Contribution to Labor Welfare Fund		0.02	0.01
Employee Medical Insurance Expense			
Contribution to ESIC		1.05	0.96
		426.11	169.16

35. Finance Costs

(All the figures are in Lakhs.)

Particulars		31/03/2022	31/03/2021
Interest expenses			
Interest expenses (Refer Note (i))		2174.35	1502.64
Lease Finance Cost			
KP House		50.19	48.37
Plot		912.00	841.76
Land		52.94	-
Bank Charges			
Bank Charges		0.77	63.27
Other Interest Charges			
Interest on GST/VAT Late Payment		0.01	.04
Interest on Income Tax		0.01	-
Interest on Prefessional Tax		0.00	0.00
Interest on TCS		0.01	0.05
Interest on TDS		0.66	2.00
Finance Charges			
Other Finance Charges			
Bank gurantee charges		1.98	0.40
LC Charges		10.08	34.91
Loan Processing Charges		108.98	12.75
Loan Prepayment Charges		381.05	-
Inspection Charges		0.30	-
		3693.32	2506.18

(i) Out of Total interest expense of Rs. 2944.88 Lakhs:

36. Depreciation and amortisation expense

(All the figures are in Lakhs.)

Particulars		31/03/2022	31/03/2021
Depreciation & Amortisation			
Depreciation Tangible Assets		968.27	1251.61
Amortisation ROU Assets		435.56	394.97
Amortisation Intangible Assets		2.17	0.56
		1406.01	1647.14

37. Other Expenses

(All the figures are in Lakhs.)

Particulars		31/03/2022	31/03/2021
Manufacturing Service Costs Expenses			
Power and Fuel			
Petrol & Diesel Expenses		25.84	15.58
Other Manufacturing Costs			
SLDC Charges		4.49	5.17
Jamin Mehsul		5.47	-
Labour Expenses		3.72	10.02
Wages for Site		9.99	-
Site Exp.		22.62	7.82
Transmission Charges		969.32	682.89
Transmission Line Exp.		53.23	-
Installation Charges		0.57	-
Civil Work		5.66	-
Electrical Material Purchase		-	0.27
Electricity Deviation Settlement Charges		16.33	20.81
O&M Material Expense		-	14.58
N.A. Permission and Other Expenses		55.09	21.13
DLR Mapani		1.62	-
Solar Panel Cleaning System		20.31	-
Pile Foundation Work		132.10	-
Administative and General Expenses			
Telephone Postage			
Telephone Expenses		0.03	0.10
Courier Charges		0.93	0.64
Mobile Expenses		5.31	3.73
Printing Stationery			
Stationary & Printing Exp.		28.08	10.88
Rent Rates and Taxes			
Room Rent (Refer Note (ii))		2.16	2.60
Professional Tax-Company		0.14	0.07
Machinery Rent Expenses (Refer Note (i))		0.55	0.52
Common ITC reversal under rule 42 & 43		50.46	21.30
Property Tax		0.25	2.54
Hire charges		12.27	0.80
Toll Tax		0.01	-
Local Tax		6.42	-
RTU Rental Charges		2.67	1.94
Auditors Remuneration			
Auditors Remuneration		7.84	7.15
Internal Audit Fees		1.04	0.96
Director Sitting Fees			
Sitting Fees to Directors		2.28	1.23
Managerial Remuneration			
Director Remuneration		86.58	81.18
Repairs & Maintainnence Exp			
Repairs & Maintainnence Exp		16.10	24.92
Electricity Expenses			
Electricity Expenses		7.56	5.73
Travelling Conveyance			
Travelling Conveyance		23.88	26.01
Foreign Travelling Conveyance		0.96	-
Legal and Professional Charges			
Consultancy Charges		19.46	13.60
Legal and Professional Charges		109.26	29.86
Insurance Expenses			
Insurance Expenses		61.82	21.44
Donation Subscriptions			
CSR Expenses		115.65	51.53
Donation		7.71	5.00
Catering Canteen Expenses			
Canteen Expenses		27.36	13.42

Information Technology Expenses			
Computer Expenses		4.70	1.38
Software Expenses		5.59	2.52
Internet Charges		4.50	5.65
VPA Data Charged		-	0.86
Registration and Filing Fees			
ROC Penalty		-	0.02
ROC Exp		14.48	18.83
Other Administrative and General Expenses			
ABT Meter Charges		0.35	-
Accomodation Expenses		6.40	2.45
Advocate Fees Expense		14.24	-
AMC Charges		1.38	0.22
Annual Custody Fees		0.90	0.90
Application Fees		1.39	0.09
Connectivity Charges		6.47	-
Compensation Exp.		31.64	-
Discount		-0.13	121.05
GST Late Fees		0.03	0.02
House Keeping Expense		4.23	2.28
Inspection Charges		0.30	-
Warehouse charges		0.60	-
JobWork		1.02	-
Late Payment Charges		0.09	-
Layout Expenses		4.08	-
Labour Expense-SUDI SITE		5.12	-
Licence Expense		-	2.00
Membership Fees		1.64	5.01
Misc Expenses		7.24	0.76
MTOA Cancellation Charges		-	3.19
Office Expenses		10.00	5.86
Penalty Exp.		0.09	0.10
Permission Exp.		-	0.07
Reactive Emergy Charges		1.33	-
REC Project Fees		0.47	-
Registration Expense		12.18	8.75
Security Exp.		4.77	3.62
Stamp & Franking Expense		84.80	23.73
Supervision Charges		-	0.82
System Study charges		4.72	-
Water Charges		0.63	-
TDS Expense		0.07	0.50
Technical Testing & Analytical Charges		2.43	0.45
Transportation Expenses		4.80	1.72
Selling Distribution Expenses			
Advertising Promotional Expenses			
Advertisement Expenses		14.02	5.10
Business Promotion Expenses		41.41	19.92
Commission Paid			
Brokerage Expenses		47.60	14.76
		2268.68	1358.06

(i) The company has taken xerox machine on lease which is treated as a low value asset as per the exemption given by IND AS 116 on Leases and hence the rent charged on same Rs. 0.55 Lkahs (0.52 Lakhs) have been debited to Profit & Loss Account.

(ii) The company has taken hotels and guest houses on lease on temporary basis for short term accomodation of their site employees and for employees during travelling for work purposes. Since, the same are for a period less than 12 months, they have been treated as short -term leases as per the exemption given by IND AS 116 and the rent charged on same of Rs. 2.16 Lakhs (2.60) Lakhs have been debited to Profit & Loss Account.

38. Exceptional Items

(All the figures are in Lakhs.)

Particulars		31/03/2022	31/03/2021
Prior Period Expense			
Prior Period Expense		11.45	11.40
		11.45	11.40

39. Deferred Tax

(All the figures are in Lakhs.)

Particulars		31/03/2022	31/03/2021
Deferred Tax		1611.50	815.19
		1611.50	815.19

40. Items that will not be reclassified to profit or loss

(All the figures are in Lakhs.)

Particulars		31/03/2022	31/03/2021
Deferred Tax		1.49	8.78
		1.49	8.78

41. Income tax relating to items that will not be reclassified

(All the figures are in Lakhs.)

Particulars		31/03/2022	31/03/2021
Deferred Tax		-0.37	-2.21
		-0.37	-2.21

42. FAIR VALUE DISCLOSURES

i) Financial instruments by category

Particulars	As at March 31, 2022			As at March 31, 2021		
	FVTPL	FVOCI	AMORTISED COST	FVTPL	FVOCI	AMORTISED COST
Financial assets						
Investments	-	-	-	-	-	-
Security deposits	-	-	11.21	-	-	1.55
Rental deposits	-	-	84.12	-	-	30.60
Trade receivables	-	-	3678.35	-	-	4987.17
Cash and cash equivalents	-	-	643.71	-	-	608.20
Other bank balances	-	-	1920.44	-	-	1560.07
Loans	-	-	18.22			29.31
Derrivative asset	-	-	-	-	-	-
Other financial assets	-	-	254.10	-	-	198.35
Total	**-**	**-**	**6610.15**	**-**	**-**	**7415.25**
Financial liabilities						
Borrowings	-	-	33690.12	-	-	23766.39
Trade payable	-	-	4684.33	-	-	2181.10
Lease Liabilities	-	-	10957.86	-	-	7910.22
Other financial liabilities	-	-	248.22	-	-	502.50
Total	**-**	**-**	**49580.54**	**-**	**-**	**34360.20**

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

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

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

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, 2022	Level 1	Level 2
Financial assets		
-	-	-
Total financial assets	-	-

March 31, 2021	Level 1	Level 2
Financial assets		
-	-	-
Total financial assets	-	-

Valuation process and technique used to determine fair value

(i) The fair value of investments in government securities and quoted equity shares is based on the current bid price of respective investment as at the balance sheet date.

(ii) The fair value of investments in mutual fund units is based on the net asset value (NAV) as stated by the issuers of these mutual fund units in the published statements as at

(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:

Derivative financial assets:

The Company has not entered into derivative financial instruments.

(iii) Fair value of instruments measured at amortised cost

Particulars	Level	March 31, 2022		March 31, 2021	
		Carrying value	Fair value	Carrying value	Fair Value
Financial assets					
Security deposits	Level 3	11.21	11.21	1.55	1.55
Rental deposits	Level 3	84.12	84.12	30.60	30.60
Loans	Level 3	18.22	18.22	29.31	29.31
Other financial assets	Level 3	254.10	254.10	198.35	198.35
Total Financial assets		**367.65**	**367.65**	**259.80**	**259.80**
Financial liabilities					
Borrowings	Level 3	33690.12	33690.12	23766.39	23766.39
Lease Liabilities	Level 3	10957.86	10957.86	7910.22	7910.22
Other financial liabilities	Level 3	248.22	248.22	502.50	502.50
Total Financial liabilities		**44896.21**	**44896.21**	**32179.10**	**32179.10**

The management assessed that security deposits, loan to related parties, other financial assets and other financial liabilities approximate their carrying amounts largely due to

(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

(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

43.1 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

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade	Ageing analysis	Bank deposits, diversification of asset
Liquidity risk	Borrowings and other liabilities	Rolling cash flow	Availability of committed credit lines
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

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

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 carrying amount of financial assets represents the maximum credit exposure.

- cash and cash equivalents,

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

A: Low

Assets under credit risk –

Description		March 31, 2022	March 31, 2021
A: Low	Loans	18.22	29.31
	Investments	0.01	0.01
	Other financial assets	254.10	198.35
	Cash and cash equivalents	643.71	608.20
	Other bank balances	1920.44	1560.07
	Trade receivables	3678.35	4987.17

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

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

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

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

Maturities of financial liabilities

The tables below analyze the Company's financial liabilities into relevant maturity of the Company based on their contractual maturities for all non-derivative financial

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

March 31, 2022	Less than 1 year	1-3 year	More than 3 years	Total
Borrowings	4907.25	7513.12	21269.75	33690.12
Lease Liabilities	-	481.14	10476.72	10957.86
Trade payable	4379.89	265.10	39.34	4684.33
Other financial liabilities	198.22	-	50.00	248.22
Total	9485.36	8259.36	31835.81	49580.54

March 31, 2021	Less than 1 year	1-3 year	More than 3 years	Total
Borrowings	3054.77	4660.34	16051.28	23766.39
Lease Liabilities	-	305.16	7605.05	7910.22
Trade payable	1685.27	494.73	1.10	2181.10
Other financial liabilities	452.50	-	50.00	502.50
Total	5192.54	5460.23	23707.44	34360.20

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, 2022, the Company is exposed to changes in market interest

Interest rate risk exposure

Below is the overall exposure of the Company to interest rate risk:

Particulars	March 31, 2022	March 31, 2021
Variable rate borrowings	1892.90	1437.81
Fixed rate borrowings	281.45	64.83
Total borrowings	**2174.35**	**1502.64**

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

Particulars	Effect on profit after tax	
	March 31, 2022	**March 31, 2021**
- Impact due to increase of 50 basis points*	-168.45	-69.48
- Impact due to decrease of 50 basis points*	168.45	69.48

*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

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

The Company does not have any significant investments in equity instruments which create an exposure to price risk.

43.2 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 and other bank balances 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

The Company's adjusted net debt to equity ratio as at year end were as follows:

Particulars	March 31, 2022	March 31, 2021
Total borrowings	33690.12	23766.39
Less : cash and cash equivalents	2564.15	2168.27
Net debt	31125.97	21598.11
Total equity	15373.56	11230.12
Adjusted net debt to adjusted equity ratio	2.02	1.92

Dividends

Particulars	March 31, 2022	March 31, 2021
Equity shares		
(i) Interim Dividend		
For the year ended March 31, 2022 of ` 1.00 per share (excluding tax)	179.98	-
For the year ended March 31, 2021 of ` 0.00 per share (excluding tax)	-	-
(ii) Proposed Dividend		
For the year ended March 31, 2022 of ` 0.00 per share (excluding tax)	-	-
For the year ended March 31, 2021 of ` 0.00 per share (excluding tax)	-	-

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

44. Pursuant to the Indian Accounting Standard (Ind AS- 33) – Earnings per Share, the disclosure is as under:

Particulars	UOM	31st March, 2022	31st March, 2021
Basic and Diluted EPS			
Profit after tax as per Statement of Profit and Loss	Lakhs	4323.41	1428.90
Weighted average number of equity shares outstanding during the year	No.	18067000	18067000
Nominal Value of Equity Shares	Rs.	10	10
Basic and Diluted EPS	Rs.	23.93	7.91

45. SEGMENT REPORTING
Information reported to the CODM for the purpose of resource allocation and assessment of segment performance focuses on business segment which comprises of Sale of
Sale of Power & Power Plant: Comprises of developing, building, owning, operating and maintaining solar power plants as an Independent Power Producer (IPP) and Captive
Sale of Plots: Comprises of Creation of plots from blocks and sellling the same.
Revenue and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reporting segment
The accounting principles consistently used in the preparation of the financial statements are also consistently applied to record income and expenditure in individual

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
1. Segment Revenue		
Sale of Power & Solar Power Plant	22598.12	9796.99
Sale of Plot	395.99	553.22
Less: Inter Segment Revenue	0	0
Total Segment Revenue	**22994.11**	**10350.21**
2. Segment Results		
Profit/(Loss) from Sale of Power & Solar Power Plant	7758.77	3709.97
Profit/(Loss) from Sale of Plot	289.91	497.59
Total Segment Results	**8048.68**	**4207.56**
Less: Finance Costs	750.03	1128.48
Other unallocable expenditure net off unallocable revenue	1362.60	828.42
Profit/(Loss) Before Tax	**5936.04**	**2250.66**
3. Segment Assets		
Sale of Power & Solar Power Plant	57192.73	34810.70
Sale of Plot	8236.21	8101.25
Unallocable Assets	12305.21	5167.68
Total Segment Assets	**77734.15**	**48079.62**
4. Segment Liabilities		
Sale of Power & Solar Power Plant	41379.01	33299.50
Sale of Plot	7902.15	0.00
Unallocable Assets	13079.43	3550.00
Total Segment Liabilities	**62360.59**	**36849.50**

Reconciliation of Revenue	Year Ended March 31, 2022	Year Ended March 31, 2021
Revenue from Operations	22994.11	10350.21
Less: Unallocable Revenue	-	-
Total Segment Revenue	**22994.11**	**10350.21**

46. Related Party Transactions

Subsidiaries Incorporated in India

Other Related Parties

Name of Entity	Nature of Relationship
Quyosh Energia Private Limited	Entity in which KMP is having controlling interest
Kpark Sunbeat Private Limited	Entity in which KMP is having controlling interest
Kpgenix Sunray Private Limited	Entity in which KMP is having controlling interest
Kpig Renewables Private Limited	Entity in which KMP is having controlling interest
K P Buildcon Private Limited	Entity in which KMP is having controlling interest
Kp Sor-Urja Limited	Entity in which KMP is having controlling interest
Kp Human Development Foundation	Entity in which KMP is having controlling interest
Faaiz Money Changer Private Limited	Entity in which KMP is having controlling interest
Kpev Charging Private Limited	Entity in which KMP is having controlling interest
Bharuchi Vahora Patel Surat Federation	Entity in which KMP is having controlling interest
Solwaves Energia Private Limited	Entity in which KMP is having controlling interest
Kpzon Energia Private Limited	Entity in which KMP is having controlling interest
Kpsun Krag Private Limited	Entity in which KMP is having controlling interest
Renewable Minds Llp	Entity in which KMP is having controlling interest
K.P. Energy Limited	Entity in which KMP is having controlling interest
K.P Energy Mahua Windfarms Private Limited	Entity in which KMP is having controlling interest
Wind Farm Developers Private Limited	Entity in which KMP is having controlling interest
Ungarn Renewable Energy Private Limited	Entity in which KMP is having controlling interest
Evergreen Mahuva Windfarms Private Limited	Entity in which KMP is having controlling interest
Hgv Dtl Transmission Projects Private Limited	Entity in which KMP is having controlling interest
Vg Dtl Transmission Projects Private Limited	Entity in which KMP is having controlling interest
Kp Energy Oms Limited	Entity in which KMP is having controlling interest
Mahuva Power Infra Llp	Entity in which KMP is having controlling interest
Manar Power Infra Llp	Entity in which KMP is having controlling interest
Miyani Power Infra Llp	Entity in which KMP is having controlling interest
Belampar Power Infra Llp	Entity in which KMP is having controlling interest
Hajipir Renewable Energy Llp	Entity in which KMP is having controlling interest
Vanki Renewable Energy Llp	Entity in which KMP is having controlling interest

Key Management Personnel

Name of the KMP	Designation
Farukbhai Gulambhai Patel	Managing Director
Mohmed Sohil Yusuf Dabhoya	Whole Time Director
Bhadrabala Dhimantraj Joshi	Director
Rajvi Vinodchandra Upadhyay	Company Secretary
Nirav Girishbhai Raval	Chief Financial Officer

The details of amounts due to or due from related parties as at March 31, 2022 and March 31, 2021

Particulars	As at 31st March, 2022	As at 31st March, 2021
Managerial Remuneration Payable		
Farukbhai Gulambhai Patel	4.13	5.34
Mohmed Sohil Yusuf Dabhoya	0.96	0.85
Rajvi Vinodchandra Upadhyay	0.44	0.34
Nirav Girishbhai Raval	1.26	-
Salim Suleman Yahoo	-	1.00
Unsecured Loan		
Farukbhai Gulambhai Patel	-	256.60
Loan Given		
Rajvi Vinodchandra Upadhyay	3.75	1.37
Salim Suleman Yahoo	-	5.00
Sundry Creditor		
K. P. Buildcon Private Limited	7.63	-686.39
KP Energy Limited	-	-5.34
Advance to Suppliers		
K. P. Buildcon Private Limited	26.76	-
KP Energy Limited	2.26	-
Advance given for purchase of property		
Farukbhai Gulanbhai patel	-	266.15
K. P. Buildcon Private Limited	250.00	-
Sitting Fees Payable		
Bhadrabala Dhimantraj Joshi	0.38	-

The details of the related-party transactions entered into by the company, for the years ended March 31, 2022 and March 31, 2021 are as follows :

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Deposit Received		
Quyosh Energia Private Limited	-	40.00
Kpark Sunbeat Private Limited	40.00	40.00
Kpgenix Sunray Private Limited	-	40.00
Kpig Renewables Private Limited	-	40.00
Kp Sor-Urja Limited	-	40.00
Kpev Charging Private Limited	-	40.00
Deposit Returned		
Quyosh Energia Private Limited	40.00	-
Kpark Sunbeat Private Limited	80.00	-
Kpgenix Sunray Private Limited	40.00	-
Kpig Renewables Private Limited	40.00	-
Kp Sor-Urja Limited	40.00	-
Kpev Charging Private Limited	40.00	-
Loans Given		
Kpig Renewables Private Limited	2.88	-
KP Energy Limited	-	450.00
Nirav Girishbhai Raval	40.00	-
Rajvi Vinodchandra Upadhyay	2.50	-
K P Buildcon Private Limited	1978.77	-
Loan Received Back		
Kpig Renewables Private Limited	2.88	-
KP Energy Limited	-	450.00
Nirav Girishbhai Raval	40.00	-
Rajvi Vinodchandra Upadhyay	0.12	0.18
K P Buildcon Private Limited	956.06	-
Donation Given		
Kp Human Development Foundation	6.11	-
Amount Given for CSR Activity		
Kp Human Development Foundation	76.91	27.91
Sales		
K P Buildcon Private Limited	32.43	526.58
Remuneration		
Farukbhai Gulambhai Patel	72.00	72.00
Mohmed Sohil Yusuf Dabhoya	14.57	9.18
Rajvi Vinodchandra Upadhyay	4.83	3.95
Nirav Girishbhai Raval	12.77	-
Salim Suleman Yahoo	-	12.00
Sitting Fees		
Bhadrabala Dhimantraj Joshi	0.38	-

Purchase		
K P Buildcon Private Limited	819.86	133.87
Purchase of capital goods		
K P Buildcon Private Limited	-	2.24
Interest on Unsecured Loan		
K P Buildcon Private Limited	44.40	13.62
Advance received back given for purchase of property		
Rajvi Vinodchandra Upadhyay	-	2.00
Farukbhai Gulambhai Patel	266.15	
Loan Repaid		
Farukbhai Gulambhai Patel	256.60	-
Advance Given for Property		
K P Buildcon Private Limited	250.00	-

47. Ratio Analysis:

Particulars	UOM	Year Ended 31st March, 2022	Year Ended 31st March, 2021	% of variance	Reason for Variance
(i) Current Ratio:					Reduction in Current Ratio is due to Increase in Current Liabilities as a result of Advance received from customers for projects undertaken against which sales invoice will be raised in next financial year.
Current Assets (a)	in Lakhs	26203.91	14219.87		
Current Liabilities (b)	in Lakhs	18294.39	5562.48		
Current Ratio (a/b)	Times	1.43	2.56	-43.97%	
a. Items included in Numerator: All financial and non financial current assets					
b. Items included in Denominator: All financial and non financial current liabilities					
(ii) Debt-Equity Ratio:					Since the variance in the ratio is less than 25%, reasons for change is not given.
Total Debts (a)	in Lakhs	33690.12	23766.39		
Shareholder's Equity (b)	in Lakhs	15373.56	11230.12		
Debt-Equity Ratio (a/b)	Times	2.19	2.12	3.55%	
a. Items included in Numerator : Non current borrowings and current borrowings					
b. Items included in Denominator : Total Equity					
(iii) Debt Service Coverage Ratio:					Since the variance in the ratio is less than 25%, reasons for change is not given.
Earnings available for Debt services (a)	in Lakhs	11046.80	6415.39		
Interest + Installments (b)	in Lakhs	6345.73	3812.71		
Debt Service coverage Ratio (a/b)	Times	1.74	1.68	3.46%	
a. Items included in Numerator : Earning Before Interest, Depreciation and Amortisation					
b. Items included in Denominator : Total Finance cost and Installments					
(iv) Return on Equity Ratio:					Return on Equity is improved due to Revenue growth in CPP Business and consequent Increase in profit and repayment of term loan during the current financial year.
Net Profit after taxes (a)	in Lakhs	4324.53	1435.47		
Equity Shareholder's fund (b)	in Lakhs	15373.56	11230.12		
Return on Equity Ratio (a/b)	Percentage	28.13%	12.78%	120.07%	
a. Items included in Numerator : Profit after tax					
b. Items included in Denominator : Total Equity					
(v) Inventory Turnover Ratio:					Inventory Turnover Ratio is increased due to Purchase of Inventory at the end of current financial year which will be consumed in next financial year.
Cost of Goods Sold (a)	in Lakhs	10730.45	3199.24		
Average Inventory (b)	in Lakhs	7346.35	3750.06		
Inventory Turnover Ratio (a/b)	Times	1.46	0.85	71.21%	
a. Items included in Numerator : Cost of Goods Sold					
b. Items included in Denominator : Average Traded Inventories					
(vi) Trade Receivables Turnover Ratio(in days):					Trade Receivable Turnover Ratio is decreased due to dispropotionate sales of last month of current year as compare last month sales of previous year.
Average Trade Receivables (a)	in Lakhs	4332.76	3912.52		
Sales (b)	in Lakhs	22994.11	10350.21		
Trade Receivables turnover Ratio (a/b)*365	Days	68.78	137.97	-50.15%	
a. Items included in Numerator : Average Trade receivables (including Unbilled revenue)					
b. Items included in Denominator : Total Revenue from Operations					
(vii) Trade Payables Turnover Ratio:					Trade Payable Turnover Ratio is decreased due to dispropotionate Purchase of last month of current year as compare last month purchase of previous year.
Average Trade Payables (a)	in Lakhs	3432.71	3175.43		
Total Purchases (b)	in Lakhs	19220.42	5524.51		
Trade Payables turnover Ratio (a/b)*365	Days	65.19	209.80	-68.93%	
a. Items included in Numerator : Average Trade Payables					
b. Items included in Denominator : Total Purchases					
(viii) Net Capital Turnover Ratio:					Increase is mainly on account of significant increase in the Revenue from operations during the year.
Sales (a)	in Lakhs	22994.11	10350.21		
Working Capital (b)	in Lakhs	12670.41	11585.60		
Net Capital Turnover Ratio (a/b)	Times	1.81	0.89	103.14%	
a. Items included in Numerator : Total Revenue from Operations					
b. Items included in Denominator : Current Assets less Current Liabilities (other than borrowings)					
(ix) Net Profit Ratio:					Net Profit ratio increased compared to last year due to change in sales mix in total revenue which has resulted in increase in PAT.
Net Profit after Tax (a)	in Lakhs	4324.53	1435.47		
Sales (b)	in Lakhs	23151.69	10393.73		
Net Profit Ratio (a/b)	Percentage	18.68%	13.81%	35.25%	
a. Items included in Numerator : Profit after Taxes					
b. Items included in Denominator : Total Income					

(x) Return on Capital Employed:					
Earnings before Interest and Taxes (a)	in Lakhs	9640.80	4768.25		Return on capital employed increased compared to last year due to change in sales mix in total revenue which has resulted in increase in EBIT.
Capital Employed (b)	in Lakhs	53143.51	37465.21		
Return on Capital Employed (a/b)	Percentage	18.14%	12.73%	42.54%	
a. Items included in Numerator : Profit before tax + Interest expense					
b. Items included in Denominator : Total Equity + Total Borrowings + Deferred tax liability					
(xi) Return on Investment:					
Income from Investment (a)	in Lakhs	123.73	41.78		Return on investment increased mainly due to increase in average number of days of investment in current year as compared to last year.
Total Investment (b)	in Lakhs	1920.45	1560.08		
Return on Investment (a/b)	Percentage	6.44%	2.68%	140.56%	
a. Items included in Numerator : Interest Income + Dividend Income					
b. Items included in Denominator : Total Investments + Fixed Deposits					

48. Contingent Liabilities not provided for:

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Income tax Assessment for A.Y. 2016-2017, pending before Comm. Of IT-Appeals-1, Surat	13.31	13.31
Income tax Assessment for A.Y. 2015-2016, pending before Comm. Of IT-Appeals-1, Surat	74.22	74.22
Income tax Assessment for A.Y. 2014-2015, pending before Comm. Of IT-Appeals-1, Surat	14.24	14.24

Notes: The Company has filed an appeal before the Appellate authorities in respect of the disputed matter under the Income Tax Act, 1961 and the appeals are pending with

49. Employee Benefit Plans:

Defined Contribution Plans:

The Company makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution

Defined Benefit Plans:

The Company operates a defined benefit plan (the Gratuity plan) covering eligible employees, which provides a lump sum payment to vested employees at retirement, death,

Particulars	As at March 31, 2022	As at March 31, 2021
i. Reconciliation of Opening and Closing Balances of Defined Benefit Obligation		
Liability at the beginning of the Year	**20.60**	**8.22**
Interest Cost	1.41	0.56
Current Service Cost	5.00	3.04
Past Service Cost	3.28	0.00
Re-measurement (or Actuarial) (gain) / loss arising from:		
change in demographic assumptions	0.00	-
change in financial assumptions	-0.33	-0.07
experience variance (i.e. Actual experiences assumptions)	1.82	8.85
Present Value of Defined Benefits Obligation at the end of the Year	**31.79**	**20.60**
ii. Reconciliation of Opening and Closing Balances of the Fair value of Plan Assets		
Fair Value of Plan assets at the beginning of the Year	**-**	**-**
Investment Income	-	-
Return on plan asset excluding amount recognised in net interest expenses	-	-
Contributions	-	-
Fair Value of Plan assets at the end of the Year	**-**	**-**
iii. Reconciliation of the Present value of defined benefit obligation and Fair value of plan		
Present Value of Defined Benefits Obligation at the end of the Year	31.79	20.60
Fair Value of Plan assets at the end of the Year	-	-
Net (Liability) recognized in balance sheet as at the end of the year	**31.79**	**20.60**
iv. Gratuity Cost for the Year		
Interest Cost	1.41	0.56
Current Service Cost	5.00	3.04
Past Service Cost	3.28	0.00
Investment Income	-	-
Net Gratuity cost in statement of Profit and Loss account	**9.70**	**3.60**
v. Other Comprehensive income		
Actuarial (gains)		
change in demographic assumptions	0.00	-
change in financial assumptions	-0.33	-0.07
experience variance (i.e. Actual experiences assumptions)	1.82	8.85
Return on plan asset excluding amount recognised in net interest expenses	-	-
Components of defined benefit costs recognised in other comprehensive income	**1.49**	**8.78**
vi. Actuarial Assumptions		
Discount Rate (per annum)	6.98%	6.86%
Annual Increase in Salary Cost	7%	7%
Mortality Rate During employment	Indian Assured Lives Mortality 2012-	Indian Assured Lives Mortality (2006-
Attrition Rate	For service 4 years and below 15.00%	For service 4 years and below 15.00%

Sensitivity Analysis:

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below

Particulars	As at March 31, 2022	As at March 31, 2021
Defined Benefit Obligation (Base)	31.79	20.60
Delta Effect of +1% Change in Rate of Discounting	-2.52	-1.66
Delta Effect of -1% Change in Rate of Discounting	2.93	1.92
Delta Effect of +1% Change in Rate of Salary Increase	2.45	1.90
Delta Effect of -1% Change in Rate of Salary Increase	-2.54	-1.67
Delta Effect of +1% Change in Rate of Employee Turnover	-0.23	-0.16
Delta Effect of -1% Change in Rate of Employee Turnover	0.23	0.16

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding
The sensitivity analysis presented above may not be representative of the actual change in the Defined Benefit Obligation as it is unlikely that the change in assumptions would
Furthermore, in presenting the above sensitivity analysis, the present value of the Defined Benefit Obligation has been calculated using the projected unit credit method at the
There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

50. Additional Regulatory information pursuant to the provisions of Schedule III of The Companies Act, 2013

(i) During the year, the company has not owned any immovable properties whose title deeds are not held in the name of the company.
(ii) During the year, company has not revalued any Property, Plant and Equipment.
(iii) The quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of account and hence there
(iv) During the year, the company was not declared as wilful defaulter by any bank or financial Institution or other lender.
(v) Based on the information available with the Company, there are no transactions with struck off companies.

(vi) Auditor's Remuneration:

Particulars	**31-03-2022**	**31-03-2021**
As Statutory Auditor	7.68	6.24
As GST Consultant	0	0.91

(vii) Disclosure relating to Corporate Social Responsibility (CSR)

Particulars	**31-03-2022**	**31-03-2021**
Amount Required to be spent by the company during the year	20.03	10.60
Amount of expenditure incurred	99.84	51.53
Shortfall at the end of the previous year	-	-
Total of previous years shortfall	-	-
Reason for shortfall	**NA**	**NA**
Contribution to a section 8 company controlled by the company in relation to CSR expenditure	76.91	27.91

The company has undertaken following activities towards Corporate Social Responsibility:
(i) Promoting Education.
(ii) Setting up old age homes, day care centres and such other facilities for senior citizens.

The contribution to a section 8 Company controlled by the company has been used for following activities:
(i) Promoting Education.
(ii) Promoting health care including preventinve health care.
(iii) Setting up homes and hostels for women and orphans.
(iv) Setting up old age homes, day care centres and such other facilities for senior citizens.
(v) Welfare of the schedule caste, tribes, other backward classes, minorities and women.

51. The Code on Social Security, 2020

The Code on Social Security 2020 ('Code') has been notified in the Official Gazette on September 29, 2020. The Code is not yet effective and related rules are yet to be

52. Other Statutory information

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
(ii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
(iii) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
(iv) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in
(v) The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on
(vi) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in

53. Significant Events after the Reporting Period

There were no significant adjusting events that occurred subsequent to the reporting period other than the events disclosed in the relevant notes.

54. Approval of Consolidated Financial Statements

The Consolidated financial statements were approved for issue by the Board of Directors on May 3, 2022.

In terms of our attached report of even date
For K A Sanghavi and Co LLP
Chartered Accountants
ICAI FRN : 0120846W/W100289

CA Amish A. Sanghavi
Partner
M. NO. 101413
ICAI UDIN : 22101413AIJQSZ6981

Place : Surat
Date : May 3, 2022

For and on behalf of the Board
KPI Green Energy Limited
(Formerly Known as K.P.I. Global Infrastructure Limited)

Faruk G. Patel	**Mohmed Sohil Y. Dabhoya**	**Nirav G. Raval**	**Rajvi Upadhyay**
(Chairman And Managing Director)	**(Whole Time Director)**	**(Chief Financial Officer)**	**(Company Secretary)**
DIN : 00414045	**DIN : 07112947**		

Place : Surat
Date : May 3, 2022

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF
KPI GREEN ENERGY LIMITED (formerly known as "K.P.I. GLOBAL INFRASTRUCTURE LIMITED")

Report on the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying Consolidated Ind AS Financial Statements of KPI GREEN ENERGY LIMITED (formerly known as "K.P.I. GLOBAL INFRASTRUCTURE LIMITED") ("the Holding company"), its subsidiaries (the Holding Company and its Subsidiaries together referred to as "the Group"), its associates and joint ventures comprising of the consolidated Balance Sheet as at March 31, 2023, 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 Ind AS 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 Ind AS financial statements give the information required by the Companies Act, 2013 ("the 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 consolidated state of affairs of the Group as at March 31, 2023 and their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the companies Act, 2013. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the consolidated Ind AS Financial Statements section of our report. We are independent of the Group, associates and joint ventures 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 Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS 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 Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the 'Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements' section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

Sr. No.	Key Audit Matter	How the matter was addressed in our audit
1.	**Evaluation of uncertain Tax positions** The Group has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of the said dispute. Refer Note No. 49 to the consolidated financial statements	Obtained details of completed Income tax assessment and demand as on March 31, 2023 from management. We involved our internal experts to challenge the management's underlying assumptions in estimating the tax provision and the possible outcome of the dispute. Our internal experts also considered legal precedence and other rulings in evaluating management's position on this uncertain tax position. Additionally, we considered the effect of new information in respect of uncertain tax position as at 01.04.2022 to evaluate whether any change was required to management's position on these uncertainties.
2.	**Evaluation of procedure for recognizing the revenue from sale of power** The Group 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 Group 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 Solar Power plants issued by the GETCO – State Load Dispatch Centre on monthly basis, Calculations of transmission Loss of solar energy 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 2023 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.

Information other than the consolidated Financial Statements and Auditor's Report thereon

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 annual report but does not include the consolidated Ind AS Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated Ind AS 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 Ind AS 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 Ind AS Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated / inconsistent.
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 Ind AS Financial Statements

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associates and joint ventures in accordance with the accounting principles generally accepted in India, including The Indian Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 , as amended. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Group and its associates and joint ventures and for preventing and detecting the frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 Ind AS 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 Ind AS financial statements, the respective management and Board of Directors of the Companies included in the Group and its associates and joint ventures are responsible for assessing the ability of the Group and of its associates and joint ventures 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 Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associates and joint ventures are also responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS 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 Ind AS 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 Holding Company has adequate internal financial controls with reference to consolidated Ind AS 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 consolidated Ind AS 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 ability of the Group and its associates and joint ventures 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 consolidated Ind AS 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 and its associates and joint ventures to cease to continue as a going concern.

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

- Obtain sufficient appropriate audit evidence regarding thefinancial information of the entities or business activities within the Group and its associates and joint ventures of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

Materiality is the magnitude of misstatements in the consolidated Ind AS 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 consolidated Ind AS financial statements.

We communicate with those charged with governance of the 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 Ind AS 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, 2020 (“the Order”), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013 we give in the **“Annexure-A”**, a statement on the matters specified in the paragraph 3 (xxi) of the Order.

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 relating to the preparation of the aforesaid consolidation of the financial statements have been kept so far as appears from our examination of those books ;

    c. The Consolidated Balance Sheet, the consolidated Statement of Profit and Loss including the statement of other comprehensive income, the consolidated Cash Flow Statement and the consolidated statement of changes in equity 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 Ind AS Financial Statements comply with the IND AS specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

    e. On the basis of written representations received from the directors of the Holding Company as on 31st March, 2023, taken on record by the Board of Directors of the Holding company , of its subsidiary companies, its associates and joint ventures, none of the directors of Group companies , its associates and joint ventures are disqualified as on 31st March, 2023, 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 these consolidated Ind AS financial statements of the Holding Company, its subsidiaries, joint ventures and associate companies 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 Auditor's Report in accordance with the requirements of section 197(16) of the Act :

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company, its subsidiaries, associates and joint ventures to its directors during the current year is in accordance with the provisions of section 197 read with Schedule V of the Act.

The remuneration paid to any director is not in excess of the limits 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.

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

1. The consolidated financial statements disclose the impact of pending litigations as at 31ST March, 2023 on its consolidated financial position of the Group, its associates and joint ventures in its consolidated Ind AS financial statements – Refer Note 49 to the consolidated financial statements.
2. The Group, its associates and joint ventures did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
3. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, its associates and joint ventures during the year ended 31ST March, 2023
4.
   i) The respective management of the Holding Company, its subsidiaries, its associates and joint ventures have represented that, to the best of its knowledge and belief, other than as disclosed in the 14 to the consolidated Ind AS financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group. Associates and joint ventures to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group, associates and joint ventures ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
   ii) The respective management of the Holding Company, its subsidiaries, its associates and joint ventures have represented that, to the best of its knowledge and belief, no funds have been received by the Group, its associates and joint ventures from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group, its associates and joint ventures shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
   iii) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us

to believe that the representations under sub clause (i) and (ii) contain any material misstatement.

5. As stated in Note 17 to the consolidated financial statements
    i) The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with Section 123 of the Act
    ii) The company has not proposed any final dividend during the year.

6. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

for **K A SANGHAVI AND CO LLP**
Chartered Accountants
FRN : 0120846W/W100289

Place : **SURAT**
Date : **May 26, 2023**

AMISH ASHVINBHAI SANGHAVI
PARTNER
M. NO. 101413
ICAI UDIN : 23101413BGQWTX2251

Annexure A referred to in paragraph 1 under the heading Report on other legal and regulatory requirements of our report of even date

Re: KPI GREEN ENERGY LIMITED (formerly known as K. P. I. Global Infrastructure Limited)

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

XXI. There has been no qualification or adverse remarks by the auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated Ind As Financial statements. Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.

for K A SANGHAVI AND CO. LLP
Chartered Accountants
FRN : 120846W / W100289

AMISH ASHVINBHAI SANGHAVI
M. NO. 101413
ICAI UDIN : 23101413BGQWTX2251
1001, 1002, 1003, RAJHANS BONISTA,
RAM CHOWK, GHOD DOD ROAD,
SURAT-395007 GUJARAT

Place : SURAT
Date : May 26, 2023

ANNEXURE - B TO THE AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of KPI Green Energy Limited (Formerly known as K.P.I. Global Infrastructure Limited) (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2022, 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 (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and joint ventures as of that date.

Management's Responsibility for Internal Financial Controls

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the 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 the 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 the internal financial controls over financial reporting with reference to consolidate financial statements 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 Companies Act, 2013, 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 over financial reporting with reference to consolidated 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 consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting with reference to consolidated 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 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 controls system over financial reporting with reference to the consolidated financial statements.

Meaning of Internal Financial Controls over Financial Reporting with reference to Consolidated Financial Statements

A company's internal financial control over financial reporting with reference to the 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 over financial reporting with reference to the 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 the Consolidated Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting 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 consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting 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.

Opinion

In our opinion, the Group, its associates and joint ventures 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 2023, 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")

for K A SANGHAVI AND CO. LLP
Chartered Accountants
FRN : 120846W / W100289

AMISH ASHVINBHAI SANGHAVI
M. NO. 101413
ICAI UDIN : 23101413BGQWTX2251
1001, 1002, 1003, RAJHANS BONISTA,
RAM CHOWK, GHOD DOD ROAD,
SURAT-395007 GUJARAT

Place : SURAT
Date : May 26, 2023

KPI Green Energy Limited

(Formerly known as K.P.I. Global Infrastructure Limited)

CIN: L40102GJ2008PLC083302

Reg. office : 'KP House', Opp. Ishwar Farm Junction BRTS, Near Bliss IVF Circle. Canal Road, Bhatar, Surat 395017, Gujarat

Consolidated Balance sheet as at 31st March, 2023

(Rs. In lakhs)

Particulars	Note No.	As at 31st March, 2023	As at 31st March, 2022
I. ASSETS			
1) Non-current assets			
a) Property, Plant and Equipment	3	80035.66	48129.47
b) Capital work-in-progress	4	28.38	3133.26
c) Investment Property			
d) Goodwill			
e) Other Intangible assets	5	26.78	28.95
f) Intangible assets under development			
g) Biological Assets other than bearer plants			
h) Financial Assets			
(i) Investments	6	150.01	0.01
(ii) Trade receivables			
(iii) Loans			
(iv) other financial assets	7	784.16	220.54
i) Deferred tax assets (net)			
j) Other non-current assets	8	18.00	18.00
Total Non-current assets		81042.98	51530.24
2) Current assets			
a) Inventories	9	16497.56	10665.96
b) Financial Assets			
(i) Investments			
(ii) Trade receivables	10	14672.98	3678.35
(iii) Cash and cash equivalents	11	1303.51	643.71
(iv) Bank balances other than (iii) above	12	3936.18	1920.44
(v) Loans	13	18.54	18.22
(vi) Others	14	194.21	128.89
c) Current Tax Assets (Net)			
d) Other current assets	15	7831.53	9148.35
Total Current assets		44454.51	26203.91
Total Assets		125497.49	77734.15
II. EQUITY AND LIABILITIES			
A) EQUITY			
a) Equity share capital	16	3613.40	1806.70
b) Other Equity	17	22178.19	13566.86
Total Equity		25791.59	15373.56
B) LIABILITIES			
1) Non-current liabilities			
a) Financial Liabilities			
(i) Borrowings	18	40912.08	28929.23
(ii) Lease liabilities	19	15434.53	10957.86
(iii) Trade Payables			
Total outstanding dues of micro enterprises and small enterprises (MSE) and			
Total outstanding dues of creditors other than (MSE)			
(iv) Other financial liabilities (other than those specified in item b)	20	50.00	50.00
b) Provisions	21	37.48	49.27
c) Deferred tax liabilities (Net)	22	6268.36	4079.83
d) Other non-current liabilities			
Total Non-current Liabilities		62702.45	44066.19
2) Current liabilities			
a) Financial Liabilities			
(i) Borrowings	23	11203.90	4760.89
(ii) Lease liabilities			
(iii) Trade Payables	24		
Total outstanding dues of micro enterprises and small enterprises (MSE) and		2782.85	371.45
Total outstanding dues of creditors other than (MSE)		19955.34	4312.88

(iv) Other financial liabilities (other than those specified in item c)	25	875.77	198.22
b) Other Current liabilities	26	1874.41	8648.03
c) Provisions	27	4.14	2.92
d) Current Tax Liabilities (net)	28	307.03	-
Total Current liabilities		37003.45	18294.39
Total Liabilities		99705.90	62360.59
Total Equity and Liabilities		125497.49	77734.15

The accompanying notes form an integral part of the Consolidated Financial Statements.

In terms of our attached report of even date
For K A Sanghavi and Co LLP

Chartered Accountants
ICAI FRN : 0120846W/W100289

CA Amish A. Sanghavi

Partner

M. NO. 101413
ICAI UDIN : 23101413BGQWTX2251

Place : Surat
Date : May 26, 2023

For and on behalf of the Board

KPI Green Energy Limited
(Formerly Known as K.P.I. Global Infrastructure Limited)

Faruk G. Patel
(Chairman And Managing Director)
DIN : 00414045

Mohmed Sohil Y. Dabhoya
(Whole Time Director)
DIN : 07112947

Rajvi Upadhyay
(Company Secretary)

Salim S. Yahoo
(Chief Financial Officer)

Place : Surat
Date : May 26, 2023

KPI Green Energy Limited

(Formerly known as K.P.I. Global Infrastructure Limited)

CIN: L40102GJ2008PLC083302

Reg. office : 'KP House', Opp. Ishwar Farm Junction BRTS, Near Bliss IVF Circle. Canal Road, Bhatar, Surat 395017, Gujarat

Consolidated Profit and Loss for the year ended 31st March, 2023

(Rs. In lakhs)

Particulars	Note No.	For the year ended 31st March,2023	For the year ended 31st March,2022
I. Revenue from operation	29	64378.63	22994.11
II. Other Income	30	324.84	157.58
III. Total Income (I+II)		**64703.47**	**23151.69**
IV. Expenses			
a) cost of materials consumed	31	37967.95	9141.16
b) purchase of stock-in-trade	32	445.23	339.30
c) Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	33	-217.50	-70.36
d) Employee benefits expense	34	807.33	426.11
e) Finance costs	35	4676.45	3693.32
f) Depreciation and amortization expenses	36	2261.76	1406.01
g) Other expenses	37	4526.69	2268.68
Total expenses (IV)		**50467.91**	**17204.20**
V. Profit/(loss) before exceptional items and tax (I-IV)		14235.56	5947.48
VI. Exceptional Items	38	48.59	11.45
VII. Profit/(loss) after exceptions items and tax (V-VI)		14186.97	5936.04
VIII. Tax expenses			
a) Current tax	39	1035.96	-
b) Deferred tax	40	2188.22	1611.50
IX. Profit/(loss) for the period from continuing operations (VII-VIII)		10962.79	4324.54
X. Profit/(loss) from discontinued operations		-	-
XI. Tax expenses of discontinued operations		-	-
XII. Profi(loss) from discontinued operations (after tax) (X-XI)		-	-
XIII. Profit/(loss) for the period (IX+XII)		10962.79	4324.54
XIV. Other Comprehensive income			
a) (i) Items that will not be reclassified to profit or loss	41	1.27	-1.49
(ii) Income tax relating to items that will not be reclassified to profit or loss	42	-0.32	0.37
b) (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XV. Total Comprehensive Income for the period (13+14) comprising Profit/(loss) and other comprehensive income for the period		10963.74	4323.42
XVI. Earnings per equity share (for continuing operation)			
a) Basic *		30.33	11.97
b) Diluted *		30.33	11.97

* Figures are in absolute amount.

The accompanying notes form an integral part of the Consolidated Financial Statements.

In terms of our attached report of even date
For K A Sanghavi and Co LLP
Chartered Accountants
ICAI FRN : 0120846W/W100289

For and on behalf of the Board
KPI Green Energy Limited
(Formerly Known as K.P.I. Global Infrastructure Limited)

CA Amish A. Sanghavi

Partner
M. NO. 101413
ICAI UDIN : 23101413BGQWTX2251

Faruk G. Patel
(Chairman And Managing
DIN : 00414045

Mohmed Sohil Y. Dabhoya
(Whole Time Director)
DIN : 07112947

Salim S. Yahoo
(Chief Financial Officer)

Rajvi Upadhyay
(Company Secretary)

Place : Surat
Date : May 26, 2023

Place : Surat
Date : May 26, 2023

KPI Green Energy Limited

(Formerly known as K.P.I. Global Infrastructure Limited)

CIN: L40102GJ2008LC083302

Reg. office : 'KP House', Opp. Ishwar Farm Junction BRTS, Near Bliss IVF Circle. Canal Road, Bhatar, Surat 395017, Gujarat

Consolidated Cash flow statement for the year ended 31st March, 2023

(Rs. in Lacs)

Particulars	For the year ended 31st March,2023	For the year ended 31st March,2022
Cash flow from operating activities		
Profit / (loss) before tax and exceptional items	14186.97	5936.04
Non-cash Adjustment to reconcile Profit before tax to net cash flow:		
Depreciation and amortisation expense	2261.76	1406.01
Interest Income	-265.32	-123.73
Interest Expense	4676.45	3693.32
Amount Directly debited to OCI/Reserves	1.27	-1.49
Loss/ (Profit) on sale of fixed assets	-2.37	-
Operating profit / (loss) before working capital change	**20858.76**	**10910.15**
Changes in operating Asset & Liabilities		
(decrease) / Increase in trade payables	18053.85	2503.24
(decrease) / increase in provisions and other liabilities	-10.58	31.59
(decrease) / increase in other current and other non-current financial liabilities	677.55	-254.28
(decrease) / increase in other current and other non-current liabilities	-6773.62	8648.03
(Increase) / decrease in trade receivables	-10994.63	1308.82
(Increase) / decrease in inventories	-5831.60	-6639.21
(Increase) / decrease in other current and other non-current financial assets	-629.26	0.01
(Increase) / decrease in other current and other assets	1316.82	-6162.66
Cash (used in) / generated from operating activities	**16667.30**	**10345.68**
Direct tax paid, (net of refunds)	-728.93	-107.85
Net cash (used in) / generated from operating activities (A)	**15938.37**	**10237.84**
Cash flow from investing activites		
Payment for purchase of fixed asset and CWIP (Excl. ROU Asset)	-26627.73	-16709.00
Acquisition of ROU Asset	-4558.15	-2354.76
Interest Income received	265.32	123.73
Proceeds from sale of fixed assets	127.36	-
Investment in equity shares of Subsidiary	-150.00	-
Net cash (used in) / generated from investing activities (B)	**-30943.20**	**-18940.04**
Cash flow from financing activities		
Proceeds from issuance of share capital	-	-
Proceeds / (repayment) of lease liability, net	4476.67	3047.65
Proceeds / (repayment) of short term borrowings, net	6443.01	1832.69
Proceeds / (repayment) from long term borrowings, net	11982.85	8091.05
Interest Expense	-4676.45	-3693.32
Cash payments for interest portion of lease liability	-	-
Dividend Paid	-545.72	-179.98
Net cash (used in) / generated from financing activities (C)	**17680.37**	**9098.08**
Net Increase / (decrease) in cash and cash equivalment (A+B+C)	**2675.54**	**395.88**
Cash and cash equivalent at the beginning of the period	**2564.15**	**2168.27**
Cash and cash equivalent at the end of the period	**5239.70**	**2564.15**
Components of cash and cash equivalents		
Cash on hand	**20.30**	**6.69**
Balance with banks		
-on current account	**1283.21**	**637.02**
-other bank balance	**3936.18**	**1920.44**
Total Cash and cash equivalent at the end of the period	**5239.70**	**2564.15**

The accompanying notes form an integral part of the Consolidated Financial Statements.

In terms of our attached report of even date
For K A Sanghavi and Co LLP
Chartered Accountants
ICAI FRN : 0120846W/W100289

CA Amish A. Sanghavi

Partner

M. NO. 101413
ICAI UDIN : 23101413BGQWTX2251

Place : Surat
Date : May 26, 2023

For and on behalf of the Board
KPI Green Energy Limited
(Formerly Known as K.P.I. Global Infrastructure Limited)

Faruk G. Patel	**Mohmed Sohil Y. Dabhoya**
(Chairman And Managing Director)	**(Whole Time Director)**
DIN : 00414045	**DIN : 07112947**
Salim S. Yahoo	**Rajvi Upadhyay**
(Chief Financial Officer)	**(Company Secretary)**

Place : Surat
Date : May 26, 2023

KPI Green Energy Limited
(Formerly known as K.P.I. Global Infrastructure Limited)
CIN: L40102GJ2008LC083302
Reg. office : 'KP House', Opp. Ishwar Farm Junction BRTS, Near Bliss IVF Circle. Canal Road, Bhatar, Surat 395017, Gujarat

Consolidated statement of changes in equity for year ended 31st March, 2023

A. Equity Share Capital

(All the figures are in Lakhs)

Particulars	Amount
Balance as at 31st march, 2021	**1806.70**
Changes in Equity Share Capital during the year	-
Balance as at 31st march, 2022	**1806.70**
Changes in Equity Share Capital during the year	1806.70
Balance as at 31st march, 2023	**3613.40**

B. Other Equity

(All the figures are in Lakhs)

	Reserves and Surplus				Items of Other Comprehensive Income	
Particulars	**Securities Premium**	**General Reserve**	**Capital Reserve**	**Retained Earnings**	**Acturial Gains and Losses**	**Total**
Balance as at 1st April, 2021	**5139.40**	-	-	**4290.59**	**-6.57**	**9423.42**
Profit for the year	-	-	-	4324.54	-	4324.54
Other Comprehensive Income for the year	-	-	-	-179.98	-1.49	-181.47
Tax impact of items not classified to statement of profit and loss	-	-	-	-	0.37	0.37
Balance as at 31st March, 2022	**5139.40**	-	-	**8435.15**	**-7.69**	**13566.86**
Adjusted against Bonus Shares Issue	**-1806.70**					
Profit for the year	-	-	-	10962.79	-	10962.79
Dividend Distributed	-	-	-	-545.72	-	-545.72
Other Comprehensive Income for the year	-	-	-	-	1.27	1.27
Tax impact of items not classified to statement of profit and loss	-	-	-	-	-0.32	-0.32
Balance as at 31st March, 2023	**3332.70**	**-**	**-**	**18852.22**	**-6.73**	**22178.19**

The accompanying notes form an integral part of the Consolidated Financial Statements.

In terms of our attached report of even date
For K A Sanghavi and Co LLP
Chartered Accountants
ICAI FRN : 0120846W/W100289

CA Amish A. Sanghavi
Partner
M. NO. 101413
ICAI UDIN : 23101413BGQWTX2251

Place : Surat
Date : May 26, 2023

For and on behalf of the Board
KPI Green Energy Limited
(Formerly Known as K.P.I. Global Infrastructure Limited)

Faruk G. Patel	**Mohmed Sohil Y. Dabhoya**	**Salim S. Yahoo**	**Rajvi Upadhyay**
(Chairman And Managing Director)	**(Whole Time Director)**	**(Chief Financial Officer)**	**(Company Secretary)**
DIN : 00414045	**DIN : 07112947**		

Place : Surat
Date : May 26, 2023

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

1 CORPORATE INFORMATION:

KPI Green Energy Limited (formerly known as K.P.I. Global Infrastructure Limited)(“the Company”) was incorporated on 01/02/2008 as a Limited company domiciled in India under The Companies Act, 1956. The securities of the company were listed on BSE SME platform and during the year the Company has migrated to BSE Main Board and its securities were listed on NSE also during the year. The Company develops, builds, owns, operates and maintains solar power plants as an Independent Power Producer (IPP) and Captive Power Producer (CPP) both under the brand name of 'Solarism'. Both these businesses, IPP and CPP, are currently carried out at plant located at Dist. Bharuch, Gujarat (Solarism Plant).

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

(i) Basis of preparation of Financial Statements:

These consolidated financial statements of the company have been prepared in accordance with the Generally Accepted Accounting Principles in India (‘Indian GAAP’) to comply with the Indian Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant provisions of the Companies Act, 2013 and guidelines issued by Securities and Exchange Board of India (SEBI) as amended from time to time. The financial statements have been prepared on a going concern basis under the historical cost convention on accrual basis, except in case of assets for which provision for impairment for certain financial instruments which are measured at fair value.

All amounts included in the financial statements are reported in Lacs of Indian Rupees except wherever absolute figure of Indian Rupees mentioned.

(ii) Presentation and disclosure of financial statements:

During the year end 31ST March 2023, the company has presented the financial statements as per the Schedule III notified under the Companies Act, 2013. The statement of Cash Flows has been prepared and presented as per requirements of Ind As 7 “ Statement of Cash Flows “. The disclosure requirements with respect to items in the Balance sheet and Profit & Loss Account , as prescribed in Schedule III of the Act are presented by way of notes forming part of the consolidated financial statements. The company has also reclassified the previous figures in accordance with the requirements applicable in the current year.

Accounting policies have been consistently applied except where a newly issued Indian Accounting Standard is initially adopted or a revision to an existing Indian Accounting Standard requires such change in the accounting policy hitherto in use.

(iii) Basis of Consolidation:

The Group consolidates all entities which are controlled by it. The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity’s returns. The entities are consolidated from the date control commences until the date control ceases.

a. Subsidiaries:

The consolidated financial statements of the Group companies are consolidated on a line-by-line basis and intra-group balances and transactions including unrealised gain/loss from such transactions are eliminated upon consolidation. These consolidated financial statements are prepared by applying uniform accounting policies in use at the Group. Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interest having a deficit balance.

Changes in the Group's holding that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's holding and the non-controlling interests are adjusted to reflect the changes in their relative holding. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

(iv) Use of Estimates:

In the application of the Company's accounting policies, management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Consolidated Financial Statements.

(v) Recent accounting pronouncements

The Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (IndianAccounting Standards) Amendment Rules, 2023, as below :

Ind AS 1, Presentation of Financial Statements – This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the consolidated financial statements.

Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors – This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its consolidated financial statements.

Ind AS 12, Income Taxes – This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its consolidated financial statements.

(vi) Property, Plant and Equipment:

a. Accounting Policy for recognition and measurement :

Property, plant and equipment are stated at acquisition cost less accumulated depreciation and accumulated impairment losses, if any. All costs, including borrowing costs incurred up to the date the asset is ready for its intended use, are capitalised along with the respective asset.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, Write back of creditors over concern of performance of assets, any directly attributable cost of bringing the item to its working condition for its intended use. The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The residual values, useful lives and method of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

b. Subsequent measurement :

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

c. Impairment:

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses of tangible and intangible assets are recognised in the statement of profit and loss. 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.
In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

d. Depreciation:

Depreciation commences when an asset is ready for its intended use. Freehold land and assets held for sale are not depreciated.

Depreciation is recognised on the cost of assets (other than freehold land and properties under construction) less their residual values over their estimated useful lives, using the straight-line method.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset.

Estimated Useful lives of Various Items of Property, Plant and Equipment are as follows:

Type of Asset	Useful Life (in years)
Building (including civil construction)	60
Solar Plant	25
Plant and Machinery	15
Electrical Installation and Equipment	10
Furniture & Fixtures	10
Vehicle (Two-Wheeler)	10
Vehicle (Four-Wheeler)	8
Heavy Vehicles	8
Office Equipment	5
Computer & Related Accessories	3
Right of Use Assets	Period of Lease

e. Derecognition:

An item of Property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

(vii) Intangible Assets:

a. Accounting Policy:

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

The residual values, useful lives and method of depreciation of Intangible Assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

b. Amortisation:

Amortisation is recognised using Straight Line method over their estimated useful lives. Estimated useful life of the Computer Software is 10 years.

c. Derecognition of Intangible Assets:

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in statement of profit and loss when the asset is derecognised.

(viii) Capital Work in Progress:

Expenditure related to and incurred during implementation of capital projects to get the assets ready for intended use is included under "Capital Work in Progress". The same is allocated to the respective items of property plant and equipment on completion of construction/ erection of the capital project/property plant and equipment.

(ix) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior periods/ years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

(x) <u>Financial Instruments:</u>

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities measured at fair value through profit or loss are recognised immediately in the statement of profit and loss.

(xi) <u>Financial Assets:</u>

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

a) <u>Financial Assets at amortised cost:</u>

Financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method if these financial assets are held within a business whose objective is to hold these assets 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.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

The effective interest method is a method of calculating the amortised cost of financial assets and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and transaction costs and other premiums or discounts) through the expected life of the financial assets, or where appropriate, a shorter period, to the net carrying amount on initial recognition. Interest is recognised on an effective interest basis for debt instruments other than those financial assets classified as at Fair Value through Profit and Loss (FVTPL).

b) <u>Financial Assets at fair value through other comprehensive income (FVTOCI) :</u>

A financial asset is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; 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.

c) <u>Financial Assets at fair value through profit or loss (FVTPL) :</u>

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Fair value changes related to such financial assets including derivative contracts are recognised in the Statement of Profit and Loss.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset.

d) **<u>Business Model Assessment</u>** :

The Company makes an assessment of the objectives of the business model in which a financial asset is held at portfolio level because it best reflects the way business is managed and information is provided to management.

The assessment of business model comprises the stated policies and objectives of the financial assets, management strategy for holding the financial assets, the risk that affects the performance etc.

e) <u>Derecognition :</u>

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

On derecognition of a financial asset in its entirety, the difference between the asset’s carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the Statement of Profit and Loss if such gain or loss would have otherwise been recognised in the Statement of Profit and Loss on disposal of that financial asset.

f) **Impairment :**

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

(xii) Financial Liabilities :

a) **Classification as debt or equity :**

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

b) **Equity Instruments :**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

c) **Financial Liabilities :**

All financial liabilities are measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item in the Statement of Profit and Loss.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Trade and other payables are recognised at the transaction cost, which is its fair value, and subsequently measured at amortised cost.

Financial liabilities at FVTPL

A financial liability may be designated as at FVTPL upon initial recognition if:

i) such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;

ii) the financial liability whose performance is evaluated on a fair value basis, in accordance with the Company's documented risk management;

Fair value changes related to such financial liabilities including derivative contracts like forward currency contracts and options to hedge the Company's foreign currency risks are recognised in the Statement of Profit and Loss.

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Financial liabilities are classified as held for trading if these are incurred for the purpose of repurchasing in the near term. Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in the statement of profit and loss.

d) **Derecognition :**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

(xiii) 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.

(xiv) Fair Value Measurement:

The Company measures financial instruments at fair value at each balance sheet date.

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 principal or the most advantageous market must be accessible by the Company.

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.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised 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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained below.

(xv) Borrowing Costs:

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

(xvi) Inventories :

Inventories are stated at the lower of cost and net realisable value. Cost of Inventories comprises all cost of purchase and other cost incurred in bringing inventories to their present location and condition. Cost in case of work in progress is determined on the basis of the actual expenditure attributable to the said work till the end of the reporting period. In determining the cost of Plots, Weighted Average Method is used.

Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

(xvii) Revenue recognition :

Revenue from contracts with customers is recognised when control of the goods or services are rendered to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts and other incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes or other amounts collected from customers in its capacity as an agent. If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

The accounting policies for the specific revenue streams of the Company are summarised below:

a) The Company's contracts with customers for the sale of power plant generally include one performance obligation satisfied over a period of time. Revenue from sale of solar power plant is recognized over time based on output method where direct measurements of value to the customer based on milestones reached to date.
b) The Company's contracts with customers for the sale of goods generally include one performance obligation. Revenue from the sale of goods is recognised at the point in time when control of the asset is transferred to the customers, generally on delivery of the goods. The transaction price has been adjusted for significant financing component, if any and the adjustment is accounted as finance cost. The difference between the revenue recognised and amount invoiced has been presented as deferred revenue/unbilled revenue.
c) Revenue from Services rendered is recognised when the work is performed as per the terms of agreement.
d) Interest income is recognised on Effective Interest Rate (EIR) basis taking into account the amount outstanding and the applicable interest rate.

Contract Balances:

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional i.e. only the passage of time is required before payment of consideration is due.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. Contract liabilities are recognised as revenue when the Company performs obligations under the contract.

(xviii) <u>Employee Benefit Plan :</u>

a) <u>Defined Benefit Plan:</u>

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. However, the company has not made any such contributions during the year. The cost of providing benefits under the defined benefit plan is based on an independent acturial valuation carried out using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit and loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Company recognises the following changes in the net defined benefit obligation as a charge to the capital work-in-progress till the capitalisation of the projects otherwise the same is charged to the Statement of Profit and Loss.

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income.

b) <u>Defined Contribution Plan:</u>

Retirement benefit in the form of Provident Fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as a charge to the Statement of Profit and Loss for the period in which the contributions to the respective funds accrue.

c) <u>Short Term Employee benefits :</u>

Short-term employee benefit obligations, if any are recognised at an undiscounted amount is charged to the Statement of Profit and Loss for the period in which the related services are received.

(xix) <u>Current and Non-Current Classification:</u>

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:

a. Expected to be realised or intended to be sold or consumed in normal operating cycle or
b. Held primarily for the purpose of trading or
c. Expected to be realised within twelve months after the reporting period, or
d. 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:

a. It is expected to be settled in normal operating cycle or
b. It is held primarily for the purpose of trading or
c. It is due to be settled within twelve months after the reporting period, or
d. 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 respectively. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

(xx) Taxation :

Tax on Income comprises current and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current Tax:

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the reporting period and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred Tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

(xxi) Leases:

The Company as a lessee

The Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

Lease term is a non-cancellable period together with periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments to be paid over the lease term at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate. Subsequently, the lease liability is measured at amortised cost using the effective interest method.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.

(xxii) Provisions and Contingent Liabilities, Contingent Assets :

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are not recognised but are disclosed in the notes where an inflow of economic benefits is probable.

(xxiii) Earning per share :

Basic earnings per equity share is 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 is 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 consolidated financial statements by the Board of Directors.

(xxiv) Dividend distribution to equity shareholders of the Company :

The Company recognises a liability to make dividend distributions to its equity holders when the distribution is authorised and the distribution is no longer at its discretion. A corresponding amount is recognised directly in equity.

(xxv) 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.

(xxvi) 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.

(xxvii) 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.

3. PROPERTY, PLANT AND EQUIPMENT

(All amounts are in Lakhs unless otherwise stated)

PARTICULARS	LAND- FREEHOLD	BUILDINGS	PLANT & MACHINERY	OFFICE EQUIPMENT	ELECTRICAL INSTALLATIONS AND EQUIPMENT	COMPUTER EQUIPMENT	ROU ASSETS - LAND	ROU ASSETS - COPORATE OFFICE	ROU ASSETS - PLOT	ROU ASSETS - PLANT	FURNITURE & FIXTURES	VEHICLES	TOTAL
GROSS VALUE													
AS AT 1st APRIL, 2021	5952.37	45.17	20966.51	20.16	51.73	38.60	-	409.88	7133.55	-	201.38	147.73	34967.07
ADDITIONS FOR THE YEAR	406.49	12.82	14177.00	3.16	22.09	17.33	2796.53	-	429.36	-	79.96	77.90	18022.62
DELETIONS FOR THE YEAR	-	-	-	-	-	-	-	-	-	-	-	-	-
AS AT 31st MARCH, 2022	**6358.86**	**57.99**	**35143.50**	**23.31**	**73.82**	**55.93**	**2796.53**	**409.88**	**7562.90**		**281.34**	**225.63**	**52989.69**
ADDITIONS FOR THE YEAR	1918.47	333.09	26871.67	33.99	126.66	28.52	2072.39	-	311.59	2174.18	230.64	206.57	**34307.76**
DELETIONS FOR THE YEAR	-	-	102.02	-	-	-	-	-	-	-	-	44.05	**146.07**
AS AT 31st MARCH, 2023	**8277.33**	**391.09**	**61913.16**	**57.31**	**200.47**	**84.45**	**4868.91**	**409.88**	**7874.49**	**2174.18**	**511.97**	**388.15**	**87151.38**
ACCUMULATED DEPRECIATION													
AS AT 1st APRIL, 2021	-	0.62	2903.47	8.32	10.55	23.59	-	19.52	375.45	-	20.26	94.61	**3456.38**
ADDITIONS FOR THE YEAR	-	0.88	906.87	3.98	5.88	8.98	26.98	19.52	389.06	-	21.83	19.85	**1403.84**
DELETIONS FOR THE YEAR	-	-	-	-	-	-	-	-	-	-	-	-	-
AS AT 31st MARCH, 2022	**-**	**1.50**	**3810.34**	**12.31**	**16.43**	**32.57**	**26.98**	**39.04**	**764.51**		**42.09**	**114.45**	**4860.22**
ADDITIONS FOR THE YEAR	-	1.36	1498.77	7.42	9.34	14.20	166.17	19.52	399.05	108.71	31.08	20.98	**2276.59**
DELETIONS FOR THE YEAR	-	-	18.00	-	-	-	-	-	-	-	-	3.08	**21.08**
AS AT 31st MARCH, 2023	**-**	**2.86**	**5291.10**	**19.73**	**25.77**	**46.76**	**193.15**	**58.55**	**1163.57**	**108.71**	**73.17**	**132.34**	**7115.73**
NET VALUE													
AS AT 1st APRIL, 2021	**5952.37**	**44.55**	**18063.04**	**11.83**	**41.18**	**15.01**	**-**	**390.36**	**6758.10**	**-**	**181.12**	**53.13**	**31510.68**
AS AT 31st MARCH, 2022	**6358.86**	**56.49**	**31333.17**	**11.00**	**57.39**	**23.37**	**2769.55**	**370.84**	**6798.39**	**-**	**239.25**	**111.17**	**48129.47**
AS AT 31st MARCH, 2023	**8277.33**	**388.22**	**56622.06**	**37.58**	**174.70**	**37.69**	**4675.76**	**351.32**	**6710.92**	**2065.47**	**438.80**	**255.80**	**80035.66**

(i) There is no intent to sell any of the assets held by the company and hence there is no fixed assets held for disposal.

(ii) Refer Schedule no. 18 for details on Property, Plant and equipment pledged as security by the company.

(iii) All the assets purchased during the year were put to use before 31st March 2023 (31st march 2022). The assets which are not put to use during the year are separately shown under capital work-in-progress at the year end.

(Iv) During the year, there is no change in amount of the Property, Plant and Equipment due to business combination, revaluation and other adjustments.

(v) During the year, the Company has not held any Benami property as defined under the Benami Transactions (prohibition) Act, 1988.

4. Capital work-in-progress

(All the figures are in Lakhs)

Particulars	31/03/2023	31/03/2022
Tangible Assets Work in Progress		
Capital Work in Progress	28.38	3133.26
	28.38	3133.26

Refer Schedule no. 18 for details on Capital work-in-progress pledged as security by the company.

CWIP ageing schedule for year ended 31st March, 2023

(All the figures are in Lakhs)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 year	2-3 year	More than 3 year	
Project In Progress	28.38	-	-	-	**28.38**
Projects temporarily suspended	-	-	-	-	-

CWIP ageing schedule for year ended 31st March, 2022

(All the figures are in Lakhs)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 year	2-3 year	More than 3 year	
Project In Progress	3126.97	6.29	-	-	**3133.26**
Projects temporarily suspended	-	-	-	-	-

The Company does not have any capital-work-in progress whose completion is overdue or has exceeded its cost compared to its original plan.

5. Other Intangible assets

(All the figures are in Lakhs)

Particulars	Computer Software
Cost	
Balance as at 1st April 2022	**32.59**
Additions	0.92
Deletions	-
Balance as at 31st March 2023	**33.51**
Accumulated Ammortisation	
Balance as at 1st April 2022	**3.63**
Additions	3.10
Deletions	-
Balance as at 31st March 2023	**6.73**
Net carrying amount as at 31st March 2023	**26.78**
Cost	
Balance as at 1st April 2021	**22.82**
Additions	9.77
Deletions	-
Balance as at 31st March 2022	**32.59**
Accumulated Ammortisation	
Balance as at 1st April 2021	**1.46**
Additions	2.17
Deletions	-
Balance as at 31st March 2022	**3.63**
Net carrying amount as at 31st March 2022	**28.95**
Net carrying amount as at 1st April 2021	**21.36**

(i) There is no intent to sale any of the Intangible Asset held by the company and hence there is no Intangible Asset held for disposal.
(ii) All the Intangible Asset purchased during the year were put to use before 31st March 2023.
(iii) During the year, there is no change in amount of the Intangible Asset due to business combination, revaluation and other adjustments.
(iv) Refer Schedule no. 18 for details on Intangible Assets pledged as security by the company.

6. Investments

(All the figures are in Lakhs)

Particulars	31/03/2023	31/03/2022
Investments in Equity Instruments		
Quoted		
SBI SAVING MUTUAL FUND (Refer note)	150.00	-
Investment in other than subsudiaries		
100 (100) Unquoted Equity Shares of Rs. 10 Each Fully Paid Up in	0.01	0.01
	150.01	0.01

(i) The cost of these investments approximate their fair value because there is a wide range of possible fair value measurements and the cost represents the best estimate of fair value within that range.
(ii) The investment in SBI Saving Mutual Fund are given against BG provided to GETCO

7. Other financial assets

(All the figures are in Lakhs)

Particulars	31/03/2023	31/03/2022
Security Deposits		
Unsecured, considered good		
Security Deposit	25.16	11.21
Rent Deposit	306.94	84.12
Other Deposit	10.57	9.97
Others		
Unsecured, considered good		
Others	441.49	115.24
	784.16	220.54

*This amount includes Rs 37.69 Lakhs receivable from TESCO Project Limited against whom the company has filed a case u/s 138 of the Negotiable Instruments Act,1881 which is pending before Additional Magistrate (First Class), Surat for adjudication.

8. Other non-current assets

(All the figures are in Lakhs)

Particulars	31/03/2023	31/03/2022
Other non-current assets		
Income Tax paid under appeal	18.00	18.00
	18.00	18.00

9. Inventories

(All the figures are in Lakhs)

Particulars	31/03/2023	31/03/2022
Work in Progress		
Closing Stock of Power Plant	15531.80	9917.71
Stock in Trade		
Closing Stock of Plot	891.01	673.51
Closing Stock of Flats	74.74	74.74
	16497.56	10665.96

Refer Schedule no. 18 and 23 for details on inventories pledged as security by the company.

10. Trade receivables

(All the figures are in Lakhs)

Particulars	31/03/2023	31/03/2022
Trade receivables		
Unsecured, considered good		
Sundry debtors (CPP)	11645.06	3166.18
Sundry debtors (PLOT)	508.32	737.58
Sundry debtors (POWER SALES)	2519.60	1083.42
	14672.98	4987.17

Ageing Schedule as on 31st March, 2023

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment (Refer Note below)					Total
			Less than 6 Month	6 Months-1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade receivables-considered good	2166.80	1438.28	10825.07	211.29	31.54	-	-	**14672.98**
(ii) Undisputed Trade receivables-Which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables-credit impaired	-	-	-	-	-	-	-	-
(iv) disputed Trade receivables-considered good	-	-	-	-	-	-	-	-

(v) disputed Trade receivables- Which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) disputed Trade receivables- credit impaired	-	-	-	-	-	-	-	-

(i) Where due date of payment is not available date of transaction has been considered.

Ageing Schedule as on 31st March, 2022

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment (Refer Note below)					Total
			Less than 6 Month	6 Months-1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade receivables- considered good	1277.18	1678.48	455.81	266.89	-	-	-	3678.35
(ii) Undisputed Trade receivables- Which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables- credit impaired	-	-	-	-	-	-	-	-
(iv) disputed Trade receivables- considered good	-	-	-	-	-	-	-	-
(v) disputed Trade receivables- Which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) disputed Trade receivables- credit impaired	-	-	-	-	-	-	-	-

Where due date of payment is not available date of transaction has been considered.

11. Cash and cash equivalents

(All the figures are in Lakhs)

Particulars	31/03/2023	31/03/2022
Cash in hand		
Cash in hand	20.30	6.69
Balance with Banks		
Balance with scheduled Banks		
Current Account		
State Bank of India	1201.45	636.04
Uco Bank	0.00	0.17
Bombay Mercantile Co-operative Bank	0.05	-
Other Account		
State Bank of India- Escrow Account	-	0.13
Axis bank- Escrow Account	75.10	-
State Bank of india- Dividend Account	6.61	0.68
	1303.51	643.71

12. Bank balances other than (iii) above

(All the figures are in Lakhs)

Particulars	31/03/2023	31/03/2022
Deposit Accounts		
Fixed Deposit	3936.18	1920.44

	3936.18	1920.44

Fixed Deposits are stated along with accrued interest upto the date of balance sheet on the basis of interest certificate obtained from the banks by the management.

13. Loans

(All the figures are in Lakhs)

Particulars	31/03/2023	31/03/2022
Loans to others		
Loan to Employees	18.54	18.22
	18.54	18.22

Type of Borrower	Balance as on 31st March 2023	Percentage to Total Loans	Balance as on 31st March 2022	Percentage to Total Loans
Promoters	-	0%	-	0%
Directors	-	0%	-	0%
KMPs	3.63	20%	3.75	21%
Related Parties	-	0%	-	0%

14. Others

(All the figures are in Lakhs)

Particulars	31/03/2023	31/03/2022
Other Financial Assets		
Ahmed Mo. Hanif Variyava	-	0.50
TDS Receivable From NBFC	0.90	0.68
TDS Receivable	157.64	123.51
TCS Receivable	3.21	4.19
Deposits	32.46	-
	194.21	128.89

15. Other current assets

(All the figures are in Lakhs)

Particulars	31/03/2023	31/03/2022
Advances other than capital advances		
Advance Given to Suppliers	3785.89	6765.52
Brokerage Paid in Advance	-	5.97
Other current assets		
GST Credit Receivable	3398.75	1799.10
GST Refund Receivable	24.50	24.50
Prepaid Expenses	273.38	27.01
Other Advances	349.00	526.25
	7831.53	9148.35

16. Equity share capital

(All the figures are in Lakhs)

Particulars	31/03/2023	31/03/2022
Authorised share capital		
4,00,00,000 (2,00,00,000) Equity Shares FULLY PAID of Rs. 10/- Par Value	4000.00	2000.00
Issued		
3,61,34,000 (1,80,67,000) Equity Shares FULLY PAID of Rs. 10/- Par Value	3613.40	1806.70
Subscribed		
3,61,34,000 (1,80,67,000) Equity Shares FULLY PAID of Rs. 10/- Par Value	3613.40	1806.70
Paidup		
3,61,34,000 (1,80,67,000) Equity Shares FULLY PAID of Rs. 10/- Par Value	3613.40	1806.70
	3613.40	1806.70

Holding more than 5%

Particulars	31/03/2023		31/03/2022		31/03/2021	
	Number of shares	% Held	Number of shares	% Held	Number of shares	% Held
FARUKBHAI GULAMBHAI PATEL	19782234	54.75	9838767	54.46	9508000	52.63
RAISONNEUR CAPITAL LTD.					1357444	7.51

Details of Shares for preceding Five years

Particulars	31/03/2023	31/03/2022	31/03/2021	31/03/2020	31/03/2019
Number of Equity shares bought back	0	0	0	0	0
Number of Preference shares reedeemed	0	0	0	0	0
Number of Equity shares issued as bonus share	180670000	0	0	0	0
Number of Preference shares issued as bonus share	0	0	0	0	0
Number of Equity shares alloted for contracts without payment received in cash	0	0	0	0	0
Number of Preference shares alloted for contracts without payment received in cash	0	0	0	0	0

Reconciliation

Particular	31/03/2023		31/03/2022		31/03/2021	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Number of shares at the beginning	18067000	180670000	18067000	180670000	18067000	180670000
Add: Issue	18067000	180670000	0	0	0	0
Less: Bought back	0	0	0	0	0	0
others	0	0	0	0	0	0
Numbers of shares at the end	36134000	361340000	18067000	180670000	18067000	180670000

Shareholding of Promoters

Shares held by promoters as at 31st March, 2023			% Change during the year
Name of the Promoter	No. of shares	% of total shares	
Farukbhai Gulambhai Patel*	19782234	54.75	0.53%
Gulammahmad Alibhai Patel*	11000	0.03	0.00%
Vahidabanu Faruk Patel*	684	0	0.00%
Rashida Gulam Patel*	11000	0.03	0.00%
Aayesha Farukbhai Patel*	684	0	0.00%

* The outstanding shares as on 31/03/2023 include the bonus shares allotted by company in the ratio of 1:1.

Shares held by promoters as at 31st March, 2022			% Change during the year
Name of the Promoter	No. of shares	% of total shares	
Farukbhai Gulambhai Patel	9838767	54.46	3.48%
Gulammahmad Alibhai Patel	5500	0.03	0.00%
Vahidabanu Faruk Patel	342	0	0.00%
Rashida Gulam Patel	5500	0.03	0.00%
Aayesha Farukbhai Patel	342	0	0.00%

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.

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, 2023 the company has issued 18067000 bonus shares in the ratio of 1:1

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.

17. Other Equity

(All the figures are in Lakhs)

Particulars	31/03/2023	31/03/2022
Securities Premium Opening (Refer Note No. (i) below)	3332.70	5139.40
Retained Earnings Opening	8427.46	4284.02
Amount Transferred from Statement of P & L	10962.79	4324.54
Appropriation and Allocation	0.95	-1.11
Dividend Payment (Refer Note (iii) Below)	-545.72	-179.98
Retained Earnings Closing	18845.49	8427.46
	22178.19	13566.86

(i) Securities Premium is used to record the premium on issue of bonus shares and is utilised in accordance with the provisions of the Companies Act, 2013.

(ii) Retained Earnings are the profits of the Company earned till date net of appropriations.

(iii) The Board of Directors at its meeting held on 7th May,2022, 13th August,2022, 18th October,2022 and 31st January,2023 has declared an interim dividend at Rs. 2.10 per share, Rs 0.30 per share, Rs 0.25 per share and Rs. 0.20 per share respectively for the F.Y. 2022-2023 which has been paid by the company during the year.

18. Borrowings

(All the figures are in Lakhs)

Particulars	31/03/2023	31/03/2022
Term Loan		
Banks		
Secured		
State Bank of India	32916.65	28004.42
Axis Bank Limited	2122.39	1.57
Union bank	4889.92	-
ICICI Bank Limited	34.93	11.58
Financial Institution		

Secured		
Cholamandalam Investment and Finance Limited	-	3.33
Daimler Financial Services Private Limted	-	28.90
Vivriti Capital Private Limited	912.96	866.67
Mercedes-Benz Financial Services India Pvt Ltd	35.22	-
Unsecured		
Bajaj Finance Limited	-	12.36
State Bank of India	-	0.42
	40912.08	28929.23

Loan Details	Sanction Amount	Rate of Interest	Tenure (in months)	Monthly Installment	Security Offered
State Bank of India**	3209.00	MCLR- 6 Month +3 %	119	Repayment is variable as per sanction letter	A. Mortgage of Immovable properties in the form of various lands as per Sanction letter obtained from Bank. B. Hypothecation of entire plant and machinery of the company comprising of solar plants. C. Commercial plots situated at Bhimpura village owned by Mr. Faruk Patel. D. Plots situated at Bharuch District owned by KPI Green Energy Ltd. E. Lien on Bank Deposit F. Personal guarantee of Mr. Farukbhai Gulambhai Patel and Sohil Dabhoya. G. Corporate guarantee of KPI Green Energy Limited. H. Pledge of 51% of shares of the company held by KPI Green Energy Limited.
State Bank of India**	2300.00	MCLR- 6 Month +3 %	135	Repayment is variable as per sanction letter	
State Bank of India**	2301.00	EBLR- 3 Month + 2.75%	120	57.53	A. Mortgage of Immovable properties in the form of various lands as per Sanction letter obtained from Bank. B. Hypothecation of entire plant and machinery of the company comprising of solar plants. C. Personal guarantee of Mr. Farukbhai Gulambhai Patel and Sohil Dabhoya. D. Corporate guarantee of KPI Green Energy Limited. E. Pledge of the 30 % shares of the Company held by KPI Green Energy Limited
Daimler Financial Services Private Limted*	35.00	6.64%	60	0.69	Hypothecation of Car.
ICICI Bank*	0.71	18.10%	24	0.04	Hypothecation of Bike.
ICICI Bank*	0.71	18.10%	24	0.04	Hypothecation of Bike.
ICICI Bank*	0.71	18.10%	24	0.04	Hypothecation of Bike.
ICICI Bank-8083	9.84	7.80%	36	0.31	Hypothecation of Car.
ICICI Bank-3757	9.46	7.50%	48	0.23	Hypothecation of Car.
ICICI Bank-102665	9.27	9.75%	48	0.23	Hypothecation of Car.
ICICI Bank-4919	10.58	8.25%	60	0.28	Hypothecation of Car.
ICICI Bank-6172	25.86	8.15%	60	0.65	Hypothecation of Car.
Cholamandalam Investment and Finance Limited*	7.00	16%	36	0.25	Hypothecation of Tractor.
Mercedes Benz Financial services	44.90	9.96%	60	0.91	Hypothecation of Car.

Union Bank**	5200.00	1 Year MCLR + 0.7%	144	143 installments of Rs 36,12,000 each and 144th installment of Rs 34,84,000	A. First Pari passu charge on Various Land holdings of the company loacted at Uchadi, District Bhavnagar. B. First Pari passu charge on Hypothecation Various movable assets like Solar Panels,Windmill, accessories and equipments etc. C. First Pari passu charge on escrow account to be excuted between the company and M/s UPL limited for purchase of power D. First Pari passu charge on leasehold rights on windmill land situated at Vataliya, Talaja. E. Collateral security of various land at Moje Sudi District
Vivriti Capital Private Limited**	2000.00	6 Months VCPL Index + 5.56%	30	66.67	A. Exclusive Charge on Various Land holdings of the company and promoter loacted at Sudi, Tancha and Bhimpura. B. Further security of firm purchase orders providing cover upto 1.2x of the exposure. C. Exclusive charge on receivables of specific CPP clients for whose order fulfilment the proceeds will be used. D. Second Pari passu charge on entire current assets of the company. E. Cash Collateral of 10% through lien marked fixed deposits. F. A general lien and set off right on all assets of the company.
Vivriti Capital Private Limited**	3000.00 (Actual disbursment are in 2 tranches of RS 10 crore and Rs 20 Crore, out of which Rs10 crore is disbursed during FY 22-23. Accordingly the installment mentioned is related to the tranche of 10 crores disbursed during the year. Balance tranche of 20 crore is disbursed during FY 23-24 and hence installment amount does not include the installment related to the disbursment related to 20 Crore)	6 Months VCPL Index + 3.8%	36 (including 6 months moratorium)	33.33	A. Exclusive and continuing Charge on mortgage property. B.Second Pari passu charge on entire current assets of the company. C. Cash collateral in the form of Fixed deposit of 10% of O/S loan amount at the time of rating downgrade event and 10% in case of second rating dowgrade event. D. Cash Collateral through lien marked fixed deposits. E. Demand promissory note and a letter of continuity F. Personal gurrantee of Faruk Patel, Sohil Dabhoya, Rashida Patel, Gulam patel.
Axis Bank*	24.00	9.35%	48	0.60	Hypothecation of JCB.
Axis Bank**	2560.00	Repo rate+ 3.75%	120 (including 3 months moratorium)	21.88	A. Exclusive Charge on various lands located at Sudi and Amod. B.Exclusive Charge on various moveable properties of the company and other moveablle properties, both present and future, relating to 11.4MW project. C. Personal Gurrantee of director Mr. Faruk Patel.
Bajaj Finance Limited*	30.41	17%	36	1.08	Nil

State Bank of India-GECL 1**	675.00	6 Months MCLR + 1%	48	14.06	Hypothecation Charge over the entire current assets of the company, both present and future including inventories and receivables and entire cash flows of the company.
State Bank of India-GECL 2**	4800.00	6 Months MCLR + 1%	48	100.00 (EMI shall start after 2 years)	
State Bank of India-15.35 MW**	2800.00	6 Months MCLR + 0.5%	72	39.33	A. Mortgage of Immovable properties in the form of various lands pertaining to 15.35 MW, 20 MW & 25MW and 26.1 MW Project, both present and Future as per Sanction letter obtained from Bank. B. Hypothecation of entire plant and machinery of the company both present and future. C. Pledge of 48,55,039 equity shares of Mr. Farukbhai Gulambhai Patel as a colleteral security. D. Personal guarantee of Mr. Farukbhai Gulambhai Patel, Sohil Dabhoya, Rashida Patel and Gulam Ahmed patel. E. Corporate guarantee of M/s Faaiz Money Changer Private Limited. F. Charge on immovable property of M/s Faaiz Money Changer Private Limited. G. Hypothecation of movable properties and assets, including plant and machinery, machinery spares, furniture, fixtures, vehicles and all other movable assets, intangible assets, uncalled capital relating to 25MW project. H. Charge on the operating cash flows, book debts, receivables, revenues, etc. I. Charge on the Debt Service Reserve Account, TRA, any letter of credit, and any other bank accounts. J. Charge on Fixed Deposit of Rs. 3.16 Crore K. Charge on Fixed deposit of Rs 1.09 Crore L. Charge on Fixed deposit of Rs 0.16 Crore M. Escrow cover on reevnue account of KP Buildcon Private limited equivalent to average 2 months billing value of Rs crore for 25 MW loan.
State Bank of India-25 MW**	7400.00	6 Months MCLR + 0.5%	129	57.00	
State Bank of India-20 MW**	7600.00	6 Months MCLR + 0.5%	150	Repayment is variable as per sanction letter	
State Bank of India- 26.1 MW	8000.00	6 Months MCLR + 0.8%	168	Repayment is variable as per sanction letter	

* Loans have been fully repaid during the year.
** The monthly installment amount only includes principal payment. Interest is charged separately

19. Lease liabilities

(All the figures are in Lakhs)

Particulars	31/03/2023	31/03/2022
Lease Liability Corporate Office	426.26	424.20
Lease Liability Plot	8037.15	7879.01
Lease Liability Land	4820.01	2654.65
Lease Liability Plant	2151.12	-
	15434.53	10957.86

The birfurcation of lease liability into Current and Non-current is not ascertainable as on the date of Balance sheet and hence the entire lease liability has been classified as non-current liability.

20. Other financial liabilities

(All the figures are in Lakhs)

Particulars	31/03/2023	31/03/2022
Other Long Term Liabilities		
Bondada Engineering Private Limited	50.00	50.00
	50.00	50.00

21. Provisions

(All the figures are in Lakhs)

Particulars	31/03/2023	31/03/2022
Employee Benefits		
Gratuity		
Gratuity Payable and others	37.48	49.27
	37.48	49.27

22. Deferred tax liabilities (Net)

(All the figures are in Lakhs)

Particulars	31/03/2023	31/03/2022
Deferred Tax Assets		
Employee Benefits	10.48	7.29
Expenditure disallowances	18.32	36.25
Lease liability	432.67	-
Unearned Income as per IND AS 115	114.62	-
Deferred Tax Liabilities		
Depreciation	6844.45	4123.36
	6268.36	4079.83

Calculation of Deferred Tax	As at 31st March, 2023	As at 31st March, 2022
Deferred Tax Liabilities		
Preliminary Expenses Allowable in 5 Years	71.23	68.15
Depreciation	10809.44	6342.56
Tax on Deferred Liabilities @25.17%	2738.67	1613.58
Deferred Tax Assets		
Lease liability	1631.06	-
Unearned Income as per IND AS 115	543.31	-
Provision for Gratuity	11.32	9.70
Tax on Deferred Assets @25.17%	550.14	2.44
Deferred Tax Liabilities / Assets Transferred to Balance Sheet		
Opening Balance of Deferred Tax (Liabilities)	4079.83	2468.70
Deferred Tax (Liabilities) Charged to P & L A/c	2188.20	1611.51
Deferred Tax Assetcreated through OCI	-0.32	0.37
Deferred Tax (Liabilities) transferred to Balance sheet	6268.36	4079.84

23. Borrowings

(All the figures are in Lakhs)

Particulars	31/03/2023	31/03/2022
Current Maturities of Long-term debt		
State Bank of India	2869.85	2455.24
Axis Bank Limited	264.13	6.72
HDFC Bank Limited	-	0.56
ICICI Bank Limited	16.94	6.45
Cholamandalam Investment and Finance Limited	-	2.22
Daimler Financial Services Private Limted	-	6.10
Vivriti Capital Private Limited	966.67	800.00
Bajaj Finance Limited	1500.00	9.90
Mercedes-Benz Financial Services India	7.75	-
Loans repayable on Demand		
Banks		
Secured		
Axis Bank CC	492.79	-
Bombay Mercantile Bank- OD	94.99	-
State bank of India -CC	4.76	1473.69
Poonawala Fincorp Limited	4986.03	-
	11203.90	4760.89

The CC from State Bank of India is secured by hypothecation charge over the entire current assets of the company both present and future comprising of raw materials, semi-finished goods, finished goods, stock in progress, stores and spare, receivables and entire cash flows of the company.

The CC from Axis Bank is secured by charge over various lands situated at Amod and on movebale assets of the company both present and future comprising plant and machinery, equipments, tools, vehicles. Peronal gurrantee of the director- Mr Frauk Patel is also given,
The OD from Bombay Mercantile Bank of RS 95 Lakhs was granted against pledge of term deposit of Rs 1 Crore.

Loan Details	Sanction Amount	Rate of Interest	Tenure (in months)	Monthly Installment	Security Offered
Bajaj Finance Limited**	2000.00 (Actual disbursment durimg the year is Rs 50 crore)	9.25%	120 Days	Bullet payment at the end of 120 days	First pari passu charge on the current assets of the company long with existing lenders

Poonawala Fincorp Limited**	6000.00	8.50%	120 Days	Bullet payment at the end of 120 days	Nil

** The monthly installment amount only includes principal payment. Interest is charged separately

24. Trade Payables

(All the figures are in Lakhs)

Particulars	31/03/2023	31/03/2022
Creditors due others		
Sundry creditors	22709.96	4437.59
Sundry creditors (PLOT)	28.22	23.14
Sundry creditors (LAND)	-	223.60
	22738.19	4684.33

Ageing Schedule as on 31st March, 2023

Particulars	Outstanding for following periods from due date of payments				Total
	Less than 1 year	1-2 year	2-3 year	More than 3 years	
(i) MSME	2782.85	-	-	-	2782.85
(II) Others	19913.06	9.99	-	32.28	19955.34
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-

Ageing Schedule as on 31st March, 2022

Particulars	Outstanding for following periods from due date of payments				Total
	Less than 1 year	1-2 year	2-3 year	More than 3 years	
(i) MSME	333.45	-	38.00	-	371.45
(II) Others	4046.44	109.27	117.82	39.34	4312.88
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-

Trade Payables Covered Under MSMED Act, 2006 :

Trade Payables covered under MSMED Act, 2006 are those creditors who are outstanding at the balance sheet date. Out of which creditors due for more than 45 days as on the balance sheet date are Rs. 388.22 Lakhs (0.25 Lakh). The company has not provided interest on the same as per the provisions of MSMED Act, 2006.
Amount due to Micro, Small and Medium Enterprises as on 31st March, 2023 (31st March, 2022) are disclosed on the basis of information available with the Company regarding status of the suppliers is as follows :-

(All the figures are in Lakhs)

Particulars	31/03/2023	31/03/2022
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	2782.85	333.45
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Interest paid/reversed during the year	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	NA	NA
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-

* The company has not maintained the complete records of bill to bill payment made to the vendors registered under MSMED Act,2006 and therefore the details of amount paid to such vendors during the year beyond the appointed date can not be extracted and hence no amount is mentioned against the said line item.

25. Other financial liabilities

(All the figures are in Lakhs)

Particulars	31/03/2023	31/03/2022
Other Payables		
Employee Related		
Accured Salary Payable		
Salary Payable	78.61	42.81
Tax Payable		
TDS & TCS		
TDS Payable	141.34	65.91
Other Advances		
Cutomer Deposit		
GST Payable	1.62	15.78
Professional Tax Payable	0.39	0.28
Other Accured Expenses		
P.F. Payable	2.75	0.98
Rent Payable	3.18	6.17
ESIC payable	0.06	0.17
Provision for Expenses	639.59	64.04

Other Current Liabilities		
Director Sitting Fees Payable	2.18	1.55
Employee Imprest Payable A/c	6.05	0.53
	875.77	198.22

26. Other Current liabilities

(All the figures are in Lakhs)

Particulars	31/03/2023	31/03/2022
Revenue Received in Advance		
Unearned Income as per IND AS 115	594.77	0.50
Other Current Liabilities		
Advance Received from Debtors	1279.64	8647.53
	1874.41	8648.03

27. Provisions

(All the figures are in Lakhs)

Particulars	31/03/2023	31/03/2022
Employee Benefits		
Gratuity		
Provision for Gratuity	4.14	2.92
	4.14	2.92

28. Current Tax Liabilities (net)

(All the figures are in Lakhs)

Particulars	31/03/2023	31/03/2022
Tax Provision		
Current Tax		
Provision For Income Tax	307.03	-
	307.03	-

29. Revenue from operation

(All the figures are in Lakhs.)

Particulars		31/03/2023	31/03/2022
Sale of products			
Sale of power		9473.42	5759.32
Sale of capitive power plant		54288.05	16792.75
Sale of plot		108.24	395.99
Sale of solar panel		-	30.88
Sale of services			
Sale of lease, operation and maintenance services		508.92	15.16
		64378.63	22994.11

30. Other income

(All the figures are in Lakhs.)

Particulars		31/03/2023	31/03/2022
Interest			
Interest income		265.32	123.73
Profit(Loss) on Redemption / Sale of Investment & Fixed Assets (net)			
Profit / Loss on Disposal of Fixed Assets		2.37	-
Miscellaneous			
Scrap Sales		50.82	17.87
Other Income		5.77	15.38
Round off		0.11	0.02
Rate difference		0.45	-
Discount		-	0.58
		324.84	157.58

31. Cost of material consumed

(All the figures are in Lakhs.)

Particulars		31/03/2023	31/03/2022
Raw Material			
Opening		9917.71	3348.86
Purchase		43582.04	15710.00
Closing		15531.80	9917.71
		37967.95	9141.16

Details of Raw Material

Particulars		31/03/2023	31/03/2022
Solar Plant		37967.95	9141.16
		37967.95	9141.16

32. Purchase of Stock-in-Trade

(All the figures are in Lakhs.)

Particulars		31/03/2023	31/03/2022
Stock-in-Trade			
Land Purchase		278.26	132.95
Purchase Power Units		166.97	206.36
		445.23	339.30

33. Changes in inventories of finished goods, work-in-progress and stock-in-trade

(All the figures are in Lakhs.)

Particulars		31/03/2023	31/03/2022
Opening			
Stock-in-Trade		748.25	677.89
Closing			
Stock-in-Trade		965.76	748.25
Increase/Decrease			
Stock-in-Trade		-217.50	-70.36
		-217.50	-70.36

Details of Changes in Inventory

Particulars		31/03/2023	31/03/2022
Stock-in-Trade			
Land		-217.50	-70.36
		-217.50	-70.36

34. Employee benefit expense

(All the figures are in Lakhs.)

Particulars		31/03/2023	31/03/2022
Salaries, Wages & Bonus		750.65	357.10
Contribution to Gratuity		-9.30	30.30
Contribution to Provident Fund and ESIC		11.03	5.22
Staff Welfare Expenses		54.95	33.49
		807.33	426.11

35. Finance Costs

(All the figures are in Lakhs.)

Particulars		31/03/2023	31/03/2022
Interest expenses (Refer Note (i))		3014.45	2174.35
Lease Finance Cost		1345.88	1015.13
Foreign Exchange Gain/Loss		164.01	-
Other Finance Charges		152.10	503.85
		4676.45	3693.32

(i) Out of Total interest expense of Rs. 447.43 Lakhs, Rs. 439.90 Lakhs have been capitalised with interest carrying Rate of 6 Months MCLR + 0.8%

36. Depreciation and amortisation expense

(All the figures are in Lakhs.)

Particulars		31/03/2023	31/03/2022
Depreciation & Amortisation		2261.76	1406.01
		2261.76	1406.01

37. Other Expenses

(All the figures are in Lakhs.)

Particulars		31/03/2023	31/03/2022
Manufacturing Service Costs Expenses			
Power and Fuel		76.01	33.40
Evacuation and Infrastructure expenses		2213.03	1038.88
Other Manufacturing Costs		536.38	275.55
Rent Rates and Taxes (Refer Note (i &ii)		131.04	89.42
Auditors Remuneration		42.02	8.88
Director Sitting Fees		2.43	2.28
Managerial Remuneration		92.93	86.58
Repairs & Maintenanace expenses		67.80	16.10
Travelling and Conveyance expenses		63.11	31.24
Legal and Professional expenses		184.25	142.96
Insurance Expenses		67.27	61.82
CSR and Donation expenses		375.31	123.36
Information Technology Expenses		20.85	14.78
Other Administrative and General Expenses		465.27	240.39
Selling Distribution Expenses		189.01	103.03
		4526.69	2268.68

(i) The company has taken xerox machine on lease which is treated as a low value asset as per the exemption given by IND AS 116 on Leases and hence the rent charged on same Rs. 0.62 Lakhs (0.55 Lakhs) have been debited to Profit & Loss Account.
(ii) The company has taken hotels and guest houses on lease on temporary basis for short term accomodation of their site employees and for employees during travelling for work purposes. Since, the same are for a period less than 12 months, they have been treated as short -term leases as per the exemption given by IND AS 116 and the rent charged on same of Rs. 4.10 Lakhs (2.16) Lakhs have been debited to Profit & Loss Account.

38. Exceptional Items

(All the figures are in Lakhs.)

Particulars		31/03/2023	31/03/2022
Prior Period Expense			
Prior Period Expense		48.59	11.45
		48.59	11.45

39. Current tax

Brokerage Expenses

Particulars		**31/03/2023**	**31/03/2022**
Current Tax			
Provision For Income Tax		1035.96	-
		1035.96	-

40. Deferred Tax

(All the figures are in Lakhs.)

Particulars		**31/03/2023**	**31/03/2022**
Deferred Tax		2188.22	1611.50
		2188.22	1611.50

41. Items that will not be reclassified to profit or loss

(All the figures are in Lakhs.)

Particulars		**31/03/2023**	**31/03/2022**
Provision for Gratuity and others		1.27	-1.49
		1.27	-1.49

42. Income tax relating to items that will not be reclassified

(All the figures are in Lakhs.)

Particulars		**31/03/2023**	**31/03/2022**
Deferred Tax		-0.32	0.37
		-0.32	0.37

43. FAIR VALUE DISCLOSURES

i) Financial instruments by category

Particulars	As at March 31, 2023			As at March 31, 2022		
	FVTPL	FVOCI	AMORTISED COST	FVTPL	FVOCI	AMORTISED COST
Financial assets						
Investments	-	-	150.01	-	-	0.01
Security deposits	-	-	57.62	-	-	11.21
Rental deposits	-	-	306.94	-	-	84.12
Trade receivables	-	-	14672.98	-	-	3678.35
Cash and cash equivalents	-	-	1303.51	-	-	643.71
Other bank balances	-	-	3936.18	-	-	1920.44
Loans	-	-	18.54			18.22
Derivative asset	-	-	-	-	-	-
Other financial assets	-	-	613.81	-	-	254.10
Total	**-**	**-**	**21059.59**	**-**	**-**	**6610.16**
Financial liabilities						
Borrowings	-	-	52115.98	-	-	33690.12
Trade payable	-	-	22738.19	-	-	4684.33
Lease Liabilities	-	-	15434.53	-	-	10957.86
Other financial liabilities	-	-	925.77	-	-	248.22
Total	**-**	**-**	**91214.48**	**-**	**-**	**49580.54**

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

March 31, 2023	Level 1	Level 2
Financial assets		
-	-	-
Total financial assets	-	-

March 31, 2022	Level 1	Level 2
Financial assets		
-	-	-
Total financial assets	-	-

Valuation process and technique used to determine fair value

(i) The fair value of investments in government securities and quoted equity shares is based on the current bid price of respective investment as at the balance sheet date.

(ii) The fair value of investments in mutual fund units is based on the net asset value (NAV) as stated by the issuers of these mutual fund units in the published statements as at the Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

(iii) In order to arrive at the fair value of unquoted investments, the company obtains independent valuations. The techniques used by the valuer are as follows:
a) Asset approach - Net assets value method

Derivative financial assets:

The Company has not entered into derivative financial instruments.

(iii) Fair value of instruments measured at amortised cost

Particulars	Level	March 31, 2023		March 31, 2022	
		Carrying value	Fair value	Carrying value	Fair Value
Financial assets					
Investments	Level 3	150.01	150.01	0.01	0.01
Security deposits	Level 3	57.62	57.62	11.21	11.21
Rental deposits	Level 3	306.94	306.94	84.12	84.12
Loans	Level 3	18.54	18.54	18.22	18.22

Other financial assets	Level 3	613.81	613.81	254.10	254.10
Total Financial assets		**996.91**	**996.91**	**367.65**	**367.65**
Financial liabilities					
Borrowings	Level 3	52115.98	52115.98	33690.12	33690.12
Lease Liabilities	Level 3	15434.53	15434.53	10957.86	10957.86
Other financial liabilities	Level 3	925.77	925.77	248.22	248.22
Total Financial liabilities		**68476.29**	**68476.29**	**44896.21**	**44896.21**

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.

44.1 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

Risk	**Exposure arising from**	**Measurement**	**Management**
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost	Ageing 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

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, 2022**	**March 31, 2021**
A: Low	Loans	18.54	18.22
	Investments	150.01	0.01
	Other financial assets	613.81	254.10
	Cash and cash equivalents	1303.51	643.71
	Other bank balances	3936.18	1920.44
	Trade receivables	14672.98	3678.35

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 analyze 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, 2023	**Less than 1 year**	**1-3 year**	**More than 3 years**	**Total**
Borrowings	11203.90	11233.26	29678.82	52115.98
Lease Liabilities	-	2078.26	13356.28	15434.53
Trade payable	22738.19	-	-	22738.19
Other financial liabilities	875.77	-	50.00	925.77
Total	34817.86	13311.52	43085.10	91214.48

March 31, 2022	**Less than 1 year**	**1-3 year**	**More than 3 years**	**Total**
Borrowings	4907.25	7513.12	21269.75	33690.12
Lease Liabilities	-	481.14	10476.72	10957.86
Trade payable	4684.33			4684.33
Other financial liabilities	198.22	-	50.00	248.22
Total	9789.80	7994.26	31796.47	49580.54

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, 2023, 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, 2023**	**March 31, 2022**
Variable rate borrowings	2812.88	1892.90
Fixed rate borrowings	201.57	281.45
Total borrowings	**3014.45**	**2174.35**

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

Particulars	Effect on profit after tax	
	March 31, 2023	**March 31, 2022**
Total borrowings		
- Impact due to increase of 50 basis points*	-260.58	-69.48
- Impact due to decrease of 50 basis points*	260.58	69.48

*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.

44.2 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 and other bank balances 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, 2023**	**March 31, 2022**
Total borrowings	52115.98	33690.12
Less : cash and cash equivalents	5239.70	2564.15
Net debt	46876.28	31125.97
Total equity	25791.59	15373.56
Adjusted net debt to adjusted equity ratio	1.82	2.02

Dividends

Particulars	**March 31, 2023**	**March 31, 2022**
Equity shares		
(i) Interim Dividend		
For the year ended March 31, 2023 of Rs. 2.85 per share (excluding tax)	545.72	-
For the year ended March 31, 2022 of Rs. 1.00 per share (excluding tax)	-	179.98
(ii) Proposed Dividend		
For the year ended March 31, 2023 of ` 0.00 per share (excluding tax)	-	-
For the year ended March 31, 2022 of ` 0.00 per share (excluding tax)	-	-

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

45. Pursuant to the Indian Accounting Standard (Ind AS- 33) – Earnings per Share, the disclosure is as under:

Particulars	**UOM**	**31st March, 2023**	**31st March, 2022**
Basic and Diluted EPS			
Profit after tax as per Statement of Profit and Loss	Lakhs	10963.74	4323.42
Weighted average number of equity shares outstanding during the year	No.	36134000	36134000
Nominal Value of Equity Shares	Rs.	10	10
Basic and Diluted EPS	Rs.	30.33	11.97

46. SEGMENT REPORTING
Information reported to the CODM for the purpose of resource allocation and assessment of segment performance focuses on business segment which comprises of Sale of Power & Power Plant and Sale of Plots . Specifically, the Company's reportable segments under Ind AS are as follows:
Sale of Power & Power Plant: Comprises of developing, building, owning, operating and maintaining solar power plants as an Independent Power Producer (IPP) and Captive Power Producer (CPP)
Sale of Plots: Comprises of Creation of plots from blocks and sellling the same.
Revenue and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reporting segment have been allocated on the basis of associated revenue/assets of the segment and manpower efforts. All other revenue/expenses which are not attributable or allocable to segments have been disclosed as unallocable. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable.

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.

Particulars	**Year Ended March 31, 2023**	**Year Ended March 31, 2022**
1. Segment Revenue		
Sale of Power & Solar Power Plant	64270.39	22598.12
Sale of Plot	108.24	395.99
Less: Inter Segment Revenue	0	0
Total Segment Revenue	**64378.63**	**22994.11**

2. Segment Results		
Profit/(Loss) from Sale of Power & Solar Power Plant	17154.84	7758.77
Profit/(Loss) from Sale of Plot	20.67	289.91
Total Segment Results	**17175.50**	**8048.68**
Less: Finance Costs	1337.89	1047.99
Other unallocable expenditure net off unallocable revenue	1650.64	1064.68
Profit/(Loss) Before Tax	**14186.96**	**5936.02**
3. Segment Assets		
Sale of Power & Solar Power Plant	108659.22	57192.73
Sale of Plot	8110.25	8236.21
Unallocable Assets	8728.03	12305.21
Total Segment Assets	**125497.49**	**77734.15**
4. Segment Liabilities		
Sale of Power & Solar Power Plant	81707.11	41379.01
Sale of Plot	8055.99	7902.15
Unallocable Assets	9942.80	13079.43
Total Segment Liabilities	**99705.90**	**62360.59**

Reconciliation of Revenue	**Year Ended March 31, 2023**	**Year Ended March 31, 2022**
Revenue from Operations	64378.63	22994.11
Less: Unallocable Revenue	-	-
Total Segment Revenue	**64378.63**	**22994.11**

47. Related Party Transactions

Subsidiaries Incorporated in India

Other Related Parties

Name of Entity	**Nature of Relationship**
Quyosh Energia Private Limited	Entity in which KMP is having controlling interest
KPArk Sunbeat Private Limited	Entity in which KMP is having controlling interest
KPGenix Sunray Private Limited	Entity in which KMP is having controlling interest
KPIG Renewables Private Limited	Entity in which KMP is having controlling interest
K P Buildcon Private Limited	Entity in which KMP is having controlling interest
KP Sor-Urja Limited	Entity in which KMP is having controlling interest
KP Human Development Foundation	Entity in which KMP is having controlling interest
Faaiz Money Changer Private Limited	Entity in which KMP is having controlling interest
KPEV Charging Private Limited	Entity in which KMP is having controlling interest
Bharuchi Vahora Patel Surat Federation	Entity in which KMP is having controlling interest
Solwaves Energia Private Limited	Entity in which KMP is having controlling interest
KPZon Energia Private Limited	Entity in which KMP is having controlling interest
KPSun Krag Private Limited	Entity in which KMP is having controlling interest
Renewable Minds LLP	Entity in which KMP is having controlling interest
K.P. Energy Limited	Entity in which KMP is having controlling interest
K.P Energy Mahua Windfarms Private Limited	Entity in which KMP is having controlling interest
Wind Farm Developers Private Limited	Entity in which KMP is having controlling interest
Ungarn Renewable Energy Private Limited	Entity in which KMP is having controlling interest
Evergreen Mahuva Windfarms Private Limited	Entity in which KMP is having controlling interest
HGV DTL Transmission Projects Private Limited	Entity in which KMP is having controlling interest
VG DTL Transmission Projects Private Limited	Entity in which KMP is having controlling interest
KP Energy Oms Limited	Entity in which KMP is having controlling interest
Mahuva Power Infra LLP	Entity in which KMP is having controlling interest
Manar Power Infra LLP	Entity in which KMP is having controlling interest
Miyani Power Infra LLP	Entity in which KMP is having controlling interest
Belampar Power Infra LLP	Entity in which KMP is having controlling interest
Hajipir Renewable Energy LLP	Entity in which KMP is having controlling interest
Vanki Renewable Energy LLP	Entity in which KMP is having controlling interest
M81 Technologies Pvt Ltd	Entity in which KMP is having controlling interest
Affan Faruk patel	Relative of KMP
Hassan Faruk Patel	Relative of KMP

Key Management Personnel

Name of the KMP	**Designation**
Farukbhai Gulambhai Patel	Managing Director
Mohmed Sohil Yusuf Dabhoya	Whole Time Director
Bhadrabala Dhimantraj Joshi	Director
Salim Suleman Yahoo	Chief Financial Officer
Rajvi Vinodchandra Upadhyay	Company Secretary
Nirav Girishbhai Raval (Resigned during the year)	Chief Financial Officer

The details of amounts due to or due from related parties as at March 31, 2023 and March 31, 2022

Particulars	As at 31st March, 2023	As at 31st March, 2022
Managerial Remuneration Payable		
Faruk Gulambhai Patel	4.85	4.13
Mohmed Sohil Yusufbhai Dabhoya	0.13	0.96
Salim Suleman Yahoo	3.27	-
Rajvi Vinodchandra Upadhyay	0.69	0.44
Nirav Girishbhai Raval	-	1.26
Loan Given		
Rajvi Vinodchandra Upadhyay	3.63	3.75
Sundry Creditor		
K. P. Buildcon Private Limited	93.41	7.63
KP Energy Limited	1404.91	-
Advance to Suppliers		
K. P. Buildcon Private Limited	1369.73	1770.11
KP Energy Limited	-	2.26
Advance given for purchase of property		
K. P. Buildcon Private Limited	149.00	250.00
Sitting Fees Payable		
Bhadrabala Dhimantraj Joshi	0.36	0.38
MOh. Hanif Moh. Habib dalchawal	0.41	0.47
Venu Birapa	0.68	0.50
Sharadchandra B Patil	0.63	0.34
Shanker Baheria	0.11	-

The details of the related-party transactions entered into by the company, for the years ended March 31, 2023 and March 31, 2022 are as follows :

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Deposit Received		
Quyosh Energia Private Limited	40.00	-
Kpark Sunbeat Private Limited	-	40.00
Kpgenix Sunray Private Limited	40.00	-
Kpig Renewables Private Limited	42.88	-
Kpev Charging Private Limited	40.00	-
Deposit Returned		
Quyosh Energia Private Limited	40.00	40.00
Kpark Sunbeat Private Limited	-	80.00
Kpgenix Sunray Private Limited	40.00	40.00
Kpig Renewables Private Limited	42.88	40.00
Kp Sor-Urja Limited	-	40.00
Kpev Charging Private Limited	40.00	40.00
Loans Given		
Nirav Girishbhai Raval	-	40.00
Rajvi Vinodchandra Upadhyay	-	2.50
K P Buildcon Private Limited	2701.16	1978.77
Loan Received Back		
Kpig Renewables Private Limited	-	2.88
KP Energy Limited	-	-
Nirav Girishbhai Raval	-	40.00
Rajvi Vinodchandra Upadhyay	0.12	0.12
K P Buildcon Private Limited	3262.20	956.06
Donation Given		
Kp Human Development Foundation	134.68	6.11
Amount Given for CSR Activity		
Kp Human Development Foundation	207.13	76.91
Sales		
K P Buildcon Private Limited	6.94	32.43
KP Energy Limited	0.89	-
Managerial Remuneration		
Nirav Girishbhai Raval	5.15	12.77
Rajvi Vinodchandra Upadhyay	7.42	4.83
Mohmed Sohil Yusuf Dabhoya	22.42	14.58
Farukbhai Gulambhai Patel	80.01	72.00
Salim Suleman Yahoo	10.73	-

Sitting Fees		
Bhadrabala Dhimantraj Joshi	0.40	0.38
MOh. Hanif Moh. Habib dalchawal	0.45	0.53
Venu Birapa	0.75	0.55
Sharadchandra B Patil	0.70	0.38
Shanker Baheria	0.13	-
Purchase		
K P Buildcon Private Limited	559.02	819.86
KP Energy Limited	2017.15	-
Purchase of capital goods		
K P Buildcon Private Limited	7.22	-
M81 TECHNOLOGIES PVT LTD	2.15	-
Interest on Unsecured Loan		
K P Buildcon Private Limited	126.64	44.40
Advance received back given for purchase of property		
Farukbhai Gulambhai Patel	-	266.15
Loan Taken	900.00	-
Farukbhai Gulambhai Patel		
Loan Repaid		
Farukbhai Gulambhai Patel	900.00	256.60
Advance Given for Property		
Affan Faruk patel	70.00	-
Hassan Faruk Patel	70.00	-
K P Buildcon Private Limited	-	250.00

48. Ratio Analysis:

Particulars	UOM	Year Ended 31st March, 2023	Year Ended 31st March, 2022	% of variance	Reason for Variance
(i) Current Ratio:					
Current Assets (a)	in Lakhs	44454.51	26203.91		Since the variance in the ratio is less than 25%, reasons for change is not given.
Current Liabilities (b)	in Lakhs	37003.45	18294.39		
Current Ratio (a/b)	Times	1.20	1.43	-16.13%	
a. Items included in Numerator: All financial and non financial current assets					
b. Items included in Denominator: All financial and non financial current liabilities					
(ii) Debt-Equity Ratio:					
Total Debts (a)	in Lakhs	52115.98	33690.12		Since the variance in the ratio is less than 25%, reasons for change is not given.
Shareholder's Equity (b)	in Lakhs	25791.59	15373.56		
Debt-Equity Ratio (a/b)	Times	2.02	2.19	-7.79%	
a. Items included in Numerator : Non current borrowings and current borrowings					
b. Items included in Denominator : Total Equity					
(iii) Debt Service Coverage Ratio:					
Earnings available for Debt services (a)	in Lakhs	18743.33	10020.24		Debt service coverage Ratio is increased due to increase in earnings available for debt service as compared to last year
Interest + Installments (b)	in Lakhs	6780.33	5330.61		
Debt Service coverage Ratio (a/b)	Times	2.76	1.88	47.06%	
a. Items included in Numerator : Earning Before Interest, Depreciation and Amortisation					
b. Items included in Denominator : Total Finance cost and Installments (excluding lease finance cost)					
(iv) Return on Equity Ratio:					
Net Profit after taxes (a)	in Lakhs	10962.79	4324.54		Return on Equity is improved due to Revenue growth in CPP Business and consequent Increase in profit during the current financial year.
Equity Shareholder's fund (b)	in Lakhs	25791.59	15373.56		
Return on Equity Ratio (a/b)	Percentage	42.51%	28.13%	51.10%	
a. Items included in Numerator : Profit after tax					
b. Items included in Denominator : Total Equity					
(v) Inventory Turnover Ratio:					
Cost of Goods Sold (a)	in Lakhs	40945.08	10730.45		Inventory Turnover Ratio is increased due to Purchase of Inventory at the end of current financial year which will be consumed in next financial year.
Average Inventory (b)	in Lakhs	13581.76	7346.35		
Inventory Turnover Ratio (a/b)	Times	3.01	1.46	106.40%	
a. Items included in Numerator : Cost of Goods Sold					
b. Items included in Denominator : Average Traded Inventories					
(vi) Trade Receivables Turnover Ratio(in days):					
Average Trade Receivables (a)	in Lakhs	9175.66	4332.76		Since the variance in the ratio is less than 25%, reasons for change is not given.
Sales (b)	in Lakhs	64378.63	22994.11		
Trade Receivables turnover Ratio (a/b)*365	Days	52.02	68.78	-24.36%	
a. Items included in Numerator : Average Trade receivables (including Unbilled revenue)					
b. Items included in Denominator : Total Revenue from Operations					

(vii) Trade Payables Turnover Ratio:					
Average Trade Payables (a)	in Lakhs	13711.26	3432.71		Trade Payable Turnover Ratio is increased due to increase in trade payables in current year as compared to last year.
Total Purchases (b)	in Lakhs	44027.28	16049.30		
Trade Payables turnover Ratio (a/b)*365	Days	113.67	78.07	45.60%	
a. Items included in Numerator : Average Trade Payables					
b. Items included in Denominator : Total Purchases					
(viii) Net Capital Turnover Ratio:					
Sales (a)	in Lakhs	64378.63	22994.11		Net capital turnover Ratio is increased due to the fact that in current year sales is increased as compared to last year.
Working Capital (b)	in Lakhs	7451.06	7909.52		
Net Capital Turnover Ratio (a/b)	Times	8.64	2.91	197.21%	
a. Items included in Numerator : Total Revenue from Operations					
b. Items included in Denominator : Current Assets less Current Liabilities (other than borrowings)					
(ix) Net Profit Ratio:					
Net Profit after Tax (a)	in Lakhs	10962.79	4324.54		Since the variance in the ratio is less than 25%, reasons for change is not given.
Sales (b)	in Lakhs	64703.47	23151.69		
Net Profit Ratio (a/b)	Percentage	16.94%	18.68%	-9.29%	
a. Items included in Numerator : Profit after Taxes					
b. Items included in Denominator : Total Income					
(x) Return on Capital Employed:					
Earnings before Interest and Taxes (a)	in Lakhs	18863.42	9629.36		Return on capital employed Ratio is increased due to the fact that in current year earning before interest and taxes is increased as compared to last year.
Capital Employed (b)	in Lakhs	63485.63	42030.10		
Return on Capital Employed (a/b)	Percentage	29.71%	22.91%	29.69%	
a. Items included in Numerator : Profit before tax + Interest expense					
b. Items included in Denominator : Total Equity + Total Borrowings + Deferred tax liability					
(xi) Return on Investment:					
Income from Investment (a)	in Lakhs	265.32	123.73		Since the variance in the ratio is less than 25%, reasons for change is not given.
Total Investment (b)	in Lakhs	3003.32	1740.27		
Return on Investment (a/b)	Percentage	8.83%	7.11%	24.25%	
a. Items included in Numerator : Interest Income + Dividend Income					
b. Items included in Denominator : Total Investments + Fixed Deposits					

49. Contingent Liabilities not provided for:

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Income tax Assessment for A.Y. 2016-2017, pending before Comm. Of IT-Appeals-1, Surat	0	13.31
Income tax Assessment for A.Y. 2015-2016, pending before Comm. Of IT-Appeals-1, Surat	74.22	74.22
Income tax Assessment for A.Y. 2014-2015, pending before Comm. Of IT-Appeals-1, Surat	14.24	14.24

Notes: The Company has filed an appeal before the Appellate authorities in respect of the disputed matter under the Income Tax Act, 1961 and the appeals are pending with the appellate authority. Considering the facts of the matters and other legal pronouncements of jurisdictional HC, no provision is considered necessary by the management because the management is hopeful that the matter would be decided in favour of the Company in the light of the legal advice obtained by the company. Amount shown as deducted in the brackets are the amounts paid against the demand raised by the Income Tax Department in the Scrutiny assessment. Net amount is shown as Contingent liabilities not provided for.

50. Employee Benefit Plans:
Defined Contribution Plans:

The Company makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. The Company's contribution is recognized as an expense in the statement of profit and loss during the period in which the employee renders the related service.
The amount recognized as an expense towards contribution to provident fund for the year aggregated to Rs. 9.65 Lakhs (Rs. 4.17 Lakhs).
The amount recognised as an expense towards contribution to ESI for the year aggregated to Rs. 1.39 Lakhs (Rs. 1.05 Lakhs).
Company adopted Indian Accounting Standard 19 "Employee Benefits" ('IND AS 19') as specified in Rule 7 of the Companies (Accounts) Rules, 2014.

Defined Benefit Plans:
The Company operates a defined benefit plan (the Gratuity plan) covering eligible employees, which provides a lump sum payment to vested employees at retirement, death,

Particulars	As at March 31, 2022	As at March 31, 2021
i. Reconciliation of Opening and Closing Balances of Defined Benefit Obligation		
Liability at the beginning of the Year	**31.79**	**20.60**
Interest Cost	2.22	1.41
Current Service Cost	8.89	5.00
Past Service Cost	0.00	3.28
Re-measurement (or Actuarial) (gain) / loss arising from:		
change in demographic assumptions	0.00	0.00
change in financial assumptions	-4.91	-0.33
experience variance (i.e. Actual experiences assumptions)	3.63	1.82
Present Value of Defined Benefits Obligation at the end of the Year	**41.62**	**31.79**
ii. Reconciliation of Opening and Closing Balances of the Fair value of Plan Assets		
Fair Value of Plan assets at the beginning of the Year	**-**	**-**
Investment Income	-	-
Return on plan asset excluding amount recognised in net interest expenses	-	-
Contributions	-	-
Fair Value of Plan assets at the end of the Year	**-**	**-**

iii. Reconciliation of the Present value of defined benefit obligation and Fair value of plan		
Present Value of Defined Benefits Obligation at the end of the Year	41.62	31.79
Fair Value of Plan assets at the end of the Year	-	-
Net (Liability) recognized in balance sheet as at the end of the year	**41.62**	**31.79**
iv. Gratuity Cost for the Year		
Interest Cost	2.22	1.41
Current Service Cost	8.89	5.00
Past Service Cost	0.00	3.28
Investment Income	-	-
Net Gratuity cost in statement of Profit and Loss account	**11.10**	**9.70**
v. Other Comprehensive income		
Actuarial (gains)		
change in demographic assumptions	0.00	.49
change in financial assumptions	-4.91	-0.33
experience variance (i.e. Actual experiences assumptions)	3.63	1.82
Return on plan asset excluding amount recognised in net interest expenses	-	-
Components of defined benefit costs recognised in other comprehensive income	**-1.27**	**1.49**
vi. Actuarial Assumptions		
Discount Rate (per annum)	6.98%	6.86%
Annual Increase in Salary Cost	7%	7%
Mortality Rate During employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality (2006-08) Ultimate
Attrition Rate	For service 4 years and below 15.00% p.a. For service 5 years and above 4.00% p.a.	For service 4 years and below 15.00% p.a. For service 5 years and above 4.00% p.a.

Sensitivity Analysis:

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

Particulars	As at March 31, 2023	As at March 31, 2022
Defined Benefit Obligation (Base)	41.62	31.79
Delta Effect of +1% Change in Rate of Discounting	-3.12	-2.52
Delta Effect of -1% Change in Rate of Discounting	3.64	2.93
Delta Effect of +1% Change in Rate of Salary Increase	3.06	2.45
Delta Effect of -1% Change in Rate of Salary Increase	-3.18	-2.54
Delta Effect of +1% Change in Rate of Employee Turnover	0.10	-0.23
Delta Effect of -1% Change in Rate of Employee Turnover	-0.16	0.23

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the Defined Benefit Obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the Defined Benefit Obligation has been calculated using the projected unit credit method at the end of the reporting period,which is the same method as applied in calculating the Defined Benefit Obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

51. Additional Regulatory information pursuant to the provisions of Schedule III of The Companies Act, 2013

(i) During the year, the company has not owned any immovable properties whose title deeds are not held in the name of the company.

(ii) During the year, company has not revalued any Property, Plant and Equipment.

(iii) The quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of account and hence there is no reconciliation for any discrepancies.

(iv) During the year, the company was not declared as wilful defaulter by any bank or financial Institution or other lender.

(v) Based on the information available with the Company, there are no transactions with struck off companies.

(vi) Auditor's Remuneration:

Particulars	31/03/2023	31/03/2022
As Statutory Auditor	35.96	7.18
As Tax Auditor	4.00	0.5
As GST Consultant	1.08	0

(vii) Disclosure relating to Corporate Social Responsibility (CSR)

Particulars	31/03/2023	31/03/2022
Amount Required to be spent by the company during the year	60.87	31.73
Amount of expenditure incurred	230.50	99.84
Shortfall at the end of the previous year	-	-
Total of previous years shortfall	-	-
Reason for shortfall	**NA**	**NA**
Contribution to a section 8 company controlled by the company in relation to CSR expenditure	207.13	62.49

The company has undertaken following activities towards Corporate Social Responsibility:
(i) Promoting Education.
(ii) Setting up old age homes, day care centres and such other facilities for senior citizens.

The contribution to a section 8 Company controlled by the company has been used for following activities:
(i) Promoting Education.
(ii) Promoting health care including preventinve health care.
(iii) Setting up homes and hostels for women and orphans.
(iv) Setting up old age homes, day care centres and such other facilities for senior citizens.
(v) Welfare of the schedule caste, tribes, other backward classes, minorities and women.

52. The Code on Social Security, 2020

The Code on Social Security 2020 ('Code') has been notified in the Official Gazette on September 29, 2020. The Code is not yet effective and related rules are yet to be notified.

53A. Other Statutory information

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
(ii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
(iii) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
(iv) No funds have been advanced / loaned / invested (from borrowed funds or from share premium or from any other sources / kind of funds) by the Company to any other
(v) The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on
(vi) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the

vii) Additional information pursuant to the provisions of Schedule III of The Companies Act, 2013 in respect of Consolidation :

A) List of Subsidiaries which are included in the consolidation and the Company's effective holdings therein

Name of the subsidiary	Country of Incorporation	Effective ownership in subsidiaries as at March 31,	
		2023	2022
KPIG NERGIA PVT LTD	INDIA	100%	100%
SUNDROPS ENERGIA PVT LTD	INDIA	100%	100%

B) Additional information, as required under Schedule III of the Act for the entities consolidated as

(₹ in Lakhs)

Name of the subsidiary	Net Assets (total assets – total		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated Net assets	Amount	As % of Consolidated profit or loss	Amount	As % of Consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
KPI Green Energy Limited	88.50	22830.26	71.51	7839.36	100.00	0.95	71.51	7840.31
Indian Subsidiaries								
KPIG NERGIA PVT LTD	25.17	6492.30	25.69	2816.27	0.00	0	25.69	2816.27
SUNDROPS ENERGIA PVT LTD	14.33	3695.98	4.58	502.07	0.00	0	4.58	502.07
Minority Interest in all subsidiary	0.00	0	0.00	0	0.00	0	0.00	0
Eliminations	-28.00	-7226.94	-1.78	-194.90	0.00	0	-1.78	-194.90
Total	100	25791.59	100.00	10962.79	100.00	0.95	100.00	10963.74

54. Significant Events after the Reporting Period

There were no significant adjusting events that occurred subsequent to the reporting period other than the events disclosed in the relevant notes.

55. Approval of Consolidated Financial Statements

The Consolidated financial statements were approved for issue by the Board of Directors on May 26, 2023.

56.The figures for the corresponding previous year have been regrouped / reclassified wherever necessary, to make them comparable.

In terms of our attached report of even date
For K A Sanghavi and Co LLP
Chartered Accountants
ICAI FRN : 0120846W/W100289

CA Amish A. Sanghavi
Partner
M. NO. 101413
ICAI UDIN : 23101413BGQWTX2251

Place : Surat
Date : May 26, 2023

For and on behalf of the Board
KPI Green Energy Limited
(Formerly Known as K.P.I. Global Infrastructure Limited)

Faruk G. Patel	**Mohmed Sohil Y. Dabhoya**	**Salim S. Yahoo**	**Rajvi Upadhyay**
(Chairman And Managing Director)	**(Whole Time Director)**	**(Chief Financial Officer)**	**(Company Secretary)**
DIN : 00414045	**DIN : 07112947**		

Place : Surat
Date : May 26, 2023

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF
KPI GREEN ENERGY LIMITED

Report on the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying Consolidated Ind AS Financial Statements of KPI GREEN ENERGY LIMITED ("the Holding company"), its subsidiaries (the Holding Company and its Subsidiaries together referred to as "the Group"), its associates and joint ventures comprising of the consolidated Balance Sheet as at March 31, 2024, 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 Ind AS 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 Ind AS financial statements give the information required by the Companies Act, 2013 ("the 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 consolidated state of affairs of the Group as at March 31, 2024 and their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the companies Act, 2013. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the consolidated Ind AS Financial Statements section of our report. We are independent of the Group, associates and joint ventures 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 Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS 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 Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the 'Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements' section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

Sr. No.	Key Audit Matter	How the matter was addressed in our audit
1.	**Evaluation of uncertain Tax positions** The Group has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of the said dispute. Refer Note No. 49 to the consolidated financial statements	Obtained details of completed Income tax assessment and demand as on March 31, 2024 from management. We involved our internal experts to challenge the management's underlying assumptions in estimating the tax provision and the possible outcome of the dispute. Our internal experts also considered legal precedence and other rulings in evaluating management's position on this uncertain tax position. Additionally, we considered the effect of new information in respect of uncertain tax position as at 01.04.2023 to evaluate whether any change was required to management's position on these uncertainties.
2.	**Evaluation of procedure for recognizing the revenue from sale of power** The Group 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 Group 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 Solar Power plants issued by the GETCO – State Load Dispatch Centre on monthly basis, Calculations of transmission Loss of solar energy 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 2024 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.

Information other than the consolidated Financial Statements and Auditor's Report thereon

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 annual report but does not include the consolidated Ind AS Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated Ind AS 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 Ind AS 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 Ind AS Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated / inconsistent.
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 Ind AS Financial Statements

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associates and joint ventures in accordance with the accounting principles generally accepted in India, including The Indian Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 , as amended. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Group and its associates and joint ventures and for preventing and detecting the frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 Ind AS 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 Ind AS financial statements, the respective management and Board of Directors of the Companies included in the Group and its associates and joint ventures are responsible for assessing the ability of the Group and of its associates and joint ventures 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 Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associates and joint ventures are also responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS 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 Ind AS 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 Holding Company has adequate internal financial controls with reference to consolidated Ind AS 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 consolidated Ind AS 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 ability of the Group and its associates and joint ventures 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 consolidated Ind AS 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 and its associates and joint ventures to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS 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 the entities or business activities within the Group and its associates and joint ventures of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

Materiality is the magnitude of misstatements in the consolidated Ind AS 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 consolidated Ind AS financial statements.

We communicate with those charged with governance of the 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 Ind AS 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, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013 we give in the **"Annexure-A"**, a statement on the matters specified in the paragraph 3 (xxi) of the Order.

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 relating to the preparation of the aforesaid consolidation of the financial statements have been kept so far as appears from our examination of those books ;

    c. The Consolidated Balance Sheet, the consolidated Statement of Profit and Loss including the statement of other comprehensive income, the consolidated Cash Flow Statement and the consolidated statement of changes in equity 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 Ind AS Financial Statements comply with the IND AS specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

    e. On the basis of written representations received from the directors of the Holding Company as on 31st March, 2024, taken on record by the Board of Directors of the Holding company , of its subsidiary companies, its associates and joint ventures, none of the directors of Group companies , its associates and joint ventures are disqualified as on 31st March, 2024, 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 these consolidated Ind AS financial statements of the Holding Company, its subsidiaries, joint ventures and associate companies 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 Auditor's Report in accordance with the requirements of section 197(16) of the Act :

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company, its subsidiaries, associates and joint ventures to its directors during the current year is in accordance with the provisions of section 197 read with Schedule V of the Act.
The remuneration paid to any director is not in excess of the limits 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.

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

1. The consolidated financial statements disclose the impact of pending litigations as at 31ST March, 2024 on its consolidated financial position of the Group, its associates and joint ventures in its consolidated Ind AS financial statements – Refer Note 49 to the consolidated financial statements.
2. The Group, its associates and joint ventures did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
3. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, its associates and joint ventures during the year ended 31ST March, 2024
4.
   i) The respective management of the Holding Company, its subsidiaries, its associates and joint ventures have represented that, to the best of its knowledge and belief, other than as disclosed in the 14 to the consolidated Ind AS financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group. Associates and joint ventures to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group, associates and joint ventures ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
   ii) The respective management of the Holding Company, its subsidiaries, its associates and joint ventures have represented that, to the best of its knowledge and belief, no funds have been received by the Group, its associates and joint ventures from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group, its associates and joint ventures shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
   iii) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us

to believe that the representations under sub clause (i) and (ii) contain any material misstatement.

5. As stated in Note 17 to the consolidated financial statements
   i) The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with Section 123 of the Act
   ii) The company has not proposed any final dividend during the year.

6. Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

   As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

for **K A SANGHAVI AND CO LLP**
Chartered Accountants
FRN : 0120846W/W100289

Place : **SURAT**
Date : April 25, 2024

AMISH ASHVINBHAI SANGHAVI
PARTNER

M. NO. 101413
ICAI UDIN : 24101413BKAACZ3614

Annexure A referred to in paragraph 1 under the heading Report on other legal and regulatory requirements of our report of even date

Re: KPI GREEN ENERGY LIMITED

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

XXI. There has been no qualification or adverse remarks by the auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated Ind As Financial statements, except as stated in the below table.

Sr No	Name of the company included in the consolidated financial statements	CIN	Whether Holding/Subsidiary/ Associate/Joint Venture	Clause Number of the CARO report of the company which is qualified/adverse
1	KPI Green Energy Limited	L40102GJ2008PLC083302	Holding Company	Clause II(b)
2	KPIG Energia Private Limited	U40106GJ2019PTC108237	Subsidiary Company	Clause II(b)

for K A SANGHAVI AND CO. LLP
Chartered Accountants
FRN : 120846W / W100289

AMISH ASHVINBHAI SANGHAVI

M. NO. 101413
ICAI UDIN : 24101413BKAACZ3614

Place : SURAT
Date : April 25, 2024

1001, 1002, 1003, RAJHANS BONISTA,
RAM CHOWK, GHOD DOD ROAD,
SURAT-395007 GUJARAT

ANNEXURE - B TO THE AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of KPI Green Energy Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2024, 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 (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and joint ventures as of that date.

Management's Responsibility for Internal Financial Controls

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the 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 the 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 the internal financial controls over financial reporting with reference to consolidate financial statements 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 Companies Act, 2013, 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 over financial reporting with reference to consolidated 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 consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting with reference to consolidated 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 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 controls system over financial reporting with reference to the consolidated financial statements.

Meaning of Internal Financial Controls over Financial Reporting with reference to Consolidated Financial Statements

A company's internal financial control over financial reporting with reference to the 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 over financial reporting with reference to the 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 the Consolidated Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting 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 consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting 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.

Opinion

In our opinion, the Group, its associates and joint ventures 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 2024, 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")

for K A SANGHAVI AND CO. LLP
Chartered Accountants
FRN : 120846W / W100289

AMISH ASHVINBHAI SANGHAVI
M. NO. 101413
ICAI UDIN: 24101413BKAACZ3614
1001, 1002, 1003, RAJHANS BONISTA,
RAM CHOWK, GHOD DOD ROAD,
SURAT-395007 GUJARAT

Place : SURAT
Date : April 25, 2024

KPI Green Energy Limited

CIN: L40102GJ2008PLC083302

Reg. office : 'KP House',Near KP Circle. Opp. Ishwar Farm Junction BRTS, Canal Road, Bhatar, Surat 395017, Gujarat

Consolidated Balance sheet as at 31st March, 2024

(Rs. In lakhs)

Particulars	Note No.	As at 31st March, 2024	As at 31st March, 2023
I. ASSETS			
1) Non-current assets			
a) Property, Plant and Equipment	3	89813.75	80035.66
b) Capital work-in-progress	4	10139.16	28.38
c) Investment Property			
d) Goodwill			
e) Other Intangible assets	5	8122.06	26.78
f) Intangible assets under development			
g) Biological Assets other than bearer plants			
h) Financial Assets			
(i) Investments	6	0.01	150.01
(ii) Trade receivables			
(iii) Loans			
(iv) other financial assets	7	2112.75	784.16
i) Deferred tax assets (net)			
j) Other non-current assets	8	18.00	18.00
Total Non-current assets		110205.74	81042.98
2) Current assets			
a) Inventories	9	33386.27	16497.56
b) Financial Assets			
(i) Investments			
(ii) Trade receivables	10	42713.17	14672.98
(iii) Cash and cash equivalents	11	5430.49	1303.51
(iv) Bank balances other than (iii) above	12	11570.91	3936.18
(v) Loans	13	31.20	18.54
(vi) Others	14	25.17	194.21
c) Current Tax Assets (Net)			
d) Other current assets	15	40230.48	7831.53
Total Current assets		133387.70	44454.51
Total Assets		243593.43	125497.49
II. EQUITY AND LIABILITIES			
A) EQUITY			
a) Equity share capital	16	6028.26	3613.40
b) Other Equity	17	77540.12	22178.19
Total Equity		83568.38	25791.59
B) LIABILITIES			
1) Non-current liabilities			
a) Financial Liabilities			
(i) Borrowings	18	41712.79	40912.08
(ii) Lease liabilities	19	20461.62	15434.53
(iii) Trade Payables			
Total outstanding dues of micro enterprises and small enterprises (MSE) and			
Total outstanding dues of creditors other than (MSE)			
(iv) Other financial liabilities (other than those specified in item b)	20	50.00	50.00
b) Provisions	21	63.46	37.48
c) Deferred tax liabilities (Net)	22	8245.22	6268.36
d) Other non-current liabilities			
Total Non-current Liabilities		70533.08	62702.45
2) Current liabilities			
a) Financial Liabilities			
(i) Borrowings	23	41473.06	11203.90
(ii) Lease liabilities			
(iii) Trade Payables	24		
Total outstanding dues of micro enterprises and small enterprises (MSE) and		3959.45	2782.85
Total outstanding dues of creditors other than (MSE)		37701.57	19955.34

(iv) Other financial liabilities (other than those specified in item c)	25	2678.98	875.77
b) Other Current liabilities	26	1783.63	1874.41
c) Provisions	27	6.84	4.14
d) Current Tax Liabilities (net)	28	1888.44	307.03
Total Current liabilities		89491.97	37003.45
Total Liabilities		160025.05	99705.90
Total Equity and Liabilities		243593.43	125497.49

The accompanying notes form an integral part of the Consolidated Financial Statements.

In terms of our attached report of even date
For K A Sanghavi and Co LLP

Chartered Accountants
ICAI FRN : 0120846W/W100289

CA Amish A. Sanghavi
Partner
M. NO. 101413
ICAI UDIN : 24101413BKAACZ3614

Place : Surat
Date : April 25, 2025

For and on behalf of the Board
KPI Green Energy Limited

Faruk G. Patel
(Chairman And Managing Director)
DIN : 00414045

Mohmed Sohil Y. Dabhoya
(Whole Time Director)
DIN : 07112947

Rajvi Upadhyay
(Company Secretary)

Salim S. Yahoo
(Chief Financial Officer)

KPI Green Energy Limited

CIN: L40102GJ2008PLC083302

Reg. office : 'KP House',Near KP Circle. Opp. Ishwar Farm Junction BRTS, Canal Road, Bhatar, Surat 395017, Gujarat

Consolidated Profit and Loss for the year ended 31st March, 2024

(Rs. In lakhs)

Particulars	Note No.	For the year ended 31st March,2024	For the year ended 31st March,2023
I. Revenue from operation	29	102390.01	64378.63
II. Other Income	30	691.55	324.84
III. Total Income (I+II)		**103081.55**	**64703.47**
IV. Expenses			
a) cost of materials consumed	31	53315.93	37967.95
b) purchase of stock-in-trade	32	318.76	445.23
c) Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	33	-29.52	-217.50
d) Employee benefits expense	34	1439.04	807.33
e) Finance costs	35	8606.21	4676.45
f) Depreciation and amortization expenses	36	4037.41	2261.76
g) Other expenses	37	13661.45	4526.69
Total expenses (IV)		**81349.28**	**50467.91**
V. Profit/(loss) before exceptional items and tax (I-IV)		21732.27	14235.56
VI. Exceptional Items	38	30.54	48.59
VII. Profit/(loss) after exceptions items and tax (V-VI)		21701.74	14186.97
VIII. Tax expenses			
a) Current tax	39	3561.60	1035.96
b) Deferred tax	40	1974.46	2188.22
IX. Profit/(loss) for the period from continuing operations (VII-VIII)		16165.68	10962.79
X. Profit/(loss) from discontinued operations		-	-
XI. Tax expenses of discontinued operations		-	-
XII. Profi(loss) from discontinued operations (after tax) (X-XI)		-	-
XIII. Profit/(loss) for the period (IX+XII)		16165.68	10962.79
XIV. Other Comprehensive income			
a) (i) Items that will not be reclassified to profit or loss	41	-7.59	1.27
(ii) Income tax relating to items that will not be reclassified to profit or loss	42	-1.91	-0.32
b) (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XV. Total Comprehensive Income for the period (13+14) comprising Profit/(loss) and other comprehensive income for the period		16156.18	10963.74
XVI. Earnings per equity share (for continuing operation)			
a) Basic *		28.17	19.50
b) Diluted *		28.17	19.50

* Figures are in absolute amount.

The accompanying notes form an integral part of the Consolidated Financial Statements.

In terms of our attached report of even date
For K A Sanghavi and Co LLP
Chartered Accountants
ICAI FRN : 0120846W/W100289

CA Amish A. Sanghavi
Partner
M. NO. 101413
ICAI UDIN : 24101413BKAACZ3614

For and on behalf of the Board
KPI Green Energy Limited

Faruk G. Patel	**Mohmed Sohil Y. Dabhoya**
(Chairman And Managing Director)	**(Whole Time Director)**
DIN : 00414045	**DIN : 07112947**

Place : Surat
Date : April 25, 2024

Salim S. Yahoo	**Rajvi Upadhyay**
(Chief Financial Officer)	**(Company Secretary)**

KPI Green Energy Limited

CIN: L40102GJ2008PLC083302

Reg. office : 'KP House',Near KP Circle. Opp. Ishwar Farm Junction BRTS, Canal Road, Bhatar, Surat 395017, Gujarat

Consolidated Cash flow statement for the year ended 31st March, 2024

(Rs. in Lacs)

Particulars	For the year ended 31st March,2024	For the year ended 31st March,2023
Cash flow from operating activities		
Profit / (loss) before tax and exceptional items	21701.74	14186.97
Non-cash Adjustment to reconcile Profit before tax to net cash flow:		
Depreciation and amortisation expense	4037.41	2261.76
Interest Income	-583.89	-265.32
Interest Expense	8606.21	4676.45
Amount Directly debited to OCI/Reserves	1.08	1.27
Loss/ (Profit) on sale of fixed assets	-	-2.37
Loss/ (Profit) on sale of investments	-18.50	-
Insurance claim recevied	-25.24	-
Loss on derocgnition of asset	30.27	-
Operating profit / (loss) before working capital change	**33749.07**	**20858.76**
Changes in operating Asset & Liabilities		
(decrease) / Increase in trade payables	18205.45	18053.85
(decrease) / increase in provisions and other liabilities	28.68	-10.58
(decrease) / increase in other current and other non-current financial liabilities	1796.19	677.55
(decrease) / increase in other current and other non-current liabilities	-90.78	-6773.62
(Increase) / decrease in trade receivables	-28040.20	-10994.63
(Increase) / decrease in inventories	-16888.71	-5831.60
(Increase) / decrease in other current and other non-current financial assets	-1172.21	-629.26
(Increase) / decrease in other current and other assets	-11356.44	1316.82
Cash (used in) / generated from operating activities	**-3768.94**	**16667.30**
Direct tax paid, (net of refunds)	-1980.19	-728.93
Net cash (used in) / generated from operating activities (A)	**-5749.13**	**15938.37**
Cash flow from investing activites		
Payment for purchase of fixed asset and CWIP (Excl. ROU Asset)	-13057.04	-26627.73
Acquisition of ROU Asset	-5607.31	-4558.15
Advance to capital creditors	-21002.66	-
Interest Income received	583.89	265.32
Proceeds from sale of fixed assets	25.24	127.36
Proceeds from sale of mutual funds	168.50	-
Investment in subsidiaries*	210.88	-
Investment in mutual funds	-	-150.00
Net cash (used in) / generated from investing activities (B)	**-38678.50**	**-30943.20**
Cash flow from financing activities		
Proceeds from issuance of share capital	29999.99	-
Proceeds / (repayment) of lease liability, net	5027.08	4476.67
Proceeds / (repayment) of short term borrowings, net	30269.16	6443.01
Proceeds / (repayment) from long term borrowings, net	465.71	11982.85
Interest Expense	-8606.21	-4676.45
Expenses incurred on issue of shares	-782.08	-
Cash payments for interest portion of lease liability	-	-
Dividend Paid and dividend payout charges	-184.32	-545.72
Net cash (used in) / generated from financing activities (C)	**56189.34**	**17680.37**
Net Increase / (decrease) in cash and cash equivalment (A+B+C)	**11761.71**	**2675.54**
Cash and cash equivalent at the beginning of the period	**5239.70**	**2564.15**
Cash and cash equivalent at the end of the period	**17001.40**	**5239.70**
Components of cash and cash equivalents		
Cash on hand	**32.87**	**20.30**
Balance with banks		
-on current account	**5397.62**	**1283.21**
-other bank balance	**11570.91**	**3936.18**
Total Cash and cash equivalent at the end of the period	**17001.40**	**5239.70**

The accompanying notes form an integral part of the Consolidated Financial Statements.

*Note- During the year, a company named KPARK Sunbeat Private Limited was acquired by the holding company KPI Green Energy Limited. Out of the total consideration,the amount paid in cash was Rs 14.88 Lakhs and the cash and cash equivalent and other bank balance of the said subsidiary as on the date of acquisition was Rs 225.76 Lakhs. Thus the net cash inflow from investment in subsidiary arrived at RS 210.88 Lakhs.

In terms of our attached report of even date	**For and on behalf of the Board**	
For K A Sanghavi and Co LLP	**KPI Green Energy Limited**	
Chartered Accountants		
ICAI FRN : 0120846W/W100289		
CA Amish A. Sanghavi	**Faruk G. Patel**	**Mohmed Sohil Y. Dabhoya**
Partner	**(Chairman And Managing Director)**	**(Whole Time Director)**
M. NO. 101413	**DIN : 00414045**	**DIN : 07112947**
ICAI UDIN : 24101413BKAACZ3614		
Place : Surat	**Salim S. Yahoo**	**Rajvi Upadhyay**
Date : April 25, 2024	**(Chief Financial Officer)**	**(Company Secretary)**

KPI Green Energy Limited

CIN: L40102GJ2008PLC083302

Reg. office : 'KP House',Near KP Circle. Opp. Ishwar Farm Junction BRTS, Canal Road, Bhatar, Surat 395017, Gujarat

Consolidated statement of changes in equity for year ended 31st March, 2024

A. Equity Share Capital

(All the figures are in Lakhs)

Particulars	Amount
Balance as at 31st march, 2022	**1806.70**
Changes in Equity Share Capital during the year	1806.70
Balance as at 31st march, 2023	**3613.40**
Changes in Equity Share Capital during the year	2414.86
Balance as at 31st march, 2024	**6028.26**

B. Other Equity

(All the figures are in Lakhs)

	Reserves and Surplus				**Items of Other Comprehensive Income**	
Particulars	**Securities Premium**	**General Reserve**	**Capital Reserve**	**Retained Earnings**	**Acturial Gains and Losses**	**Total**
Balance as at 1st April, 2022	**5139.40**	**-**	**-**	**8435.15**	**-7.69**	**13566.86**
Profit for the year	-1806.70	-	-	10962.79	-	9156.09
Other Comprehensive Income for the year	-	-	-	-545.72	1.27	-544.44
Tax impact of items not classified to statement of profit and loss	-	-	-	-	-0.32	-0.32
Balance as at 31st March, 2023	**3332.70**	**-**	**-**	**18852.22**	**-6.73**	**22178.19**
Increase on issue of shares	42200.21					42200.21
Adjusted against Bonus Shares Issue	-2009.42					-2009.42
Ratained earnings on acquisition				**-5.01**		-5.01
Expenses related to issue of shares	-763.33			**-18.75**		-782.08
Profit for the year	-	-	-	16165.68	-	16165.68
Dividend Distributed	-	-	-	-180.67	-	-180.67
Other adjustment				-17.27		-17.27
Other Comprehensive Income for the year	-	-	-	-	-7.59	-7.59
Tax impact of items not classified to statement of profit and loss	-	-	-	-	-1.91	-1.91
Balance as at 31st March, 2024	**42760.16**	**-**	**-**	**34796.19**	**-16.24**	**77540.12**

The accompanying notes form an integral part of the Consolidated Financial Statements.

In terms of our attached report of even date
For K A Sanghavi and Co LLP
Chartered Accountants
ICAI FRN : 0120846W/W100289

CA Amish A. Sanghavi

Partner

M. NO. 101413
ICAI UDIN : 24101413BKAACZ3614

Place : Surat
Date : April 25, 202

For and on behalf of the Board
KPI Green Energy Limited

Faruk G. Patel	**Mohmed Sohil Y. Dabhoya**	**Salim S. Yahoo**	**Rajvi Upadhyay**
(Chairman And Managing Director)	**(Whole Time Director)**	**(Chief Financial Officer)**	**(Company Secretary)**
DIN : 00414045	**DIN : 07112947**		

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

1 CORPORATE INFORMATION:

KPI Green Energy Limited (“the Company”) was incorporated on 01/02/2008 as a Limited company domiciled in India under The Companies Act, 1956. . The securities of the company are listed on main board of BSE and NSE. The Company develops, builds, owns, operates and maintains solar power plants as an Independent Power Producer (IPP) and Captive Power Producer (CPP) both under the brand name of 'Solarism'. Both these businesses, IPP and CPP, are currently carried out at plant located at Dist. Bharuch, Gujarat (Solarism Plant).

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

(i) Basis of preparation of Financial Statements:

These consolidated financial statements of the company have been prepared in accordance with the Generally Accepted Accounting Principles in India (‘Indian GAAP’) to comply with the Indian Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant provisions of the Companies Act, 2013 and guidelines issued by Securities and Exchange Board of India (SEBI) as amended from time to time. The financial statements have been prepared on a going concern basis under the historical cost convention on accrual basis, except in case of assets for which provision for impairment for certain financial instruments which are measured at fair value.

All amounts included in the financial statements are reported in Lacs of Indian Rupees except wherever absolute figure of Indian Rupees mentioned.

(ii) Presentation and disclosure of financial statements:

During the year end 31ST March 2024, the company has presented the financial statements as per the Schedule III notified under the Companies Act, 2013. The statement of Cash Flows has been prepared and presented as per requirements of Ind As 7 “ Statement of Cash Flows “. The disclosure requirements with respect to items in the Balance sheet and Profit & Loss Account , as prescribed in Schedule III of the Act are presented by way of notes forming part of the consolidated financial statements. The company has also reclassified the previous figures in accordance with the requirements applicable in the current year.

Accounting policies have been consistently applied except where a newly issued Indian Accounting Standard is initially adopted or a revision to an existing Indian Accounting Standard requires such change in the accounting policy hitherto in use.

(iii) Basis of Consolidation:

The Group consolidates all entities which are controlled by it. The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity’s returns. The entities are consolidated from the date control commences until the date control ceases.

a. Subsidiaries:

The consolidated financial statements of the Group companies are consolidated on a line-by-line basis and intra-group balances and transactions including unrealised gain/loss from such transactions are eliminated upon consolidation. These consolidated financial statements are prepared by applying uniform accounting policies in use at the Group. Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interest having a deficit balance.

Changes in the Group's holding that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's holding and the non-controlling interests are adjusted to reflect the changes in their relative holding. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

(iv) Use of Estimates:

In the application of the Company's accounting policies, management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Consolidated Financial Statements.

(v) Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

(vi) Property, Plant and Equipment:

a. Accounting Policy for recognition and measurement :

Property, plant and equipment are stated at acquisition cost less accumulated depreciation and accumulated impairment losses, if any. All costs, including borrowing costs incurred up to the date the asset is ready for its intended use, are capitalised along with the respective asset.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, Write back of creditors over concern of performance of assets, any directly attributable cost of bringing the item to its working condition for its intended use. The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The residual values, useful lives and method of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

b. Subsequent measurement :

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

c. Impairment:

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses of tangible and intangible assets are recognised in the statement of profit and loss. 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.
In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

d. Depreciation:

Depreciation commences when an asset is ready for its intended use. Freehold land and assets held for sale are not depreciated.

Depreciation is recognised on the cost of assets (other than freehold land and properties under construction) less their residual values over their estimated useful lives, using the straight-line method.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset.
Estimated Useful lives of Various Items of Property, Plant and Equipment are as follows:

Type of Asset	Useful Life (in years)
Building (including civil construction)	60
Solar Plant	25
Plant and Machinery	15
Electrical Installation and Equipment	10
Furniture & Fixtures	10
Vehicle (Two-Wheeler)	10
Vehicle (Four-Wheeler)	8
Heavy Vehicles	8
Office Equipment	5
Computer & Related Accessories	3
Right of Use Assets	Period of Lease

e. De-recognition:

An item of Property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

(vii) Intangible Assets:

a. Accounting Policy:

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

The residual values, useful lives and method of depreciation of Intangible Assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

b. Amortisation:

Amortisation is recognised using Straight Line method over their estimated useful lives. Estimated useful life of the Computer Software is 10 years.

c. De-recognition of Intangible Assets:

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in statement of profit and loss when the asset is derecognised.

(viii) Capital Work in Progress:

Expenditure related to and incurred during implementation of capital projects to get the assets ready for intended use is included under “Capital Work in Progress”. The same is allocated to the respective items of property plant and equipment on completion of construction/ erection of the capital project/property plant and equipment.

(ix) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior periods/ years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

(x) <u>Financial Instruments:</u>

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities measured at fair value through profit or loss are recognised immediately in the statement of profit and loss.

(xi) <u>Financial Assets:</u>

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

a) <u>Financial Assets at amortised cost:</u>

Financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method if these financial assets are held within a business whose objective is to hold these assets 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.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

The effective interest method is a method of calculating the amortised cost of financial assets and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and transaction costs and other premiums or discounts) through the expected life of the financial assets, or where appropriate, a shorter period, to the net carrying amount on initial recognition. Interest is recognised on an effective interest basis for debt instruments other than those financial assets classified as at Fair Value through Profit and Loss (FVTPL).

b) <u>Financial Assets at fair value through other comprehensive income (FVTOCI) :</u>

A financial asset is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; 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.

c) <u>Financial Assets at fair value through profit or loss (FVTPL) :</u>

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Fair value changes related to such financial assets including derivative contracts are recognised in the Statement of Profit and Loss.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss

recognised in profit or loss incorporates any dividend or interest earned on the financial asset.

d) **<u>Business Model Assessment</u>** :

The Company makes an assessment of the objectives of the business model in which a financial asset is held at portfolio level because it best reflects the way business is managed and information is provided to management.

The assessment of business model comprises the stated policies and objectives of the financial assets, management strategy for holding the financial assets, the risk that affects the performance etc.

e) <u>De-recognition :</u>

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the Statement of Profit and Loss if such gain or loss would have otherwise been recognised in the Statement of Profit and Loss on disposal of that financial asset.

f) <u>Impairment :</u>

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

(xii) Financial Liabilities :

a) Classification as debt or equity :

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

b) Equity Instruments :

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

c) Financial Liabilities :

All financial liabilities are measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item in the Statement of Profit and Loss.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Trade and other payables are recognised at the transaction cost, which is its fair value, and subsequently measured at amortised cost.

Financial liabilities at FVTPL

A financial liability may be designated as at FVTPL upon initial recognition if:

i) such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;

ii) the financial liability whose performance is evaluated on a fair value basis, in accordance with the Company's documented risk management;

Fair value changes related to such financial liabilities including derivative contracts like forward currency contracts and options to hedge the Company's foreign currency risks are recognised in the Statement of Profit and Loss.

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Financial liabilities are classified as held for trading if these are incurred for the purpose of repurchasing in the near term. Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in the statement of profit and loss.

d) De-recognition :

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

(xiii) 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.

(xiv) Fair Value Measurement:

The Company measures financial instruments at fair value at each balance sheet date.

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 principal or the most advantageous market must be accessible by the Company.

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.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised 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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained below.

(xv) Borrowing Costs:

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

(xvi) Inventories :

Inventories are stated at the lower of cost and net realisable value by following project wise FIFO basis. In determining the cost of Plots, Weighted Average Method is used. Cost of Inventories comprises all cost of purchase and other cost incurred in bringing inventories to their present location and condition. Cost in case of work in progress is determined on the basis of the actual expenditure attributable to the said work till the end of the reporting period.

Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

(xvii) Revenue recognition :

Revenue from contracts with customers is recognised when control of the goods or services are rendered to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts and other incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes or other amounts collected from customers in its capacity as an agent. If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

The accounting policies for the specific revenue streams of the Company are summarised below:

a) The Company's contracts with customers for the sale of power plant generally include one performance obligation satisfied over a period of time. Revenue from sale of solar power plant is recognized over time based on output method where direct measurements of value to the customer based on milestones reached to date.
b) The Company's contracts with customers for the sale of goods generally include one performance obligation. Revenue from the sale of goods is recognised at the point in time when control of the asset is transferred to the customers, generally on delivery of the goods. The transaction price has been adjusted for significant financing component, if any and the adjustment is accounted as finance cost. The difference between the revenue recognised and amount invoiced has been presented as deferred revenue/unbilled revenue.
c) Revenue from Services rendered is recognised when the work is performed as per the terms of agreement.
d) Interest income is recognised on Effective Interest Rate (EIR) basis taking into account the amount outstanding and the applicable interest rate.

Contract Balances:

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional i.e. only the passage of time is required before payment of consideration is due.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. Contract liabilities are recognised as revenue when the Company performs obligations under the contract.

(xviii) Employee Benefit Plan :

a) Defined Benefit Plan:

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. However, the company has not made any such contributions during the year. The cost of providing benefits under the defined benefit plan is based on an independent acturial valuation carried out using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit and loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Company recognises the following changes in the net defined benefit obligation as a charge to the capital work-in-progress till the capitalisation of the projects otherwise the same is charged to the Statement of Profit and Loss.

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income.

b) Defined Contribution Plan:

Retirement benefit in the form of Provident Fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as a charge to the Statement of Profit and Loss for the period in which the contributions to the respective funds accrue.

c) Short Term Employee benefits :

Short-term employee benefit obligations, if any are recognised at an undiscounted amount is charged to the Statement of Profit and Loss for the period in which the related services are received.

(xix) Current and 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:

a. Expected to be realised or intended to be sold or consumed in normal operating cycle or
b. Held primarily for the purpose of trading or
c. Expected to be realised within twelve months after the reporting period, or
d. 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:

a. It is expected to be settled in normal operating cycle or
b. It is held primarily for the purpose of trading or
c. It is due to be settled within twelve months after the reporting period, or
d. 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 respectively. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

(xx) Taxation :

Tax on Income comprises current and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current Tax:

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the reporting period and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred Tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

(xxi) Leases:

The Company as a lessee

The Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

Lease term is a non-cancellable period together with periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments to be paid over the lease term at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate. Subsequently, the lease liability is measured at amortised cost using the effective interest method.

<u>The Company as a lessor</u>

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.

(xxii) <u>Provisions and Contingent Liabilities, Contingent Assets :</u>

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are not recognised but are disclosed in the notes where an inflow of economic benefits is probable.

(xxiii) <u>Earning per share :</u>

Basic earnings per equity share is 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 is 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 consolidated financial statements by the Board of Directors.

(xxiv) <u>Dividend distribution to equity shareholders of the Company :</u>

The Company recognises a liability to make dividend distributions to its equity holders when the distribution is authorised and the distribution is no longer at its discretion. A corresponding amount is recognised directly in equity.

(xxv) <u>Cash Flow Statement:</u>

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.

(xxvi) <u>Segment Reporting:</u>

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.

(xxvii) <u>Cash and Cash Equivalents :</u>

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.

3. PROPERTY, PLANT AND EQUIPMENT

(All amounts are in Lakhs unless otherwise stated)

PARTICULARS	LAND- FREEHOLD	BUILDINGS	PLANT & MACHINERY	OFFICE EQUIPMENT	ELECTRICAL INSTALLATIONS AND EQUIPMENT	COMPUTER EQUIPMENT	ROU ASSETS - LAND	ROU ASSETS - COPORATE OFFICE	ROU ASSETS - PLOT	ROU ASSETS - PLANT	ROU ASSETS - GUEST HOUSE	FURNITURE & FIXTURES	VEHICLES	TOTAL
GROSS VALUE														
AS AT 1st APRIL, 2022	6358.86	57.99	35143.50	23.31	73.82	55.93	2796.53	409.88	7562.90		-	281.34	225.63	52989.69
ADDITIONS FOR THE YEAR	1918.47	333.09	26871.67	33.99	126.66	28.52	2072.39	-	311.59	2174.18	-	230.64	206.57	34307.76
DELETIONS FOR THE YEAR	-	-	102.02	-	-	-	-	-	-	-	-	-	44.05	146.07
AS AT 31st MARCH, 2023	**8277.33**	**391.09**	**61913.16**	**57.31**	**200.47**	**84.45**	**4868.91**	**409.88**	**7874.49**	**2174.18**		**511.97**	**388.15**	**87151.38**
ADDITIONS FOR THE YEAR	5453.36	300.44	5378.71	67.49	148.67	117.97	3220.55	175.71	1283.29	912.31	15.44	226.63	458.01	**17758.58**
DELETIONS FOR THE YEAR*	-	-	4283.25	-	-	-	-	-	-	-	-	-	-	**4283.25**
AS AT 31st MARCH, 2024	**13730.69**	**691.53**	**63008.61**	**124.79**	**349.14**	**202.42**	**8089.47**	**585.59**	**9157.78**	**3086.49**	**15.44**	**738.60**	**846.15**	**100626.71**
ACCUMULATED DEPRECIATION														
AS AT 1st APRIL, 2022	-	1.50	3810.34	12.31	16.43	32.57	26.98	39.04	764.51	-	-	42.09	114.45	4860.22
ADDITIONS FOR THE YEAR	-	1.36	1498.77	7.42	9.34	14.20	166.17	19.52	399.05	108.71	-	31.08	20.98	2276.59
DELETIONS FOR THE YEAR	-	-	17998.88	-	-	-	-	-	-	-	-	-	3.08	21.08
AS AT 31st MARCH, 2023	**-**	**2.86**	**5291.10**	**19.73**	**25.77**	**46.76**	**193.15**	**58.55**	**1163.57**	**108.71**	-	**73.17**	**132.34**	**7115.73**
ADDITIONS FOR THE YEAR	-	7.47	2529.25	15.62	25.89	35.31	277.04	37.09	448.40	548.10	0.77	66.89	41.86	4033.69
ADJUSTMENT	-	-	10.38	2.35	-	1.56	-	-	-	-	-	2.61	-	16.90
DELETIONS FOR THE YEAR	-	-	353.36	-	-	-	-	-	-	-	-	-	-	353.36
AS AT 31st MARCH, 2024	**-**	**10.33**	**7477.37**	**37.70**	**51.67**	**83.62**	**470.20**	**95.64**	**1611.96**	**656.81**	**0.77**	**142.67**	**174.21**	**10812.95**
NET VALUE														
AS AT 1st APRIL, 2022	**6358.86**	**56.49**	**31333.17**	**11.00**	**57.39**	**23.37**	**2769.55**	**370.84**	**6798.39**	**-**	**-**	**239.25**	**111.17**	**48129.47**
AS AT 31st MARCH, 2023	**8277.33**	**388.22**	**56622.06**	**37.58**	**174.70**	**37.69**	**4675.76**	**351.32**	**6710.92**	**2065.47**	**-**	**438.80**	**255.80**	**80035.66**
AS AT 31st MARCH, 2024	**13730.69**	**681.20**	**55531.24**	**87.09**	**297.47**	**118.80**	**7619.27**	**489.95**	**7545.81**	**2429.67**	**14.67**	**595.93**	**671.95**	**89813.75**

(i) There is no intent to sell any of the assets held by the company and hence there is no fixed assets held for disposal.
(ii) Refer Schedule no. 18 for details on Property, Plant and equipment pledged as security by the company.

(iii) All the assets purchased during the year were put to use before 31st March 2024 (31st march 2023). The assets which are not put to use during the year are separately shown under capital work-in-progress at the year end.

(Iv) During the year, there is no change in amount of the Property, Plant and Equipment due to business combination, revaluation and other adjustments except free hold land of the subsidiary which is acquired during the year and measure at fair value amounted to Rs 528.40 lakhs and the same is included in free hold land. During the course of acquisition, there are other depreciable assets which are included in different blocks stated above at fair value.
(v) During the year, the Company has not held any Benami property as defined under the Benami Transactions (prohibition) Act, 1988.
*This reflects the IPP solar plants are converted into inventory as on 01/01/2024 at their carrying value.

4. Capital work-in-progress

(All the figures are in Lakhs)

Particulars	31/03/2024	31/03/2023
Tangible Assets Work in Progress		
Capital Work in Progress	10139.16	28.38
	10139.16	28.38

Refer Schedule no. 18 for details on Capital work-in-progress pledged as security by the company.

CWIP ageing schedule for year ended 31st March, 2024

(All the figures are in Lakhs)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 year	2-3 year	More than 3 year	
Project In Progress	10110.78	28.38	-	-	10139.16
Projects temporarily suspended	-	-	-	-	-

CWIP ageing schedule for year ended 31st March, 2023

(All the figures are in Lakhs)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 year	2-3 year	More than 3 year	
Project In Progress	28.38		-	-	**28.38**
Projects temporarily suspended	-	-	-	-	**-**

The Company does not have any capital-work-in progress whose completion is overdue or has exceeded its cost compared to its original plan.

5. Other Intangible assets

(All the figures are in Lakhs)

Particulars	Computer Software
Cost	
Balance as at 1st April 2023	**33.51**
Additions	8099.00
Deletions	-
Balance as at 31st March 2024	**8132.51**
Accumulated Ammortisation	
Balance as at 1st April 2023	**6.73**
Additions	3.72
Deletions	-
Balance as at 31st March 2024	**10.45**
Net carrying amount as at 31st March 2024	**8122.06**
Cost	
Balance as at 1st April 2022	**32.59**
Additions	0.92
Deletions	-
Balance as at 31st March 2023	**33.51**
Accumulated Ammortisation	
Balance as at 1st April 2022	**3.63**
Additions	3.10
Deletions	-
Balance as at 31st March 2023	**6.73**
Net carrying amount as at 31st March 2023	**26.78**
Net carrying amount as at 1st April 2022	**28.95**

(i) There is no intent to sale any of the Intangible Asset held by the company and hence there is no Intangible Asset held for disposal.
(ii) All the Intangible Asset purchased during the year were put to use before 31st March 2024.
(iii) The amount of addition during the year includes Rs 8057.73 Lakhs being the fair value of intangibles in the subsidiary company axquired during the year.
(iv) Refer Schedule no. 18 for details on Intangible Assets pledged as security by the company.

6. Investments

(All the figures are in Lakhs)

Particulars	31/03/2024	31/03/2023
Quoted		
SBI SAVING MUTUAL FUND (Refer note)	-	150.00
Investment in other than subsudiaries		
100 (100) Unquoted Equity Shares of Rs. 10 Each Fully Paid Up in	0.01	0.01
	0.01	150.01

(i) The cost of these investments approximate their fair value because there is a wide range of possible fair value measurements and the cost represents the best estimate of fair value within that range.
(ii) The investment in SBI Saving Mutual Fund are given against BG provided to GETCO

7. Other financial assets

(All the figures are in Lakhs)

Particulars	31/03/2024	31/03/2023
Security Deposits		
Unsecured, considered good		
Security Deposit	61.08	25.16
Rent Deposit	487.23	306.94

Other Deposit	24.45	10.57
Others		
Unsecured, considered good		
Others *	1539.99	441.49
	2112.75	784.16

*This amount includes Rs 37.69 Lakhs receviable from TESCO Project Limited against whom the company has filed a case u/s 138 of the Negotiable Instruments Act,1881 which is pending before Additional Magistrate (First Class), Surat for adjudication.

8. Other non-current assets

(All the figures are in Lakhs)

Particulars	31/03/2024	31/03/2023
Other non-current assets		
Income Tax paid under appeal	18.00	18.00
	18.00	18.00

9. Inventories

(All the figures are in Lakhs)

Particulars	31/03/2024	31/03/2023
Work in Progress		
Closing Stock of Power Plant	32391.00	15531.80
Stock in Trade		
Closing Stock of Plot	920.54	891.01
Closing Stock of Flats	74.74	74.74
	33386.27	16497.56

Refer Schedule no. 18 and 23 for details on inventories pledged as security by the company.

10. Trade receivables

(All the figures are in Lakhs)

Particulars	31/03/2024	31/03/2023
Trade receivables		
Unsecured, considered good		
Sundry debtors (CPP and others)	38051.79	11645.06
Sundry debtors (PLOT)	363.81	508.32
Sundry debtors (POWER SALES)	4297.57	2519.60
	42713.17	14672.98

Ageing Schedule as on 31st March, 2024

Particulars	Not Due	Outstanding for following periods from due date of payment (Refer Note below)					Total
		Less than 6 Month	6 Months-1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade receivables- considered good	252.84	40317.80	1288.18	842.39	11.96	-	**42713.17**
(ii) Undisputed Trade receivables- Which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables- credit impaired	-	-	-	-	-	-	-
(iv) disputed Trade receivables- considered good	-	-	-	-	-	-	-
(v) disputed Trade receivables- Which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) disputed Trade receivables- credit impaired	-	-	-	-	-	-	-

(i) Where due date of payment is not available date of transaction has been considered.

Ageing Schedule as on 31st March, 2023

Particulars	Not Due	Outstanding for following periods from due date of payment (Refer Note below)					Total
		Less than 6 Month	6 Months-1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade receivables- considered good	1438.28	12991.87	211.29	31.54	-	-	**14672.98**
(ii) Undisputed Trade receivables- Which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables- credit impaired	-	-	-	-	-	-	-
(iv) disputed Trade receivables- considered good	-	-	-	-	-	-	-
(v) disputed Trade receivables- Which have significant increase in credit risk	-	-	-	-	-	-	-

(vi) disputed Trade receivables- credit impaired	-	-	-	-	-	-	-

Where due date of payment is not available date of transaction has been considered.

11. Cash and cash equivalents

(All the figures are in Lakhs)

Particulars	31/03/2024	31/03/2023
Cash in hand		
Cash in hand	32.87	20.30
Balance with Banks		
Balance with scheduled Banks		
Current Account		
State Bank of India	4911.44	1201.45
Bombay Mercantile Co-operative Bank		0.05
Other Account		
State Bank of India- Escrow Account	284.12	-
RBL A/C	0.02	-
Bandhan bank OD	80.79	-
Axis bank- Escrow Account	114.18	75.10
State Bank of india- Dividend Account	7.07	6.61
	5430.49	1303.51

12. Bank balances other than (iii) above

(All the figures are in Lakhs)

Particulars	31/03/2024	31/03/2023
Deposit Accounts		
Fixed Deposit	11570.91	3936.18
	11570.91	3936.18

Fixed Deposits are stated along with accrued interest upto the date of balance sheet on the basis of interest certificate obtained from the banks by the management.

13. Loans

(All the figures are in Lakhs)

Particulars	31/03/2024	31/03/2023
Loans to others		
Loans Receivables considered good – Unsecured		
Loan to Employees	31.20	18.54
	31.20	18.54

Type of Borrower	Balance as on 31st March 2024	Percentage to Total Loans	Balance as on 31st March 2023	Percentage to Total Loans
Promoters	-	0%	-	0%
Directors	-	0%	-	0%
KMPs	3.51	11%	3.63	20%
Related Parties	-	0%	-	0%

14. Others

(All the figures are in Lakhs)

Particulars	31/03/2024	31/03/2023
Other Financial Assets		
TDS Receivable From NBFC	0.90	0.90
TDS Receivable	23.55	157.64
TCS Receivable	0.72	3.21
Deposits	-	32.46
	25.17	194.21

15. Other current assets

(All the figures are in Lakhs)

Particulars	31/03/2024	31/03/2023
Capital advances		
Advance Given to Suppliers	21002.66	-
Advances other than capital advances		
Advance Given to Suppliers	13626.21	3785.89
Other current assets		
GST Credit Receivable	5144.70	3398.75
GST Refund Receivable	24.50	24.50
Prepaid Expenses	421.48	273.38
Other Advances	-	349.00
Other Deposits.	10.93	-
	40230.48	7831.53

16. Equity share capital

(All the figures are in Lakhs)

Particulars	31/03/2024	31/03/2023

Authorised share capital 7,00,00,000 (4,00,00,000) Equity Shares FULLY PAID of Rs. 10/- Par Value	7000.00	4000.00
Issued 6,02,82,608 (3,61,34,000) Equity Shares FULLY PAID of Rs. 10/- Par Value	6028.26	3613.40
Subscribed 6,02,82,608 (3,61,34,000) Equity Shares FULLY PAID of Rs. 10/- Par Value	6028.26	3613.40
Paidup 6,02,82,608 (3,61,34,000) Equity Shares FULLY PAID of Rs. 10/- Par Value	6028.26	3613.40
	6028.26	3613.40

Holding more than 5%

	31/03/2024		31/03/2023		31/03/2022	
Particulars	**Number of shares**	**% Held**	**Number of shares**	**% Held**	**Number of shares**	**% Held**
FARUKBHAI GULAMBHAI PATEL	3,19,62,471	53.02	1,97,82,234	54.75	98,38,767	54.46

Details of Shares for preceding Five years

Particulars	31/03/2024	31/03/2023	31/03/2022	31/03/2021	31/03/2020
Number of Equity shares issued through Qualified Institutional Placement	25,35,925	-	-	-	-
Number of Preference shares reedeemed	-	-	-	-	-
Number of Equity shares issued as bonus share	2,00,94,203	1,80,67,000	-	-	-
Number of Preference shares issued as bonus share	-	-	-	-	-
Number of Equity shares alloted for contracts without payment received in cash (The shares were issued for acquisition of subsidiary- Kpark Sunbeat	15,18,480	-	-	-	-
Number of Preference shares alloted for contracts without payment received in cash	-	-	-	-	-

Reconciliation

Particular	31/03/2024		31/03/2023		31/03/2022	
	Number of shares	**Amount**	**Number of shares**	**Amount**	**Number of shares**	**Amount**
Number of shares at the beginning	3,61,34,000	36,13,40,000	1,80,67,000	18,06,70,000	1,80,67,000	18,06,70,000
Add: Issue	2,41,48,608	24,14,86,080	1,80,67,000	18,06,70,000	-	-
Less: Bought back	-	-	-	-	-	-
others	-	-	-	-	-	-
Numbers of shares at the end	60282608	602826080	36134000	361340000	18067000	180670000

Shareholding of Promoters

Shares held by promoters as at 31st March, 2024			% Change during
Name of the Promoter	**No. of shares**	**% of total shares**	**the year**
Farukbhai Gulambhai Patel*	3,19,62,471	53.02	-3.15%
Gulammahmad Alibhai Patel*	16,500	0.03	0.00%
Vahidabanu Faruk Patel*	1,026	0.00	0.00%
Rashida Gulam Patel*	16,500	0.03	0.00%
Aayesha Farukbhai Patel*	1,026	0.00	0.00%

* The outstanding shares as on 31/03/2024 include the bonus shares allotted by company in the ratio of 1:1.

Shares held by promoters as at 31st March, 2023			% Change during
Name of the Promoter	**No. of shares**	**% of total shares**	**the year**
Farukbhai Gulambhai Patel*	1,97,82,234	54.75	0.00%
Gulammahmad Alibhai Patel*	11,000	0.03	0.00%
Vahidabanu Faruk Patel*	684	0.00	0.00%
Rashida Gulam Patel*	11,000	0.03	0.00%
Aayesha Farukbhai Patel*	684	0.00	0.00%

* The outstanding shares as on 31/03/2023 include the bonus shares allotted by company in the ratio of 1:1.

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.
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, 2024 the company has issued 2,00,94,203 bonus shares in the ratio of 1:2

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.

17. Other Equity

(All the figures are in Lakhs)

Particulars	31/03/2024	31/03/2023
Securities Premium Opening (Refer Note No. (i) below)	42760.16	3332.70
Retained Earnings Opening	18845.49	8427.46
Amount Transferred from Statement of P & L	16165.68	10962.79
Retained earnings on acquisition	-5.01	
Expenses related to issue of shares	-18.75	
Other adjustment	-17.27	

Appropriation and Allocation	-9.50	0.95
Dividend Payment (Refer Note (iii) Below)	-180.67	-545.72
Retained Earnings Closing	34779.96	18845.49
	77540.12	22178.19

(i) Securities Premium is used to record the issue of bonus shares and is utilised in accordance with the provisions of the Companies Act, 2013.
(ii) Retained Earnings are the profits of the Company earned till date net of appropriations.
(iii) The Board of Directors at its meeting held on 11th August,2023 and 9th October,2023 has declared an interim dividend at Rs 0.25 per share and Rs. 0.25 per share respectively for the F.Y. 2023-2024 which has been paid by the company during the year.

18. Borrowings

(All the figures are in Lakhs)

Particulars	31/03/2024	31/03/2023
Term Loan		
Banks		
Secured		
State Bank of India	29187.05	32916.65
Axis Bank Limited	1859.83	2122.39
Bandhan Bank	4312.24	-
Union bank	4653.18	4889.92
ICICI Bank Limited	36.99	34.93
Financial Institution		
Secured		
Vivriti Capital Private Limited	1300.00	912.96
Mercedes-Benz Financial Services India Pvt Ltd	26.51	35.22
Unsecured		
FARUK GULAM PATEL	337.00	-
	41712.79	40912.08

Loan Details	Sanction Amount (in Rs Lakhs)	Rate of Interest	Tenure (in months)	Monthly Installment (in Rs Lakhs)	Security Offered
ICICI Bank-8083*	9.84	7.80%	36	0.31	Hypothecation of Car.
ICICI Bank-3757	9.46	7.50%	48	0.23	Hypothecation of Car.
ICICI Bank-102665	9.27	9.75%	48	0.23	Hypothecation of Car.
ICICI Bank-4919	10.58	8.25%	60	0.28	Hypothecation of Car.
ICICI Bank-6172	25.86	8.15%	60	0.65	Hypothecation of Car.
ICICI Bank-1726	27.14	9.00%	60	Repayment is variable as per sanction letter	Hypothecation of Car.
Bandhan Bank-Term loan 1	4044.00	EBR + 3.25%	120 (including 7 months moratorium)	Repayment is variable as per sanction letter	A.Exclusive charge on entire movable assets ncluding Plant and machinery, spares, equipment, of Rs. 65.07 tools and accessories, furniture and fixtures, crore (Hard vehicles, and all other movable assets both cost present and future, intangible, goodwill, uncalled considered) capital relating to the 9.95 MW hybrid power Olant project. B.Exclusive charge on project lands situated at Amod. C. Personal guarantee of the director Farukbhai Patel and Mohd. Sohil Dabhoya. D.DRA equivalent to three-month interest and principal instalment amounting to Rs. 1.90 Crore. E.Minimum collateral security coverage of 25% to be ensured, however in case of any shortfall, Lien on FD/other acceptable securities to be accepted
Bandhan Bank-Term loan 2	836.00	EBR + 3.25%	120 (including 7 months moratorium)	Repayment is variable as per sanction letter	
Mercedes Benz Financial services	44.90	8.10%	60	0.91	Hypothecation of Car.

Union Bank**	5200.00	1 Year MCLR + 0.7%	169 (including 25 months moratorium)	143 installments of Rs 36,12,000 each and 144th installment of Rs 34,84,000	A. First Pari passu charge on Various Land holdings of the company loacted at Uchadi, District Bhavnagar. B. First Pari passu charge on Hypothecation Various movable assets like Solar Panels,Windmill, accessories and equipments etc. C. First Pari passu charge on escrow account to be excuted between the company and M/s UPL limited for purchase of power D. First Pari passu charge on leasehold rights on windmill land situated at Vataliya, Talaja. E. Collateral security of various land at Moje Sudi District
Vivriti Capital Private Limited**	2000.00	6 Months VCPL Index + 5.56%	30	66.67	A. Exclusive Charge on Various Land holdings of the company and promoter loacted at Sudi, Tancha and Bhimpura. B. Further security of firm purchase orders providing cover upto 1.2x of the exposure. C. Exclusive charge on receivables of specific CPP clients for whose order fulfilment the proceeds will be used. D. Second Pari passu charge on entire current assets of the company. E. Cash Collateral of 10% through lien marked fixed deposits. F. A general lien and set off right on all assets of the company.
Vivriti Capital Private Limited**	3000.00	6 Months VCPL Index + 3.8%	36 (including 6 months moratorium)	99.99	A. Exclusive and continuing Charge on mortgage property. B.Second Pari passu charge on entire current assets of the company. C. Cash collateral in the form of Fixed deposit of 10% of O/S loan amount at the time of rating downgrade event and 10% in case of second rating dowgrade event. D. Cash Collateral through lien marked fixed deposits. E. Demand promissory note and a letter of continuity F. Personal gurrantee of Faruk Patel, Sohil Dabhoya, Rashida Patel, Gulam patel.
Axis Bank*	24.00	9.35%	48	0.60	Hypothecation of JCB.
Axis Bank**	2560.00	Repo rate+ 3.75%	156 (including 3 months moratorium)	21.88	A. Exclusive Charge on various lands located at Sudi and Amod. B.Exclusive Charge on various moveable properties of the company and other moveablle properties, both present and future, relating to 11.4MW project. C. Personal Gurrantee of director Mr. Faruk Patel.
State Bank of India-Mercedez loan	342.80	1YR MCLR + 0.65%	84	5.55	Hypothecation of Car.
State Bank of India-GECL 1**	675.00	6 Months MCLR + 1%	60 (including 12 months	14.06	Hypothecation Charge over the entire current assets of the company, both present and future including inventories and receivables and entire cash flows of the company.
State Bank of India-GECL 2**	4800.00	6 Months MCLR + 1%	72 (including 24 months moratorium)	100	

State Bank of India-15.35 MW**	2800.00	6 Months MCLR + 0.5%	73 (including 1 month moratorium)	39.33	A. Mortgage of Immovable properties in the form of various lands pertaining to 15.35 MW, 20 MW & 25MW and 26.1 MW Project, both present and Future as per Sanction letter obtained from Bank. B. Hypothecation of entire plant and machinery of the company both present and future. C. Pledge of 97,10,078 equity shares of Mr. Farukbhai Gulambhai Patel as a colleteral security. D. Personal guarantee of Mr. Farukbhai Gulambhai Patel, Sohil Dabhoya, Rashida Patel and Gulam Ahmed patel. E. Corporate guarantee of M/s Faaiz Money Changer Private Limited. F. Charge on immovable property of M/s Faaiz Money Changer Private Limited. G. Hypothecation of movable properties and assets, including plant and machinery, machinery spares, furniture, fixtures, vehicles and all other movable assets, intangible assets, uncalled capital relating to 25MW project. H. Charge on the Debt Service Reserve Account, TRA, any letter of credit, and any other bank accounts. I. Charge on Fixed Deposit of Rs. 3 Crore J. Charge on Fixed deposit of Rs 1.09 Crore K. Charge on Fixed deposit of Rs 0.16 Crore L. Escrow cover on reevnue account of KP Buildcon Private limited equivalent to average 2 months billing value of Rs 3.98 crore for 25 MW loan.
State Bank of India-25 MW**	7400.00	6 Months MCLR + 0.5%	130 (including 1 month moratorium)	57.00	
State Bank of India-20 MW**	7600.00	6 Months MCLR + 0.5%	152 (including 2 months moratorium)	Repayment is variable as per sanction letter	
State Bank of India- 26.1 MW	8000.00	6 Months MCLR + 0.8%	168	Repayment is variable as per sanction letter	
State Bank of India	3480.00	MCLR- 6 Month +1.5 %	135	Repayment is variable as per sanction letter	A. Mortgage of Immovable properties in the form of various lands as per Sanction letter obtained from Bank. B.B.First Exclusive charge of entire plant and machinery of the company comprising of solar plant of 20.33 MW which is funded by SBI. (11.5MW + 8.83MW) C. Personal guarantee of Mr. Farukbhai Gulambhai Patel and Sohil Dabhoya. D. Corporate guarantee of KPI Green Energy Limited. E. Pledge of 51% of shares of the company held by KPI Green Energy Limited. F. Hypothecation charge over the entire current assets of the company both present and future comprising of raw materials,semi finished goods, finished goods, stock in progress,stores and spares, receviables and entire cash flows of the company. G. Lien on bank deposit
State Bank of India	2300.00	MCLR- 6 Month +1.5 %	119	Repayment is variable as per sanction letter	

State Bank of India	2301.00	EBLR- 3 Month + 2.75%	120 (excluding Moratorium of 12 Months)	57.53	A. Mortgage of Immovable properties in the form of various lands as per Sanction letter obtained from Bank. B. Hypothecation charge over fixed assets and machinery of the company created out of Bank finance. C. Personal guarantee of Mr. Farukbhai Gulambhai Patel and Sohil Dabhoya. D. Corporate guarantee of KPI Green Energy Limited. E. Pledge of the 30 % shares of the Company held by KPI Green Energy Limited

* Loans have been fully repaid during the year.

** The monthly installment amount only includes principal payment. Interest is charged separately

19. Lease liabilities

(All the figures are in Lakhs)

Particulars	31/03/2024	31/03/2023
Lease Liability Corporate Office	594.05	426.26
Lease Liability Plot	8215.12	8037.15
Lease liability Guest House	14.60	-
Lease Liability Land	9050.45	4820.01
Lease Liability Plant	2587.40	2151.12
	20461.62	15434.53

The birfurcation of lease liability into Current and Non-current is not ascertainable as on the date of Balance sheet and hence the entire lease liability has been classified as non-current liability.

20. Other financial liabilities

(All the figures are in Lakhs)

Particulars	31/03/2024	31/03/2023
Other Long Term Liabilities		
Bondada Engineering Private Limited	50.00	50.00
	50.00	50.00

21. Provisions

(All the figures are in Lakhs)

Particulars	31/03/2024	31/03/2023
Employee Benefits		
Gratuity		
Gratuity Payable and others	63.46	37.48
	63.46	37.48

22. Deferred tax liabilities (Net)

(All the figures are in Lakhs)

Particulars	31/03/2024	31/03/2023
Deferred Tax Assets		
Employee Benefits (Gratuity)	13.87	10.48
Expenditure disallowances	0.78	18.32
Loss on Derecognition of Asset	7.62	-
Lease liability	616.71	432.67
Unearned Income as per IND AS 115	218.53	114.62
Deferred Tax Liabilities		
Depreciation	9096.37	6844.45
Insurance claim received	6.35	-
	8245.22	6268.36

Calculation of Deferred Tax	As at 31st March, 2024	As at 31st March, 2023
Deferred Tax Liabilities		
Preliminary Expenses Allowable in 5 Years	69.69	71.23
Insurance claim received	25.24	
Depreciation	8946.84	10809.44
Tax on Deferred Liabilities @25.17%	2275.81	2738.67
Deferred Tax Assets		
Lease liability	731.18	1631.06
Loss on Derecognition of Asset	30.27	
Unearned Income as per IND AS 115	412.82	543.31
Provision for Gratuity	21.09	11.32
Tax on Deferred Assets @25.17%	300.87	550.14
Deferred Tax Liabilities / Assets Transferred to Balance Sheet		
Opening Balance of Deferred Tax (Liabilities)	6268.36	4079.83
Deferred Tax (Liabilities) Charged to P & L A/c	1974.94	2188.22
Deferred Tax Asset/ Liabilities created through OCI	1.91	0.32
Deferred Tax (Liabilities) transferred to Balance sheet	8245.22	6268.36

23. Borrowings

(All the figures are in Lakhs)

Particulars	31/03/2024	31/03/2023
Current Maturities of Long-term debt	6703.00	5625.33
Loans repayable on Demand		
Banks		
Secured		
Axis Bank CC	-	492.79
Bombay Mercantile Bank- OD	95.20	94.99
State bank of India -CC	22173.79	4.76
Yes Bank -CC	3.05	-
State Bank of India- EVFS A/c	4447.77	-
ICICI Bank	2616.21	-
Unsecured		
Poonawala Fincorp Limited	5434.04	4986.03
	41473.06	11203.90

The CC from Axis Bank is secured by charge over various lands situated at Amod and on movebale assets of the company both present and future comprising plant and machinery, equipments, tools, vehicles. Personal gurrantee of the director- Mr Faruk Patel is also given.
The OD from Bombay Mercantile Co. Op. Bank of Rs. 95 Lakhs was granted against pledge of term deposit of Rs 1 Crore.

The CC from State Bank of India is secured by hypothecation charge over the entire current assets of the company both present and future comprising of raw materials, semi-finished goods, finished goods, stock in progress, stores and spare, receivables and entire cash flows of the company.

The CC from Yes Bank is secured by first pari passu charge by way of hypothecation on current asset both present and future, uncontional and irrevocable personal gurrantee of Farukbhai Patel till the tenor of facility and Fixed Deposit-10% margin to be lien marked upfront.

The CC from RBL Bank is secured by First Pari passu charge on all current assets of the company, both present and future, 25% cash margin in thr form of FD to be placed with RBL Bank on pro rata basis and Unconditional and irrevocable personal guarantee of Mr faruk Patel

The CC from ICICI Bank is secured by collateral security of fixed deposit of Rs 70 million, First pari passu charge on the current assets of the company of Rs 315.8 million and personal guarantee of Mr faruk Patel

Loan Details	Sanction Amount (in Rs Lakhs)	Rate of Interest	Tenure (in months)	Monthly Installment (in Rs Lakhs)	Security Offered
SBI-E-vfs	500.00	9.3% for invoices upto 90 days, 9.4% for invoices above 90 days and upto 180 days	90 days for payment to vendor of raw materials for CPP sagment only	Each Recaivable on due date	Hypothecation charge over the entire current assets of the company both present and future comprising of raw materials, semi-finished goods, finished goods, stock in progress, stores and spare, receivables and entire cash flows of the company.
Bajaj Finance Limited*	2000.00 (Actual disbursment durimg the year is Rs 50 crore)	9.25%	120 Days	Bullet payment at the end of 120 days	First pari passu charge on the current assets of the company long with existing lenders
ICICI BANK-WCDL	2500.00	I-MCLR+04%	120 Days	Bullet payment at the end of 120 days	A.Secured by collateral security of fixed deposit of Rs 75 million. B. First pari passu charge on the current assets of the company of Rs 315.8 million. C. Personal guarantee of Mr faruk Patel
AXIS BANK-WCDL*	500.00	Repo rate+3.6%	12	On demand	A.Exclusive charge on moveable assets including plant and machinery, spares, equipment, tools and accessories, furniture and fixtures, vehicles, and all other moveable assets both present and future, intangible, goodwill, uncalled capital relating to the 11.4 MW project. B. Primary security-Plot No. 422 A, 422 B, 423 (272) Vill. Sudi, Tal. Amod, Bharuch. C. Personal gurrantee of Mr Fraukbhai Patel

HDFC BANK-WCDL*	2500.00	Interest rate shall be payable on monthly rests	90 Days	Bullet payment at the end of 90 days	A.Current Assets - Pari Pasu charge on all the present and future current assets of the company to be hypothecated as primary security for HDFC Bank Ltd. Pari Pasu letter to be submitted within 90 days from date of 1s disbursement and beyond 90 days it will attract a penalty of Rs. 500 + applicable taxes on daily basis. B.Fixed Deposits - 25% FD margin to be availed before disbursing the WCDL facility. Fixed deposit of 62.50 Million to be availed (25% of 250 Million) C. Personal guarantee of Mr.Patel Farukbhai Gulambhai(Promoter/Chairman), Mr. Mohmed Sohil Yusufbhai Dabhoya (WTD),Mrs. Rashida Patel, Mr. Ghulam Ahmed Patel
Poonawala Fincorp Limited**	6000.00	8.50%	120 Days	Bullet payment at the end of 120 days	Nil

* Loans have been fully repaid during the year.

** The monthly installment amount only includes principal payment. Interest is charged separately

24. Trade Payables

(All the figures are in Lakhs)

Particulars	31/03/2024	31/03/2023
Creditors due others		
Sundry creditors	41631.11	22709.96
Sundry creditors (PLOT)	29.91	28.22
	41661.02	22738.19

Ageing Schedule as on 31st March, 2024

Particulars	Outstanding for following periods from due date of payments				Total
	Less than 1 year	1-2 year	2-3 year	More than 3 years	
(i) MSME	3959.45	-	-	-	3959.45
(II) Others	37590.75	92.60	3.03	15.21	37701.57
(iii) Disputed dues-MSME	-	-	-	-	
(iv) Disputed dues-Others	-	-	-	-	-

Ageing Schedule as on 31st March, 2023

Particulars	Outstanding for following periods from due date of payments				Total
	Less than 1 year	1-2 year	2-3 year	More than 3 years	
(i) MSME	2782.85	-	-	-	2782.85
(II) Others	19913.06	9.99	-	32.28	19955.34
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-

Trade Payables Covered Under MSMED Act, 2006 :

Trade Payables covered under MSMED Act, 2006 are those creditors who are outstanding at the balance sheet date. Out of which creditors due for more than 45 days as on the balance sheet date are Rs. 365.89 Lakhs (388.22 Lakh). The company has not provided interest on the same as per the provisions of MSMED Act, 2006.
Amount due to Micro, Small and Medium Enterprises as on 31st March, 2024 (31st March, 2023) are disclosed on the basis of information available with the Company regarding status of the suppliers is as follows :-

(All the figures are in Lakhs)

Particulars	31/03/2024	31/03/2023
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	3959.45	2782.85
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end		-
Interest paid/reversed during the year		-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	NA	NA
Interest due and payable towards suppliers registered under MSMED Act, for payments already made		-
Interest accrued and remaining unpaid		-
Amount of further interest remaining due and payable in succeeding years		-

* The company has not maintained the complete records of bill to bill payment made to the vendors registered under MSMED Act,2006 and therefore the details of amount paid to such vendors during the year beyond the appointed date can not be extracted and hence no amount is mentioned against the said line item.

25. Other financial liabilities

(All the figures are in Lakhs)

Particulars	31/03/2024	31/03/2023
Employee Related		
Accured Salary Payable		
Salary Payable	237.55	78.61
Tax Payable		
TDS & TCS		
TDS & TCS Payable	555.94	141.34
GST Payable	441.82	1.62
Professional Tax Payable	0.63	0.39
Other Accured Expenses		
P.F. Payable	9.10	2.75
Rent Payable	10.67	3.18
ESIC payable	0.19	0.06
Provision for Expenses	1141.75	639.59
Expense payable to director	20.21	-
Director Sitting Fees Payable	3.15	2.18
Employee Imprest Payable A/c	0.90	6.05
Other Current Liabilities		
Deposit recevied	250.00	-
Unclaimed Dividend	7.07	-
	2678.98	875.77

26. Other Current liabilities

(All the figures are in Lakhs)

Particulars	31/03/2024	31/03/2023
Revenue Received in Advance		
Unearned Income as per IND AS 115	1039.97	594.77
Other Current Liabilities		
Advance Received from Debtors	675.34	1279.64
Other payables	68.31	-
	1783.63	1874.41

27. Provisions

(All the figures are in Lakhs)

Particulars	31/03/2024	31/03/2023
Employee Benefits		
Gratuity		
Provision for Gratuity	6.84	4.14
	6.84	4.14

28. Current Tax Liabilities (net)

(All the figures are in Lakhs)

Particulars	31/03/2024	31/03/2023
Tax Provision		
Current Tax		
Provision For Income Tax	1888.44	307.03
	1888.44	307.03

29. Revenue from operation

(All the figures are in Lakhs.)

Particulars	31/03/2024	31/03/2023
Sale of products		
Sale of power	17699.53	9473.42
Sale of capitive power plant	83190.39	54288.05
Sale of plot	197.15	108.24
Sale of services		
Sale of lease, operation and maintenance services	1302.94	508.92
	102390.01	64378.63

30. Other income

(All the figures are in Lakhs.)

Particulars	31/03/2024	31/03/2023
Interest		
Interest income	583.89	265.32
Profit / Loss on Disposal of Fixed Assets	-	2.37
Miscellaneous	-	
Scrap Sales and other income	55.44	56.60
Round off	-	0.11
Gain on Redumption of Mutual Fund	18.50	-
Insurance claim recevied	25.24	-
Rate difference	8.48	0.45
	691.55	324.84

31. Cost of material consumed

(All the figures are in Lakhs.)

Particulars	31/03/2024	31/03/2023
Raw Material		
Opening	15531.80	9917.71
Purchase	70175.12	43582.04
Closing	32391.00	15531.80
	53315.93	37967.95

Details of Raw Material

(All the figures are in Lakhs.)

Particulars	31/03/2024	31/03/2023
Solar Plant	53315.93	37967.95
	53315.93	37967.95

32. Purchase of Stock-in-Trade

(All the figures are in Lakhs.)

Particulars	31/03/2024	31/03/2023
Stock-in-Trade		
Land Purchase	192.76	278.26
Purchase Power Units	126.00	166.97
	318.76	445.23

33. Changes in inventories of finished goods, work-in-progress and stock-in-trade

(All the figures are in Lakhs.)

Particulars	31/03/2024	31/03/2023
Opening		
Stock-in-Trade	965.76	748.25
Closing		
Stock-in-Trade	995.28	965.76
Increase/Decrease		
Stock-in-Trade	-29.52	-217.50
	-29.52	-217.50

Details of Changes in Inventory

(All the figures are in Lakhs.)

Particulars	31/03/2024	31/03/2023
Stock-in-Trade		
Land	-29.52	-217.50
	-29.52	-217.50

34. Employee benefit expense

(All the figures are in Lakhs.)

Particulars	31/03/2024	31/03/2023
Salaries, Wages & Bonus	1330.15	750.65
Contribution to Gratuity	21.09	-9.30
Contribution to Provident Fund and ESIC	32.08	11.03
Staff Welfare Expenses	55.73	54.95
	1439.04	807.33

35. Finance Costs

(All the figures are in Lakhs.)

Particulars	31/03/2024	31/03/2023
Interest expenses (Refer Note (i))	6186.97	3014.45
Lease Finance Cost	1881.18	1345.88
Foreign Exchange Gain/Loss	152.27	164.01
Other Finance Charges	385.79	152.10
	8606.21	4676.45

36. Depreciation and amortisation expense

(All the figures are in Lakhs.)

Particulars	31/03/2024	31/03/2023
Depreciation & Amortisation	4037.41	2261.76
	4037.41	2261.76

37. Other Expenses

(All the figures are in Lakhs.)

Particulars	31/03/2024	31/03/2023
Manufacturing Service Costs Expenses		
Power and Fuel	126.60	76.01
Evacuation and Infrastructure expenses	6017.11	2213.03
Other Manufacturing Costs	1439.26	536.38
Rent Rates and Taxes (Refer Note (i &ii)	285.32	131.04
Auditors Remuneration	37.44	42.02
Auditors Remuneration	36.51	41.04
Internal Audit Fees	0.93	0.98
Director Sitting Fees	3.50	2.43
Managerial Remuneration	343.13	92.93
Repairs & Maintenanace expenses	91.51	67.80
Travelling and Conveyance expenses	109.66	63.11
Legal and Professional expenses	536.38	184.25
Insurance Expenses	137.41	67.27
CSR and Donation expenses	628.19	375.31
Information Technology Expenses	26.72	20.85
Other Administrative and General Expenses	1311.11	465.27
Royalty Expense	2042.19	
Selling Distribution Expenses	525.93	189.01
	13661.45	4526.69

(i) The company has taken xerox machine on lease which is treated as a low value asset as per the exemption given by IND AS 116 on Leases and hence the rent charged on same Rs. 1.08 Lakhs (0.62 Lakhs) have been debited to Profit & Loss Account.

(ii) The company has taken hotels and guest houses on lease on temporary basis for short term accomodation of their site employees and for employees during travelling for work purposes. Since, the same are for a period less than 12 months, they have been treated as short -term leases as per the exemption given by IND AS 116 and the rent charged on same of Rs. 26.51 Lakhs (4.1 Lakhs) have been debited to Profit & Loss Account.

38. Exceptional Items

(All the figures are in Lakhs.)

Particulars	31/03/2024	31/03/2023
Prior Period Expense		
Prior Period Expense	30.54	48.59
	30.54	48.59

39. Current tax

(All the figures are in Lakhs.)

Particulars	31/03/2024	31/03/2023
Current Tax		
Provision For Income Tax	3561.60	1035.96
	3561.60	1035.96

40. Deferred Tax

(All the figures are in Lakhs.)

Particulars	31/03/2024	31/03/2023
Deferred Tax	1974.46	2188.22
	1974.46	2188.22

41. Items that will not be reclassified to profit or loss

(All the figures are in Lakhs.)

Particulars	31/03/2024	31/03/2023
Provision for Gratuity and others	7.59	1.27
	7.59	1.27

42. Income tax relating to items that will not be reclassified

(All the figures are in Lakhs.)

Particulars	31/03/2024	31/03/2023
Deferred Tax	-1.91	-0.32
	-1.91	-0.32

43. FAIR VALUE DISCLOSURES

i) Financial instruments by category

Particulars	As at March 31, 2024			As at March 31, 2023		
	FVTPL	FVOCI	AMORTISED COST	FVTPL	FVOCI	AMORTISED COST
Financial assets						
Investments	-	-	.01	-	-	150.01
Security deposits	-	-	61.08	-	-	57.62
Rental deposits	-	-	487.23	-	-	306.94
Trade receivables	-	-	42713.17	-	-	14672.98
Cash and cash equivalents	-	-	5430.49	-	-	1303.51
Other bank balances	-	-	11570.91	-	-	3936.18
Loans	-	-	31.20			18.54
Derivative asset	-	-	-	-	-	-
Other financial assets	-	-	1589.61	-	-	613.81
Total	**-**	**-**	**61883.70**	**-**	**-**	**21059.59**
Financial liabilities						
Borrowings	-	-	83185.85	-	-	52115.98
Trade payable	-	-	41661.02	-	-	22738.19
Lease Liabilities	-	-	20461.62	-	-	15434.53
Other financial liabilities	-	-	2728.98	-	-	925.77
Total	**-**	**-**	**148037.47**	**-**	**-**	**91214.48**

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

March 31, 2024	Level 1	Level 2
Financial assets		
-	-	-
Total financial assets	-	-

March 31, 2023	Level 1	Level 2
Financial assets		
-	-	-
Total financial assets	-	-

Valuation process and technique used to determine fair value

(i) The fair value of investments in government securities and quoted equity shares is based on the current bid price of respective investment as at the balance sheet date.

(ii) The fair value of investments in mutual fund units is based on the net asset value (NAV) as stated by the issuers of these mutual fund units in the published statements as at the Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

(iii) In order to arrive at the fair value of unquoted investments, the company obtains independent valuations. The techniques used by the valuer are as follows:
a) Asset approach - Net assets value method

Derivative financial assets:

The Company has not entered into derivative financial instruments.

(iii) Fair value of instruments measured at amortised cost

Particulars	Level	March 31, 2024		March 31, 2023	
		Carrying value	Fair value	Carrying value	Fair Value
Financial assets					
Investments	Level 3	.01	.01	150.01	150.01
Security deposits	Level 3	61.08	61.08	57.62	57.62
Rental deposits	Level 3	487.23	487.23	306.94	306.94
Trade receivales	Level 3	42713.17	42713.17	14672.98	14672.98
Loans	Level 3	31.20	31.20	18.54	18.54
Other financial assets	Level 3	1589.61	1589.61	613.81	613.81
Total Financial assets		**44882.29**	**44882.29**	**15669.88**	**15669.88**
Financial liabilities					
Borrowings	Level 3	83185.85	83185.85	52115.98	52115.98
Trade payables	Level 3	41661.02	41661.02	22738.19	22738.19
Lease Liabilities	Level 3	20461.62	20461.62	15434.53	15434.53
Other financial liabilities	Level 3	2728.98	2728.98	925.77	925.77
Total Financial liabilities		**148037.47**	**148037.47**	**91214.48**	**91214.48**

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.

44.1 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

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost	Ageing 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, 2024	March 31, 2023
A: Low	Loans	31.20	18.54
	Investments	0.01	150.01
	Other financial assets	2137.92	978.37
	Cash and cash equivalents	5430.49	1303.51
	Other bank balances	11570.91	3936.18
	Trade receivables	42713.17	14672.98

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 analyze 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, 2024	Less than 1 year	1-3 year	More than 3 years	Total
Borrowings	41473.06	14546.62	27166.17	83185.85
Lease Liabilities	-	3098.36	17363.25	20461.62
Trade payable	41661.02	-	-	41661.02
Other financial liabilities	2678.98	-	50.00	2728.98
Total	85813.06	17644.98	44579.42	148037.47

March 31, 2023	Less than 1 year	1-3 year	More than 3 years	Total
Borrowings	11203.90	11233.26	29678.82	52115.98
Lease Liabilities	-	2078.26	13356.28	15434.53
Trade payable	22738.19	-	-	22738.19
Other financial liabilities	875.77	-	50.00	925.77
Total	34817.86	13311.52	43085.10	91214.48

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, 2024, 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, 2024	March 31, 2023
Variable rate borrowings	6159.85	2812.88
Fixed rate borrowings	27.12	201.57
Total borrowings	**6186.97**	**3014.45**

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

Particulars	Effect on profit after tax	
	March 31, 2024	**March 31, 2023**
Total borrowings		
- Impact due to increase of 50 basis points*	-415.93	-260.58
- Impact due to decrease of 50 basis points*	415.93	260.58

*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.

44.2 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 and other bank balances 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, 2024	March 31, 2023
Total borrowings	83185.85	52115.98
Less : cash and cash equivalents	17001.40	5239.70
Net debt	66184.45	46876.28
Total equity	83568.38	25791.59
Adjusted net debt to adjusted equity ratio	0.79	1.82

Dividends

Particulars	March 31, 2024	March 31, 2023
Equity shares		
(i) Interim Dividend		
For the year ended March 31, 2024 of Rs. 0.5 per share (excluding tax)	180.67	-
For the year ended March 31, 2023 of Rs. 2.85 per share (excluding tax)	-	545.72
(ii) Proposed Dividend		
For the year ended March 31, 2024 of ` 0.00 per share (excluding tax)	-	-
For the year ended March 31, 2023 of ` 0.00 per share (excluding tax)	-	-

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

45. Pursuant to the Indian Accounting Standard (Ind AS- 33) – Earnings per Share, the disclosure is as under:

Particulars	UOM	31st March, 2024	31st March, 2023
Basic and Diluted EPS			
Profit after tax as per Statement of Profit and Loss	Lakhs	16156.18	10963.74
Weighted average number of equity shares outstanding during the year	No.	57410643	56228203
Nominal Value of Equity Shares	Rs.	10	10
Basic and Diluted EPS	Rs.	28.17	19.50

46. SEGMENT REPORTING

Information reported to the CODM for the purpose of resource allocation and assessment of segment performance focuses on business segment which comprises of Sale of Power & Power Plant and Sale of Plots . Specifically, the Company's reportable segments under Ind AS are as follows:

Sale of Power & Power Plant: Comprises of developing, building, owning, operating and maintaining solar power plants as an Independent Power Producer (IPP) and Captive Power Producer (CPP)
Sale of Plots: Comprises of Creation of plots from blocks and sellling the same.

Revenue and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reporting segment have been allocated on the basis of associated revenue/assets of the segment and manpower efforts. All other revenue/expenses which are not attributable or allocable to segments have been disclosed as unallocable. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable.

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.

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
1. Segment Revenue		
Sale of Power & Solar Power Plant	102192.85	64270.39
Sale of Plot	197.15	108.24
Less: Inter Segment Revenue	0	0
Total Segment Revenue	**102390.01**	**64378.63**
2. Segment Results		
Profit/(Loss) from Sale of Power & Solar Power Plant	26939.23	17154.84
Profit/(Loss) from Sale of Plot	4.48	20.67
Total Segment Results	**26943.71**	**17175.50**
Less: Finance Costs	2046.00	1337.89
Other unallocable expenditure net off unallocable revenue	3195.96	1650.64
Profit/(Loss) Before Tax	**21701.74**	**14186.96**
3. Segment Assets		
Sale of Power & Solar Power Plant	212596.91	108659.22
Sale of Plot	7807.20	8110.25
Unallocable Assets	23189.32	8728.03
Total Segment Assets	**243593.43**	**125497.49**
4. Segment Liabilities		
Sale of Power & Solar Power Plant	131152.00	81707.11
Sale of Plot	8215.12	8055.99
Unallocable Assets	20657.93	9942.80
Total Segment Liabilities	**160025.05**	**99705.90**
4.Capital employed (Segment assets- Segment Liabilities)		
Sale of Power & Solar Power Plant	81444.91	26877.37
Sale of Plot	-407.92	129.00
Unallocable Assets	2531.39	-1214.77
Total Segment Liabilities	**83568.38**	**25791.60**

Reconciliation of Revenue	Year Ended March 31, 2024	Year Ended March 31, 2023
Revenue from Operations	102390.01	64378.63
Less: Unallocable Revenue	-	-
Total Segment Revenue	**102390.01**	**64378.63**

47. Related Party Transactions

Other Related Parties

Name of Entity	Nature of Relationship
Quyosh Energia Private Limited	Entity in which KMP is having controlling interest
KPGenix Sunray Private Limited	Entity in which KMP is having controlling interest
KPIG Renewables Private Limited	Entity in which KMP is having controlling interest
K P Green Engineering Limited (Foremerly Known as K P Builcon Private Limited)	Entity in which KMP is having controlling interest
KP Sor-Urja Limited	Entity in which KMP is having controlling interest
KP Human Development Foundation	Entity in which KMP is having controlling interest
Faaiz Money Changer Private Limited	Entity in which KMP is having controlling interest
KPEV Charging Private Limited	Entity in which KMP is having controlling interest
Bharuchi Vahora Patel Surat Federation	Entity in which KMP is having controlling interest
Solwaves Energia Private Limited	Entity in which KMP is having controlling interest
KPZon Energia Private Limited	Entity in which KMP is having controlling interest
KPSun Krag Private Limited	Entity in which KMP is having controlling interest
Renewable Minds LLP	Entity in which KMP is having controlling interest
K.P. Energy Limited	Entity in which KMP is having controlling interest

K.P Energy Mahua Windfarms Private Limited	Entity in which KMP is having controlling interest
Wind Farm Developers Private Limited	Entity in which KMP is having controlling interest
Ungarn Renewable Energy Private Limited	Entity in which KMP is having controlling interest
Evergreen Mahuva Windfarms Private Limited	Entity in which KMP is having controlling interest
HGV DTL Transmission Projects Private Limited	Entity in which KMP is having controlling interest
VG DTL Transmission Projects Private Limited	Entity in which KMP is having controlling interest
KP Energy OMS Limited	Entity in which KMP is having controlling interest
Mahuva Power Infra LLP	Entity in which KMP is having controlling interest
Manar Power Infra LLP	Entity in which KMP is having controlling interest
Miyani Power Infra LLP	Entity in which KMP is having controlling interest
Belampar Power Infra LLP	Entity in which KMP is having controlling interest
Hajipir Renewable Energy LLP	Entity in which KMP is having controlling interest
Vanki Renewable Energy LLP	Entity in which KMP is having controlling interest
KP Energy OMS Limited Limited (formerly Known as M81 Technologies Pvt Ltd)	Entity in which KMP is having controlling interest
Haveliwala and Sons	Entity in which KMP is having controlling interest
Azran venture consultancy LLP	Entity in which KMP is having controlling interest
Chooseme Venture Consultancy LLP	Entity in which KMP is having controlling interest
Itzan Venture Consultancy LLP	Entity in which KMP is having controlling interest
Raynott Venture Consultancy LLP	Entity in which KMP is having controlling interest
Skylinar Venture Consultany LLP	Entity in which KMP is having controlling interest
Varisity Venture Consultancy LLP	Entity in which KMP is having controlling interest
KPF Green Hydrogen & Ammonia Technology Private Ltd	Entity in which KMP is having controlling interest
KPI Green Hydrogen Private Limited	Entity in which KMP is having controlling interest
World Bharuchi Vahora Federation	Entity in which KMP is having controlling interest
Hassan Patel	Relative of KMP
Affan Patel	Relative of KMP
Arifa Salim Yahoo	Relative of KMP
Zuveriyah Kadva	Relative of KMP
Shaba Affan patel	Relative of KMP

Key Management Personnel

Name of the KMP	Designation
Faruk Gulambhai Patel	Chaiman & Managing Director
Mohmed Sohil Yusuf Dabhoya	Whole Time Director
Venu Birappa	Independent Director
Mohamed Hanif Mohamed Habibdalchawal	Independent Director
Sharadchandra B. Patil	Independent Director
Shanker Baheria	Independent Director
Bhadrabala Dhimantraj Joshi	Non-Executive Director
Afzal H Malkani	Non-Executive Director
Amitkumar Subhashchandra Khandelwal	Non-Executive Director
Tejpalsingh Jagatsingh Bisht	Independent Director
Salim Suleman Yahoo	Chief Financial Officer
Saurabh Sharma	Company Secretary (Resigned during the year)
Priyal Jain	Company Secretary
Rajvi Vinodchandra Upadhyay	Company Secretary
Muinulhaque Kadva	Director
Affan Faruk patel	Director

The details of amounts due to or due from related parties as at March 31, 2024 and March 31, 2023

Particulars	As at 31st March, 2024	As at 31st March, 2023
Managerial Remuneration Payable		
Faruk Gulambhai Patel	92.50	4.85
Mohmed Sohil Yusufbhai Dabhoya	2.95	0.13
Salim Suleman Yahoo	2.19	3.27
Saurabh Sharma	-	0.35
Rajvi Vinodchandra Upadhyay	0.99	0.69
Loans Taken		
Faruk Patel	337.00	265.00
Sundry Creditor		
Farukbhai Gulambhai Patel	431.25	
K P Green Engineering Limited (Foremerly Known as K P Builcon Private Limited)	2555.46	93.41
K.P. Energy Limited	10919.24	1404.91
KP Energy OMS Limited Limited (formerly Known as M81 Technologies Pvt Ltd)	12.08	
Sundry Debtor		
K.P. Energy Limited	117.53	
KP Energy OMS Limited Limited (formerly Known as M81 Technologies Pvt Ltd)	315.73	
Renewable Minds LLP	224.19	
Loan Given		
Rajvi Vinodchandra Upadhyay	3.51	3.63
Advance to Suppliers		
K P Green Engineering Limited (Foremerly Known as K P Builcon Private Limited)	4383.44	1369.73
KP Energy OMS Limited Limited (formerly Known as M81 Technologies Pvt Ltd)	66.90	-
Haveliwala and Sons	296.42	
Deposit received		
KP Energy Limited	250.00	
Advance Given for Land		
Affan Faruk patel	245.12	70.00
Hassan Faruk Patel	273.17	70.00
Faruk Gulambhai Patel	5026.33	-
K. P. Buildcon Private Limited	-	149.00
Advance Given for Property		
Arifa Salim Yahoo	20.25	-

Lease payable		
Affan Faruk patel	0.30	
Zuveriyah Kadva	0.30	
Salary payable		
Shaba Affan Patel	0.22	0.15
Sitting Fees Payable		
Amit S Khandelwal	0.18	-
Afzal Malkani	0.14	-
Tejapal Singh	0.23	-
Bhadrabala Dhimantraj Joshi	0.38	0.36
MOh. Hanif Moh. Habib dalchawal	0.45	0.41
Venu Birapa	0.72	0.68
Sharadchandra B Patil	0.68	0.63
Shanker Baheria	0.38	0.11

The details of the related-party transactions entered into by the company, for the years ended March 31, 2024 and March 31, 2023 are as follows :

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Deposit Received		
Quyosh Energia Private Limited	-	40.00
Kpgenix Sunray Private Limited	-	40.00
Kpig Renewables Private Limited	-	42.88
Kpev Charging Private Limited	-	40.00
Deposit Returned		
Quyosh Energia Private Limited	-	40.00
Kpgenix Sunray Private Limited	-	40.00
Kpig Renewables Private Limited	-	42.88
Kpev Charging Private Limited	-	40.00
Loans Given		
K P Green Engineering Limited (Foremerly Known as K P Builcon Private Limited)	-	2701.16
Loan Received Back		
Rajvi Vinodchandra Upadhyay	0.12	0.12
K P Green Engineering Limited (Foremerly Known as K P Builcon Private Limited)	-	3262.20
Donation Given		
Kp Human Development Foundation	239.35	134.68
Amount Given for CSR Activity		
Kp Human Development Foundation	339.78	207.13
Sales		
K P Green Engineering Limited (Foremerly Known as K P Builcon Private Limited)	230.29	6.94
K.P. Energy Limited	94.39	0.89
Renewable Minds LLP	1673.38	-
KP Energy OMS Limited Limited (formerly Known as M81 Technologies Pvt Ltd)	632.57	-
Kp Human Development Foundation	11.15	-
Managerial Remuneration		
Saurabh Sharma	2.47	-
Nirav Girishbhai Raval	-	5.15
Rajvi Vinodchandra Upadhyay	10.36	7.42
Mohmed Sohil Yusuf Dabhoya	37.42	22.42
Farukbhai Gulambhai Patel	306.22	80.01
Salim Suleman Yahoo	36.73	10.73
Royalty Expense		
Faruk Gulambhai Patel	2042.19	-
Deposit Received		
K.P. Energy Limited	250.00	-
Sitting Fees		
Bhadrabala Dhimantraj Joshi	0.43	0.40
MOh. Hanif Moh. Habib dalchawal	0.50	0.45
Venu Birapa	0.80	0.75
Sharadchandra B Patil	0.75	0.70
Shanker Baheria	0.43	0.13
Amit S Khandelwal	0.20	-
Afzal Malkani	0.15	-
Tejapal Singh	0.25	-
Purchase		
K P Green Engineering Limited (Foremerly Known as K P Builcon Private Limited)	3919.95	559.02
K.P. Energy Limited	14736.80	2017.15
KP Energy OMS Limited Limited (formerly Known as M81 Technologies Pvt Ltd)	99.81	-
Purchase of capital goods		
K P Green Engineering Limited (Foremerly Known as K P Builcon Private Limited)	3978.28	7.22
KP Energy OMS Limited Limited (formerly Known as M81 Technologies Pvt Ltd)	58.70	2.15
K.P. Energy Limited	3.93	-
Interest on Unsecured Loan		
K P Green Engineering Limited (Foremerly Known as K P Builcon Private Limited)	27.62	126.64
Lease rent paid for Mangonese Villa		
Affan Faruk patel	0.80	-
Zuveriyah Kadva	0.80	-

Salary expense		
Shaba Affan Patel	2.24	-
Issue of shares and cash as consideration paid for acquisition of subsidiary		
Mohmed Sohil Yusuf Dabhoya	12.62	-
Faruk Gulambhai Patel	12607.92	-
Loan Taken	72.00	900.00
Farukbhai Gulambhai Patel		
Loan Repaid		
Farukbhai Gulambhai Patel	-	900.00
Advance Given		
Haveliwala and Sons	343.25	-
Advance Given for Property		
Affan Faruk patel	175.12	70.00
Hassan Faruk Patel	203.17	70.00
Faruk Gulambhai Patel	5026.33	-
Advance Given for Property		
Arifa Salim Yahoo	20.25	-

The company, KPI Green Energy Limited has given gurrantee of Rs 8241 Lakhs on behalf of K.P. Energy Limited for borrowings taken from State Bank of India.

The subsidiary company, KPARK SUNBEAT Private Limited Limited has given security of Rs 5284 Lakhs on behalf of K.P. Energy Limited against borrowings taken from Arka Fincap Limited.

48. Ratio Analysis:

Particulars	UOM	Year Ended 31st March, 2024	Year Ended 31st March, 2023	% of variance	Reason for Variance
(i) Current Ratio:					
Current Assets (a)	in Lakhs	133387.70	44454.51		
Current Liabilities (b)	in Lakhs	89491.97	37003.45		Since the variance in the ratio is less than 25%, reasons for change is not given.
Current Ratio (a/b)	Times	1.49	1.20	24.07%	
a. Items included in Numerator: All financial and non financial current assets					
b. Items included in Denominator: All financial and non financial current liabilities					
(ii) Debt-Equity Ratio:					Debt Equity ratio is decreased due to the increase in equity as compared to last year.
Total Debts (a)	in Lakhs	83185.85	52115.98		
Shareholder's Equity (b)	in Lakhs	83568.38	25791.59		
Debt-Equity Ratio (a/b)	Times	1.00	2.02	-50.74%	
a. Items included in Numerator : Non current borrowings and current borrowings					
b. Items included in Denominator : Total Equity					
(iii) Debt Service Coverage Ratio:					
Earnings available for Debt services (a)	in Lakhs	28364.52	18743.33		
Interest + Installments (b)	in Lakhs	10847.81	6780.33		Since the variance in the ratio is less than 25%, reasons for change is not given.
Debt Service coverage Ratio (a/b)	Times	2.61	2.76	-5.41%	
a. Items included in Numerator : Earning Before Interest, Depreciation and Amortisation					
b. Items included in Denominator : Total Finance cost and Installments (excluding lease finance cost)					
(iv) Return on Equity Ratio:					Return on Equity ratio is decreased due to the increase in equity as compared to last year.
Net Profit after taxes (a)	in Lakhs	16165.68	10962.79		
Equity Shareholder's fund (b)	in Lakhs	83568.38	25791.59		
Return on Equity Ratio (a/b)	Percentage	19.34%	42.51%	-54.49%	
a. Items included in Numerator : Profit after tax					
b. Items included in Denominator : Total Equity					
(v) Inventory Turnover Ratio:					
Cost of Goods Sold (a)	in Lakhs	61188.14	40945.08		
Average Inventory (b)	in Lakhs	24941.92	13581.76		Since the variance in the ratio is less than 25%, reasons for change is not given.
Inventory Turnover Ratio (a/b)	Times	2.45	3.01	-18.62%	
a. Items included in Numerator : Cost of Goods Sold					
b. Items included in Denominator : Average Traded Inventories					
(vi) Trade Receivables Turnover Ratio(in days):					Trade Receivable Turnover Ratio in days is increased due to the fact that average trade receivables is increased as compared to last year.
Average Trade Receivables (a)	in Lakhs	28693.07	9175.66		
Sales (b)	in Lakhs	102390.01	64378.63		
Trade Receivables turnover Ratio (a/b)*365	Days	102.29	52.02	96.62%	
a. Items included in Numerator : Average Trade receivables (including Unbilled revenue)					
b. Items included in Denominator : Total Revenue from Operations					
(vii) Trade Payables Turnover Ratio:					Trade Payable Turnover Ratio in days is increased due to the fact that average trade payables is increased as compared to last year.
Average Trade Payables (a)	in Lakhs	32199.60	13711.26		
Total Purchases (b)	in Lakhs	70493.88	44027.28		
Trade Payables turnover Ratio (a/b)*365	Days	166.72	113.67	46.67%	
a. Items included in Numerator : Average Trade Payables					
b. Items included in Denominator : Total Purchases					
(viii) Net Capital Turnover Ratio:					Net capital turnover Ratio is decreased due to the fact that in current working capital is significantly increased as compared to last year.
Sales (a)	in Lakhs	102390.01	64378.63		
Working Capital (b)	in Lakhs	43895.72	7451.06		
Net Capital Turnover Ratio (a/b)	Times	2.33	8.64	-73.00%	
a. Items included in Numerator : Total Revenue from Operations					
b. Items included in Denominator : Current Assets less Current Liabilities (other than borrowings)					

(ix) Net Profit Ratio:					
Net Profit after Tax (a)	in Lakhs	16165.68	10962.79		
Sales (b)	in Lakhs	103081.55	64703.47		Since the variance in the ratio is less than 25%, reasons for
Net Profit Ratio (a/b)	Percentage	15.68%	16.94%	-7.44%	change is not given.
a. Items included in Numerator : Profit after Taxes					
b. Items included in Denominator : Total Income					
(x) Return on Capital Employed:					
Earnings before Interest and Taxes (a)	in Lakhs	30307.95	18863.42		
Capital Employed (b)	in Lakhs	122330.90	63485.63		Since the variance in the ratio is less than 25%, reasons for
Return on Capital Employed (a/b)	Percentage	24.78%	29.71%	-16.62%	change is not given.
a. Items included in Numerator : Profit before tax + Interest expense					
b. Items included in Denominator : Total Equity + Total Borrowings + Deferred tax liability					
(xi) Return on Investment:					
Income from Investment (a)	in Lakhs	580.17	265.32		
Total Investment (b)	in Lakhs	7828.56	3003.32		Since the variance in the ratio is less than 25%, reasons for
Return on Investment (a/b)	Percentage	7.41%	8.83%	-16.11%	change is not given.
a. Items included in Numerator : Interest Income + Dividend Income					
b. Items included in Denominator : Total Investments + Fixed Deposits					

49. Contingent Liabilities not provided for:

Particulars	**Year ended 31st March, 2024**	**Year ended 31st March, 2023**
Income tax Assessment for A.Y. 2015-2016, pending before Comm. Of IT-Appeals-1, Surat	74.22	74.22
Income tax Assessment for A.Y. 2014-2015, pending before Comm. Of IT-Appeals-1, Surat	14.24	14.24 (25.32-11.08)

Notes: The Company has filed an appeal before the Appellate authorities in respect of the disputed matter under the Income Tax Act, 1961 and the appeals are pending with the appellate authority. Considering the facts of the matters and other legal pronouncements of jurisdictional HC, no provision is considered necessary by the management because the management is hopeful that the matter would be decided in favour of the Company in the light of the legal advice obtained by the company. Amount shown as deducted in the brackets are the amounts paid against the demand raised by the Income Tax Department in the Scrutiny assessment. Net amount is shown as Contingent liabilities not provided for.

50. Employee Benefit Plans:
Defined Contribution Plans:

The Company makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. The Company's contribution is recognized as an expense in the statement of profit and loss during the period in which the employee renders the related service.
The amount recognized as an expense towards contribution to provident fund for the year aggregated to Rs. 31.05 Lakhs (Rs. 9.65 Lakhs).
The amount recognised as an expense towards contribution to ESI for the year aggregated to Rs. 1.03 Lakhs (Rs. 1.39 Lakhs).
Company adopted Indian Accounting Standard 19 "Employee Benefits" ('IND AS 19') as specified in Rule 7 of the Companies (Accounts) Rules, 2014.

Defined Benefit Plans:
The Company operates a defined benefit plan (the Gratuity plan) covering eligible employees, which provides a lump sum payment to vested employees at retirement, death, incapacitation or

Particulars	As at March 31, 2024	As at March 31, 2023
i. Reconciliation of Opening and Closing Balances of Defined Benefit Obligation		
Liability at the beginning of the Year	**41.62**	**31.79**
Interest Cost	3.10	2.22
Current Service Cost	18.00	8.89
Past Service Cost	0.00	0.00
Re-measurement (or Actuarial) (gain) / loss arising from:		
change in demographic assumptions	0.00	0.00
change in financial assumptions	1.37	-4.91
experience variance (i.e. Actual experiences assumptions)	6.22	3.63
Present Value of Defined Benefits Obligation at the end of the Year	**70.30**	**41.62**
ii. Reconciliation of Opening and Closing Balances of the Fair value of Plan Assets		
Fair Value of Plan assets at the beginning of the Year	**-**	**-**
Investment Income	-	-
Return on plan asset excluding amount recognised in net interest expenses	-	-
Contributions	-	-
Fair Value of Plan assets at the end of the Year	**-**	**-**
iii. Reconciliation of the Present value of defined benefit obligation and Fair value of plan		
Present Value of Defined Benefits Obligation at the end of the Year	70.30	41.62
Fair Value of Plan assets at the end of the Year	-	-
Net (Liability) recognized in balance sheet as at the end of the year	**70.30**	**41.62**
iv. Gratuity Cost for the Year		
Interest Cost	3.10	2.22
Current Service Cost	18.00	8.89
Past Service Cost	-	-
Investment Income	-	-
Net Gratuity cost in statement of Profit and Loss account	**21.09**	**11.10**
v. Other Comprehensive income		
Actuarial (gains)		
change in demographic assumptions	0.00	.49
change in financial assumptions	1.37	-4.91
experience variance (i.e. Actual experiences assumptions)	6.22	3.63
Return on plan asset excluding amount recognised in net interest expenses	-	-
Components of defined benefit costs recognised in other comprehensive income	**7.59**	**-1.27**
vi. Actuarial Assumptions		
Discount Rate (per annum)	7.19%-7.23%	6.98%
Annual Increase in Salary Cost	6%	7%
Mortality Rate During employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)
Attrition Rate	For service 4 years and below 15.00% p.a. For service 5 years and above 4.00% p.a.	For service 4 years and below 15.00% p.a. For service 5 years and above 4.00% p.a.

Sensitivity Analysis:

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

Particulars	As at March 31, 2024	As at March 31, 2023
Defined Benefit Obligation (Base)	70.30	41.62
Delta Effect of +1% Change in Rate of Discounting	-6.01	-3.12
Delta Effect of -1% Change in Rate of Discounting	7.17	3.64
Delta Effect of +1% Change in Rate of Salary Increase	7.00	3.06
Delta Effect of -1% Change in Rate of Salary Increase	-6.12	-3.18
Delta Effect of +1% Change in Rate of Employee Turnover	-0.10	0.10
Delta Effect of -1% Change in Rate of Employee Turnover	0.00	-0.16

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the Defined Benefit Obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the Defined Benefit Obligation has been calculated using the projected unit credit method at the end of the reporting period,which is the same method as applied in calculating the Defined Benefit Obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

51. Additional Regulatory information pursuant to the provisions of Schedule III of The Companies Act, 2013

(i) During the year, the company has not owned any immovable properties whose title deeds are not held in the name of the company.

(ii) During the year, company has not revalued any Property, Plant and Equipment.

(iii)The Company has been sanctioned working capital limits in excess of five crores rupees in aggregate from banks and financial institutions on the basis of security of current assets of the company.The final quarterly returns / statements filed by the company with such banks / financial institutions in respect of gross value of current assets, are not in agreement with the books of accounts of the company in the following cases-

Particulars	**Amount as per books. (In Lakh Rs)**	**Amount as per Stock Statement submitted to bank (In Lakh Rupees)**	**Difference (In Lakh Rs)**	**Reconciliation and reason for variation**
Company Name-KPI Green Energy Limited				
Book debts as on 31.03.2024	30265.17	23759.89	6505.29	a)Book debts relating to Power sales, Lease and O&M, REC,Plots and Others not considered by banks for drawing power calculation,hence not submitted in book debts statement to bank- Rs 4830.07 Lakhs. b)Related party book debts not considered by banks for drawing power calculation, hence not submitted in book debts statement to bank- Rs 1626.10 Lakhs. c)Book debts above 120 days not considered by banks for drawing power calculation, hence not submitted in book debts statement to bank- Rs 49.12 lakhs
Book debts as on 31.12.2023	30271.94	19460.51	10811.43	a)Book debts relating to Power sales, Lease and O&M, REC,Plots and Others not considered by banks for drawing power calculation,hence not submitted in book debts statement to bank- Rs 10674 Lakhs. b)Book debts above 120 days not considered by banks for drawing power calculation, hence not submitted in book debts statement to bank- Rs 137.43 lakhs
Book debts as on 30.09.2023	13694.15	10278.95	3415.20	a)Book debts relating to Power sales, Lease and O&M, REC,Plots and Others not considered by banks for drawing power calculation,hence not submitted in book debts statement to bank- Rs 2672.03 Lakhs. b)Book debts above 120 days not considered by banks for drawing power calculation, hence not submitted in book debts statement to bank- Rs 743.17 lakhs
Book debts as on 30.06.2023	7330.50	1054.78	6275.72	a)Book debts relating to Power sales, Lease and O&M, REC,Plots and Others not considered by banks for drawing power calculation,hence not submitted in book debts statement to bank- Rs 13108.52 Lakhs. b)Book debts above 120 days not considered by banks for drawing power calculation, hence not submitted in book debts statement to bank- Rs 3167.2 lakhs
Stock as on 31.03.2024	29211.20	25968.09	3243.11	The difference is realed to the amount of unpaid stock which is not considered by banks for drawing power calculation,hence not submitted in stock statement to bank
Stock as on 31.12.2023	12664.54	16600.67	-3936.13	The difference is due to the fact that while submitting the amount of stock to bank, the consumption of various items in the project was to be finalized and approved by the technical team and therefore the amount of stock given to bank was more than the amount appeared in the books.

Stock as on 30.09.2023	8822.31	8745.31	77.00	The difference is realed to the amount of unpaid stock which is not considered by banks for drawing power calculation,hence not submitted in stock statement to bank
Stock as on 30.06.2023	14155.36	15908.97	-687.95	The difference is due to the fact that while submitting the amount of stock to bank, the consumption of various items in the project was to be finalized and approved by the technical team and therefore the amount of stock given to bank was more than the amount appeared in the books.
Company Name-KPIG Energia Private Limited				
Book debts as on 31.03.2024	8252.16	6835.83	1416.33	a)Book debts relating to Power sales, Lease and O&M, REC and Others not considered by banks for drawing power calculation,hence not submitted in book debts statement to bank- Rs 976.61 Lakhs. b)Related party book debts not considered by banks for drawing power calculation, hence not submitted in book debts statement to bank- Rs 314.47 Lakhs. c)Book debts above 120 days not considered by banks for drawing power calculation, hence not submitted in book debts statement to bank- Rs 125.26 lakhs
Book debts as on 31.12.2023	2139.93	676.04	1463.89	a)Book debts relating to Power sales, Lease and O&M, REC and Others not considered by banks for drawing power calculation,hence not submitted in book debts statement to bank- Rs 1239.76 Lakhs. b)Related party book debts not considered by banks for drawing power calculation, hence not submitted in book debts statement to bank- Rs 98.87 Lakhs. c)Book debts above 120 days not considered by banks for drawing power calculation, hence not submitted in book debts statement to bank- Rs 125.26 lakhs
Book debts as on 30.09.2023	3682.00	2963.56	718.44	a)Book debts relating to Power sales, Lease and O&M, REC and Others not considered by banks for drawing power calculation,hence not submitted in book debts statement to bank- Rs 493.29 Lakhs. b)Related party book debts not considered by banks for drawing power calculation, hence not submitted in book debts statement to bank- Rs 100.14 Lakhs. c)Book debts above 120 days not considered by banks for drawing power calculation, hence not submitted in book debts statement to bank- Rs 125.01 Lakhs
Book debts as on 30.06.2023	6141.72	2575.51	3566.21	a)Book debts relating to Power sales, Lease and O&M, REC and Others not considered by banks for drawing power calculation,hence not submitted in book debts statement to bank- Rs 3441.20 Lakhs. b)Book debts above 120 days not considered by banks for drawing power calculation, hence not submitted in book debts statement to bank- Rs 125.01 Lakhs
Stock as on 31.12.2023	4370.43	3259.23	1111.19	The difference is realed to the amount of unpaid stock which is not considered by banks for drawing power calculation,hence not submitted in stock statement to bank
Stock as on 30.06.2023	1287.16	1975.11	-687.95	The difference is due to the fact that while submitting the amount of stock to bank, the consumption of various items in the project was to be finalized and approved by the technical team and therefore the amount of stock given to bank was more than the amount appeared in the books.

(iv) During the year, the company was not declared as wilful defaulter by any bank or financial Institution or other lender.
(v) Based on the information available with the Company, there are no transactions with struck off companies.

(vi) Auditor's Remuneration:

Particulars	31/03/2024	31/03/2023
As Statutory Auditor	31.79	35.96
As Tax Auditor	4.00	4.00
As GST Consultant	0.72	1.08

(vii) Disclosure relating to Corporate Social Responsibility (CSR)

Particulars	31/03/2024	31/03/2023
Amount Required to be spent by the company during the year	152.11	60.87
Amount of expenditure incurred	369.78	230.50
Shortfall at the end of the previous year	-	-
Total of previous years shortfall	-	-
Reason for shortfall	**NA**	**NA**
Contribution to a section 8 company controlled by the company in relation to CSR expenditure	339.78	207.13

The company has undertaken following activities towards Corporate Social Responsibility:
(i) Promoting Education.
(ii) Setting up old age homes, day care centres and such other facilities for senior citizens.

The contribution to a section 8 Company controlled by the company has been used for following activities:
(i) Promoting Education.
(ii) Promoting health care including preventinve health care.
(iii) Setting up homes and hostels for women and orphans.
(iv) Setting up old age homes, day care centres and such other facilities for senior citizens.
(v) Welfare of the schedule caste, tribes, other backward classes, minorities and women.

52. The Code on Social Security, 2020

The Code on Social Security 2020 ('Code') has been notified in the Official Gazette on September 29, 2020. The Code is not yet effective and related rules are yet to be notified. Impact if any of the change will be assessed and recognized in the period in which said Code becomes effective and the rules framed thereunder are notified.

53. Other Statutory information

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
(ii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
(iii) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

(iv) No funds have been advanced / loaned / invested (from borrowed funds or from share premium or from any other sources / kind of funds) by the Company to any other person(s) or entity(ies), including foreign entities (Intermediaries), with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

No funds have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding (whether recorded in writing or otherwise) that the Company shall (i) directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(v) The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017 (as amended).

(vi) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

vii) Additional information pursuant to the provisions of Schedule III of The Companies Act, 2013 in respect of Consolidation :

A) List of Subsidiaries which are included in the consolidation and the Company's effective holdings therein are as under :

Name of the subsidiary	Country of Incorporation	Effective ownership in subsidiaries as at March 31,	
		2024	2023
KPARK SUNBEAT Private Limited	INDIA	100%	-
KPIG NERGIA Private Limited	INDIA	100%	100%
SUNDROPS ENERGIA Private Limited	INDIA	100%	100%

B) Additional information, as required under Schedule III of the Act for the entities consolidated as subsidiaries

(` in Lakhs)

Name of the subsidiary	Net Assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive	
	As % of consolidated Net assets	Amount	As % of Consolidated profit or loss	Amount	As % of Consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
KPI Green Energy Limited	90%	74825.10	64%	10371.60	100	-9.50	64%	10362.10
Indian Subsidiaries								
KPIG NERGIA Private Limited	11%	9233.06	19%	3057.39	0	0	19%	3057.39
SUNDROPS ENERGIA Private Limited	9%	7398.46	17%	2717.28	0	0	17%	2717.28
KPARK SUNBEAT Private Limited	2%	1389.84	0%	2.21	0	0	0%	2.21
Minority Interest in all subsidiary	0	0	0	0	0	0	0	0
Eliminations/ Adjustments	-11%	-9278.09	-2%	17.20	0	0	-2%	17.20
Total	100	83568.38	100	16165.68	100	-9.50	100	16156.18

54. Significant Events after the Reporting Period

There were no significant adjusting events that occurred subsequent to the reporting period other than the events disclosed in the relevant notes.

55. Approval of Consolidated Financial Statements

The Consolidated financial statements were approved for issue by the Board of Directors on April 25, 2024.

56.The figures for the corresponding previous year have been regrouped / reclassified wherever necessary, to make them comparable.

In terms of our attached report of even date
For K A Sanghavi and Co LLP
Chartered Accountants
ICAI FRN : 0120846W/W100289

CA Amish A. Sanghavi
Partner
M. NO. 101413
ICAI UDIN : 24101413BKAACZ3614

Place : Surat
Date : April 25, 2024

For and on behalf of the Board
KPI Green Energy Limited

Faruk G. Patel
(Chairman And Managing Director)
DIN : 00414045

Mohmed Sohil Y. Dabhoya
(Whole Time Director)
DIN : 07112947

Salim S. Yahoo
(Chief Financial Officer)

Rajvi Upadhyay
(Company Secretary)

<u>Independent auditor's Limited Review report on Quarterly and Year to Date Unaudited Consolidated financial results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended.</u>

To,
The BoardofDirectors of
KPI GREEN ENERGY LIMITED
'KP House', Near KP Circle, Opp. Ishwar Farm Junction BRTS,
Canal Road, Bhatar, Surat – 395017, Gujarat.

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Resultsof **KPI GREEN ENERGY LIMITED**("the Holding Company") and its Subsidiaries (the parent and its subsidiaries together referred to as "the Group"), for the quarter ended June 30, 2024 (the "Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

2. This Statement is the responsibility of the Holding Company's Management and has been approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principal laid down in Indian Accounting Standard (Ind AS) 34 'Interim Financial Reporting', prescribed under section 133 of the Companies Act, 2013, and other Accounting Principles generally accepted in India. Our responsibility is to express a conclusion on the statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

   We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:
   a. KPI Green Energy Limited
   b. KPIG Energia Private Limited
   c. Sun Drops Energia Private Limited
   d. KPark Sunbeat Private Limited

5. Based on our review conducted and procedures performed as stated above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable Indian Accounting Standards (Ind AS) prescribed under section 133 of The Companies Act, 2013, read with relevant Rules issued thereunder and other recognized accounting practices and policies generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. Emphasis of Matter – No such thing requires to be mentioned hence our conclusion is not modified in respect of this matter.

7. The consolidated unaudited financial results includes the interim financial results of 3 subsidiaries which have been reviewed byus, whose interim financial results reflect total assets of Rs.285719.79 Lakhs as at June 30, 2024 and total revenue of Rs. 3798.39 Lakhs, total net profit after tax of Rs. 1357.77 Lakhs and total comprehensive income of Rs.1357.77 Lakhs for the quarter ended June 30, 2024 as considered in the consolidated unaudited financial results.

Emphasis of Matter – No such thing requires to be mentioned hence our conclusion is not modified in respect of this matter.

For K A Sanghavi & Co LLP
Chartered Accountants
FRN: 120846W / W100289

Place: Surat
Date: August 8, 2024

Amish Ashvinbhai Sanghavi
Designated Partner
M. No. 101413
ICAI UDIN: **24101413BKAAEJ6761**

KPI Green Energy Limited

CIN: L40102GJ2008PLC083302

Reg. Office: 'KP House', Near KP Circle,Opp. Ishwar Farm Junction BRTS, Canal Road, Bhatar, Surat 395017, Gujarat

Tel/Fax - 0261 2244757, Email - info@kpgroup.co, Website - www.kpigreenenergy.com

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2024

(Rs. in Lacs)

Sr. No.	Particulars	Quarter Ended			
		30.06.2024 Unaudited (CY Q1)	**31.03.2024 Audited (LY Q4)**	**30.06.2023 Unaudited (LY Q1)**	**31.03.2024 Audited (FY 23-24)**
I	Revenue from Operations	34,801.20	28,935.65	18,935.97	1,02,390.01
	(a) Net Sales/income from Operations	-	-	-	-
	(i) Revenue from Sales of Plot	18.90	52.74	27.51	197.15
	(ii) Revenue from Sale of Power	4,577.17	5,309.96	4,210.43	17,699.53
	(iii) Revenue from Sales of Captive Power Project	30,205.13	23,572.95	14,698.03	84,493.33
II	Other Income	184.23	361.09	120.81	691.55
III	**Total Revenue (I + II)**	**34,985.42**	**29,296.73**	**19,056.78**	**1,03,081.55**
IV	**Expenses:**				
	(a) Cost of Materials consumed	16,822.79	14,259.07	9,393.76	53,315.93
	(b) Purchases of Stock-in-Trade	46.92	84.27	37.29	318.76
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	-18.30	6.33	13.68	-29.52
	(d) Employee benefits expense	1,138.15	476.71	306.22	1,443.72
	(e) Finance Costs	2,749.89	2,482.65	1,972.36	8,606.21
	(f) Depreciation and amortisation expense	1,425.47	1,128.86	943.59	4,037.41
	(g) Other expenses	3,600.53	4,822.79	2,259.61	13,656.78
	Total Expenses	**25,765.45**	**23,260.68**	**14,926.52**	**81,349.28**
V	**Profit before exceptional and extraordinary items and tax (III - IV)**	**9,219.98**	**6,036.05**	**4,130.26**	**21,732.27**
VI	Exceptional Items	-	-	-	-
VII	**Profit before extraordinary items/Prior Period Items and tax (V - VI)**	**9,219.98**	**6,036.05**	**4,130.26**	**21,732.27**
VIII	Extraordinary items/Prior Period Items	-150.43	-30.54	-	-30.54
IX	**Profit before tax (VII - VIII)**	**9,069.54**	**6,005.51**	**4,130.26**	**21,701.74**
X	**Tax Expenses**	-	-	-	-
	(1) Current tax(Net)	2,011.54	1,568.54	-	3,561.60
	(2) Mat credit entitlement	-	-	-	-
	(3) Deferred tax	446.93	132.71	804.22	1,974.46
XI	**Profit / (Loss) for the period from continuing operations (IX-X)**	**6,611.07**	**4,304.27**	**3,326.04**	**16,165.68**
XII	**Profit/(Loss) from discontinuing operations**	-	-	-	-
XIII	**Tax expense of discontinuing operations**	-	-	-	-
XIV	**Profit / (Loss) from Discontinuing operations (after tax) (XII-XIII)**	-	-	-	-
XV	**Profit / (Loss) for the period (XI + XIV)**	**6,611.07**	**4,304.27**	**3,326.04**	**16,165.68**
XVI	**Other Comprehensive Income (After Tax)**				
	A) Items that will not be reclassified to profit and loss	-	-7.59	-	-7.59
	Income Tax on above	-	-1.91	-	-1.91
	B) Items that will be reclassified to profit and loss	-	-	-	-
	Income Tax on above	-	-	-	-
	Total Other Comprehensive Income (Net of Tax)	**-**	**-9.50**	**-**	**-9.50**
XVII	**Total Comprehensive Income for the period comprising Net Profit/ (Loss) for the period & Other Comprehensive Income (XV+XVI)**	**6,611.07**	**4,294.77**	**3,326.04**	**16,156.18**
	Paid-up equity share capital (Face Value: Rs. 10/- each)	**6,028.26**	**6,028.26**	**3,613.40**	**6,028.26**
XVIII	**(a) Earnings Per Share**	-	-	-	-
	(i) Basic	10.97	7.15	6.14	28.17
	(ii) Diluted	10.97	7.15	6.14	28.17

Notes:

1. The above Audited Consolidated Financial Results have been reviewed by the Audit committee and approved by the Board of Directors of the Company at their respective meeting held on August 08, 2024
2. The above Audited Consolidated Financial Results have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act 2013, read with the Companies (Indian Accounting Standards) Rules, 2015
3. Previous year's/period's figures have been regrouped/reclassified/restated/recasted wherever necessary to confirm to classification of current year/period.
4. At the beginning of the quarter, one complaint was pending and during the quarter, three additional complaints were received by the Company. All the four complaints were resolved during the quarter itself, therefore, no complaints were pending or unresolved at the end of the quarter June 30, 2024
5. As of 30th June 2024, the consolidated total borrowings of the company amount to INR 79,869.46 Lacs, comprising INR 39,928.43 Lakhs of short-term borrowings (including current maturities) and INR 39,941.03 Lacs of long-term borrowings.Short term borrowing does not include M1 Exchange.
6. During the quarter, the company had made provision for ESOP under the employee benefit cost to the tune of Rs. 477.40 Lacs.

.

For KPI Green Energy Limited

	Dr.Faruk G Patel	**Salim S. Yahoo**
Date: 08 August, 2024	**Chairman & Managing Director**	**Chief Financial Officer**
Place: Surat	**DIN: 00414045**	**PAN:AAGPY4179A**

KPI Green Energy Limited

CIN: L40102GJ2008PLC083302

Reg. Office: 'KP House', Near KP Circle,Opp. Ishwar Farm Junction BRTS, Canal Road, Bhatar, Surat 395017, Gujarat

Tel/Fax - 0261 2244757, Email - info@kpgroup.co, Website - www.kpigreenenergy.com

CONSOLIDATED SEGMENT INFORMATION AS ON THE QUARTER ENDED JUNE 30, 2024

(Rs. in Lacs)

Particulars	Quarter Ended			Year Ended
	30.06.2024 Unaudited (CY Q1)	31.03.2024 Anaudited (LY Q4)	30.06.2023 Unaudited (LY Q1)	31.03.2024 Audited (FY 23-24)
01. Segment Revenue				
Net Sales/income from each segment				
(i) Revenue from Sales of Power & Solar Power Plant	34,782.30	28,935.65	18,908.46	1,02,245.59
(ii) Revenue from Sales of Plot	18.90	52.74	27.51	197.15
Total Segment Revenue	34,801.20	28,988.39	18,935.97	1,02,442.74
Less: Inter Segment Revenue	-	-	-	-
Revenue from Operation	**34,801.20**	**28,988.39**	**18,935.97**	**1,02,442.74**
02. Segment Results				
Profit/Loss before tax and interest from each segment				
(i) Revenue from Sales of Power & Solar Power Plant	11,693.09	7,453.30	5,273.59	26,939.23
(ii) Revenue from Sales of Plot	41.20	11.64	-2.36	4.48
Total Profit before tax	**11,734.29**	**7,464.94**	**5,271.23**	**26,943.71**
Add/Less:				
i) Finance Cost	990.92	591.30	457.71	2,046.00
ii) Other Unallocable Expenditure net off unallocable income	1,673.83	868.12	683.25	3,195.97
Profit Before Tax	9,069.54	6,005.52	4,130.26	21,701.74
03. Segment Assets				
(i) Revenue from Sales of Power & Solar Power Plant	2,39,928.92	2,12,596.91	1,17,548.08	2,12,596.91
(ii) Revenue from Sales of Plot	7,490.77	7,807.20	8,105.59	7,807.20
Total Segment Assets	2,47,419.69	2,20,404.11	1,25,653.66	2,20,404.11
Unallocable Assets	27,966.89	23,189.32	12,068.37	23,189.32
Net Segment Assets	2,75,386.58	2,43,593.43	1,37,722.03	2,43,593.43
04. Segment Liability				
(i) Revenue from Sales of Power & Solar Power Plant	1,51,691.70	1,31,152.00	90,414.04	1,31,152.00
(ii) Revenue from Sales of Plot	7,045.31	8,215.12	8,117.94	8,215.12
Total Segment Liability	1,58,737.01	1,39,367.12	98,531.98	1,39,367.12
Unallocable Liability	24,881.22	20,657.93	10,079.03	20,657.93
Net Segment Liability	1,83,618.23	1,60,025.05	1,08,611.01	1,60,025.05
05. Capital Employed (Segment Assets - Segment Liabilities)				
(i) Revenue from Sales of Power & Solar Power Plant	88,237.22	81,444.91	27,134.04	81,444.91
(ii) Revenue from Sales of Plot	445.46	-407.92	-12.35	-407.92
(iii) Unallocated	3,085.67	2,531.39	1,989.33	2,531.39
	-	-	-	-

Note:

(1) The above Unaudited Consolidated Segment Information have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act 2013, read with the Companies (Indian Accounting Standards) Rules, 2015

(2) Previous year's/period's figures have been regrouped/reclassified/restated/recasted wherever necessary to confirm to classification of current year/period.

For KPI Green Energy Limited

Dr.Faruk G Patel
Chairman & Managing Director
DIN: 00414045

Salim S. Yahoo
Chief Financial Officer
PAN:AAGPY4179A

Date: 08th August, 2024
Place: Surat

<u>Independent Auditor's Limited Review Report on Quarterly Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.</u>

To,
The BoardofDirectors of
KPI GREEN ENERGY LIMITED
'KP House', Near KP Circle, Opp. Ishwar Farm Junction BRTS,
Canal Road, Bhatar, Surat – 395017, Gujarat.

We have reviewed the accompanying statement of unaudited standalone financial resultsof **KPI Green Energy Limited**(the "Company") for the quarter ended June 30, 2024 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, as amended (the 'Listing Regulations').

This Statement which is the responsibility of the Company's Management and has been approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (Ind AS) 34 on 'Interim Financial Reporting', prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable Indian Accounting Standards ('Ind AS') prescribed under section 133 of The Companies Act, 2013, read with relevant Rules issued thereunder and other recognized accounting practices and policies generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Emphasis of Matter – No such thing requires to be mentioned hence our conclusion is not modified in respect of this matter.

For K A Sanghavi & Co LLP
Chartered Accountants
FRN: 120846W / W100289

Place: Surat
Date: August 8, 2024

Amish Ashvinbhai Sanghavi
Designated Partner
M. No. 101413
ICAI UDIN: 24101413BKAAEI8420

KPI Green Energy Limited

CIN: L40102GJ2008PLC083302

Reg. Office: 'KP House', Near KP Circle,Opp. Ishwar Farm Junction BRTS, Canal Road, Bhatar, Surat 395017, Gujarat

Tel/Fax - 0261 2244757, Email - info@kpgroup.co, Website - www.kpigreenenergy.com

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2024

(Rs. in Lacs)

Sr. No.	Particulars	Quarter Ended			Year Ended
		30.06.2024 Unaudited (CY Q1)	31.03.2024 Audited (LY Q4)	30.06.2023 Unaudited (LY Q1)	31.03.2024 Audited (FY 23-24)
I	Revenue from Operations	31,032.23	16,794.23	10,954.32	72,375.96
	(a) Net Sales/income from Operations	-	-	-	-
	(i) Revenue from Sales of Plot	18.90	52.74	27.51	197.15
	(ii) Revenue from Sale of Power	3,561.01	4,112.40	3,093.67	13,499.43
	(iii) Revenue from Sales of Captive Power Project	27,452.32	12,629.10	7,833.14	58,679.37
II	Other Income	154.80	290.09	108.52	578.71
III	**Total Revenue (I + II)**	**31,187.03**	**17,084.32**	**11,062.85**	**72,954.67**
IV	**Expenses:**				
	(a) Cost of Materials consumed	15,697.76	6,264.80	4,664.02	35,851.45
	(b) Purchases of Stock-in-Trade	46.92	84.27	37.29	318.76
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	-18.30	6.33	13.68	-29.52
	(d) Employee benefits expense	984.85	416.36	298.44	1,318.87
	(e) Finance Costs	2,480.31	2,232.18	1,737.78	7,638.59
	(f) Depreciation and amortisation expense	1,267.04	996.66	828.87	3,546.99
	(g) Other expenses	3,600.85	3,516.15	1,743.05	10,220.30
	Total Expenses	**24,059.44**	**13,516.75**	**9,323.13**	**58,865.43**
V	**Profit before exceptional and extraordinary items and tax (III - IV)**	**7,127.59**	**3,567.57**	**1,739.72**	**14,089.24**
VI	Exceptional Items	-	-	-	-
VII	**Profit before extraordinary items/Prior Period Items and tax (V - VI)**	**7,127.59**	**3,567.57**	**1,739.72**	**14,089.24**
VIII	Extraordinary items/Prior Period Items	-71.78	-30.54	-	-30.54
IX	**Profit before tax (VII - VIII)**	**7,055.81**	**3,537.03**	**1,739.72**	**14,058.70**
X	**Tax Expenses**	-	-	-	-
	(1) Current tax(Net)	1,566.27	884.47	-	2,086.37
	(2) Mat credit entitlement	-	-	-	-
	(3) Deferred tax	236.23	67.47	406.98	1,600.73
XI	**Profit / (Loss) for the period from continuing operations (IX-X)**	**5,253.30**	**2,585.09**	**1,332.74**	**10,371.60**
XII	**Profit/(Loss) from discontinuing operations**	-	-	-	-
XIII	**Tax expense of discontinuing operations**	-	-	-	-
XIV	**Profit / (Loss) from Discontinuing operations (after tax) (XII-XIII)**	-	-	-	-
XV	**Profit / (Loss) for the period (XI + XIV)**	**5,253.30**	**2,585.09**	**1,332.74**	**10,371.60**
XVI	**Other Comprehensive Income (After Tax)**				
	A) Items that will not be reclassified to profit and loss	-	-7.59	-	-7.59
	Income Tax on above	-	-1.91	-	-1.91
	B) Items that will be reclassified to profit and loss	-	-	-	-
	Income Tax on above	-	-	-	-
	Total Other Comprehensive Income (Net of Tax)	**-**	**-9.50**	**-**	**-9.50**
XVII	**Total Comprehensive Income for the period comprising Net Profit/ (Loss) for the period & Other Comprehensive Income (XV+XVI)**	**5,253.30**	**2,575.59**	**1,332.74**	**10,362.10**
	Paid-up equity share capital (Face Value: Rs. 10/- each)	**6,028.26**	**6,028.26**	**3,613.40**	**6,028.26**
XVIII	**(a) Earnings Per Share**	-	-	-	-
	(i) Basic	8.71	4.30	2.46	18.08
	(ii) Diluted	8.71	4.30	2.46	18.08

Notes:

1. The above Audited Standalone Financial Results have been reviewed by the Audit committee and approved by the Board of Directors of the Company at their respective meeting held on August 08, 2024
2. The above Audited Standalone Financial Results have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act 2013, read with the Companies (Indian Accounting Standards) Rules, 2015
3. Previous year's/period's figures have been regrouped/reclassified/restated/recasted wherever necessary to confirm to classification of current year/period.
4. At the beginning of the quarter, one complaint was pending and during the quarter, three additional complaints were received by the Company. All the four complaints were resolved during the quarter itself, therefore, no complaints were pending or unresolved at the end of the quarter June 30, 2024
5. As of 30th June 2024, the standalone total borrowings of the company amount to INR 73,586.84 Lacs, which includes INR 39,104.33 Lacs of short-term borrowings (including current maturities) and INR 34,482.51 Lacs of long-term borrowings.Short term borrowing does not include M1 Exchange.
6. During the quarter, the company had made provision for ESOP under the employee benefit cost to the tune of Rs. 455.67 Lacs.

For KPI Green Energy Limited

	Dr.Faruk G Patel	**Salim S. Yahoo**
Date: 08th August, 2024	**Chairman & Managing Director**	**Chief Financial Officer**
Place: Surat	**DIN: 00414045**	**PAN:AAGPY4179A**

KPI Green Energy Limited

CIN: L40102GJ2008PLC083302
Reg. Office: 'KP House', Near KP Circle,Opp. Ishwar Farm Junction BRTS, Canal Road, Bhatar, Surat 395017, Gujarat
Tel/Fax - 0261 2244757, Email - info@kpgroup.co, Website - www.kpigreenenergy.com

STANDALONE SEGMENT INFORMATION AS ON THE QUARTER ENDED JUNE 30, 2024

(Rs. in Lacs)

Particulars	Quarter Ended			Year Ended
	30.06.2024 Unaudited (CY Q1)	**31.03.2024 Audited (LY Q4)**	**30.06.2023 Unaudited (LY Q1)**	**31.03.2024 Audited (FY 23-24)**
01. Segment Revenue				
Net Sales/income from each segment				
(i) Revenue from Sales of Power & Solar Power Plant	31,013.33	16,741.50	10,926.81	72,178.80
(ii) Revenue from Sales of Plot	18.90	52.74	27.51	197.15
Total Segment Revenue	31,032.23	16,794.24	10,954.32	72,375.95
Less: Inter Segment Revenue	-	-	-	-
Revenue from Operation	**31,032.23**	**16,794.24**	**10,954.32**	**72,375.95**
02. Segment Results				
Profit/Loss before tax and interest from each segment				
(i) Revenue from Sales of Power & Solar Power Plant	9,192.42	4,833.36	2,883.46	18,982.32
(ii) Revenue from Sales of Plot	5.07	11.64	-2.36	4.48
Total Profit before tax	**9,197.49**	**4,845.00**	**2,881.10**	**18,986.80**
Add/Less:				
i) Finance Cost	721.35	576.05	457.71	2,030.75
ii) Other Unallocable Expenditure net off unallocable income	1,405.21	731.91	683.67	2,897.35
Profit Before Tax	7,070.93	3,537.04	1,739.72	14,058.70
03. Segment Assets				
(i) Revenue from Sales of Power & Solar Power Plant	1,76,629.91	1,65,488.43	92,756.01	1,65,488.43
(ii) Revenue from Sales of Plot	7,490.77	7,807.20	8,105.59	7,807.20
Total Segment Assets	1,84,120.68	1,73,295.63	1,00,861.59	1,73,295.63
Unallocable Assets	37,473.20	37,273.00	17,524.73	37,273.00
Net Segment Assets	2,21,593.88	2,10,568.63	1,18,386.33	2,10,568.63
04. Segment Liability				
(i) Revenue from Sales of Power & Solar Power Plant	1,25,407.24	1,16,849.87	72,907.81	1,16,849.87
(ii) Revenue from Sales of Plot	7,045.31	8,215.12	8,117.94	8,215.12
Total Segment Liability	1,32,452.55	1,25,064.99	81,025.74	1,25,064.99
Unallocable Liability	15,768.22	10,678.55	13,204.19	10,678.55
Net Segment Liability	1,48,220.77	1,35,743.54	94,229.94	1,35,743.54
05. Capital Employed (Segment Assets - Segment Liabilities)				
(i) Revenue from Sales of Power & Solar Power Plant	51,222.67	48,638.56	19,848.20	48,638.56
(ii) Revenue from Sales of Plot	445.46	-407.92	-12.35	-407.92
(iii) Unallocated	21,704.98	26,594.45	4,320.54	26,594.45
	-	-	-	-

Note:

(1) The above Unaudited Standalone Segment Information have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act 2013, read with the Companies (Indian Accounting Standards) Rules, 2015

(2) Previous year's/period's figures have been regrouped/reclassified/restated/recasted wherever necessary to confirm to classification of current year/period.

For KPI Green Energy Limited

Dr.Faruk G Patel
Chairman & Managing Director
DIN: 00414045

Salim S. Yahoo
Chief Financial Officer
PAN:AAGPY4179A

Date: 08th August, 2024
Place: Surat

GENERAL INFORMATION

- Our Company was incorporated as 'K.P.I. Global Infrastructure Limited' on February 1, 2008, as a public limited company under the Companies Act, 1956, as amended pursuant to a certificate of incorporation and certificate of business commencement granted by the Assistant Registrar of Companies, Maharashtra at Mumbai. Subsequently, the name of our Company was changed to 'KPI Green Energy Limited' and consequently, a fresh certificate of incorporation, dated April 6, 2022, was issued by the RoC.
- Our Equity Shares were listed on the SME board of BSE on January 22, 2019, and thereafter migrated to the main board of BSE, and NSE since July 27, 2021, respectively. Our Company has received in-principle approvals to list the Equity Shares to be issued pursuant to the Issue from each BSE and NSE on August 2, 2024, under Regulation 28(1) of the SEBI Listing Regulations.
- Our Registered Office is located at KP House, Near KP Circle, Opp. Ishwar Farm Junction BRTS, Canal Road, Bhatar, Althan, Surat - 395 017, Gujarat.
- The CIN of the Company is L40102GJ2008PLC083302.
- The website of our Company is www.kpigreenenergy.com.
- The authorised share capital of our Company is ₹ 700,000,000 divided into 140,000,000 Equity Shares of ₹ 5 each.
- The Issue was authorised and approved by the Board pursuant to the resolution dated May 13, 2024, and by the shareholders pursuant to the special resolution dated June 28, 2024. Our Company has been authorised to raise funds up to ₹1,000 million by way of issue of securities including the Equity Shares.
- In compliance with Regulation 173A of the SEBI ICDR Regulations, our Company has appointed ICRA Limited as the Monitoring Agency, for monitoring the utilisation of the proceeds in relation to the Issue. The Monitoring Agency will submit its report to us on a quarterly basis in accordance with the SEBI ICDR Regulations.
- As of the date of this Preliminary Placement Document, the logo used by our Company has been registered under class 37 of the Trademarks Act, 1999.
- Copies of our Memorandum of Association and Articles of Association will be available for inspection between 9:30 am to 5:30 pm on any weekday (except Saturdays and public holidays) at our Registered Office.
- Except as disclosed in this Preliminary Placement Document, our Company has obtained all necessary consents, approvals and authorisations as may be required in connection with the Issue.
- There has been no material change in the financial or trading position of our Company since March 31, 2024, the date of the Fiscal 2024 Audited Ind AS Consolidated Financial Statements, prepared in accordance with applicable accounting standards included in this Preliminary Placement Document, except as disclosed herein.
- Except as disclosed in this Preliminary Placement Document, there are no material litigation or arbitration proceedings against or affecting us, or our assets or revenues, nor are we aware of any pending or threatened litigation or arbitration proceedings, which are or might be material in the context of this Issue. For further details, see "***Legal Proceedings***" on page 270.
- As on the date of this Preliminary Placement Document, M/s K A Sanghavi & Co LLP, Chartered Accountants, having Firm Registration No. 0120846W/W100289 is the statutory auditor of our Company.
- No change in the control of our Company will occur consequent to the Issue.
- Our Company is in compliance with the minimum public shareholding requirements as required under the SEBI Listing Regulations and Rule 19A of the SCRR.
- The Floor Price is ₹ 983.24 per Equity Share, calculated in accordance with the provisions of Chapter VI of the SEBI ICDR Regulations, as certified by our Statutory Auditor, M/s K A Sanghavi & Co LLP, Chartered Accountants. Our Company may offer a discount of not more than 5% on the Floor Price in accordance with the approval of our Board resolution dated May 13, 2024, and the shareholders of the Company accorded through a special resolution dated June 28, 2024, and Regulation 176(1) of the SEBI ICDR Regulations.
- Our Company and the BRLM accept no responsibility for statements made otherwise than in this Preliminary Placement Document and anyone placing reliance on any other source of information, including our website, would be doing so at their own risk.
- Rajvi Upadhyay is the Company Secretary and Compliance Officer of our Company. Her details are as follows:

Rajvi Upadhyay
Company Secretary and Compliance Officer
KPI Green Energy Limited
KP House, Near KP Circle,

Opp. Ishwar Farm Junction BRTS,
Canal Road, Bhatar, Althan,
Surat - 395 017, Gujarat
Tel: +91 261-2244757
E-mail: cs@kpgroup.co

DETAILS OF PROPOSED ALLOTTEES

In compliance with the requirements of Chapter VI of the SEBI ICDR Regulations, Allotment shall be made by our Company, in consultation with the BRLM, to Eligible QIBs on a discretionary basis. The names of the proposed Allottees and the percentage of post-Issue capital that may be held by them is set forth below. These details of the proposed Allottees, assuming that the Equity Shares are Allotted to them pursuant to the Issue, will be included in the Placement Document to be sent to such proposed Allottees.

S. No.	Name of the proposed Allottees	Percentage of the post-Issue share capital held (%)(1)(2)
1.	[●]	[●]
2.	[●]	[●]
3.	[●]	[●]
4.	[●]	[●]
5.	[●]	[●]
6.	[●]	[●]
7.	[●]	[●]
8.	[●]	[●]
9.	[●]	[●]
10.	[●]	[●]

(1) Based on beneficiary position as on [●], 2024.

(2) Subject to receipt of funds and allotment in the Issue. The above table has been intentionally left blank and shall be updated in the Placement Document.

(3) The post-Issue shareholding (in percentage terms) of the proposed Allottees will be disclosed on the basis of their respective PAN, except in case of Mutual Funds, insurance companies, and Eligible FPIs (investing through different sub accounts having common PAN across such sub accounts) wherein their respective DP ID and Client ID will be considered.

DECLARATION

Our Company certifies that all relevant provisions of Chapter VI read with Schedule VII of the SEBI ICDR Regulations have been complied with and no statement made in this Preliminary Placement Document is contrary to the provisions of Chapter VI and Schedule VII of the SEBI ICDR Regulations and that all approvals and permissions required to carry on our Company's business have been obtained, are currently valid and have been complied with. Our Company further certifies that all the statements in this Preliminary Placement Document are true and correct.

Signed by:

____

Farukbhai Gulambhai Patel
Chairman and Managing Director

Date: August 12, 2024
Place: Surat, Gujarat

DECLARATION

We, the Board of the Company, certify that:

(i) the Company has complied with the provisions of the Companies Act, 2013 and the rules made thereunder;

(ii) the compliance with the Companies Act, 2013 and the rules thereunder does not imply that payment of dividend or interest or repayment of preference shares or debentures, if applicable, is guaranteed by the Central Government;

(iii) the monies received under the Issue shall be used only for the purposes and objects indicated in this Preliminary Placement Document (which includes disclosures prescribed under Form PAS-4).

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS

Signed by:

____

Farukbhai Gulambhai Patel
Chairman and Managing Director

I am authorized by the Board of the Company, *vide* resolution dated May 13, 2024, to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and the Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

Signed:

____

Farukbhai Gulambhai Patel
Chairman and Managing Director

Date: August 12, 2024
Place: Surat, Gujarat

KPI GREEN ENERGY LIMITED
CIN: L40102GJ2008PLC083302

Registered Office
KP House, Near KP Circle,
Opp. Ishwar Farm Junction BRTS,
Canal Road, Bhatar, Althan,
Surat - 395 017, Gujarat
Tel: +91 +91 261 224 4757
Email: info@kpgroup.co
Website: www.kpigreenenergy.com

Contact Person:

Rajvi Upadhyay
Designation: Company Secretary and Compliance Officer
Tel: +91 261-2244757
E-mail: cs@kpgroup.co
Address: KP House, Near KP Circle,
Opp. Ishwar Farm Junction BRTS,
Canal Road, Bhatar, Althan,
Surat - 395 017, Gujarat

BOOK RUNNING LEAD MANAGER

SBI Capital Markets Limited
Unit No. 1501, 15th floor,
A & B Wing, Parinee Crescenzo Building,
Plot C- 38, G Block,
Bandra Kurla Complex, Bandra (East),
Mumbai- 400 051, Maharashtra, India

STATUTORY AUDITORS OF OUR COMPANY

M/s K A Sanghavi & Co LLP, Chartered Accountants
1001, 1002, 1003, Rajhans Bonista,
Ram Chowk, Ghod Dod Road,
Surat-395007 Gujarat

LEGAL COUNSEL TO THE ISSUE

Trilegal
One World Centre
10th Floor, Tower 2A and 2B
Senapati Bapat Marg
Lower Parel (West), Mumbai 400 013
Maharashtra, India

INTERNATIONAL LEGAL COUNSEL TO THE BOOK RUNNING LEAD MANAGER WITH RESPECT TO SELLING AND TRANSFER RESTRICTIONS

Hogan Lovells Lee & Lee
50 Collyer Quay
#10-01 OUE Bayfront
Singapore - 049321
Republic of Singapore

APPLICATION FORM

"An indicative form of the Application Form is set forth below:"

<table>
<tr><td>KPI GREEN ENERGY LIMITED
(Formerly known as K.P.I. Global Infrastructure Limited)
KPI Green Energy Limited</td><td rowspan="2">APPLICATION FORM

Name of Bidder: ____________________

Form No: ________________________

Date: ____________________________</td></tr>
<tr><td>(Incorporated in the Republic of India under the provisions of the Companies Act, 1956)
Registered Office: KP House, Near KP Circle, Opp. Ishwar Farm Junction BRTS, Canal Road, Bhatar, Althan, Surat - 395 017, Gujarat
Telephone: 91-261-224-4757
Contact Person: Rajvi Upadhyay, Company Secretary and Compliance Officer
E-mail address: info@kpgroup.co | Website: www.kpigreenenergy.com
CIN: L40102GJ2008PLC083302 | LEI: 984500D2AMA5003HEE38 | ISIN: INE542W01025</td></tr>
</table>

QUALIFIED INSTITUTIONS PLACEMENT OF [●] EQUITY SHARES OF FACE VALUE ₹ 5 EACH (THE "EQUITY SHARES") FOR CASH AT A PRICE OF ₹[●] PER EQUITY SHARE ("ISSUE PRICE"), INCLUDING A PREMIUM OF ₹[●] PER EQUITY SHARE, AGGREGATING TO ₹ [●] MILLION UNDER CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS") AND SECTION 42 OF THE COMPANIES ACT, 2013, AS AMENDED (THE "COMPANIES ACT"), READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED (THE "PAS RULES"), AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT AND THE RULES MADE THEREUNDER BY KPI GREEN ENERGY LIMITED (THE "COMPANY") (HEREINAFTER REFERRED TO AS THE "ISSUE"). THE APPLICABLE FLOOR PRICE OF THE EQUITY SHARES IS ₹ 983.24 AND THE COMPANY MAY OFFER A DISCOUNT ON THE FLOOR PRICE IN TERMS OF REGULATION 176(1) OF THE SEBI ICDR REGULATIONS AND IN ACCORDANCE WITH THE APPROVAL OF ITS SHAREHOLDERS.

Only Qualified Institutional Buyers ("QIBs") as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations and which (a) are not, excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations or foreign exchange laws; or other applicable laws ,or (b) which are not prohibited or debarred by any regulatory authority for buying or selling or dealing in securities or restricted from participating in the Issue under the SEBI ICDR Regulations and other applicable laws; (c) hold a valid and existing registration under the applicable laws in India (as applicable); and (d) are eligible to invest in the Issue and submit this Application Form, and (e) are residents in India or Eligible FPIs (as defined herein below) participating through Schedule II of the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 ("FEMA Rules"), defined hereinafter or a multilateral or bilateral development financial institution eligible to invest in India under applicable law including the FEMA Rules; can submit this Application Form. The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly. the Equity Shares offered in the Issue are being offered and sold only outside the United States in "offshore transactions", as defined in and in reliance on Regulation S under the U.S. Securities Act ("Regulation S") and the applicable laws of the jurisdictions where those offers and sales are made. You should note and observe the selling and transfer restrictions contained in the sections entitled "*Selling Restrictions*" and "*Transfer Restrictions and Purchaser Representations*" in the accompanying preliminary placement document dated August 12, 2024 (the "PPD").

ELIGIBLE FPIs ARE PERMITTED TO PARTICIPATE IN THIS ISSUE, UNDER SCHEDULE II OF THE FEMA RULES, SUBJECT TO COMPLIANCE WITH ALL APPLICABLE LAWS AND SUCH THAT THE SHAREHOLDING OF ELIGIBLE FPIs DO NOT EXCEED SPECIFIED LIMITS AS PRESCRIBED UNDER APPLICABLE LAWS IN THIS REGARD. ALLOTMENTS MADE TO AIFS AND VCFS IN THE ISSUE SHALL REMAIN SUBJECT TO THE RULES AND REGULATIONS APPLICABLE TO EACH OF THEM RESPECTIVELY, INCLUDING THE FEMA RULES. PURSUANT TO FDI POLICY READ ALONG WITH PRESS NOTE NO. 3 (2020 SERIES), DATED APRIL 17, 2020, ISSUED BY THE DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE, GOVERNMENT OF INDIA, AND RULE 6 OF THE FEMA NON DEBT RULES, INVESTMENTS BY AN ENTITY OF A COUNTRY WHICH SHARES LAND BORDER WITH INDIA OR WHERE THE BENEFICIAL OWNER OF SUCH INVESTMENT IS SITUATED IN OR IS A CITIZEN OF SUCH COUNTRY, MAY ONLY BE MADE THROUGH THE GOVERNMENT APPROVAL ROUTE, AS PRESCRIBED IN THE FEMA RULES AND SHALL HAVE TO BE IN CONFORMITY WITH THE APPLICABLE PROVISIONS OF THE FEMA RULES. OTHER ELIGIBLE NON-RESIDENT QIBS SHALL PARTICIPATE IN THE ISSUE UNDER SCHEDULE I OF FEMA RULES. FVCIs ARE NOT PERMITTED TO PARTICIPATE IN THE ISSUE.

STATUS (Please ✓)			
FI	Scheduled Commercial Banks and Financial Institutions	**AIF**	Alternative Investment Fund*
MF	Mutual Funds	**IF**	Insurance Funds
FPI	Eligible Foreign Portfolio Investors**	**NIF**	National Investment Fund
VCF	Venture Capital Funds	**SI-NBFC**	Systemically Important Non- Banking Financial Companies
IC	Insurance Companies	**OTH**	Others ____________ (Please specify)

Total shares currently held by QIB or QIBs belonging to the same group or those who are under common control. For details of what constitutes "*same group*" or "*common control*", see "*Application Form*" under *Issue Procedure* section of the PPD.

* *Sponsor and Manager should be Indian owned and controlled.*

** *Foreign portfolio investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended, other than individuals, corporate bodies and family offices who are not allowed to participate in the Issue*

To,

The Board of Directors
KPI GREEN ENERGY LIMITED

KP House, Near KP Circle, Opp. Ishwar Farm Junction BRTS, Canal Road, Bhatar, Althan, Surat - 395 017, Gujarat Surat - 395 017, Gujarat

Dear Sir / Madam,

On the basis of the serially numbered PPD of the Company and subject to the terms and conditions contained therein, and in this Application Form, we hereby submit our Application Form for the Allotment of the Equity Shares in the Issue, at the terms and price indicated below. We confirm, that we have a valid and existing registration under applicable laws and regulations of India, and undertake to acquire, hold, manage or dispose of any Equity Shares that are Allotted to us in accordance with Chapter VI of the SEBI ICDR Regulations and undertake to comply with the SEBI ICDR Regulations, and all other applicable laws, including any reporting obligations and the terms and conditions mentioned in the PPD and this Application Form. We confirm that we are an Eligible QIB as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations and are not: (a) excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations; and (b) restricted from participating in the Issue under the applicable laws, including SEBI ICDR Regulations. We are not a promoter of the Company (as defined in the SEBI ICDR Regulations), or any person related to the promoters of the Company, directly or indirectly and this Application Form does not directly or indirectly represent the promoter or promoter group or persons related to the promoter. Further, we confirm that we do not have any right under a shareholders' agreement or voting agreement entered into with promoters or persons related to promoters of the Company, veto rights or right to appoint any nominee director on the board of directors of the Company. We confirm that we are either an Eligible QIB which is resident in India, or an Eligible FPI, participating through Schedule II of the FEMA Non- Debt Rules or a multilateral or bilateral development financial institution eligible to invest in India under applicable law. We specifically confirm that our Bid for the Allotment of the Equity Shares is not in violation to the amendment made to Rule 6(a) of the FEMA Rules by the Central Government on April 22, 2020. Allotments made to VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirements. VCFs and AIFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue. We confirm that the signatory is authorized to apply on behalf of the Bidder and the Bidder has all the relevant approvals for applying in the Issue.

We confirm that the Bid size / aggregate number of the Equity Shares applied for by us, and which may be Allocated to us thereon will not exceed the relevant regulatory or approved limits and further confirm that our Bid will not result in triggering an open offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the "**Takeover Regulations**").We confirm, that we have a valid and existing registration under applicable laws and regulations of India, and undertake to acquire, hold, manage or dispose of any Equity Shares that are Allotted to us in accordance with Chapter VI of the SEBI ICDR Regulations and undertake to comply with the SEBI ICDR Regulations, and all other applicable laws, including any reporting obligations. We confirm that, in relation to our application, each foreign portfolio investor ("**FPI**") as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended (other than individuals, corporate bodies and family offices), and including persons who have been registered under these regulations (such FPIs, "**Eligible FPIs**"), have submitted a separate Application Form, and asset management companies of mutual funds have specified the details of each scheme for which the application is being made along with the Bid Amount and number of shares to be Allotted under each scheme. We undertake that we will sign all such documents, provide such documents and do all such acts, if any, necessary on our part to enable us to be registered as the holder(s) of the Equity Shares that may be Allotted to us. We confirm that the signatory is authorized to apply on behalf of the Bidder and the Bidder has all the relevant authorisations. We note that the Company is entitled, in consultation with SBI Capital Markets Limited (the "**BRLM**"), in their sole discretion, to accept or reject this Application Form without assigning any reason thereof.

We hereby agree to accept the Equity Shares applied for, or such lesser number of Equity Shares as may be Allocated to us, subject to the provisions of the memorandum of association and articles of association of the Company, applicable laws and regulations, the terms of the PPD, Placement Document and the CAN, when issued and the terms, conditions and agreements mentioned therein and request you to credit the same to our beneficiary account with the Depository Participant as per the details given below, subject to receipt of Application Form and the Bid Amount towards the Equity Shares that may be allocated to us. The amount payable by us as Bid Amount for the Equity Shares applied for has been/will be remitted to the designated bank account set out in this Application Form through electronic mode, along with this Application Form prior to the Bid/Issue Closing Date and such Bid Amount has been /will be transferred from a bank account maintained in our name. We acknowledge and agree that we shall not make any payment in cash or cheque. We are aware that (i) Allocation and Allotment in the Issue shall be at the sole discretion of the Company, in consultation with the BRLM; and (ii) in the event that Equity Shares that we have applied for are not Allotted to us in full or at all, and/or the Bid Amount is in excess of the amount equivalent to the product of the Equity Shares that will be Allocated to us and the Issue Price, or the Company is unable to issue and Allot the Equity Shares offered in the Issue or if there is a cancellation of the Issue, or the listing of the Equity Shares does not occur in the manner described in the PPD, the Placement Document, the SEBI ICDR Regulations and other applicable laws, the Bid Amount or a portion thereof, as applicable, will be refunded to the same bank account from which the Bid Amount was paid by us. Further, we agree to comply with the rules and regulations that are applicable to us, including in relation to the lock-in and transferability requirements. In this regard, we authorize the Company to issue instructions to the depositories for such lock-in and transferability requirements, as may be applicable to us.

We acknowledge and agree that (i) our names, address, contact details, PAN, bank account details and the number of Equity Shares Allotted, along with other relevant information as may be required, will be recorded by the Company in the format prescribed in terms of the PAS Rules; (ii) in the event that any Equity Shares are Allocated to us in the Issue, we are aware pursuant to the requirements under Form PAS-4 of the PAS Rules that our names (as proposed Allottees) and the percentage of our post-Issue shareholding in the Company will be disclosed in the Placement Document, and we are further aware that disclosure of such details in relation to us in the Placement Document will not guarantee Allotment to us, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the BRLM; and (iii) in the event that Equity Shares are Allotted to us in the Issue, the Company will place our name in the register of members of the Company as a holder of such Equity Shares that may be Allotted to us and in the Form PAS-3 filed by the Company with the Registrar of Companies, Gujarat at Ahmedabad (the "**RoC**") as required in terms of the PAS Rules. Further, we are aware and agree that if we, together with any other QIBs belonging to the same group or under common control, are Allotted more than 5% of the Equity Shares in the Issue, the Company shall be required to disclose our name, along with the names of such other Allottees and the number of Equity Shares Allotted to us and to such other Allottees, on the websites of the National Stock Exchange of India Limited and BSE Limited (together, the "**Stock Exchanges**"), and we consent to such disclosures. In addition, we confirm that we are eligible to invest in Equity Shares under the SEBI ICDR Regulations, circulars issued by the RBI and other applicable laws.

By signing and submitting this Application Form, we hereby confirm and agree that the representations, warranties, acknowledgements and agreements as provided in the sections "*Notice to Investors*", "*Representations by Investors*", "*Issue Procedure*", "*Selling Restrictions*" and "*Transfer Restrictions and Purchaser Representations"* sections of the PPD and the terms, conditions and agreements mentioned herein are true and correct and acknowledge and agree that these representations and warranties are given by us for the benefit of the Company and the BRLM, each of whom is entitled to rely on, and is relying on, these representations and warranties in consummating the Issue.

By signing and submitting this Application Form, we hereby represent, warrant, acknowledge and agree as follows: (1) we have been provided with a serially numbered copy of the PPD along with the Application Form, have read it in its entirety including in particular, the section "*Risk Factors*" therein and we have relied only on the information contained in the PPD and not on any other information obtained by us either from the Company, the BRLM or from any other source, including publicly available information; (2) we will abide by the PPD and the Placement Document, this Application Form, the confirmation of allocation note ("**CAN**"), when issued, and the terms, conditions and agreements contained therein; (3) that if Equity Shares are Allotted to us pursuant to the Issue, we shall not sell such Equity Shares otherwise than on the floor of a recognised stock exchange in India for a period of one year from the date of Allotment; (4) we will not have the right to withdraw our Bid or revise our Bid downwards after the Bid/Issue Closing Date; (5) we will not trade in the Equity Shares credited to our beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges; (6) Equity Shares shall be Allocated and Allotted at the discretion of the Company, in consultation with the BRLM, and the submission of this Application Form and payment of the corresponding Bid Amount by us does not guarantee any Allocation or Allotment of Equity Shares to us in full or in part; (7) in terms of the requirements of the Companies Act, upon Allocation, the Company will be required to disclose names and percentage of our post-Issue shareholding of the proposed Allottees in the Placement Document; however, disclosure of such details in relation to us in the Placement Document will not guarantee Allotment to us, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the BRLM; (8) the number of Equity Shares Allotted to us pursuant to the Issue, together with other Allottees that belong to the same group or are under common control as us, shall not exceed 50% of the Issue and we shall provide all necessary information in this regard to the Company and the BRLM. For the purposes of this representation: The expression 'belong to the same group' shall derive meaning from Regulation 180(2) of the SEBI ICDR Regulations, i.e., entities where (i) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (ii) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (iii) there is a common director, excluding nominee and independent directors, among the Eligible QIBs, its subsidiary or holding company and any other QIB; and 'control' shall have the same meaning as is assigned to it under Regulation 2(1)(e) of the Takeover Regulations; and (9) We agree to accept the Equity Shares applied for, or such lesser number of Equity Shares as may be Allocated to us, subject to the provisions of the memorandum of association and articles of association of the Company, applicable laws and regulations, the terms of the PPD and the Placement Document, this Application Form, the CAN upon its issuance and the terms, conditions and agreements mentioned therein and request you to credit the same to our beneficiary account with the Depository Participant as per the details given below.

By signing and submitting this Application Form, we further represent, warrant and agree that we have such knowledge and experience in financial and business matters that we are capable of evaluating the merits and risks of the prospective investment in the Equity Shares and we understand the risks involved in making an investment in the Equity Shares. No action has been taken by us or any of our affiliates or representatives to permit a public offering of the Equity Shares in any jurisdiction. We satisfy any and all relevant suitability standards for investors in Equity Shares, have the ability to bear the economic risk of our investment in the Equity Shares, have adequate means of providing for our current and contingent needs, have no need for liquidity with respect to our investment in Equity Shares and are able to sustain a complete loss of our investment in the Equity Shares. We acknowledge that once a duly filled Application Form is submitted by an Eligible QIB, whether signed or not, and the Bid Amount has been transferred to the Escrow Account (as detailed below), such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Issue Closing Date. In case Bids are being made on behalf of the Eligible QIB and this Application Form is unsigned, we confirm that we are authorized to submit this Application Form and provide necessary instructions for transfer of the Bid Amount to the Escrow Account, on behalf of the Eligible QIB.

We acknowledge that the Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**"), and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. By signing this Application Form and checking the applicable box above, we hereby represent that we are located outside the United States and purchasing Equity Shares in an "offshore transaction", as defined in, and in reliance on, Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales are made. We confirm that we have read the representations, warranties and agreements contained in the sections entitled "***Selling Restrictions***" and "***Transfer Restrictions and Purchaser Representations***" in the PPD.

BIDDER DETAILS (in Block Letters)			
NAME OF BIDDER*			
NATIONALITY			
REGISTERED ADDRESS			
CITY AND CODE			
COUNTRY			
TELEPHONE NO.		**FAX.**	
EMAIL ID			
FOR ELIGIBLE FPIs**	SEBI FPI REGISTRATION NO. ______________________________________		
FOR MFs	SEBI MF REGISTRATION NO.		
FOR AIFs***	SEBI AIF REGISTRATION NO.		
FOR VCFs***	SEBI VCF REGISTRATION NO.		
FOR SI-NBFC	RBI REGISTRATION DETAILS_		
FOR INSURANCE COMPANIES	IRDAI REGISTRATION DETAILS ______________________________________		
FOR PENSION FUNDS	PFRDA REGISTRATION DETAILS---------------------		

* *Name should exactly match with the name in which the beneficiary account is held. Bid Amount payable on Equity Shares applied for by joint holders shall be paid from the bank account of the person whose name appears first in the application. Mutual Fund Bidders are requested to provide details of the Bids made by each scheme of the Mutual Fund. Each Eligible FPI is required to fill a separate Application Form. Further, any discrepancy in the name as mentioned in this Application Form with the depository records would render the application invalid and liable to be rejected at the sole discretion of the Issuer and the BRLM.*

** *In case you are an FPI holding a valid certificate of registration and eligible to invest in the Issue, please mention your SEBI FPI Registration Number.*

*** *Allotments made to AIFs and VCFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. AIFs and VCFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.*

We are aware that the number of Equity Shares in the Company held by us, together with the number of Equity Shares, if any, allocated to us in the Issue will be aggregated to disclose the percentage of our post-Issue shareholding in the Company in the Placement Document in line with the requirements under Form PAS-4 of the PAS Rules. For such information, the BRLM will rely on the information provided by the Registrar for obtaining details of our shareholding and we consent and authorize such disclosure in the Placement Document.

ESCROW ACCOUNT - BANK ACCOUNT DETAILS FOR PAYMENT OF AMOUNT THROUGH ELECTRONIC FUND TRANSFER REMITTANCE BY WAY OF ELECTRONIC FUND TRANSFER	
BY 3.00 PM (IST) AUGUST [•], 2024	
Name of the Account	KPI GREEN ENERGY LIMITED- QIP ESCROW ACCOUNT 2024
Name of the Bank	State Bank of India
Address of the Branch of the Bank	3rd Floor, Financial Institutions Branch, Mumbai Main Branch Building, Mumbai
Legal Entity Identifier Code of the Company	984500D2AMA5003HEE38
Account Type	Escrow Account
Account Number	43150299508
IFSC	SBIN0011777
Tel No.	022-2271 9117/ 2271 9115/ 114/ 113/ 112
E-mail	nib.11777@sbi.co.in; sbi.11777@sbi.co.in

The Bid Amount should be transferred pursuant to the Application Form. All payments must be made only by way of electronic funds transfer, in favour of "KPI GREEN ENERGY LIMITED- QIP ESCROW ACCOUNT 2024". Payment of the entire Bid Amount should be made along with the Application Form on or before the closure of the Bid/Issue Period, i.e., prior to the Bid/Issue Closing Date. **The payment for subscription to the Equity Shares Allotted in the Issue shall be made only from the bank account of the person subscribing to the Equity Shares and in case of joint holders, from the bank account of the person whose name appears first in the Application Form.**

DEPOSITORY ACCOUNT DETAILS			
Depository Name (Please □)	National Security Depository Limited		Central Depository Services (India) Limited
Depository Participant Name			
DP – ID	I N		
Beneficiary Account Number			(16-digit beneficiary account. No. to be mentioned above)

The Demographic details like address, bank account details etc., will be obtained from the Depositories as per the beneficiary account given above. **However, for the purpose of refund, if any, only the bank details as mentioned below, from which remittance towards subscription has been made, will be considered.**

The Bidders are responsible for the accuracy of the bank account details mentioned below and acknowledge that the successful processing of refunds if, any, shall be dependent on the accuracy of the bank account details provided by them. The Company and the BRLM shall not be liable in any manner for refunds that are not processed due to incorrect bank account details.

RUPEE BANK ACCOUNT DETAILS (FOR REMITTANCE)			
Bank Account Number		IFSC Code	
Bank Name		Bank Branch Address	

NO. OF EQUITY SHARES BID		**PRICE PER EQUITY SHARE (RUPEES)**	
(In figures)	(In words)	(In figures)	(In words)

BID AMOUNT (RUPEES)	
(In Figures)	(In Words)

DETAILS OF CONTACT PERSON			
NAME			
ADDRESS			
TEL. NO.		**FAX NO.**	
EMAIL			

OTHER DETAILS	
PAN*	
Legal Entity Identifier Code ("LEI")	
Date of Application	
Signature of Authorised Signatory *(may be signed either physically or digitally)***	

ENCLOSURES ATTACHED

Attested / certified true copy of the following:

- ☐ Copy of PAN Card or PAN allotment letter
- ☐ Copy of FPI Registration Certificate /MF Registration certificate / SEBI certificate of registration for AIFs/VCF/SI-NBFC/IC/IF
- ☐ Certified copy of the certificate of registration issued by the RBI as an SI-NBFC/ a Scheduled Commercial Bank
- ☐ Copy of notification as a public financial institution
- ☐ FIRC
- ☐ Copy of IRDAI registration certificate
- ☐ Intimation of being part of the same group
- ☐ Certified true copy of power of attorney
- ☐ Other, please specify

* *It is to be specifically noted that the Bidder should not submit the GIR Number or any other identification number instead of the PAN as the applications are liable to be rejected on this ground, unless the Bidder is exempted from the requirement of obtaining a PAN number under the Income-tax Act, 1961.*

** *A physical copy of the Application Form and relevant documents as required to be provided along with the Application Form shall be submitted as soon as practical.*

*** *The Application Form is liable to be rejected if any information provided is incomplete and / or inadequate.*

Note:

(1) Capitalized terms used but not defined herein shall have the same meaning as ascribed to them in the PPD and PD, unless specifically defined herein.

(2) The application form is liable to be rejected if any information provided is incomplete or inadequate at the discretion of the Company in consultation with the BRLM. The duly filed Application Form along with all enclosures shall be submitted to the BRLM either through electronic form at the email mentioned in the PPD or through physical deliver at the address mentioned in PPD.

(3) This Application Form, the PPD and the Placement Document sent to you/ be sent to you, either in physical form or electronic form or both, are specific to you and you may not distribute or forward the same and are subject to disclaimer and restrictions contained in or accompanying these documents.

(Note: The format of the Application Form included herein above is indicative and for the illustrative purposes only and no Bids in this Issue can be made through the sample Application Form. The Company, in consultation with the BRLM, shall identify Eligible QIBs and circulate serially numbered copies of this Preliminary Placement Document and the Application Form, specifically addressed to such Eligible QIBs. Any application to be made in the Issue should be made only upon receipt of serially numbered copies of this Preliminary Placement Document and the Application Form and not on the basis of the indicative format above.)