

# K.P. ENERGY LIMITED

CIN: L40100GJ2010PLC059169



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KPEL/AR-24/SEP/2024/511

September 3, 2024

To

**BSE Limited,**  
Phiroze, Jeejeebhoy Towers,  
Dalal Street, Mumbai - 400001

**Scrip Code: 539686**

**Sub: Integrated Annual Report for the FY 2023-24 and Notice convening the 15<sup>th</sup> Annual General Meeting of K.P. Energy Limited ('Company').**

Dear Sir(s),

This is to inform that the 15<sup>th</sup> Annual General Meeting ('AGM') of the Company will be held on Thursday, September 26, 2024, at 3:00 p.m. (IST) through Video Conferencing/ Other Audio-Visual Means ('VC/OAVM') in accordance with the applicable circulars issued by the Ministry of Corporate Affairs and Securities and Exchange Board of India.

Pursuant to Regulation 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Integrated Annual Report of the Company along with the Notice of 15<sup>th</sup> AGM for the financial year 2023-24, which is being sent only through electronic mode to the Shareholders.

The Integrated Annual Report containing the AGM Notice is also uploaded on the Company's website [www.kpenergy.in](http://www.kpenergy.in).

We would further like to inform that the Company has fixed Friday, September 20, 2024, as the cut-off date for ascertaining the names of the shareholders holding shares either in physical form or in dematerialized form, who will be entitled to cast their votes electronically in respect of the businesses to be transacted as per the Notice of the AGM and to attend the AGM.

Kindly take the same on record.

Thanking you,

For K.P. Energy Limited

**Karmit Sheth**  
Company Secretary and Compliance Officer

Encl.: a/a

**Reg. Office:**

'KP House', Opp. Ishwar Farm Junction BRTS, Near Bliss IVF Circle,  
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**Phone:** +91-261-2234757, **Fax:** +91-261-2234757

**E-mail:** [info@kpenergy.in](mailto:info@kpenergy.in), **Website:** [www.kpenergy.in](http://www.kpenergy.in)

**ISO 14001:2015, ISO 9001:2015 and ISO 45001: 2018 Certified Company**

**BSE** Listed Company

Annual Report  
**2023-2024**



**KP Energy  
Limited**

# Unleashing Sustainable Growth



# Unleashing Sustainable Growth

In the high-potential landscape of renewable energy, KP Energy Limited stands at the forefront, unleashing growth, innovation, and sustainability. As a leading EPC Company in one of the most promising wind energy geographies in India, we are uniquely positioned to capitalize on the industry tailwinds that are propelling the global shift towards clean and renewable energy sources.

The past year has been a testament to our strategic vision and operational excellence. We have witnessed substantial and profitable growth, underpinned by our market leadership and the increasing demand for sustainable energy solutions. Our commitment to project excellence has enabled us to deliver utility-scale wind energy projects that not only meet but exceed the expectations of our stakeholders.

Our success is built on a foundation of robust project execution capabilities, strategic partnerships, and a relentless focus on sustainability. This has allowed us to enhance our project portfolio, optimize operational efficiencies, and deliver superior value to our clients and shareholders.

At KP Energy, we believe that the future of energy is renewable, and wind energy is at the heart of this transformation. We are committed to drive the energy transition by investing in innovative solutions that do not harm the environment, fostering a culture of excellence, and maintaining our leadership position in the industry.

As we look ahead, we remain focused on our mission to lead the future of renewable energy. We are confident that our strategic initiatives, combined with the favorable industry dynamics, will continue to drive our growth and profitability. Together with our partners, clients, and stakeholders, we are poised to harness the winds of change and shape a sustainable energy future for generations to come.

Join us on this journey as we continue to lead, innovate, and transform the wind and wind-solar hybrid energy landscape.

#### Safe Harbour Statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and make informed investment decisions. This report and other statements - written and oral - that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Find out more online  
[www.kpenergy.in](http://www.kpenergy.in)

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**GROUP OVERVIEW**

# An eminent group in renewable landscape

## A Powerhouse in Renewable Energy

Established in 1994 by Dr. Faruk G. Patel, the KP Group has grown from a humble logistics service provider into a dynamic conglomerate with diversified interests across the renewable energy spectrum. With over 3 decades of entrepreneurial experience, the Group has cultivated expertise in almost all facets of renewable energy through its multiple entities. The KP Group's commitment extends beyond business, actively engaging in social development through the KP Human Development Foundation to uplift communities and make a meaningful impact.

### 40+ Companies & Organizations

The KP Group now comprises 40+ entities contributing to its rapid expansion.

### Diverse Renewable Energy Portfolio

Key areas include solar, wind & hybrid energy, fabrication & galvanizing products for renewable energy projects, fabrications for telecom, power & infrastructure applications, and emerging technologies such as green hydrogen & ammonia technology.

### Vision and Commitment

Leveraging the opportunities presented by Gujarat & India's industrial growth, economic prosperity, and huge potential for renewable energy, the KP Group has emerged as a frontrunner in the renewable energy domain. The Group places great emphasis on environmental stewardship and forward-thinking practices, empowering businesses to become self-reliant in energy. This commitment ensures a sustainable and prosperous future for its partners and communities alike.

*"Harnessing the power of solar, wind, and hybrid energy solutions, the KP Group goes above and beyond conventional limits to cater to the evolving needs of its customers."*

*"At the core of the KP Group's vision lies a profound commitment to building a greener future for coming generations."*

### Key Business Interests

#### Solar Energy

Gujarat's one of the largest private solar park owner, now leading the development of the captive projects as well

#### Wind Energy

Gujarat's #1 BOP wind energy solution provider

#### Hybrid Energy

Combining the expertise in both wind & solar energy, to establish projects with higher efficiencies that reap more benefits to customers

#### Renewable Infrastructure

One of the most comprehensive one-stop solution providers for all sustainable renewable energy infrastructure needs, including mounting structures, transmission line & windmill lattice tower structures, substation equipment structure and much more

#### Green Hydrogen

Working on one of the most promising technology within the renewable space, i.e., green hydrogen

#### Humanitarian Services

An organisation beyond business, uplifting communities, and helping people grow & excel in everything they do

The Group's success stems from strategic diversification from fabrication & galvanizing to renewable energy (solar and wind), and telecom infrastructure. The Group is dedicated to innovation and sustainability, consistently delivering pioneering projects, including achievements such as having Gujarat's one of the largest private solar park under its belt. Central to KP Group's vision is a commitment to a greener future, utilizing solar, wind, and hybrid energy solutions to meet growing energy needs of a transforming India.

### Key Group Entities

#### KPI Green Energy Limited

Specializes in solar energy solutions, driving the Group's mission to harness the sun's power, and ventured in hybrid solutions to reap more benefits to customers.

#### KP Green Engineering Limited

One-stop solution provider for all sustainable renewable energy infrastructure needs, including solar, wind and hybrid energy projects.

#### KP Human Development Foundation

Dedicated to social development, working to uplift communities and make a meaningful impact.

**~1.28 GW**  
Group's Operational Capacity

**~2.25 GW**  
Group's Projects under execution



GROUP OVERVIEW (CONTD.)

# KPI Green Energy Limited



**Vision**  
Power India by the power of nature.

**Founded in**  
2008

**Sector**  
Renewable Energy

KPI Green Energy, incorporated in 2008, stands as one of the leading renewable energy companies in Gujarat and India. The company has established itself as a market leader in renewable energy generation and third-party sales within Gujarat, showcasing its strong presence and expertise in the renewable energy sector. The company operates across 33 locations in districts such as Bhavnagar, Bharuch, Kutch-Bhuj, Banaskantha, and Surendranagar.

- **Captive Power Producer (CPP):** We provide customised renewable energy solutions for businesses & industries looking to reduce electricity costs and progress towards sustainability.

This comprehensive approach allows the Company to serve both as an Independent Power Producer and as a service provider to Captive Power Producers, demonstrating its versatility in the renewable energy market. Additionally, we also engage in offering hybrid energy solutions, catering to diverse energy needs. Our expertise lies in designing, developing, building, owning, operating, and maintaining renewable power plants, which we proudly offer under our brand name, 'Solarism'.

KPI Green Energy is committed to spearheading the transition towards more sustainable energy sources, focusing on renewable, reliable, and cost-effective solutions. The Company continuously expands its power generation capacities, contributing significantly to India's goal of achieving a net-zero carbon future.

The company boasts as one of the largest private sector renewable energy plant in Gujarat and has set an ambitious target of 10+ GW by 2030, aligning with India's goal of achieving 450 GW of solar energy by 2030.

Our business encompasses two key verticals, each dedicated to delivering high-quality renewable energy solutions:

- **Independent Power Producer (IPP):** We develop, build, own, and operate renewable energy plants, ensuring a continuous and reliable supply of clean energy for third-party sales.

1,234 MW+  
**Cumulative business in pipeline**

445 MW+  
**Cumulative capacity energised including Hybrid projects (158 MW+ IPP & 287 MW+ CPP)**

1,657 MW+  
**Cumulative power evacuation capacity**

2,217+ Acres  
**Land bank (Owned + Leased)**

# KP Green Engineering Limited

(Formerly known as K P Buildcon Private Limited)



**Vision**  
Power India by the power of nature.

**Founded in**  
2001

**Sector**  
Renewable Energy Infrastructure

KP Green Engineering Limited, formerly known as K P Buildcon Private Limited, is the flagship entity of the esteemed KP Group, established by Dr. Faruk G. Patel. The Company was incorporated in 2001, while the KP Group's business vintage dates back to 1994. Initially focusing on fabrication and hot-dip galvanisation of steel products, the Company's journey evolved significantly, culminating in transition to a listed company in 2024. Over 23 years, KP Green Engineering has expanded its footprint across India, demonstrating a steadfast commitment to sustainable and innovative solutions across various sectors, including fabrication, galvanisation, renewable energy, telecom infrastructure, and upcoming growing infrastructure sectors.

Following the successful closure of its recent SME IPO, KP Green Engineering is commissioning a greenfield capacity expansion at Matar, Bharuch, which is expected to be partially commissioned in September, 2024 and March, 2025. This expansion will significantly enhance the company's product portfolio and production capabilities. The company's fabrication facility, equipped with advanced CNC machinery, excels in handling large-scale projects. This facility aims for an installed capacity of 2,94,000+ MT

per annum, with a large-scale hot-dip galvanising plant. Additionally, to increase order intake during the intermittent period of commissioning the Matar site, the Company has leased out a ready facility in Kural, Vadodara. This effort ensures that we do not lose out on any business opportunities until the Matar plant is commissioned.

KP Green Engineering is distinguished by its ISO 9001:2015 certification and numerous vendor approvals from the likes of GETCO, BSNL, GNFC, EIL, MAHATRANSCO, among others, symbolizing its commitment to uncompromising quality.

Driven by an unwavering commitment to delivering exceptional solutions, KP Green Engineering remains at the forefront of industry advancements. The company's relentless pursuit of quality, technological innovation, and customer satisfaction solidifies its position as preferred supplier. With a distinguished track record and dedication to excellence, KP Green Engineering epitomizes the vision and success of the KP Group.

2 + 1  
**Operation manufacturing facility at Dabhasa & Kural and upcoming unit at Matar, Bharuch**

53,000+ MTPA  
**Manufacturing operational capacity at Dabhasa**

39,000+ MTPA  
**Manufacturing capacity expansion at Kural**  
(w.e.f. April, 2024)

2,94,000+ MTPA  
**Proposed greenfield capacity expansion at Matar, Bharuch**

3,86,000+ MTPA  
**Cumulative manufacturing capacity of all units post expansion**

ISO 9001:2015  
**Certified company**

**GROUP OVERVIEW (CONTD.)**

# KP Human Development Foundation



**Vision**

A world in which every human attains the right to Survival, Protection, Education, Development and Participation.

**Founded in**  
2015

**Purpose**

Social Welfare, Non-Profit Organisation

KP Human Development Foundation, established in 2015, operates as the CSR arm of the KP Group. The foundation is dedicated to creating a significant social impact by focusing on quality education for underprivileged students. By collaborating with both government and private institutions, the foundation aims to elevate educational standards and improve accessibility, thereby empowering marginalized youth.

The foundation's vision is to uplift the standard of education and enhance its accessibility, thereby empowering the young and marginalized. Through its diverse initiatives, the KP Human Development Foundation continues to make a meaningful impact, ensuring that its mission of social responsibility translates into tangible benefits for society.

The foundation's primary mission is to enhance educational opportunities for underprivileged children. It supports and adopts schools to ensure that quality education is accessible to all. Beyond education, the foundation is deeply involved in various social welfare programs, including Elderly Support, Orphan Care, medical assistance to improve the health of underprivileged individuals and Environmental Sustainability. Also, conducting extensive tree plantation drives to promote environmental health.

The KP Human Development Foundation is driven by a strong sense of social responsibility by addressing a wide range of societal needs, the foundation aims to foster holistic growth and create a sustainable future. Its efforts are geared towards making a significant difference in the lives of individuals and communities, ensuring a brighter and more inclusive tomorrow for everyone.

**₹15+ Lakhs**

**Spent for mangrove tree plantation**

**₹20+ Lakhs**

**Spent for switching to renewable energy**

**₹11+ Lakhs**

**Assisted in enhancing the quality of life for orphans and senior citizens by providing basic amenities**

**₹257+ Lakhs**

**Spent on educational support to differently abled and underprivileged students**

**₹65+ Lakhs**

**Provided medical assistance to improve the health of underprivileged individuals**



## COMPANY OVERVIEW

# Pioneering India's wind energy landscape

KP Energy Limited (KPEL) stands as Gujarat's foremost provider of balance of plant (BOP) solutions in the wind industry. With an innovative approach and unwavering dedication, KP Energy delivers seamless and comprehensive solutions that span from the inception to the realization of utility-scale wind farms, and throughout their entire life-cycle.

### Commitment to Excellence

Since our establishment in 2010, KP Energy has completed numerous projects across challenging and remote locations, catering to a diverse clientele. Our portfolio showcases our expertise in energizing a cumulative installed capacity of 829.50 GW, with additional projects in hand totaling 1012.65 MW. We take pride in offering end-to-end solutions for wind project and wind-solar hybrid project development. Our wide-ranging services encompass site identification, meticulous site preparation, efficient construction and erection, and ultimately seamless power evacuation.

### Robust Ancillary Segments

In addition to our wind energy project execution capabilities, KP Energy owns and operates four wind turbines with a capacity of 8.4 MW and two solar power plants with a cumulative capacity of 11.5 MW dc, totaling 19.9 MW of renewable power generation capacity. These assets underscore our commitment to strengthening our business model with annuity revenue streams while producing clean energy and contributing to India's renewable power generation.

Additionally the Company's wholly-owned subsidiary KP Energy OMS Limited, delivers operations & maintenance (O&M) services for BOP infrastructure throughout its lifecycle, assuring the client of seamless operations & project continuity throughout the operational life of the asset.

## Organisation Ethos

### Vision

Provide quality wind energy infrastructure at competitive price in committed time and with a customer centric approach towards creation of an ethically strong, stakeholder friendly corporate entity.

### Mission

Our mission is to develop and enable energy systems that are green, independent and economically viable. Skillfully navigating the forces of change in the energy industry will be the key to our continued success.

### Core Values

- Team
- Trust
- Action

### Recognition and Workplace Culture

KP Energy places a strong emphasis on superior work culture, employee growth, and creating a great workplace. This dedication has earned us the prestigious 'Great Place to Work' certification.



"At KP Energy, we transcend boundaries and propel the wind and wind-solar hybrid energy sector towards remarkable achievements."

### Vision for a Sustainable Future

With every milestone we achieve, we reaffirm our position as Gujarat's premier BOP solutions provider, passionately paving the way towards a greener and more sustainable future. Our commitment to innovation, quality, and sustainability drives us to continually push the boundaries of what is possible in the renewable energy sector.

# KPEL in a nutshell

# #1

**BOP solutions provider for wind power project & wind-solar hybrid power projects in Gujarat**

# 1,012.7 MW

**Projects in hand**

# 831 MW

**Cumulative capacity energised including CTU & STU projects on consolidated basis**

# 523.1 MW

**Total O&M portfolio**

# 19.9 MW

**Cumulative IPP capacity through a mix of wind & solar assets**

# ₹ 2,410+ Crores

**Market capitalisation as on March 31, 2024**

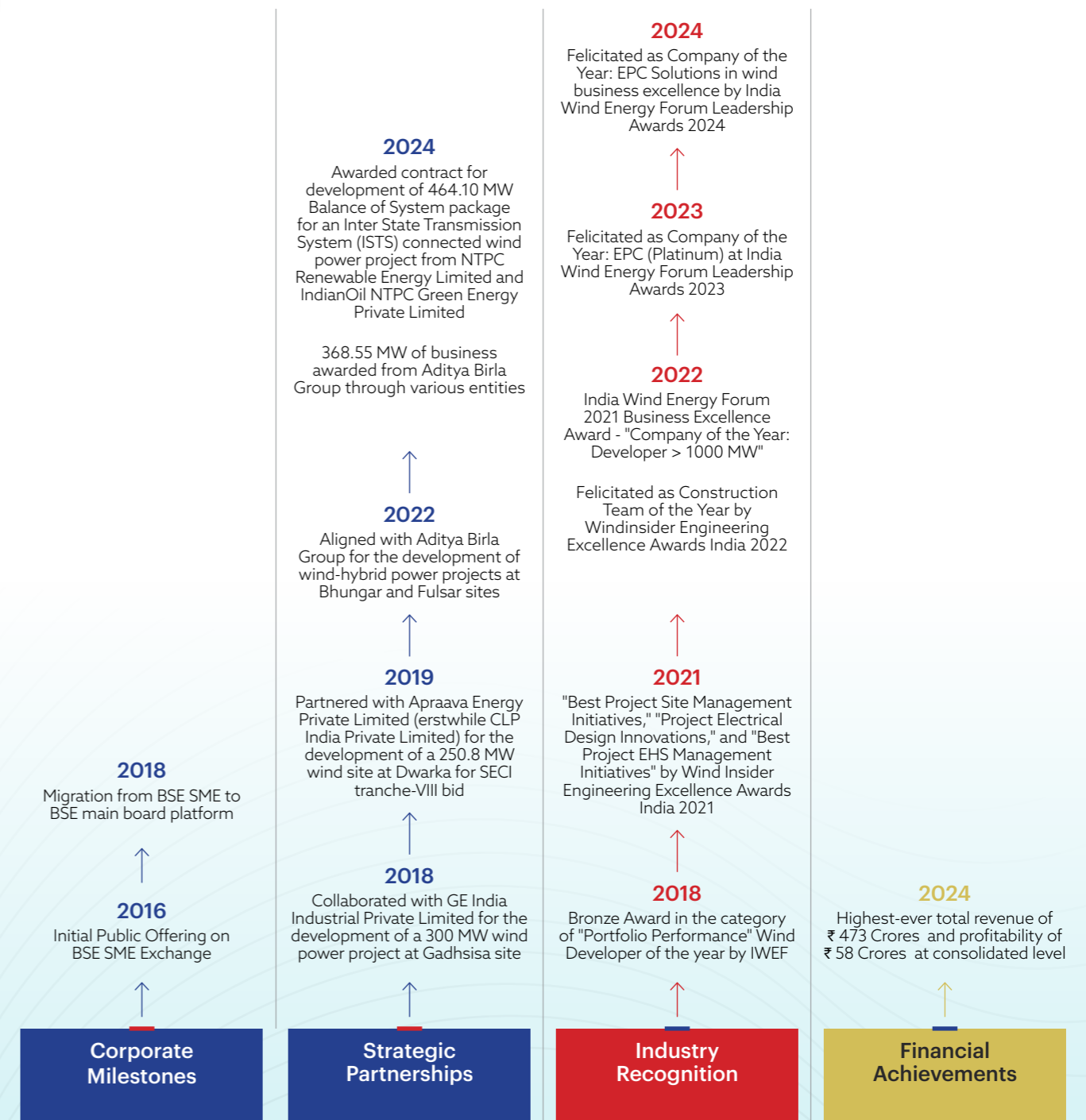
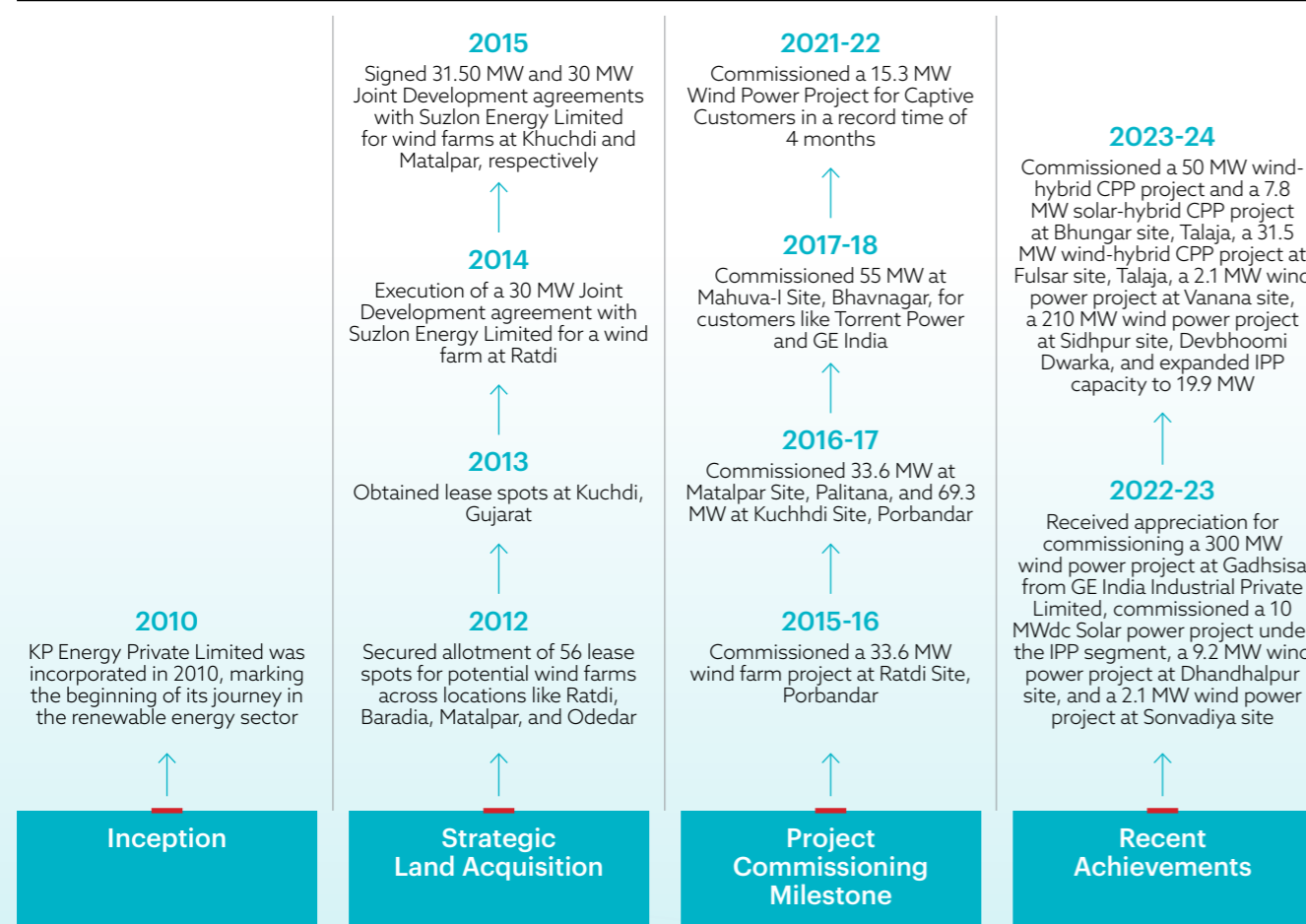


JOURNEY & MILESTONES

# The resilient journey of KP Energy

KP Energy has embarked on a transformative odyssey, marked by triumphs and tribulations that have tested its resilience and fortitude. This remarkable voyage has been a crucible of growth, shaping the Company into an industry leader. Along the way, KP Energy has encountered moments of elation and formidable challenges, each experience contributing to its evolution and maturation.

This year stands as a monumental milestone, where KP Energy achieved unprecedented operational & financial results, shattering all previous records. Fuelled by its transformative experiences, KP Energy is primed to seize new opportunities, and redefine the boundaries of the Indian wind energy industry.





KEY PERFORMANCE INDICATORS

# Ascending to greater heights

Unveiling another remarkable set of achievements, we present our key performance indicators that chronicle the extraordinary performance of KP Energy Limited.

In FY24, we have etched a new pinnacle of success, surpassing all previous records with our highest-ever revenue & profitability. As we delve into these resplendent numbers, we celebrate not only our past triumphs but also the boundless potential that lies ahead. We are poised to sustain and propel these performance metrics to even greater heights, solidifying our position as a trailblazer in the wind energy sector.

## FY24 Highlights

**₹472.9 Cr.**

Revenue from Operations

**₹85.9 Cr.**

EBITDA (Excluding OI and EI)

**₹58.3 Cr.**

Profit After Tax

**₹2,410+ Cr.**

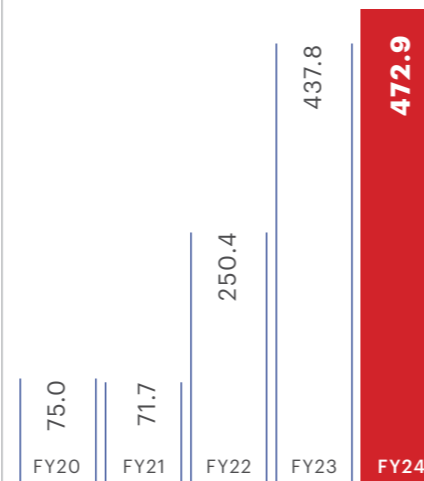
Market Capitalisation\*

\*As on March 31, 2024



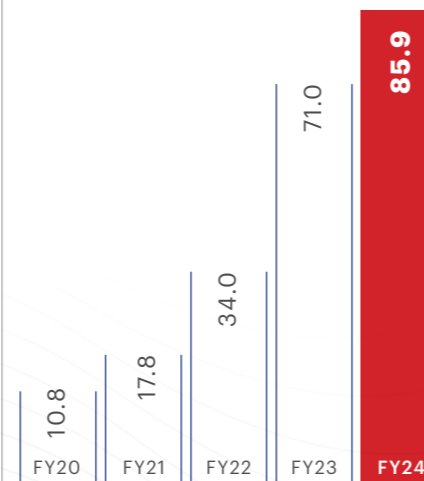
### Revenue from Operations

(In ₹ Crores)



### EBITDA

(In ₹ Crores)



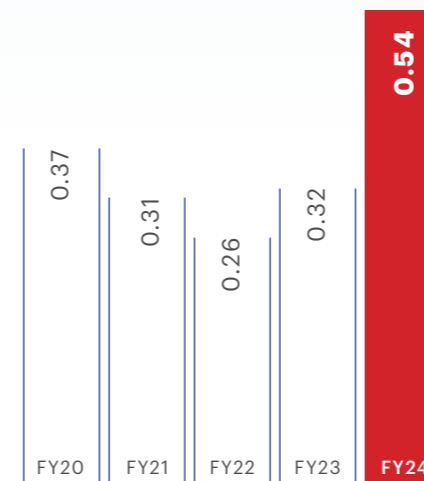
### EBITDA Margin

(In %)



### Debt to Equity

(In times)



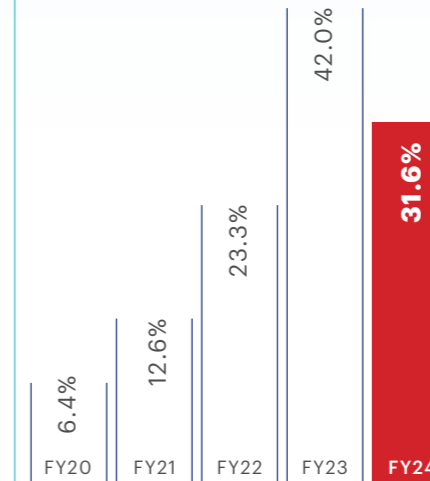
### PAT

(In ₹ Crores)



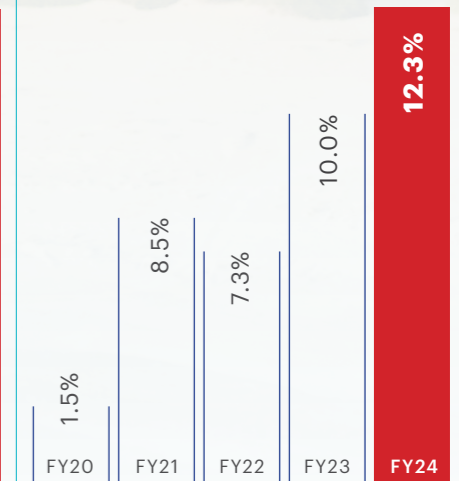
### ROCE

(In %)



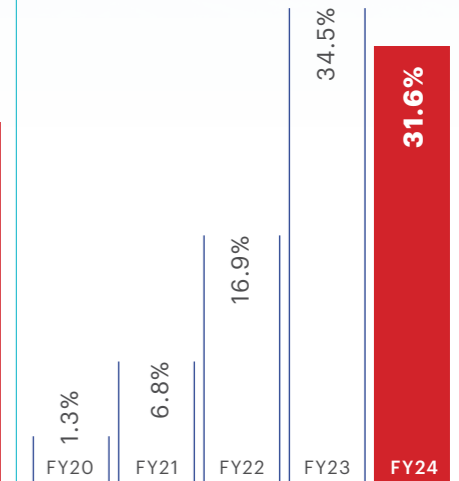
### PAT Margin

(In %)



### RONW

(In %)



Note: Consolidated Figures

**BUSINESS VERTICALS**

# Thriving through strategic balance

At KP Energy, we have strategically diversified our operations into three key verticals within the renewable energy sector. This multifaceted approach enables us to navigate the complexities of the industry, build resilience in our business model, and offer comprehensive solutions throughout the wind and wind-solar hybrid energy project lifecycle. Our EPCC vertical serves as our flagship division, showcasing our expertise in engineering, procurement, construction, and commissioning. Alongside, our O&M vertical holds immense potential to parallel the success of EPCC, while our IPP vertical strengthens our revenue streams and commitment to sustainable energy generation. Together, these verticals drive our growth and position us as a leading player in the industry.

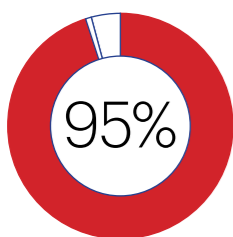
## Engineering, Procurement, Construction and Commissioning (EPCC)



KP Energy offers a unique value proposition in the EPCC segment, addressing the intricate challenges faced by WTG manufacturers, IPPs, and CPPs during the setup of utility-scale wind power projects and wind-solar hybrid power projects. Our mission is to provide end-to-end Balance of Plant (BOP) solutions for renewable energy projects, from inception to realization. We engage closely with stakeholders in the renewable energy industry, united by a shared vision of pioneering wind & hybrid projects across India. With supportive government policies and a growing need for renewable energy, KP Energy is well-positioned to excel in this segment.

By placing the project's entire lifecycle into our capable hands, our clients can focus on their core operations, confident that we will navigate the complexities with precision and finesse. As a comprehensive solution provider, we are dedicated to transforming renewable energy aspirations into tangible realities.

**Revenue Share (Consolidated)**  
(In %)



Our commitment to excellence, fortified by years of domain expertise, ensures that we are primed to seize burgeoning opportunities. We take pride in assuming full responsibility for the execution of utility-scale wind farms, allowing our clients to focus on their core operations.

## Operation and Maintenance (O&M)



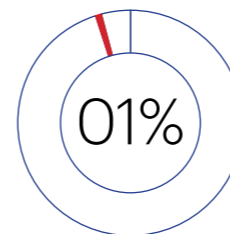
We extend our expertise beyond EPCC to post-project commissioning services i.e. operations & maintenance (O&M) of the BOP portion of the wind power plant. This segment is operated via our wholly-owned subsidiary KP Energy OMS Limited, through which we offer comprehensive O&M services, ensuring the smooth operation of the BOP section of the project. We stand by our clients throughout the lifecycle of their projects.

repairs, handle power commercial management, and oversee site-related Right of Ways (RoWs).

The O&M Business Vertical holds immense significance for KP Energy, serving multiple purposes. It not only adds value to our core offerings but also instils trust in our clients, as they rely on our uninterrupted services. This, in turn, fortifies our reputation as a dependable partner in the EPCC vertical. Moreover, this segment provides a steady annuity-based revenue stream for our Company, contributing to our overall financial stability.

Through our subsidiary, we seamlessly manage O&M services for projects energized by KP Energy, as well as external projects. This strategic approach will allow us to optimize our resources, deliver exceptional service, and maximize the value we provide to our clients. Our O&M services ensure that our clients can focus on their core operations, knowing that their wind farms are managed capably.

**Revenue Share (Consolidated)**  
(In %)



In the initial years of project commissioning, O&M services are bundled as part of our core EPCC offering, demonstrating our dedication to providing a holistic solution. Our O&M services encompass a wide array of critical functions. We take charge of managing the pooling substation, ensuring its uninterrupted operation every day of the year, and ensuring no hindrance in power evacuation function. We meticulously maintain the high-voltage and extra-high-voltage networks, undertake road

## Independent Power Producer (IPP)

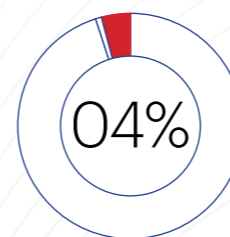


KP Energy is at the forefront of the renewable energy revolution, and our IPP vertical plays a pivotal role in this transformative journey. With a solid portfolio of power generation assets, including 8.4 MW in wind energy and two solar projects with a cumulative capacity of 11.5 MW, thus totaling 19.9 MW renewable power generation capacity, we have established ourselves as a notable player in this domain.

Thus, we own some assets at the same sites which we have delivered to our clients. By owning and operating our power generation assets, we instill confidence in our clients, offering them reliable and sustainable energy solutions.

Our foray into the IPP segment aligns perfectly with our mission to accelerate the transition to clean energy. By actively participating in power generation, we contribute to reducing carbon emissions and promoting a greener future. Our commitment to renewable energy generation, coupled with our expertise in the IPP space, positions us as a trusted and influential player in the industry. One of the key advantages of our IPP business vertical is the stability it brings to our cash flows.

**Revenue Share (Consolidated)**  
(In %)



Our vision and roadmap for the coming few years will position us as a dominant player in this segment, as we work towards achieving 100 MW in IPP capacity. As an IPP, our strategic objective goes beyond mere power generation. We are committed to delivering assurance to our clients, ensuring the highest standards of asset quality and performance for the projects set up by the Company.

**SCOPE OF EPCC BUSINESS**

# Our comprehensive value proposition

KP Energy is dedicated to delivering a full spectrum of services through our EPCC (Engineering, Procurement, Construction, and Commissioning) business vertical. Our holistic approach ensures that we provide end-to-end solutions for wind farm development, covering every phase from site identification to commissioning.

**Scope of EPCC Services**

Our extensive expertise and experience enable us to manage the entire range of services, ensuring smooth execution and optimal results for our clients. We recognize that each project and client has unique needs, and we are flexible in customizing our services to meet specific requirements. Whether offering the complete suite of services or tailoring our approach, our mission remains to foster wind energy growth and achieve excellence in project development.

<p><b>Site Identification</b></p>  <p>Leveraging advanced technologies and data analysis, we meticulously evaluate and select optimal sites for wind energy projects. Our expertise in site identification, particularly in Gujarat, the region with the largest wind potential in the country, gives us a significant competitive edge over our peers. We deploy advanced technologies such as satellite data, wind data analysis, and LIDAR, to meticulously evaluate the techno-commercial feasibility of various sites.</p>	<p><b>Site Preparation and Logistics</b></p>  <p>We understand that effective site preparation lays the foundation for smooth project execution. Our skilled teams have successfully implemented projects in diverse terrains including coastal plains, rocky ridges, low-lying water-prone flats, marshy plateaus, and more, ensuring seamless logistics and access to project sites, even in challenging environments. This expertise enables transportation of wind turbine parts, especially blades and nacelles, even through challenging terrains.</p>	<p><b>Construction and Erection</b></p>  <p>Our teams are adept at undertaking crucial activities during the construction and erection phase, including civil work for WTG foundation construction, crane platform completion, transportation and precise installation of WTG components, and establishing power transmission infrastructure within the wind farm. Further, we ensure effective power transmission by establishing 33kV switchyards (USS) and 33kV high-voltage lines throughout the wind farm, connecting to the substation for power evacuation.</p>	<p><b>Power Evacuation, Permits, and Approvals</b></p>  <p>We take on the responsibility of constructing power evacuation infrastructure, including substations and associated extra-high voltage (EHV) lines. Additionally, we navigate the complex landscape of permits and approvals, liaising with relevant authorities to ensure compliance and expedite project timelines. Our expertise in securing the necessary regulatory clearances expedites project timelines and ensures compliance with all relevant regulations.</p>	<p><b>Power Purchase Agreements</b></p>  <p>Recognizing the importance of securing long-term revenue streams, we assist our clients in negotiating and finalizing power purchase agreements (PPAs) with distribution companies (DISCOMs) and other off-takers, fostering mutually beneficial partnerships. Our goal is to create mutually beneficial partnerships that maximise returns and promote the growth of renewable energy.</p>
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**SCOPE OF EPCC BUSINESS (CONTD.)**



Through our comprehensive EPCC services, KP Energy has built a robust platform for success. Our dedication to delivering complete solutions—from site selection to final commissioning—ensures we provide significant value to our clients. Leveraging this strong foundation, we have assimilated several core strengths that have been crucial in propelling our accomplishments. These strengths are the cornerstone of our operations and the key drivers of our success.

## Key differentiators

<p><b>Esteemed Corporate Group</b></p>  <p>Being a part of the prestigious KP Group, KP Energy benefits from a well-established and trusted reputation in the industry. This strong corporate identity enhances KP Energy's credibility and reliability, fostering trust among clients, partners, and stakeholders. The group's successful track record across various sub-sectors further solidifies KP Energy's position as a dependable and trustworthy entity in the renewable energy market. It also opens opportunities for collaboration within different group companies.</p>	<p><b>Experienced and Strategic Management Team</b></p>  <p>KP Energy's management team is one of its core strengths, composed of seasoned professionals with extensive industry expertise. This team brings together a wide array of skills and knowledge, driving strategic vision and effective decision-making. Their ability to navigate the complexities of the renewable energy sector ensures the Company's sustained growth and success. The management's focus on innovation and adaptability keeps KP Energy at the forefront of an ever-evolving market.</p>	<p><b>Cost-Efficient Operations for Market Competitiveness</b></p>  <p>A significant advantage for KP Energy is its cost-efficient operational structure, which enhances its competitiveness. By implementing effective cost management practices and streamlining operations, the Company optimizes resource utilization and maximizes operational efficiency. This allows KP Energy to offer competitive pricing to clients while maintaining profitability, positioning the Company to seize market opportunities and adapt to industry changes.</p>	<p><b>Strong Project Pipeline and Order Book</b></p>  <p>KP Energy's strength is also reflected in its robust project pipeline and substantial order book. With projects in hand totalling 1,012.65 MW across multiple sites, the Company is well-positioned for future growth. This diversified project portfolio ensures a steady revenue stream and enables KP Energy to meet the increasing demand for renewable energy solutions. The Company's ability to secure and expand its project portfolio underscores its strong market presence and competitiveness.</p>	<p><b>Turnkey Solutions for Wind Projects</b></p>  <p>KP Energy excels in providing comprehensive turnkey solutions for wind farm projects across India. From site identification to commissioning, the Company offers a full range of services, ensuring a seamless and hassle-free experience for clients. This expertise in delivering end-to-end solutions makes KP Energy a preferred partner for clients seeking reliable and comprehensive renewable energy project execution.</p>
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FROM THE FOUNDER'S DESK

# Sustainable growth, unstoppable future



नहीं तेरा नशेमन क़स-ए-सुल्तानी के गुम्बद पर  
तू शार्हीं है बसेरा कर पहाड़ों की चट्टानों में

Your nest is not on the royal palace's dome  
You are a falcon, let the rugged mountains be your home

Dear Shareholders,

I hope this letter finds you in good health and high spirits. As we reflect on the past year, I am filled with immense pride and gratitude for the unwavering support and dedication of our employees, clients, and shareholders. Your trust and commitment have been instrumental in driving KP Energy Limited to these heights.

### Macro and Industry Outlook

The renewable energy sector, including the wind energy industry, is witnessing unprecedented growth and transformation. The Government of India, under the visionary leadership of our Hon'ble Prime Minister, Shri Narendra Modi, has set ambitious targets to achieve net-zero emissions by 2070. This commitment is further reinforced by the Government of Gujarat's Renewable Energy Policy 2023, which aims to meet 50% of the state's energy requirements through renewable sources by 2030. Gujarat is poised to add 36 GW through solar and 143 GW through wind energy, making it a pivotal player in India's renewable energy landscape. We are proud to say that Gujarat is our home, and core area of operations, and our domain knowledge here is unparalleled.

This conducive macro environment is directly beneficial to our business. The government's focus on renewable energy capacity addition aligns perfectly with our strategic objectives, providing us with a robust platform to expand our operations and enhance our market presence.

The size of our recent orders signifies the exponential potential for scaling our operations in the coming years.

### Robust Order Book and Strategic Order Wins

I am delighted to report that KP Energy has built a robust order book of 1,012.65 MW, indicating strong future revenue potential. Some recent order wins include, 368.55 MW awarded by Aditya Birla Renewables Subsidiary Limited and ABREL (RJ) Projects Limited and 464.10 MW projects from NTPC Renewable Energy Limited & IndianOil NTPC Green Energy Private Limited. These projects are part of a wind-solar hybrid power initiative in Gujarat, and will be connected to the Inter State Transmission System (ISTS) network of the Central Transmission Utility (CTU). These are repeated orders out of invaluable relationships with Aditya Birla group.

The size of these recent orders signifies the exponential potential for scaling our operations in the coming year. Our strategic focus on providing turnkey solutions and leveraging our presence across the entire value chain has been pivotal in maintaining our market-leading position within Gujarat. We continue to be Gujarat's premier BOP turnkey solution provider for utility-scale wind energy projects. We continue to benefit from essential infrastructure, available land, robust connectivity, and considerable expertise in project execution, all of which provide a distinct advantage in effectively capitalizing on these opportunities.

### Financial Performance and Operational Excellence

The financial performance of KP Energy in recent years has been nothing short of remarkable. We have broken all records on key operating metrics such as revenues and profitability. Our top line witnessed an astounding surge, soaring to ₹472.9 Crores from ₹437.8 Crores in the previous year, representing a 8% year-on-year growth. More impressive is our enhanced profitability. Our EBITDA margins climbed from 16.2% in FY23 to an impressive 18.2% in FY24. As a result, our Profit After Tax reached an all-time high of ₹58.3 Crores, representing a remarkable 33% increase over the previous year's ₹43.9 Crores.

This strong financial performance has been driven by robust project execution and increased operational efficiency. KP Energy has now cumulatively energised renewable energy projects totalling 831 MW on consolidated basis, including CTU and STU projects. Our continued focus on leveraging technology to streamline operations and enhance project delivery timelines has been a key factor in our success.

We have also established a robust balance sheet position, enabling us to pursue growth opportunities with more confidence. Keeping in mind the Company's robust performance, the board approved the allotment of 4,44,60,000 equity shares by way of a bonus issue in the proportion of 2:1, i.e., 2 new equity shares for every 1 existing fully paid-up equity share. This decision is expected to enhance shareholder value, enhance shareholder base and improve liquidity of our shares in the stock market.

### Expanding Our IPP and O&M Verticals

Apart from our EPCC business, we are also focused on growing our Independent Power Producer (IPP) vertical. Advancing towards our commitment to having our own power-generation portfolio, we have recently commissioned a 1.5 MW solar power project in our wholly-owned subsidiary, KP Energy OMS. This project, along with our existing 10 MW dc solar power project and 8.4 MW

wind energy portfolio, puts our total IPP capacity at 19.9 MW. Additionally, we have placed an order for wind turbines representing a capacity of ~30 MW, to be developed at the Vagra site in Bharuch district. It will significantly increase our installed capacity and take it to ~50 MW of operational renewable energy capacity, with a judicious mix of solar and wind assets. This expansion in our IPP segment will further strengthen our position in the renewable energy market.

Our Operations & Maintenance (O&M) business is set to grow in tandem with our expanding EPCC operations. As we continue to scale up our EPCC projects and add new installations to our portfolio, the demand for efficient and reliable O&M services will naturally follow suit. We remain dedicated to delivering superior O&M support, ensuring the optimal performance and longevity of our projects, thus ensuring a good IRR for project investors. This synergy between our EPCC and O&M businesses not only solidifies our position in the renewable energy market but also enhances the overall sustainability of our operations.

### Closing Thoughts

In conclusion, the future of KP Energy Limited looks exceedingly bright. The macro-economic environment, coupled with our strategic initiatives and robust financial performance, positions us well to capitalize on the growing opportunities in the renewable energy sector. We remain committed to delivering value to our shareholders, clients, and all stakeholders while contributing to India's ambitious renewable energy goals.

I extend my heartfelt appreciation to our employees for their hard work and dedication, to our clients for their continued trust, and to our shareholders for their unwavering support. Together, we will continue to drive KP Energy towards a sustainable and prosperous future.

Thank you for your continued support.

**DR. FARUK G. PATEL**

PROMOTER | MANAGING DIRECTOR

WHOLE TIME DIRECTOR'S LETTER TO SHAREHOLDERS

# Empowering the future of energy



Dear Shareholders,

It is with great pleasure that I present to you the Annual Report for KP Energy Limited for FY24. This past year has been a remarkable journey, marked by significant accomplishments and a steadfast commitment to excellence in project execution and operational innovation.

At the outset, I would like to express my heartfelt gratitude to our dedicated team, whose unwavering efforts have been instrumental in maintaining a robust execution track record across all our projects. Their passion and expertise have been the driving force behind our success, and I am truly honoured to lead such a talented and driven group of professionals.

### A Year of Remarkable Strides

FY24 has been a year of significant milestones for our Company. We made remarkable strides in all our key projects, underscoring our commitment to excellence in project execution and innovation in operations.

The year began with the commissioning of the Bhungar site, a 60 MW Wind-Solar Hybrid Project at Bhavnagar, executed in the first quarter of FY24. This project exemplifies our dedication to sustainable energy solutions and our ability to deliver complex projects on time.

Our commitment to excellence was further reinforced as we commissioned a 31.5 MW project for the esteemed Aditya Birla group in Q1FY24. Additionally, we successfully commissioned a 140 MW power evacuation infrastructure project at the Fulsar Site, a testament to our expertise in building large-scale power evacuation facilities that connect projects with grids.

Building on this momentum, we were awarded another 23.1 MW project by Aditya Birla Renewable Energy Limited at Bhavnagar, Gujarat, and an 86.1 MW wind capacity forming part of the wind-solar hybrid power project to be connected to the existing 140 MW power evacuation facility at the Fulsar Pooling Substation.

### Mega-Project Accomplishments

One of the key project accomplishments for the year was the mega-project at Sidhpur, a 252 MW project for Apraava Energy at Devbhoomi Dwarka. Progress on this project was robust throughout all quarters, showcasing our ability to execute large-scale projects with precision and efficiency.

Furthermore, we announced receipt of contract for development of 464.10 MW Balance of System Package of the ISTS connected wind energy project from NTPC Renewable Energy Limited and IndianOil NTPC Green Energy Private Limited at Vanki and Dwarka sites. This significant project underscores our commitment to expanding our footprint and delivering exceptional results for our esteemed clients.

### Embracing Technology for Operational Excellence

Apart from our extensive project execution capabilities, we have also placed a strong emphasis on embracing technology and making KP Energy more operationally efficient in the last few years. Initiatives such as SAP Implementation, ERP systems implementation, including Human Resource Management tools, have been at the forefront of this initiative. We believe that technology has now become a key cornerstone of our business model and industry positioning, and it will be a key differentiating factor for the Company going forward.

## 100 MW

Of our own power generating assets under the IPP segment.

Our discussions with renowned IPP & CPP customers for large-scale projects in Gujarat signify our commitment to expanding our footprint. It is noteworthy to mention that a significant portion of our business enquiries are repeat business in nature, signaling superior customer satisfaction and the exceptional experience of customers in working with KP Energy.

We have also been looking to expand our own IPP portfolio, as we plan to achieve 100 MW of our own power generating assets under the IPP segment.

### Improving Employer Brand Recognition

In recent years, the Company has also put a strong emphasis on superior work culture, employee growth, and creating a fair & great workplace. This dedication has earned us the prestigious 'Great Place to Work' certification. Recognizing that our people are our most important asset and key drivers of our growth, we have been making efforts to improve our brand in the job market as well. We will continue investing in the development of our people and establishing our reputation as an employer of choice in the market.

### Timely Project Execution: A Core Focus

Timely project execution remains a core focus for KP Energy, and we are proud to share our progress in this regard. With senior hirings and talent development, our management bandwidth has been augmented over the last few years, and strategic team realignments have further enhanced our ability to deliver multiple projects on schedule.

### A Promising Outlook

The outlook for KP Energy's future remains promising. With a robust business pipeline for standalone wind and wind-solar hybrid power projects, we are poised for continuous growth in revenue from EPCC activities.

### Appreciation and Commitment

Your unwavering enthusiasm is deeply appreciated, and I assure you of my unwavering dedication to fulfilling all the commitments made by KP Energy. Furthermore, I would like to offer my sincere appreciation to our investors for their steadfast support, as well as to my team for their consistent backing of the Company.

As we embark on a new financial year, I am filled with optimism and excitement for the opportunities that lie ahead. With our proven track record, innovative spirit, and unwavering commitment to excellence, I am confident that KP Energy Limited will continue to soar to new heights, delivering exceptional value to our stakeholders and contributing to a sustainable energy future.

Thank you for your continued trust and support.

Sincerely,

**AFFAN FARUK PATEL**

WHOLE-TIME DIRECTOR

**CORPORATE GOVERNANCE FRAMEWORK**

# The foundation of trust

We are dedicated to maintaining transparency and accountability with all our stakeholders, and this commitment to ethical conduct is deeply ingrained in our corporate governance framework. At KP Energy, we recognize that sound governance is the foundation of sustainable growth and stakeholder trust. Our corporate governance framework is an integral part of our organizational DNA, encompassing a comprehensive array of systems and practices designed to ensure the responsible and ethical management of the Company's affairs.

We have established robust structures and mechanisms that enable effective decision-making, promote prudent risk management, and ensure timely and accurate information disclosure. Through open and transparent communication channels, we prioritize the prompt dissemination of information to all stakeholders, allowing them to make informed decisions and engage meaningfully with our business.

**Governance Framework**

KP Energy Limited is committed to maintaining the highest standards of corporate governance. Our governance framework is designed to ensure transparency, accountability, and ethical conduct in all our operations, aligning with some of the best practices across corporate India.

**Governance Philosophy**

Our corporate governance goes beyond mere compliance with laws and regulations. It is about fostering a strong bond between the Company's management, Board of Directors, shareholders, and other stakeholders. Our philosophy is rooted in the principles of integrity, fairness, transparency, accountability, and efficiency. We believe that sound governance practices are essential for achieving our long-term corporate objectives and enhancing stakeholder value.

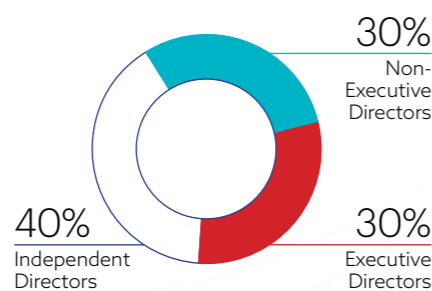
**Board of Directors**

**Composition and Independence**

The Board of Directors at KP Energy comprises a balanced mix of Executive, Non-Executive, and Independent Directors. As of March 31, 2024, the Board consists of ten (10) Directors, including three (3) Executive Directors, three (3) Non-Executive Directors, and four (4) Independent Directors. This composition ensures a diversity of perspectives and independent judgment on strategic and performance-related matters.

**Board Composition**

(In %)



**Proactiveness**

The Board met eight (8) times during FY24, ensuring that the Company's operations and financial performance were reviewed regularly.

8

**Board meetings during FY24**

Good

**Overall attendance at the Board meetings**

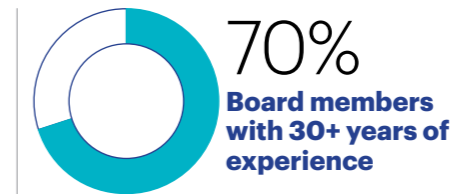
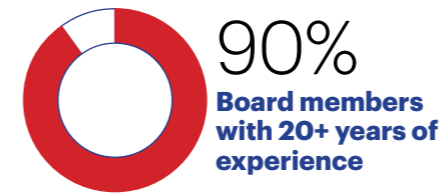
13

**Board Committee meetings during FY24**

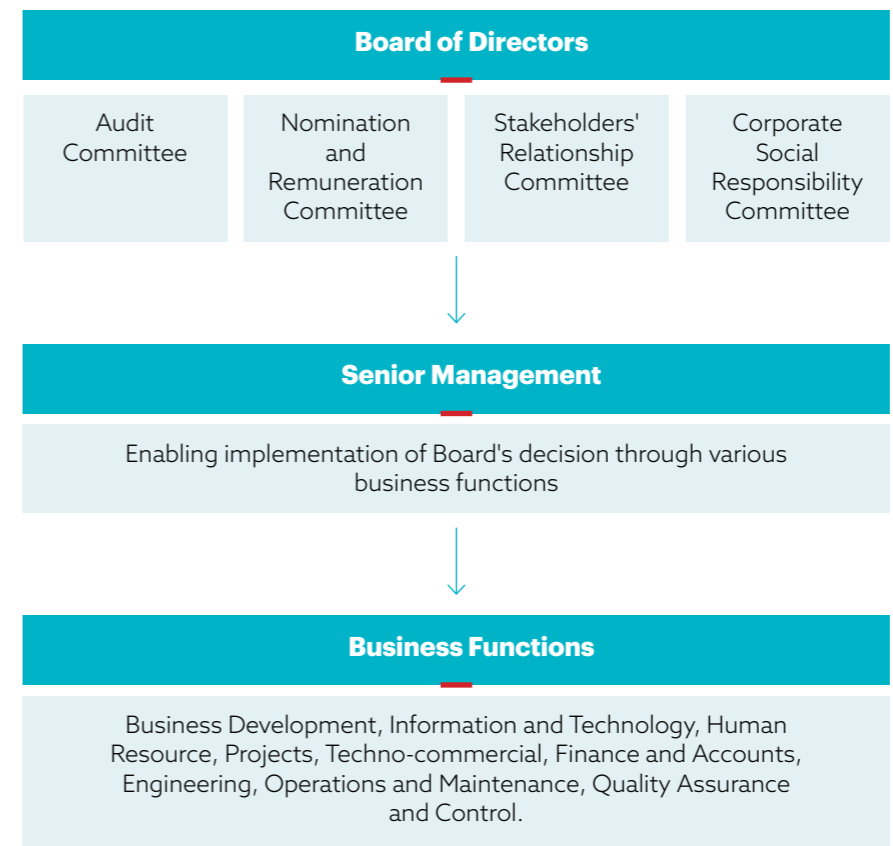
Good

**Overall attendance at the Board Committee meetings**

**Extensive Work Experience**



**Responsibility Framework**



**Key Functions**

Some of the Key Functions the Board Performs are:

- Provide oversight on corporate governance practices
- Review the business strategy and operational plans developed by the management
- Monitor and review management performance
- Discharge statutory or contractual responsibilities
- Supervise the process for compliance with laws and regulations
- Monitor and review the Board evaluation framework
- Review the risk management approach

**Board Committees**

To ensure effective governance, the Board has constituted several committees, each with clearly defined roles and responsibilities. These committees include:

**Audit Committee**

The Audit Committee oversees the financial reporting process, internal control systems, and audit functions. It comprises an Executive Director and two Independent Directors, ensuring independent and transparent review of financial statements. The Audit Committee plays a vital role in upholding the integrity of our financial reporting process. This committee diligently oversees the credibility of the Company's financial statements, ensuring accuracy, transparency, and compliance.

**Nomination and Remuneration Committee**

This committee is responsible for identifying and recommending candidates for Board positions, evaluating the performance of Directors, and determining the remuneration of Directors and senior management. This committee meticulously evaluates the skills, knowledge, and experience of potential Directors, ensuring the right mix of expertise for effective governance.

**Stakeholders' Relationship Committee**

The committee addresses grievances of shareholders and other stakeholders, ensuring effective communication and resolution of issues. This committee serves as a dedicated platform to address their concerns, including complaints related to share transfers, non-receipt of annual reports, dividends, and more.

**Corporate Social Responsibility Committee**

The CSR Committee formulates and monitors the implementation of the CSR policy, ensuring that the Company contributes to societal and environmental well-being. This committee takes on the responsibility of recommending and monitoring the allocation of resources for all our CSR initiatives.

**BOD PROFILES**

# Leading the way to excellence

KP Energy Limited's Board of Directors is a testament to the Company's commitment to excellence in corporate governance. The Board is composed of a diverse group of individuals who bring a wealth of experience and expertise from various fields, including renewable energy, finance, engineering, and business management. This diversity ensures that the Board can provide comprehensive and well-rounded strategic guidance to the Company's senior management. Each member's unique background and skill set contribute to the Board's ability to navigate complex challenges and seize emerging opportunities.



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9



10

**C** Chairperson **M** Member

**COMMITTEE KEY**

- A** Audit committee
- C** Corporate Social Responsibility committee
- N** Nomination and Remuneration committee
- R** Risk Management Committee
- S** Stakeholder Relationship committee

**1. DR. FARUK G. PATEL**  
MANAGING DIRECTOR

Dr. Faruk G. Patel began his entrepreneurial journey in the logistics sector, transitioned through the construction and infrastructure industries, and ultimately ventured into renewable energy. His exceptional business acumen is only matched by his deep commitment to social causes, earning him a prominent place within both the business and social communities.

**2. MR. AFFAN FARUK PATEL**  
WHOLE TIME DIRECTOR

Mr. Affan Faruk Patel leads the operational activities and spearheads business development initiatives. With a strong focus on cultivating business relationships, Mr. Affan Patel's proactive and personalized approach has been instrumental in driving the company's growth and expanding its footprint in the renewable energy sector. Under his leadership, the Company has seen significant advancements in customer acquisition, revenue growth, and operational efficiency. Mr. Patel leads a dedicated team responsible for strategizing and implementing innovative approaches to enhance customer engagement, drive growth, and increase profitability.

**3. MR. AMITKUMAR SUBHASHCHANDRA KHANDLWAL**  
WHOLE TIME DIRECTOR

Mr. Amitkumar Subhashchandra Khandelwal is a seasoned professional with a wealth of knowledge and experience. He holds a Bachelor of Engineering degree in Production from Sardar Vallabhbhai National Institute of Technology, Surat, and a Post Graduate Diploma in Finance Management from The Maharaja Sayajirao University, Vadodara. Additionally, he has completed a course on lead Auditing for Quality Management Systems. With a career spanning over two decades, Mr. Khandelwal has demonstrated his expertise in diverse sectors, including Telecom, Automotive, Pharmaceutical, Manufacturing, Solar, and Transmission industries.

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

Mrs. Bhadrabala Dhimant Joshi, our Chairperson and Non-Executive Non-Independent Director, enriches the Board with her multifaceted expertise. She holds a B. Pharm. degree from Gujarat University and an LLB degree from South Gujarat University. Her diverse background and extensive knowledge significantly enhance our strategic decision-making. Additionally, she is a respected member of the Approved Advocates panel of Nationalised Banks in Surat.

**5. MRS. VENU BIRAPPA**  
NON-EXECUTIVE NON-INDEPENDENT DIRECTOR

Mrs. Venu Birappa, our Non-Executive Non-Independent Director, brings nearly four decades of experience in the Power Sector to our Board. She holds a Bachelor's Degree in Electrical Engineering from Maharaja Sayajirao University Baroda, a Diploma in Management from Indira Gandhi National Open University, and a Bachelor of Laws (General) from Saurashtra University. Her extensive tenure with Gujarat Energy Transmission Corporation Limited (GETCO) as an Executive Engineer (Regulatory & Commerce) underscores her expertise in transmission, system operation, and distribution.

**6. MR. BHUPENDRA VADILAL SHAH**  
NON-EXECUTIVE NON-INDEPENDENT DIRECTOR

Mr. Bhupendra Vadilal Shah, a Non-Executive Non-Independent Director, brings nearly five decades of experience in business management and administration. He holds a Bachelor of Engineering degree in Civil Engineering from Maharaja Sayajirao University, Baroda. His deep understanding of financial and technical matters provides invaluable insights that drive our Company's growth. His entrepreneurial journey began with the founding of Kashi Parekh Brothers, a wholesale trading business specializing in iron and steel.

**7. DR. NEETHIMANI KARUNAMOORTHY**  
NON-EXECUTIVE INDEPENDENT DIRECTOR

Dr. Neethimani Karunamoorthy combines academic excellence with practical expertise. He holds a Master's Degree in Electrical Engineering from Vidyapeeth Deemed University, Udaipur, and a PhD in Wind Energy from Paramount International University, USA. In 2022, he completed an M.A. in Leadership Science from Chanakya Institute of International Studies, Mumbai University. With extensive experience in executing wind turbine projects, operation and maintenance of WTGs, and developing EPC Wind Power Projects, Dr. Karunamoorthy currently serves as the Founder and Managing Director of Windplus Private Limited.

**8. MR. RAJENDRA KUNDANLAL DESAI**  
NON-EXECUTIVE INDEPENDENT DIRECTOR

Mr. Rajendra Kundanlal Desai holds a Bachelor's Degree in Commerce and Law from South Gujarat University and is a fellow member of ICAI since 1978. He has over 30 years of experience in accounting and finance, including project finance, audit, accounts, and taxation. His professional practice as a CA, started in 1980, spans various areas such as statutory audit, internal audit, taxation, project evaluation, feasibility studies, process evaluation, and loan syndication.

**9. MR. DUKHABANDHU RATH**  
NON-EXECUTIVE INDEPENDENT DIRECTOR

Mr. Dukhabandhu Rath, a Senior Top Executive Banker and former Chief General Manager of State Bank of India holds a bachelor's degree in Political Science and Economics from Utkal University, Bhubaneswar. He is a Certified Associate of the Indian Institute of Bankers (Part I & Part II), recognized by the Indian Institute of Banking and Finance in Mumbai. He has nearly four decades of illustrious service in the Indian Banking Industry, with a remarkable 36-year tenure at the renowned State Bank of India (SBI). Mr. Rath served as the Managing Director of Gujarat Venture Finance Limited, where he successfully mobilized funds and attracted investments from a diverse range of entities.

**10. MRS. HARSHA KORADIA**  
NON-EXECUTIVE INDEPENDENT DIRECTOR

Mrs. Harsha Koradia is a dynamic and results-driven professional with over 15 years of experience in the insurance industry. She excels in operational leadership, strategic CSR advising, and digital marketing innovation. Currently serving as the Director of Insurance Operations at Aditya Enterprise. Her strategic vision has led digital initiatives to promote customer engagement and increased profitability and market share. She has developed and managed comprehensive campaigns, leveraging data analytics to optimize results and mentoring marketing teams on the latest tools and techniques. Her combination of experience in social responsibility, risk management, insurance operations, and digital transformation makes versatile leader in both corporate and non-profit sectors.



AWARDS & RECOGNITION

# Honoured and encouraged to do more

Awarded to  
**Mr. Affan Faruk Patel**



Wind Acumen of the Year at Grand Masters India Awards 2024

Awarded to  
**Dr. Faruk G. Patel**



288<sup>th</sup> Rank in Hurun India Rich List - 2024

Awarded to  
**KP Energy Limited**



Business Excellence Awards at India Wind Energy Forum Leadership Award 2024

Awarded to  
**Dr. Faruk G. Patel**



Entrepreneur of the Year at the 22<sup>nd</sup> Global Edition Awards 2024

Awarded to  
**KP Group**



Best Brand 2023-24 Awarded by The Economic Times



**CORPORATE SOCIAL RESPONSIBILITY**

# Driving sustainable impact

Our dedication to sustainability and community welfare is deeply intertwined with our business operations. We have consistently led the way in adopting a sustainable mindset, understanding that our achievements extend beyond mere financial success. Our journey is anchored in the principle of sustainability, encompassing both environmental stewardship and the well-being of the people within our ecosystem. As we move forward, we remain steadfast in our commitment to our communities, driven by an inclusive approach that ensures everyone benefits.

## Sustainable Development intertwined with CSR Initiatives

Our belief in sustainable development is reflected in every aspect of our CSR activities. We are convinced that lasting growth is unattainable without uplifting the communities where we operate. Our CSR initiatives are designed to address the diverse needs of these communities, focusing on education, healthcare, livelihood enhancement, and environmental conservation. By investing in the well-being and development of people, we aim to foster a society that thrives on inclusive growth. Beyond our CSR programs, we actively engage in social welfare activities through the KP Human Development Foundation, extending our reach and impact beyond our area of immediate operations. Through these concerted efforts, we strive to build stronger, more resilient communities, providing opportunities for individuals to lead dignified lives and realize their full potential. We are committed to making a meaningful difference, driven by the belief that sustainable progress encompasses every facet of human life.



## Key CSR Projects and Initiatives

### Nurturing Minds

At KP Energy, we believe in the transformative power of education. Recognizing the importance of access to quality education and necessary infrastructure, we have established a dedicated library for orphan students preparing for competitive exams like UPSC. We have also undertaken projects to restore boundary walls, construct new schools, and provide potable water to schools in need. Through the KP Human Development Foundation, we have distributed educational materials, including backpacks, accessories, and school supplies, to over 12,000+ students across Surat, Bhavnagar, Mahuva, Talaja, Jesar, and other locations. Additionally, we support a Government School in the slum area of Diwalibaug Rander road, Surat, and also a college for specially-abled students. Foundation have also facilitated a Computer Lab at Sarvajanik High School, Amod & SYMGA, Surat.

### Amrit Sarovar

The KP Human Development Foundation has undertaken the construction of 3 Amrit Sarovar ponds in Dwarka and Siddhpur, providing essential drinking water to nearby villages and communities. This initiative has been recognized and appreciated by the District Collectorate.

### Empowering Local Communities

We prioritize the empowerment of local communities through meaningful employment opportunities and skill development. By providing comprehensive training and skilling programs, we equip unemployed youth with essential building and engineering skills, enabling them to contribute to our workforce and enhance their own prospects. This model fosters economic independence and dignity, strengthening the bond between KP Energy and the communities we serve. We take pride in offering rare opportunities for professional growth in rural areas, making a tangible difference in the lives of individuals and fostering community development.

### Preserving Nature

Environmental sustainability is at the core of our operations. We are committed to preserving and nurturing our natural ecosystem for the well-being of present and future generations. Through extensive plantation drives, we engage rural communities and young students in recognizing the importance of forests and biodiversity. Our efforts include planting diverse species of mangrove trees along coastal borders, serving as a natural defense against soil erosion and salinity. Over the years, we have successfully planted over 5 Lakhs saplings, symbolizing our unwavering commitment to environmental conservation. We also strive to protect and preserve previously planted trees, maintaining biodiversity and safeguarding the delicate balance of our ecosystem. Additionally, we have developed a drinking water pond, Amrit Sarovar, in Ran, Khakharda & Bankodi in Devbhoomi Dwarka district.

### Safety and Environmental Care

Safety and environmental responsibility are integral to every aspect of our operations. We prioritize environmental considerations in the design, engineering, execution, and operation of our projects. To mitigate bird fatalities, particularly for long-tailed birds, we employ innovative designs for overhead transmission lines that minimize risks. We also implement robust safeguards to prevent harm to flora and fauna during construction and wind energy installations. Our commitment to environmental excellence is exemplified by obtaining the first environmental approval from the Ministry of Environment, Forestry & Climate Change, Government of India, for specific wind projects in the coastal regulatory zone. Additionally, we engage in community welfare activities, including the distribution of essential supplies like grains, food packages, and vegetables in Mahuva, Bhavnagar, and Surat to combat hunger and malnutrition, as we believe that the well-being of communities is closely linked to environmental safety.

### Prabhu Nu Ghar

The KP Human Development Foundation is undertaking a compassionate project to build an old-age home named "Prabhu nu Ghar" in Uchediya village, Jhagadia taluka, Bharuch. With an estimated budget of ₹12 Crores, the facility will provide a safe and serene living space for 200 elderly individuals. Strategically located along the banks of the Narmada River, the project emphasizes both natural beauty and accessibility. The initiative is backed by the Disable Welfare Trust of India, led by Dr. Kanubhai Tailor, and aligns with the foundation's broader mission of social welfare and community service.

Thoughtful allocations for social impact

~₹5.5 Crores  
For human development

₹97+ Lakhs  
For health sector development

300+  
Initiatives across Health, Education, and Environmental sector

Plantation and maintenance for  
5+ Lakhs  
Mangroves and other trees is ongoing

MANAGEMENT DISCUSSION & ANALYSIS

# Management Discussion and Analysis

## Economic Overview

### Indian Economy

The Indian economy has shown significant resilience and growth in the fiscal year 2023-24, driven by robust policy measures and strategic investments. India's GDP growth for the fiscal year 2023-24 has been robust, with the government targeting a growth rate of around 7.6% to 7.8%. The Union Budget 2023-24, proposed a total expenditure of ₹45.03 Lakhs Crores, with a significant focus on capital expenditure, which saw a 37.4% increase from the revised estimates of 2022-23, amounting to ₹10.01 Lakhs Crores. This increase is primarily driven by higher outlays on transport infrastructure and capital loans to states. The fiscal deficit for 2023-24 is targeted at 5.9% of GDP, a reduction from the revised fiscal deficit of 6.4% in 2022-23. The revenue deficit is also targeted to decrease to 2.9% of GDP from 4.1% in the previous fiscal year.

The Indian economy is poised to maintain its robust growth trajectory, with projections indicating a growth rate of around 7% for the current fiscal year 2023-24 (FY24) and a similar pace in the following fiscal year 2024-25 (FY25). This remarkable achievement of sustaining a growth rate at or above 7% for four consecutive years post-pandemic underscores the resilience and immense potential of the Indian economy, auguring well for its future prospects.

Achieving a 7% growth rate in the current global environment, where the world economy is grappling with challenges, is qualitatively superior to attaining higher growth rates when the global economic conditions are more favorable. The global economy is currently navigating through multiple shocks in the post-COVID era, including renewed supply chain disruptions in 2024, which have impacted trade flows, transportation costs, economic output, and inflation worldwide. While India is not immune to these global disturbances, its experience in managing the COVID-19 pandemic and the energy and commodity price shocks of 2022 has provided a solid foundation for confidence in weathering emerging challenges.

Three key trends are expected to shape the Indian economy in the coming years. Firstly, the era of hyper-globalization in global manufacturing is drawing to a close, leading to an increased emphasis on onshoring and friend-shoring of production. This shift will impact transportation and logistics costs, consequently affecting the final prices of products. Secondly, the advent of Artificial Intelligence (AI) presents both opportunities and challenges. AI raises profound questions for growth in services trade and employment, as it could erode the cost competitiveness

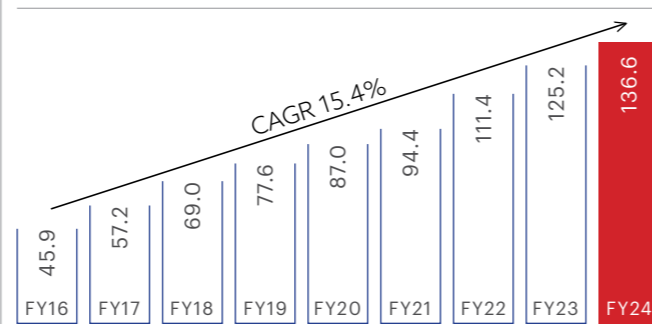
that countries exporting digital services currently enjoy. Thirdly, and arguably the most crucial, the global focus on reducing carbon emissions amidst rising temperatures has led to persistent demands for developing nations to transition from fossil fuels to greener energy sources. While there is a trade-off between economic growth and energy transition in the short term, India has managed this balance more adeptly than many other nations.

## Industry Overview

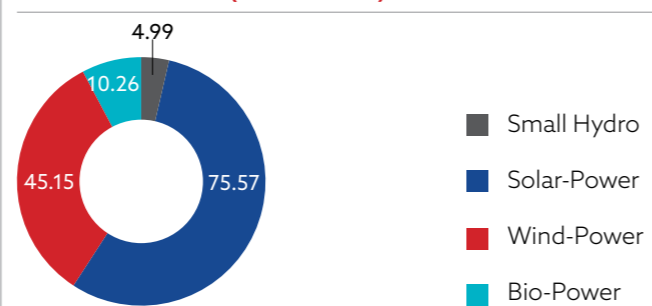
### Indian Renewable Energy Landscape

The International Energy Agency (IEA) projects a significant growth in renewable energy supply, reaching 4,550 GW globally by 2040. India, a key player in this transition, has seen its installed renewable power generation capacity grow at a compound annual growth rate (CAGR) of 15.4% from FY16 to FY23, reaching 125.15 GW by FY23. As of February 2024, 42.25% of India's total power installed capacity comes from non-fossil-based sources, surpassing the target of 40% by the end of 2022.

### Installed Renewable Energy Capacity (GW)



### Installed Renewable Capacity Breakup (GW) November 2023 (cumulative)



India aims to achieve 450 GW of installed renewable energy capacity by 2030, with over 60% (280 GW) expected from solar power. This ambitious target is projected to attract investment opportunities worth US\$ 221 Billion by 2030. Additionally, the Ministry of New and Renewable Energy (MNRE) targets 500 GW of non-fossil-based electricity generation by 2030, as announced by the Prime Minister at COP26. In 2023 alone, India added 13.5 GW of renewable energy capacity, corresponding to an investment of approximately ₹74,000 Crores (US\$ 8.90 Billion).

India's solar power capacity has seen remarkable growth, driven by private sector investment and supportive government schemes. As of December 12, 2023, India has installed 72.02 GW of solar power capacity, including ground-mounted, rooftop, hybrid, and off-grid systems. The installed solar energy capacity has increased by 26 times over the last nine years, standing at 73.32 GW as of December 2023. In 2023, India added 7.5 GW of solar power capacity, with solar power accounting for 16.9% of the total installed power capacity and 40.1% of the total installed renewable capacity by the end of December 2023.

In July 2021, MNRE approved NTPC Renewable Energy to build a 4,750 MW renewable energy park at the Rann of Kutch in Khavada, Gujarat, which will be India's largest solar park. Additionally, the world's largest floating 600 MW solar energy project is set to be constructed at the Omkareshwar Dam in Madhya Pradesh, with an estimated cost of ₹3,000 Crores (US\$ 3.84 Billion). The Government of India is also implementing the Production Linked Incentive (PLI) Scheme for High Efficiency Solar PV Modules, aiming to achieve gigawatt-scale manufacturing capacity.

India's wind energy sector has also seen substantial growth, with a cumulative installed capacity of 43.20 GW as of May 30, 2023. The National Wind-Solar Hybrid Policy, announced in 2018, promotes large grid-connected wind-solar PV hybrid systems to efficiently utilize transmission infrastructure and land. This policy addresses the intermittency challenge of renewable power by combining solar and wind energy, achieving better grid stability. The policy allows flexibility in the share of wind and solar components in hybrid projects, provided that the capacity of one resource is at least 25% of the rated power capacity of the other resource.

Renewables are expected to comprise 49% of India's power generation by 2040. The 2023-24 budget provided a significant push for pumped storage projects, with a detailed framework to be formulated. Solar and wind energy currently contribute more than 50% of the total renewable capacity in the country. As of January 2024, the contribution of renewable energy to the total installed capacity has increased from 12.92% in 2013-14 to 42.25%. Replacing coal plants with renewable sources is expected to save India ₹54,000 Crores (US\$ 8.4 Billion) annually due to reduced power costs.

Off-grid renewable power capacity has also increased, with significant contributions from solar power. By December 2023, India had installed 72.02 GW of solar power capacity, including various off-grid systems. Additionally, about 5,000 compressed biogas plants are planned to be set up across India by 2023, further diversifying the renewable energy landscape.

India's renewable energy landscape is rapidly evolving, driven by ambitious targets, substantial investments, and supportive policies. The country's focus on solar and wind energy, along with innovative hybrid systems and off-grid solutions, positions it as a global leader in the transition to clean energy. With continued efforts and strategic initiatives, India is well on its way to achieving its renewable energy goals and contributing significantly to global sustainability efforts.

### Indian Wind Energy Sector

India's wind energy sector is a vital part of its renewable energy landscape, significantly contributing to the country's climate goals and economic growth. The sector has seen substantial progress, driven by supportive government policies, public-private partnerships, and advancements in manufacturing capabilities. However, several challenges need to be addressed to fully harness the potential of wind energy in India.

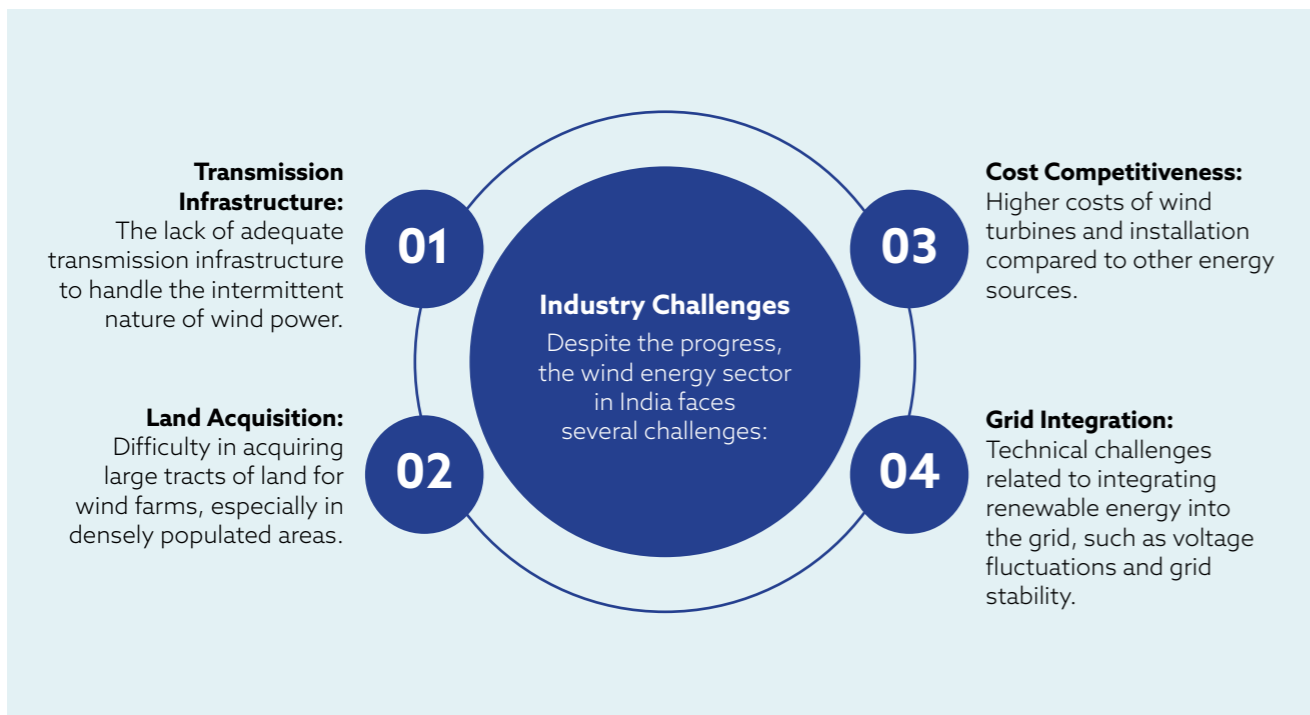
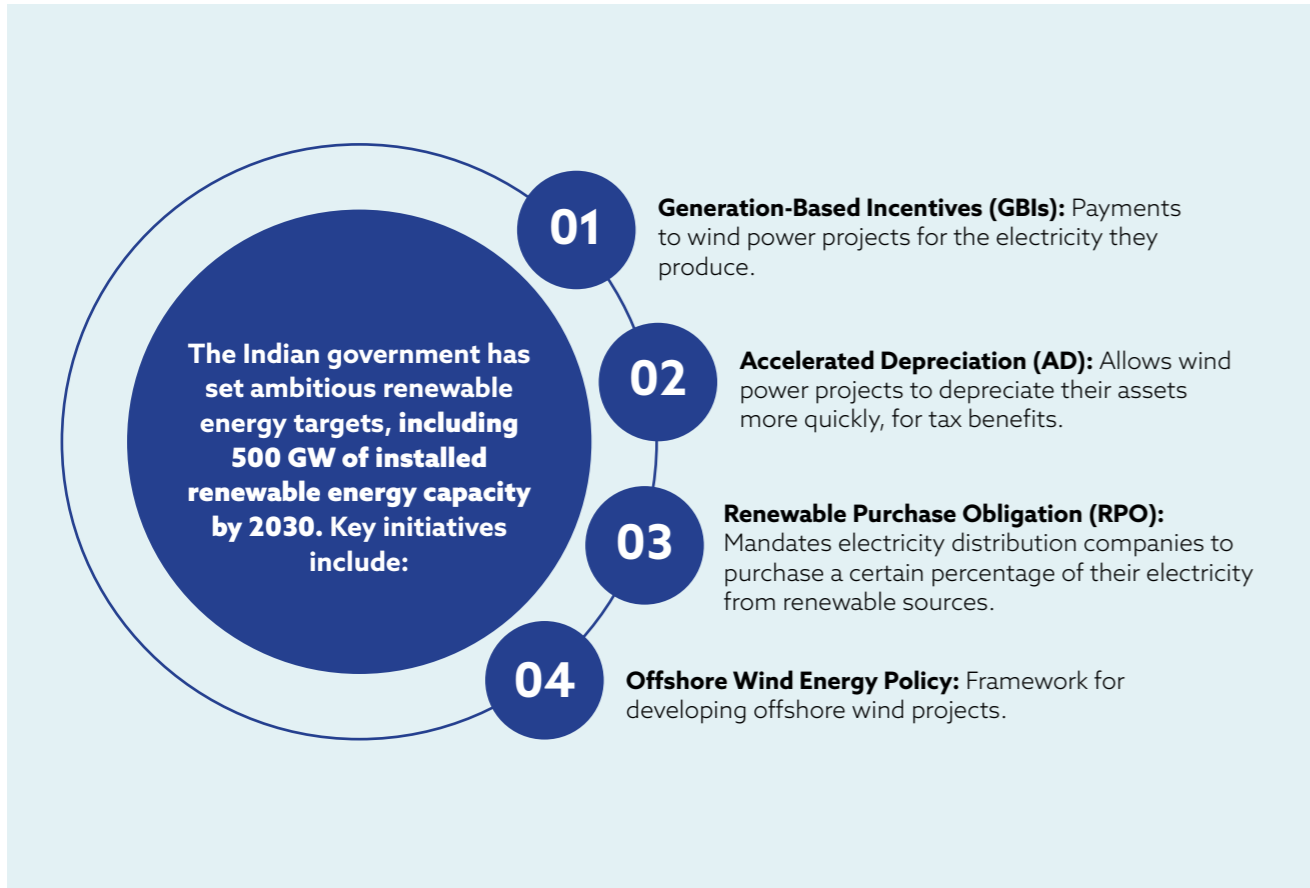
India is the fourth-largest country in terms of renewable energy capacity, with 42% of its total energy capacity coming from non-fossil fuel sources as well as the fourth-largest in terms of wind and solar installed capacity. As of November 2023, India had installed 45.15 GW of wind energy capacity, with a target to reach 140 GW by 2030. The country has an estimated 214 GW of onshore wind energy potential and significant opportunities for offshore wind energy, particularly along its 7,600 km coastline.

### National Repowering & Life Extension Policy for Wind Power Projects

The Ministry of New and Renewable Energy has issued a revised "National Repowering & Life Extension Policy for Wind Power Projects - 2023" to optimize the utilization of wind energy resources in India. This policy supersedes the previous 2016 policy and aims to enable repowering or replacement of older wind turbines with newer, more efficient models, as well as refurbishment for life extension. The policy applies to wind turbines that are non-compliant with quality control orders, have completed their design life, have a rated capacity below 2 MW, or are over 15 years old. It introduces two categories of repowering projects: standalone projects owned by a single entity and aggregation projects with multiple owners. The policy outlines implementation arrangements, including the roles of State and Central Nodal Agencies, and establishes a Wind Repowering Committee to monitor progress and recommend interventions. It also addresses power purchase arrangements, offering flexibility for selling additional generated power and providing incentives such as loans and interest rate rebates for repowering projects.



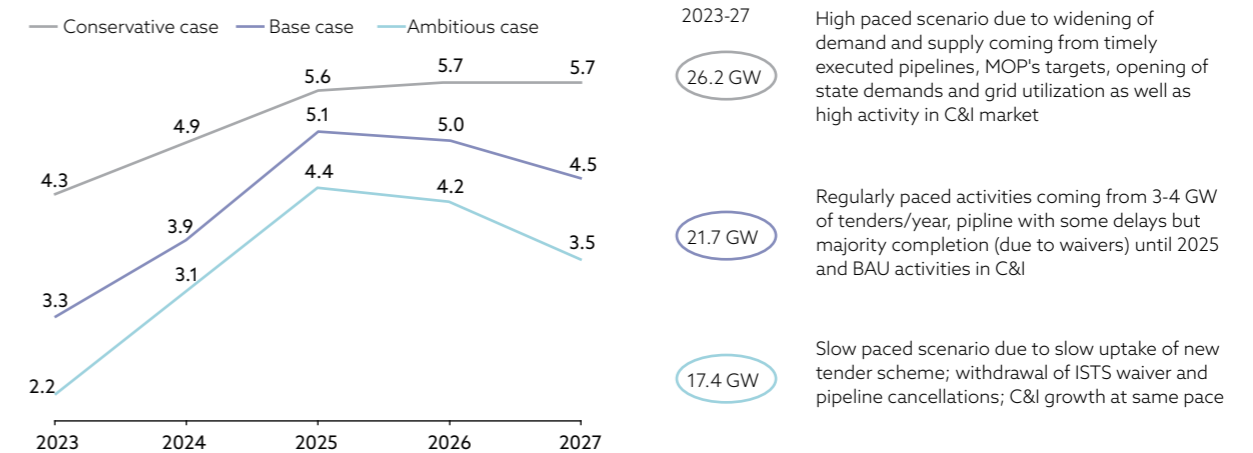
**MANAGEMENT DISCUSSION & ANALYSIS (CONTD.)**



India's wind energy sector holds significant potential for growth, driven by supportive policies and increasing demand for renewable energy. However, achieving the ambitious targets will require addressing infrastructure challenges, fostering innovation, and creating a conducive

policy environment. With the right measures, India can become a global hub for wind energy manufacturing and exports, contributing to its economic growth and clean energy transition.

**Indian Wind Energy Installations Outlook (In GW)**



Source: GWEC

**Hybrid Renewable Energy Projects**

Hybrid energy projects, which combine two or more renewable power sources such as solar and wind, are designed to mitigate the inconsistencies inherent in single-source renewable energy systems and provide a more stable power supply. The wind-solar hybrid model has gained significant traction in India, particularly following the introduction of the National Wind-Solar Hybrid Policy in 2018. This policy aims to promote the development of large-scale grid-connected wind-solar PV hybrid systems, optimizing the use of transmission infrastructure and land.

The market response to hybrid tenders has been robust, with many major players leading the charge. As of now, more than 12.3 GW of collocated tenders have been issued, with many active participants. Notably, wind-solar hybrid projects with a combined capacity of 1,440 MW are currently under implementation in Rajasthan and Tamil Nadu.

The hybrid approach leverages the complementary nature of solar and wind energy. Solar power generation peaks during the day, while wind power generation is typically higher during the night and early morning. This complementary generation profile helps in providing a more consistent power output, reducing the variability and enhancing grid stability. Additionally, the integration of battery storage systems in hybrid projects can further smooth out power supply, ensuring firm power availability during specific periods.

Source: GWEC

**Company Overview**

KP Energy Limited is a leading player in the wind energy sector, carving out a unique position by providing advanced Balance of Plant (BOP) solutions that promote the sustainable development of large utility-scale wind farms. The Company is involved in the entire life cycle of wind farm development, from project conceptualization to commissioning and ongoing maintenance. Based in Gujarat, India, KP Energy offers a full range of services, including site identification, site preparation, construction, erection, power evacuation, and operations and maintenance.

With a strong focus on sustainability, KP Energy coordinates various activities essential for the development of utility-scale wind farms. By integrating these activities seamlessly, the Company offers turnkey solutions to its clients. This comprehensive approach allows KP Energy to transform the renewable energy landscape and support a greener future.



## MANAGEMENT DISCUSSION & ANALYSIS (CONTD.)

### Business Model

KP Energy has strategically organized its operations into three key segments, each crucial to its goal of becoming a leading player in India's wind energy sector.

**1. Project-Based Revenue: Engineering, Procurement, Construction, and Commissioning (EPCC):**

This segment covers the comprehensive development of wind farms. KP Energy handles everything from site identification to construction and erection, ensuring smooth project execution and successful commissioning.

**2. Annuity-Based Revenue: Operations and Maintenance (O&M):**

Recognizing the importance of ongoing support, KP Energy's O&M segment focuses on the efficient management and maintenance of wind energy Balance of Plant (BOP). This ensures the reliability and long-term performance of the wind farms.

**3. Annuity-Based Revenue: Independent Power Producers (IPP):**

As an IPP, KP Energy not only develops and operates wind energy projects but also contributes to India's renewable energy capacity. By generating clean energy, the Company supports the country's transition to sustainable power sources.

These three segments are integral to KP Energy's business strategy. By combining their expertise and creating synergies, the Company has positioned itself as a comprehensive service provider in the development of utility-scale wind farms. With a strong emphasis on innovation and sustainability, KP Energy continues to drive growth and make significant contributions to the Indian wind energy market.

### Business Performance Discussion

KP Energy has delivered remarkable financial performance in recent years, setting new benchmarks across key performance indicators. The Company witnessed a substantial increase in its top line, with Revenue from Operations soaring to ₹ 472.9 Crores in FY24, an 8% year-on-year growth from ₹ 437.8 Crores in the previous financial year. Even more impressive was the enhancement in profitability, with EBITDA margins rising from 16.2% in FY23 to an impressive 18.2% in FY24.

Consequently, the Company's Profit After Tax reached an all-time high of ₹ 58.3 Crores, marking a remarkable 33% increase over the previous year's ₹ 43.9 Crores.

This strong financial performance was driven by robust project execution and increased operational efficiency. KP Energy has successfully energized wind energy projects totaling 829.5 MW, including CTU and STU projects. The Company's continued focus on leveraging technology to streamline operations and enhance project delivery timelines has been a key contributor to its success.

### Key Financial Ratios

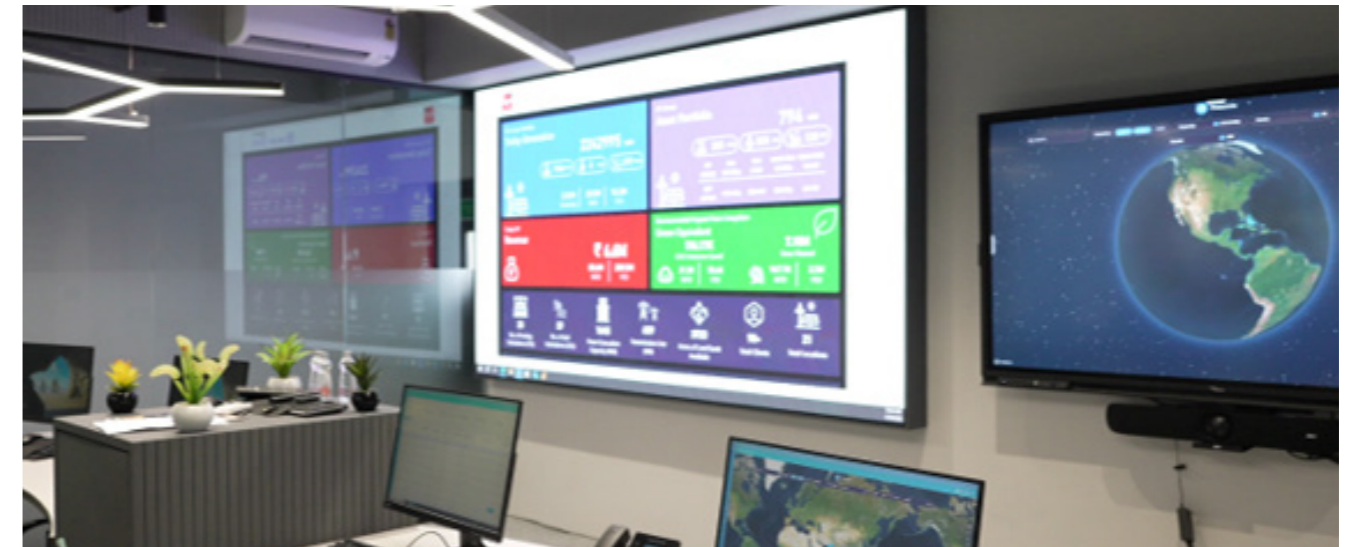
Ratios	FY24	FY23	Variation (in %)	Comments if variance is more than 25%
Debtors Turnover	3.05	11.03	-72.35%	The Quarter 4 reflected larger sales considering that the execution of certain major orders commenced during Q4FY24.
Inventory Turnover	3.16	3.33	-5.19%	-
Interest Coverage Ratio	9.25	21.18	-56.33%	We have bagged major order from large PSU having longer payment terms thereby increased temporary working capital requirement.
Current Ratio	1.38	1.22	13.11%	-
Debt Equity Ratio	0.54	0.32	72.36%	Debt Equity Ratio has significantly increased due to 50% of the loan pertaining to the 10MW IPP plant being availed during the current year.
Operating Profit Margin (%)	18.16%	16.22%	11.95%	-
Net Profit Margin (%)	12.33%	10.03%	22.96%	-
Return of Equity	31.62	34.46	-8.25%	-

### Technology Initiatives

KP Energy has recently undertaken several technological initiatives to enhance its operational efficiency and project execution capabilities. Recognizing the rapid pace of technological advancement and its potential

to significantly improve organizational efficiencies, KP Energy has proactively embraced these advancements to optimize its operations.

One of the key initiatives is the investment in a Centralized Network Operations Center (NOC) system.



This KP NOC serves as a centralized monitoring station for KP Group's assets, which are spread across more than 25 geographically diverse locations. The NOC utilizes the latest cloud-based systems for data monitoring, enabling centralized data capture and display from all locations. This system features fault management, real-time monitoring, fault detection, and response capabilities, ensuring that any issues are promptly identified and addressed. Additionally, the NOC aids in asset management, inventory control, and warranty management, ensuring that all hardware, software, and spare parts are efficiently managed. The centralized monitoring system has been instrumental in meeting the generation guarantee for the plant, achieving a 100% success rate so far.

KPEL has also successfully integrated Windcube LIDAR (Light Detection and Ranging) technology to enhance its wind resource assessment and analysis capabilities. This advanced technology is pivotal for precise evaluation of site suitability, calibration, and power curve measurements. Windcube LIDAR provides several unique features that contribute significantly to the evolution of operational continuity in wind assessments, including High-Resolution Data Collection, Enhanced Site Suitability Analysis, Improved Calibration, Robust Power Curve Measurements, Advanced Data Analytics and Versatile Wind Data Exploration.

In addition to the NOC and LIDAR technology initiatives, KP Energy has integrated SAP Business One into its operations. This comprehensive software solution spans various functions, including financial management, sales and customer management, purchasing and inventory control, production planning, business intelligence, analytics, and reporting. The implementation of SAP Business One is designed to refine processes, provide deeper insights into business operations, and facilitate swift decision-making based on real-time information. This integration empowers KP Energy to steer growth that is both sustainable and profitable, enhancing overall operational effectiveness.

Furthermore, KP Energy has adopted the Keka platform for its human resource management. This platform enhances the management of human resources by offering features such as leave management, attendance tracking, performance evaluation, and expense

monitoring. By leveraging Keka, KP Energy aims to drive operational excellence and foster an environment of continuous improvement. The platform's capabilities in automating and streamlining HR processes help in improving data accuracy, ensuring legal compliance, and enhancing communication between HR, managers, and employees.

These technological initiatives underscore KP Energy's commitment to leveraging advanced technologies to optimize its operations, enhance efficiency, and ensure sustainable growth.

### Outlook




With the growing installation of wind and hybrid energy projects and the enhancement of its capabilities, KP Energy's outlook for its core Engineering, Procurement, Construction, and Commissioning (EPCC) business segment remains optimistic. This positive outlook is further reinforced by the Company's robust project pipeline, with projects in hand totaling 1,012.65 MW. The ambitious renewable energy targets set by the Indian government, aiming for 500 GW of installed renewable energy capacity by 2030, also bolsters this outlook.

KP Energy's strategic focus extends beyond its core EPCC business to include significant investments in its Independent Power Producer (IPP) segment. Building on the initial success of its 19.9 MW renewable energy capacity, which includes an 8.4 MW wind energy portfolio and an 11.5 MW solar portfolio, the Company has placed an order for wind turbines with a capacity of 30.1 MW to be developed at the Vagra site in Bharuch district. This expansion will bring the cumulative installed capacity to ~50 MW.

Looking ahead, KP Energy has outlined a strategic roadmap to further solidify its position in the IPP segment, capitalizing on the significant growth potential in the renewable energy market. This strategic initiative is expected to pave the way for sustained long-term profitability. Additionally, the Company's Operations and Maintenance (O&M) business is set to grow in tandem with the expansion of the EPCC segment. This integrated growth strategy ensures comprehensive support for KP Energy's wind energy projects, enhancing operational efficiency and maximizing their long-term value.

## MANAGEMENT DISCUSSION & ANALYSIS (CONTD.)

### Risks and Concerns

Type of risk	Impact	Mitigation strategies
 <p><b>Regulatory risk</b></p>	<p>As a part of the dynamic renewable energy industry, we operate within a regulated space that is subject to government and regulatory policies. Changes or amendments in wind energy policies or power evacuation facilities can potentially impact our industry's performance, including our operations. Adverse alterations to the regulatory framework may disrupt the stability and predictability of our business, necessitating agile adaptability to mitigate potential challenges.</p>	<p><b>Constant monitoring and engagement:</b> We maintain a proactive approach by closely monitoring government and regulatory developments. This enables us to anticipate and adapt to potential changes in the wind energy policy landscape. We actively engage with relevant stakeholders, participate in industry associations, and provide constructive feedback to help shape favourable regulatory frameworks.</p>
 <p><b>Business vulnerability</b></p>	<p>Our revenue streams are closely tied to capital expenditures in the wind energy sector, primarily driven by Independent Power Producers (IPP) and Captive Power Producers (CPP). Therefore, fluctuations in the capital expenditure scenario and cycle, such as reduced investments by either IPPs or CPPs, have the potential to adversely affect our financial performance. We acknowledge the need to proactively manage and mitigate business risks associated with the capital expenditure dynamics to ensure sustainable growth.</p>	<ul style="list-style-type: none"> <li>• <b>Strengthening customer relationships:</b> We focus on fostering long-term relationships with Independent Power Producers (IPP) and Captive Power Producers (CPP). By building strong partnerships and delivering value-added services, we aim to enhance customer loyalty and retain a stable base of customers who are committed to ongoing capital expenditures.</li> <li>• <b>Diversification of revenue streams:</b> We actively explore opportunities to diversify our revenue streams within the wind energy sector. This involves expanding our services to include project development, and operations and maintenance, or power generation as an IPP. By diversifying our revenue sources, we reduce our reliance on a single revenue stream and enhance our resilience to potential fluctuations in the capital expenditure cycle.</li> </ul>
 <p><b>Project development risk</b></p>	<p>The process of project development entails various risks, ranging from obtaining building permits and acquiring suitable land to managing logistics and Right-of-Way (RoW) challenges. These uncertainties expose our business to potential project delays, cancellations, or write-offs, which can significantly impact profitability. Furthermore, project delays often lead to cost overruns, further exacerbating the potential impact on our financial performance. We remain committed to diligently addressing project development risks and implementing robust strategies to minimise their potential consequences.</p>	<ul style="list-style-type: none"> <li>• <b>Robust risk assessment and management:</b> We conduct thorough risk assessments for each project, identifying potential risks and developing mitigation plans. This includes early identification of potential challenges related to building permits, land acquisitions, logistics, and Right-of-Way (RoW). By proactively addressing these risks, we aim to minimise the likelihood of project delays, cancellations, or write-offs.</li> <li>• <b>Strengthening project planning and execution:</b> We continuously enhance our project planning and execution capabilities to ensure efficient and timely delivery. This includes conducting comprehensive feasibility studies, optimising project timelines, and establishing effective project management processes. By improving project planning and execution, we aim to reduce the likelihood of cost overruns and mitigate the potential impact on profitability.</li> <li>• <b>Collaboration and partnerships:</b> We actively collaborate with relevant stakeholders, including local authorities, communities, and suppliers, to streamline project development processes. By fostering strong partnerships and maintaining open communication channels, we aim to address project development uncertainties more effectively and minimise potential roadblocks.</li> </ul>

### Internal Control Systems and their Adequacies

The Company maintains robust internal control systems that are appropriate for its size and nature of business. These systems are designed to ensure the safeguarding of assets and prevent unauthorized use or disposition. They also ensure that all transactions are properly authorized, accurately recorded, and reported in accordance with the Company's policies and procedures. The adequacy of the internal control systems has been reviewed by the Audit Committee and management, resulting in necessary improvements being implemented to enhance their effectiveness.

### Human Resource Development and Employee Relations

Recognizing that our employees are our most valuable asset and the driving force behind our growth; we believe that the success of our Company is closely linked to the success of our workforce. Therefore, we are committed to investing in their development and establishing ourselves as a preferred employer in the market. Guided by our core values of teamwork, trust, and action, we are dedicated to maintaining strong relationships with our employees.

We are proud to have earned the 'Great Place to Work' certification, which validates our focus on creating an excellent work culture, promoting employee growth, and ensuring a great workplace environment. Throughout the year, we foster a culture of collaboration and mutual respect, which promotes healthy and harmonious employee relations at all levels. We organize events like the 'Beyond Boundaries' award ceremony to recognize and celebrate outstanding employee performance across various domains. As of March 31, 2024, our Company employs 289 permanent employees at the consolidated level, including those within our subsidiary and associate.

### Cautionary Statement

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



# Corporate Information

## BOARD OF DIRECTORS

**Dr. Faruk G. Patel**

Managing Director

**Mr. Affan Faruk Patel**

Whole Time Director

**Mr. Amitkumar Khandelwal**

Whole Time Director

**Mrs. Bhadrabala D. Joshi**

Chairperson and Non-Executive Non-Independent Director

**Mr. Bhupendra Vadilal Shah**

Non-Executive Non-Independent Director

**Mrs. Venu Birappa**

Non-Executive Non-Independent Director

**Dr. Neethimani Karunamoorthy**

Non-Executive Independent Director

**Mr. Rajendra Kundanlal Desai**

Non-Executive Independent Director

**Mr. Dukhabandhu Rath**

Non-Executive Independent Director

**Mrs. Harsha Koradia**

Non-Executive Independent Director

## KEY MANAGERIAL PERSONNEL

**Mrs. Shabana Bajari**

Chief Financial Officer

**Mr. Karmit Sheth**

Company Secretary & Compliance Officer

## STATUTORY AUDITOR

**M/s. MAAK and Associates**

Chartered Accountants

## INTERNAL AUDITOR

**M/s. RHA & Co.**

Chartered Accountants

## SECRETARIAL AUDITOR

**M/s. Chirag Shah & Associates**

Company Secretaries

## COST AUDITOR

**M/s. Nanty Shah & Associates**

Cost Accountants

## REGISTERED OFFICE

'KP House', Opp. Ishwar Farm Junction BRTS,  
Near Bliss IVF Circle, Canal Road,  
Bharat, Surat - 395017, Gujarat.

CIN: L40100GJ2010PLC059169

Tel/Fax: +91 261-2234757

E-mail: [info@kpenergy.in](mailto:info@kpenergy.in)

Website: [www.kpenergy.in](http://www.kpenergy.in)

## AUDIT COMMITTEE

Mr. Rajendra Kundanlal Desai

Dr. Faruk G. Patel

Dr. Neethimani Karunamoorthy

## NOMINATION AND REMUNERATION COMMITTEE

Mr. Rajendra Kundanlal Desai

Mrs. Bhadrabala D. Joshi

Dr. Neethimani Karunamoorthy

## STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. Rajendra Kundanlal Desai

Mr. Affan Faruk Patel

Dr. Neethimani Karunamoorthy

## RISK MANAGEMENT COMMITTEE

Dr. Faruk G. Patel

Mr. Affan Faruk Patel

Mr. Rajendra Kundanlal Desai

Mrs. Venu Birappa

## CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Rajendra Kundanlal Desai

Dr. Faruk G. Patel

Mr. Affan Faruk Patel

## REGISTRAR AND TRANSFER AGENT

**Bigshare Services Private Limited**

Reg. Office: Pinnacle Business Park,  
Office No. S6-2, 6<sup>th</sup> Floor, Mahakali Caves Road,  
Next to Ahura Centre, Andheri East,  
Mumbai - 400093, Maharashtra.

Telephone: +91 22-62638200

Fax: +91 22-62638299

E-mail: [info@bigshareonline.com](mailto:info@bigshareonline.com)

Website: [www.bigshareonline.com](http://www.bigshareonline.com)

# Notice

**NOTICE** is hereby given that the **Fifteen (15<sup>th</sup>) Annual General Meeting** ('AGM') of K.P. Energy Limited (the 'Company') will be held on **Thursday, 26<sup>th</sup> day of September 2024 at 3:00 p.m. IST** through Video Conference ('VC')/Other Audio-Visual Means ('OAVM'), to transact the following businesses. The venue of the meeting shall be deemed to be the Registered Office of the Company at 'KP House', Opp. Ishwar Farm Junction BRTS, Near Bliss IVF Circle, Canal Road, Bhatar, Surat - 395017, Gujarat.

## ORDINARY BUSINESS:

1. To receive, consider and adopt the:
  - a. audited standalone financial statements of the Company for the financial year ended March 31, 2024, together with the Reports of the Board of Directors and the Auditors thereon; and
  - b. audited consolidated financial statements of the Company for the financial year ended March 31, 2024, together with the Report of the Auditors thereon.
2. To confirm the payment of interim dividends of 5% and 4% aggregating to 9% which is Re. 0.45/- per equity share of ₹5/- each, which has already been paid to the shareholders within prescribed timeline in the financial year 2023-24.
3. To declare the final dividend at 2% i.e. Re. 0.10 (Ten Paise only) per equity share of ₹5/- each for the financial year 2023-24.
4. To appoint a Director in place of Mr. Affan Faruk Patel (DIN: 08576337), who retires by rotation and being eligible, offers himself for re-appointment.

**"RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions and rules made thereunder, if any, of the Companies Act, 2013 (including any statutory modification (s) or re-enactment(s) thereof, for the time being in force), Mr. Affan Faruk Patel (DIN: 08576337), who retires by rotation, and being eligible, seeks re-appointment, be and is hereby re-appointed as a Director, liable to retire by rotation.

5. To appoint a Director in place of Mrs. Venu Birappa (DIN: 09123017), who retires by rotation and being eligible, offers herself for re-appointment.

**"RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions and rules made thereunder, if any, of the Companies Act, 2013 (including any statutory modification (s) or re-enactment(s) thereof, for the time being in force), Mrs. Venu Birappa (DIN: 09123017), who retires by rotation, and being eligible, seeks re-appointment, be and is hereby re-appointed as a Director, liable to retire by rotation.

## SPECIAL BUSINESS:

6. **Re-appointment of Dr. Faruk G. Patel (DIN: 00414045) as Managing Director of the Company for period of five years:**

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

**"RESOLVED THAT** in accordance with the provisions of Sections 196, 197, 198, 203, Schedule V and other applicable provisions of the Companies Act, 2013 ('the Act') and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and also subject to approval of the Central Government, if required, the Company hereby accords its approval to the re-appointment of Dr. Faruk G. Patel (DIN: 00414045) as Managing Director of the Company, not liable to retire by rotation, for a period of 5 (five) years w.e.f. July 15, 2025 to July 14, 2030 on the terms and conditions including terms of remuneration as set out in the explanatory statement attached hereto and forming part of this notice with full liberty to the Board of Directors (hereinafter referred to as the "Board" which shall be deemed to include the Nomination and Remuneration Committee of the Board) to revise/alter/modify/amend/change the terms and conditions as may be agreed by and between the Board and Dr. Faruk G. Patel within the applicable provisions of the Act without any further reference to the Company in General Meeting.

**RESOLVED FURTHER THAT** the remuneration payable to Dr. Faruk G. Patel, on the terms and conditions as set out in the explanatory statement attached hereto, in any financial year may exceed the limits specified in Section 197 and Schedule V of the Act and SEBI Listing Regulations; and in the event of inadequacy or absence of profits under Section 197 and all other applicable provisions of the Act in any financial year or years during the duration of his term of office, the remuneration comprising Basic salary, perquisites and allowances and benefits, as approved herein be paid as minimum remuneration to Dr. Faruk G. Patel and the approval accorded herein shall also be deemed to be the approval by way of special



resolution as contemplated under Section 197(10) read with Schedule V of the Act and/or Regulation 17 of the SEBI Listing Regulations, as may be applicable.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to vary and/or revise the terms and Conditions of the remuneration as it may deem fit, pursuant to Section II of Part II of Schedule V to the Companies Act, 2013 (including any Statutory modification or re-enactment thereof, for the time being in force), which is payable to Dr. Faruk G. Patel, without being required to seek any further consent or approval of the shareholders of the Company and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

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

**7. Continuation of directorship by Mr. Bhupendra Vadilal Shah (DIN: 06359909) as a Non-Executive Director of the Company:**

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

**"RESOLVED THAT** pursuant to Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force) and other applicable laws, if any, consent of the shareholders of the Company be and is hereby accorded for continuation of directorship by Mr. Bhupendra Vadilal Shah (DIN: 06359909) as a Non-Executive Non-Independent Director of the Company, notwithstanding that he will attain age of 75 (Seventy-Five) years, liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board of Directors of the Company, be and are hereby authorised to settle any question, difficulty, or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient, and desirable for the purpose of giving effect to this resolution and for matters concerned or incidental thereto".

**8. Payment of commission to Non-Executive Director(s) including Independent Director(s) of the Company:**

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

**"RESOLVED THAT** pursuant to the provisions of Section 197 and other applicable provisions, if any, of the Companies Act, 2013 ('Act') read with rules made

thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the provisions of the Memorandum and Articles of Association, consent of the shareholders of the Company be and is hereby accorded to the Board of Directors of the Company for payment of commission to the Non-Executive Director(s) including Independent Director(s) of the Company who is/are neither in the whole time employment nor Managing Director, in addition to sitting fees being paid to them for attending the meeting of the Board and its Committees, a sum not exceeding 1% of the net profits of the Company per annum, calculated in accordance with the provisions of Section 198 of the Act, for a period of three years from the financial year commencing from April 1, 2024, in such manner and up to such extent as the Board of Directors of the Company may, from time to time, determine.

**RESOLVED FURTHER THAT** notwithstanding anything contained to the contrary in the Companies Act, 2013, wherein any financial year the Company has no profits or has inadequate profit, the non-executive directors(s) including Independent Director(s) be paid minimum remuneration or such remuneration as may be approved by the Board within the ceiling prescribed under Schedule V of the Companies Act, 2013 or any modification or re-enactment thereof at relevant time, without any further reference to the Company in General Meeting.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorized to take all actions and do all such deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard."

**9. Increase in borrowing powers of the Company:**

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

**"RESOLVED THAT** pursuant to the provisions of Section 179, 180(1)(c) and other applicable provisions and the Rules framed thereunder, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof, for the time being in force), on the recommendation of the Board of Directors, the consent of the shareholders of the Company be and is hereby accorded to borrow money, as and when required, from time to time any sum or sums of money for the purpose of the business of the Company, from any Bank and/or other Financial Institution and/or any lender and/or any body corporate/entity/entities and/or authority/authorities whether from India or outside India, either in rupees or in such other foreign currencies as may be permitted by law from time to time, as may be deemed appropriate by the Board, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) may, at any time, exceed the aggregate of

its paid-up share capital, free reserves and securities premium, that is to say reserves not set apart for any specific purpose, provided that the total amount so borrowed by the Board of Directors shall not at any time exceed the limit upto ₹ 2000 Crores (Rupees Two Thousand Crores Only).

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed proper, desirable and expedient in its absolute discretion and as may be deemed necessary in this regard and to give, from time to time, such directions as may be necessary, expedient, usual or proper as the Board in its absolute discretion may think fit.”

**10. Increase in limits for selling, leasing or otherwise disposing of the whole or substantially whole of the undertaking and/or Creating Charge/Security over the Assets/Undertaking of the Company:**

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

**“RESOLVED THAT** pursuant to the provisions of Section 179 and 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 (the ‘Act’) read with the Companies (Meetings of Board and its Powers) Rules, 2014 including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, on the recommendation of the Board of Directors (hereinafter referred to as ‘the Board’ which term shall be deemed to include any Committee of the Board), consent of the shareholders be and is hereby accorded to the Board of Directors of the Company for (i) selling, leasing or otherwise disposing of the whole or substantially whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings; (ii) creation of charge/mortgage/pledge/hypothecation/security in addition to existing charge/mortgage/pledge/hypothecation/security, in such form and manner and with such ranking and at such time and on such terms as the Board may determine, on all or any of the moveable and/or immovable properties, tangible or intangible assets of the Company, both present and future of every nature and kind whatsoever and/or the whole or any part of the undertaking(s) of the Company, as the case may be in favour of banks and/or non-banking financial companies and/or financial institutions and/or any body corporate/entity/entities and/or other lender(s), Agent(s) and Trustee(s), whether from India or outside India, for securing the borrowings of the Company availed/to be availed by way of loan(s) (in foreign currency and/or rupee currency) and securities in the nature of debt securities issued/to be issued by the Company (comprising fully/partly convertible debentures and/or non-convertible debentures with or without detachable or non-detachable warrants and/or secured premium notes and/or floating rate notes/bonds or other debt instruments) (hereinafter termed ‘loans’), from time to time, provided that the total amount of Sale and/or lease consideration/

indebtedness secured by the assets shall not at any time exceed ₹ 2000 Crore (Rupees Two Thousand Crore Only).

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed proper, desirable and expedient in its absolute discretion and as may be deemed necessary in this regard and to give, from time to time, such directions as may be necessary, expedient, usual or proper as the Board in its absolute discretion may think fit.”

**11. Increase in the Limits of Loans and Investments by the Company:**

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

**“RESOLVED THAT** pursuant to the provisions of Section 179, 186 of the Companies Act, 2013, read with Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions and the Rules framed thereunder, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the shareholders be and is hereby accorded to the Board of Directors of the Company to (a) give any loan to any person or other body corporate; (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, as it may in its absolute discretion deem beneficial and in the interest of the Company, subject to however that the aggregate of the loans and investments so far made in and the amount for which guarantees or securities have so far been provided to all persons or bodies corporate along with the additional investments, loans, guarantees or securities proposed to be made or given or provided by the Company, from time to time, in future, shall not exceed a sum of ₹ 2000 Crore (Rupees Two Thousand Crore Only) over and above the limit of 60% of the paid-up share capital, free reserves, and securities premium account of the Company or 100% of free reserves and securities premium account of the Company, whichever is more, as prescribed under Section 186 of the Companies Act, 2013.

**RESOLVED FURTHER THAT** in terms of the provisions of Section 186 of the Act, where a loan or guarantee is given or where a security has been provided by the Company to its wholly owned subsidiary Company or a joint venture Company, or acquisition is made by the Company, by way of subscription, purchase or otherwise, of the securities of its wholly owned subsidiary Company, the aforementioned limits shall not apply.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to settle all questions, difficulties or doubts that may arise in this regard, as they may in their sole and absolute discretion deem fit, file requisite

forms with the regulatory authorities and do all such acts, deeds, matters and things as may be considered necessary and appropriate and to delegate all or any of its powers herein conferred to any authorized person(s) to give effect to this resolution.”

**12. Approval of Material Related Party Transactions with KPI Green Energy Limited:**

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

**“RESOLVED THAT** pursuant to the provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘SEBI Listing Regulations’) and section 188 of the Companies Act, 2013, and other applicable provisions and the Rules framed thereunder, if any, (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force), the Company’s Policy on Materiality of and Dealing with Related Party Transactions, and subject to such approval(s), consent(s), permission(s) as may be necessary from time to time and based on the approval/recommendation of the Audit Committee and the Board of Directors of the Company, approval of the shareholders be and is hereby accorded for entering into and/or carrying out and/or continuing with existing contracts/arrangements/transactions or modification(s) of earlier arrangements/transactions or as fresh and independent transaction(s) or otherwise (whether individually or series of transaction(s) taken together or otherwise) with **KPI Green Energy Limited**, a commonly controlled group Company, falling within the definition of ‘Related Party Transaction’ under Regulation 2(1)(zc) of the SEBI Listing Regulations, as detailed in the explanatory statement to this Resolution, on such material terms and conditions as mentioned therein and as may be mutually agreed between the parties, notwithstanding the fact that the aggregate value of all these transaction(s), whether undertaken directly by the Company or along with its subsidiary(ies), may exceed the prescribed thresholds as per the provisions of SEBI Listing Regulations as applicable from time to time, provided, however, that the said contract(s)/arrangement(s)/transaction(s) shall be carried out at an arm’s length basis and in the ordinary course of business of the Company.

**RESOLVED FURTHER THAT** that the Board of Directors of the Company (including any Committee thereof) be authorised to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion, with power to alter and vary the terms and conditions of such contracts/arrangements/transactions, and to take all such steps as may be required to give effect to this Resolution without being required to seek further consent or approval of the shareholders or otherwise to the end and intent that the shareholders shall be deemed to have given their approval thereto expressly by the authority of this Resolution.”

**13. Approval of Material Related Party Transactions with KP Green Engineering Limited (formerly known as K P Buildcon Private Limited):**

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

**“RESOLVED THAT** pursuant to the provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘SEBI Listing Regulations’) and section 188 of the Companies Act, 2013, and other applicable provisions and the Rules framed thereunder, if any, (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force), the Company’s Policy on Materiality of and Dealing with Related Party Transactions, and subject to such approval(s), consent(s), permission(s) as may be necessary from time to time and based on the approval/recommendation of the Audit Committee and the Board of Directors of the Company, approval of the shareholders be and is hereby accorded for entering into and/or carrying out and/or continuing with existing contracts/arrangements/transactions or modification(s) of earlier arrangements/transactions or as fresh and independent transaction(s) or otherwise (whether individually or series of transaction(s) taken together or otherwise) with KP Green Engineering Limited (formerly known as K P Buildcon Private Limited), a commonly controlled group Company, falling within the definition of ‘Related Party Transaction’ under Regulation 2(1)(zc) of the SEBI Listing Regulations, as detailed in the explanatory statement to this Resolution, on such material terms and conditions as mentioned therein and as may be mutually agreed between the parties, notwithstanding the fact that the aggregate value of all these transaction(s), whether undertaken directly by the Company or along with its subsidiary(ies), may exceed the prescribed thresholds as per the provisions of SEBI Listing Regulations as applicable from time to time, provided, however, that the said contract(s)/arrangement(s)/transaction(s) shall be carried out at an arm’s length basis and in the ordinary course of business of the Company.

**RESOLVED FURTHER THAT** that the Board of Directors of the Company (including any Committee thereof) be authorised to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion, with power to alter and vary the terms and conditions of such contracts/arrangements/transactions, and to take all such steps as may be required to give effect to this Resolution without being required to seek further consent or approval of the shareholders or otherwise to the end and intent that the shareholders shall be deemed to have given their approval thereto expressly by the authority of this Resolution.”

**14. Approval of Material Related Party Transactions with Sun Drops Energia Private Limited:**

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

**“RESOLVED THAT** pursuant to the provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘SEBI Listing Regulations’) and section 188 of the Companies Act, 2013, and other applicable provisions and the Rules framed thereunder, if any, (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force), the Company’s Policy on Materiality of and Dealing with Related Party Transactions, and subject to such approval(s), consent(s), permission(s) as may be necessary from time to time and based on the approval/recommendation of the Audit Committee and the Board of Directors of the Company, approval of the shareholders be and is hereby accorded for entering into and/or carrying out and/or continuing with existing contracts/arrangements/transactions or modification(s) of earlier arrangements/transactions or as fresh and independent transaction(s) or otherwise (whether individually or series of transaction(s) taken together or otherwise) with Sun Drops Energia Private Limited, a commonly controlled group Company, falling within the definition of ‘Related Party Transaction’ under Regulation 2(1)(zc) of the SEBI Listing Regulations, as detailed in the explanatory statement to this Resolution, on such material terms and conditions as mentioned therein and as may be mutually agreed between the parties, notwithstanding the fact that the aggregate value of all these transaction(s), whether undertaken directly by the Company or along with its subsidiary(ies), may exceed the prescribed thresholds as per the provisions of SEBI Listing Regulations as applicable from time to time, provided, however, that the said contract(s)/arrangement(s)/transaction(s) shall be carried out at an arm’s length basis and in the ordinary course of business of the Company.

**RESOLVED FURTHER THAT** that the Board of Directors of the Company (including any Committee thereof) be authorised to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion, with power to alter and vary the terms and conditions of such contracts/arrangements/transactions, and to take all such steps as may be required to give effect to this Resolution without being required to seek further consent or approval of the shareholders or otherwise to the end and intent that the shareholders shall be deemed to have given their approval thereto expressly by the authority of this Resolution.”

**15. Alteration of Object Clause of the Memorandum of Association of the Company:**

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

**“RESOLVED THAT** pursuant to provisions of Section 4, 13 and other applicable provisions and the Rules framed thereunder, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such other requisite approvals, if any, in this regard from appropriate authorities and terms(s), condition(s), amendment(s), modification(s), as may be required or suggested by any such appropriate authorities, on the recommendation of Board of Directors of the Company, (hereinafter referred to as ‘Board’ which term shall include any Committee or one or more Directors), the consent of the shareholders of the Company be and is hereby accorded for alteration of Main Object Clause of the Memorandum of Association (‘MoA’) of the Company by inserting the following new sub-clauses 2 and 3 after the existing sub-clause 1 of Clause III [A] of the MoA of the Company:

2. *To acquire, partner, take over, promote, establish, invest, operate, enter into and carry on all or any of the business of manufacturing, producing, processing, refining, importing, exporting, buying, selling, distributing, and dealing in hydrogen, ammonia, and their derivatives, by-products, and related chemicals, in any form, utilizing green energy sources such as solar, wind, hydro, and other renewables, including establishing, acquiring, constructing, operating, maintaining, and managing plants, refineries, pipelines, storage facilities, distribution networks, and other necessary infrastructure for these activities.*
3. *To conduct research, development, and innovation in technologies related to green hydrogen and clean ammonia, and to collaborate with governments, corporations, academic institutions, and other stakeholders to promote the adoption and utilization of these sustainable energy sources, providing consulting and advisory services both domestically and internationally.*

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

## 16. Ratification of Remuneration of Cost Auditor.

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

**“RESOLVED THAT** pursuant to the provisions of Section 148 of the Companies Act, 2013, read with Companies (Audit and Auditors) Rules, 2014 and other applicable provisions and the Rules framed thereunder, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), and on the recommendation of the Audit Committee and Board of Directors of the Company, the shareholders hereby ratifies the payment of remuneration of ₹ 50,000 (Rupees Fifty thousand Only) plus applicable taxes and out of pocket expenses to M/s. Nanty Shah & Associates, Cost Accountants (Firm Registration No.: 101268), the Cost Auditor appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year 2024-25.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper, or expedient to give effect to this resolution.”

### **Registered Office:**

'KP House', Opp. Ishwar Farm Junction BRTS,  
Near Bliss IVF Circle,  
Canal Road, Bhatar, Surat-395017, Gujarat.  
Tel.: +91 261 2234757  
Fax: +91 261 2234757  
Email: [info@kpenergy.in](mailto:info@kpenergy.in)  
Website: [www.kpenergy.in](http://www.kpenergy.in)

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

**Karmit Sheth**  
Company Secretary & Compliance Officer

**Place:** Surat  
**Date:** August 30, 2024

# Notes

1. The Government of India, Ministry of Corporate Affairs has allowed conducting Annual General Meeting through Video Conferencing ('VC') or Other Audio-Visual Means ('OAVM') and dispensed the personal presence of the members at the meeting. Accordingly, the Ministry of Corporate Affairs issued Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021, Circular No. 21/2021 dated December 14, 2021, Circular No. 02/2022 dated May 5, 2022, Circular No. 10/2022 dated December 28, 2022 and General Circular No. 9/2023 dated September 25, 2023 ('MCA Circulars') and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 and Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 07, 2023 issued by the Securities Exchange Board of India ("SEBI Circular") prescribing the procedures and manner of conducting the Annual General Meeting through VC/OVAM. In terms of the said circulars, the 15<sup>th</sup> Annual General Meeting ('AGM') of the Members will be held through VC/OAVM. Hence, Members can attend and participate in the AGM through VC/OAVM only.
2. Information regarding appointment/re-appointment of Directors and Explanatory Statement in respect of special business to be transacted pursuant to Section 102 of the Companies Act, 2013 (the 'Act') and/or Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') is annexed hereto.
3. In view of the 'Green Initiatives in Corporate Governance' introduced by MCA and in terms of the provisions of the Act, members who are holding shares of the Company in physical mode, are required to register their email addresses, so as to enable the Company to send all notices/reports/documents/intimations and other correspondences, etc., through emails in the electronic mode instead of receiving physical copies of the same. Members holding shares in dematerialized form, who have not registered their email addresses with Depository Participant(s), are requested to register/update their email addresses with their Depository Participant(s).
4. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the Members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
6. In accordance with the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India ("ICSI"), as revised with effect from April 01, 2024, read with Clarification/Guidance on applicability of Secretarial Standards 2 dated April 15, 2020 issued by the ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM.
7. Pursuant to the provisions of Section 113 of the Act, Body Corporates/Institutional/Corporate members intending for their authorized representatives to attend the meeting are requested to send to the Company, on [secretarial@kpgroup.co](mailto:secretarial@kpgroup.co) from their registered Email ID a scanned copy (PDF/JPG format) of certified copy of the Board Resolution/Authority Letter authorizing their representative to attend and vote on their behalf at the meeting.
8. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
9. In line with the Ministry of Corporate Affairs Circulars, the Notice calling the AGM has been uploaded on the website of the Company at [www.kpenergy.in](http://www.kpenergy.in). The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and the AGM Notice is also available on the website of CDSL (agency for providing the Remote e-voting facility) i.e. [www.evotingindia.com](http://www.evotingindia.com)
10. The Register of members and share transfer books of the Company will remain closed from Saturday, September 21, 2024 to Thursday, September 26, 2024 (both days inclusive) for the purpose of AGM.
11. Members seeking any information with regard to accounts are requested to write to the Company atleast 7 days before the meeting so as to enable the management to keep the information ready.

12. Members holding the shares in physical mode are requested to notify immediately the change of their address and bank particulars to the R & T Agent of the Company. In case shares held in dematerialized form, the information regarding change of address and bank particulars should be given to their respective Depository Participant.
13. Process and manner for Members opting for voting through Electronic means:
  - i. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI Listing Regulations (as amended), and the MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited ('CDSL'), as the Authorised e-voting agency for facilitating voting through electronic means, as the authorized e-voting agency. The facility of casting votes by Members using remote e-voting as well as e-voting system on the date of the AGM will be provided by NSDL.
  - ii. Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date i.e. Friday, September 20, 2024, shall be entitled to avail the facility of remote e-voting as well as e-voting system on the date of the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.
  - iii. A person who has acquired the shares and has become a Member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. Friday, September 20, 2024 shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or e-voting system on the date of the AGM by following the procedure mentioned in this part.
  - iv. The remote e-voting will commence on Monday, September 23, 2024, at 9.00 a.m. and will end on Wednesday, September 25, 2024 at 5.00 p.m. During this period, the Members of the Company holding shares either in physical mode or in demat mode as on the Cut-off date i.e. Friday, September 20, 2024, may cast their vote electronically. The Members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be disabled for voting by CDSL thereafter.
  - v. Once the vote on a resolution is casted by the Member, he/she shall not be allowed to change it subsequently or cast the vote again.

- vi. The voting rights of the Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the Cut-off date i.e. Friday, September 20, 2024.
- vii. The Company has appointed M/s. Chirag Shah and Associates, Practising Company Secretaries, to act as the Scrutinizer for remote e-voting as well as the e-voting on the date of the AGM, in a fair and transparent manner.

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

**Step 1:** Access through Depositories CDSL/NSDL e-voting system in case of individual shareholders holding shares in demat mode.

**Step 2:** Access through CDSL e-voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- i. The voting period begins on September 23, 2024, and ends on September 25, 2024. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of September 20, 2024 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

**Step 1:** Access through Depositories CDSL/NSDL e-voting system in case of individual shareholders holding shares in demat mode.

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b>	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi/Easiest facility, can login through their existing user id and password. Option will be made available to reach e-voting page without any further authentication. The users to login to Easi/Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab.</li> <li>2) After successful login the Easi/Easiest user will be able to see the e-voting option for eligible companies where the evoting is in progress as per the information provided by the Company. On clicking the evoting option, the user will be able to see e-voting page of the e-voting service provider for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-voting Service Providers, so that the user can visit the e-voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4) Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN No. from an e-voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-voting option where the evoting is in progress and also able to directly access the system of all e-voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b>	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on "Access to e-voting" under e-voting services and you will be able to see e-voting page. Click on Company name or e-voting service provider name and you will be re-directed to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS" Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a>.</li> <li>3) Visit the e-voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com">https://www.evoting.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on Company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>



Pursuant to abovesaid SEBI Circular, Login method for e-voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below: **(Contd.)**

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. After Successful login, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on Company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33.
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 022 - 48867000/022 - 24997000.

**Step 2:** Access through CDSL e-voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- v. Login method for e-voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.
  - 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - 2) Click on "Shareholders" module.
  - 3) Now enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
  - 4) Next enter the Image Verification as displayed and Click on Login.
  - 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any Company, then your existing password is to be used.
  - 6) If you are a first-time user follow the steps given below:

#### For Physical shareholders and other than individual shareholders holding shares in Demat.

<b>PAN</b>	Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA</li> </ul>
<b>Dividend Bank Details OR Date of Birth (DOB)</b>	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or Company, please enter the member id/folio number in the Dividend Bank details field.</li> </ul>

- vi. After entering these details appropriately, click on "SUBMIT" tab.
- vii. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- viii. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- ix. Click on the EVSN for the Company: K.P. Energy Limited on which you choose to vote.
- x. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xi. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xii. After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xiii. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xiv. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xv. If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xvi. There is also an optional provision to upload BR/ POA if any uploaded, which will be made available to scrutinizer for verification.

**xvii. Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

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

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delinked in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non-Individual shareholders are required mandatory to send the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [secretarial@kpgroup.co](mailto:secretarial@kpgroup.co), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

1. The procedure for attending meeting & e-voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops/IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least seven (7) days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [secretarial@kpgroup.co](mailto:secretarial@kpgroup.co). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance seven (7) days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [secretarial@kpgroup.co](mailto:secretarial@kpgroup.co). These queries will be replied to by the Company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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

- 1. For Physical shareholders:** please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id.
- 2. For Demat shareholders:** please update your email id & mobile no. with your respective Depository Participant (DP).
- 3. For Individual Demat shareholders:** Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-voting from the CDSL e-voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 22 55 33.

### **Contact Details**

<b>Company</b>	<b>K.P. Energy Limited</b> 'KP House', Opp. Ishwar Farm Junction BRTS, Near Bliss IVF Circle, Canal Road, Bhatar, Surat 395017, Gujarat CIN: L40100GJ2010PLC059169 Email ID: <a href="mailto:secretarial@kpgroup.co">secretarial@kpgroup.co</a>
<b>Registrar and Transfer Agent</b>	<b>Bigshare Services Private Limited</b> Registered Office: Pinnacle Business Park, Office no S6-2, 6 <sup>th</sup> floor, Mahakali Caves Road, Next to Ahura Centre, Andheri East, Mumbai 400093, Maharashtra. Tel: 022-62638200 Fax: 022-62638299 Email: <a href="mailto:info@bigshareonline.com">info@bigshareonline.com</a>
<b>e-voting Agency</b>	<b>Central Depository Services (India) Limited</b> Email: <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> Phone: 1800 22 55 33
<b>Scrutinizer</b>	<b>M/s. Chirag Shah &amp; Associate</b> Practicing Company Secretaries, 1213-1214, Ganesh Glory, Nr. Jagatpur Crossing, Besides Ganesh Genesis, Off. S.G. Highway, Ahmedabad - 382481

# Annexure to Notice

## Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013 and/or Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### ITEM NO. 6

Dr. Faruk G. Patel aged about 52 years is presently designated as Managing Director of the Company. He is the founding promoter of the Company. The Company has been taking advantage of his guidance and supervision since incorporation of the Company i.e. January 8, 2010. He has significantly contributed to the overall growth of the Company. Because of his sustained efforts, the Company has sustained a growth pattern and has achieved success in creating a brand image in the Renewable energy sector. He has wholesome exposure on all aspects of business of the Company and is engaged in supervision & conduct of business along with an experienced team.

The shareholders at the 11<sup>th</sup> Annual General Meeting of the Company held on September 29, 2020, approved the re-appointment of Dr. Faruk G. Patel as Managing Director of the Company for a period of five (5) years with effect from July 15, 2020, to July 14, 2025. The terms and conditions of his re-appointment, including remuneration were approved by the Members in accordance with the provisions contained in Sections 196, 197, 198 and Schedule V and other applicable provisions of the Act.

Dr. Patel holds 2,98,78,566 equity shares of ₹ 5/- each as on March 31, 2024, in the Company. Therefore, he is interested in passing of this resolution by virtue of his directorship and to the extent of his shareholding in the Company.

On the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company in its meeting held on August 30, 2024 approved the re-appointment and remuneration of Dr. Faruk G. Patel as Managing Director of the Company, for a period of 5 (five) years w.e.f. July 15, 2025 to July 14, 2030, in terms of Section 196, 197, 198, 203, Schedule V and any other applicable provisions of the Companies Act, 2013, and in terms of Regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') on the terms set out hereunder subject to the approval of the shareholders and such other necessary approval(s), as may be required. Further Dr. Patel will not be liable to retire by rotation.

In terms of Schedule V to the Companies Act, 2013, the relevant details are as under:

### I. General Information

#### (1) Nature of Industry:

The Company is Gujarat's prominent balance of plant solution provider in Renewable Energy Industry engaged, from conceptualization till the commissioning of a wind power projects & wind-solar hybrid power project.

#### (2) Date of commencement of commercial production:

The Company carries on renewable and green energy business since its incorporation.

#### (3) Financial performance based on given indicators:

Standalone Financial Results:

(₹ in Lakh except EPS)

Particulars	2023-24	2022-23
Turnover	46,869.40	43,382.68
Profit (Loss) before Tax	7,640.33	6,317.86
Profit (Loss) after Tax	5,864.70	4,381.60
Earning per share (Basic) (in ₹)	8.79	6.57

Consolidated Financial Results:

(₹ in Lakh except EPS)

Particulars	2023-24	2022-23
Turnover	47,294.94	43,782.25
Profit (Loss) before Tax	7,736.65	6,497.24
Profit (Loss) after Tax	5,832.21	4,390.82
Earning per share (Basic) (in ₹)	8.75	6.58

#### (4) Foreign investments or collaborations, if any:

As on March 31, 2024, the Shareholding of Foreign Portfolio Investors and Non-Residents, in the Company is detailed as under:

Particulars	No. of Shares	%
Foreign Portfolio Investors Category I	71,773	0.11
Foreign Portfolio Investors Category II	1,76,253	0.26
Non-Resident Indians (NRIs)	22,77,850	3.42

The Company has not entered into any material foreign collaboration.

## II. Information about the Appointee

### (1) Background details:

The background details and profile of Dr. Faruk G. Patel are stated in "BOD PROFILES" which forms the part of this annual report.

### (2) Past Remuneration:

- Basic Salary: ₹ 20,00,000 (Rupees Twenty Lakh Only) per month in the salary range of ₹ 18,00,000 (Rupees Eighteen Lakh Only) to ₹ 45,00,000 (Rupees Forty-Five Lakh Only) per month with such increments as may be decided by the Board of Directors of the Company from time to time.
- Perquisites: He shall be entitled to perquisites, allowances, benefits, facilities, and amenities (collectively called Perquisites) such as medical reimbursement, leave travel assistance, House Rent

Allowance, City Compensatory Allowance, Laundry Allowance, and any other perquisites as per the policy of the Company in force or as may be approved by the Board from time to time.

- In addition to the above, he shall be entitled to the allowance and benefits as per the policy of the Company in force, such as:
  - Company maintained car with driver.
  - Company's contribution to Provident Fund
  - Payment of gratuity and other retirement benefits
  - Encashment of leave
  - Personal Accident, Mediclaim and Life Insurance under Employer – Employee scheme

### (3) Recognition or awards:

Dr. Faruk G. Patel, Managing Director, has been awarded with various awards including:

Year	Recognition or awards
2024	- Designated as Entrepreneur of the Year at the 22 <sup>nd</sup> Global Edition Awards 2024
	- Ranked 524 with wealth of 3,500 Cr in the latest Hurun India Rich List 2023
2023	- Honorary Doctorate Degree (innovation, talent & Creativity Management) by American East Coast University (NY, USA)
	- Certificate of Excellence Changemaker of the year by National Awards for Social Excellence
	- Top 30 Most Disruptive Entrepreneurs by Wikitia (Online Encyclopedia)
2022	- Designated As an Advisory Committee Member by Bhagwan Mahavir University (BMU)
2020	- Designated as Chairman of Renewable Energy Committee and Member of Managing Committee by Southern Gujarat Chamber of Commerce & Industry
2019	- The Leaders Award Mantavya News
2018	- The Legends of Surat by Gujaratmitra

#### (4) Job profile and his suitability:

Dr. Faruk G. Patel, Managing Director of the Company, is highly experienced and controls the affairs of the Company under the direction of the Board of Directors of the Company. He has successfully and in a sustained way contributed significantly towards growth in performance of the Company. He has extensive experience in the renewable & green energy industry.

#### (5) Remuneration proposed:

- Basic Salary: ₹ 20,00,000 (Rupees Twenty Lakh Only) per month in the salary range of ₹ 18,00,000 (Rupees Eighteen Lakh Only) to ₹ 45,00,000 (Rupees Forty-Five Lakh Only) per month with such increments as may be decided by the Board of Directors of the Company from time to time.
- Perquisites: He shall be entitled to perquisites, allowances, benefits, facilities, and amenities (collectively called Perquisites) such as medical reimbursement, leave travel assistance, House Rent Allowance, City Compensatory Allowance, Laundry Allowance, and any other perquisites as per the policy of the Company in force or as may be approved by the Board from time to time.
- In addition to the above, he shall be entitled to the allowance and benefits as per the policy of the Company in force, such as:
  - i. Company maintained car with driver.
  - ii. Company's contribution to Provident Fund
  - iii. Payment of gratuity and other retirement benefits
  - iv. Encashment of leave
  - v. Personal Accident, Mediciclaim and Life Insurance under Employer – Employee scheme

#### (6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:

Keeping in view the profile and the position of Managing Director and rich knowledge and experience, the remuneration is fully justifiable and comparable to that prevailing in the industry.

#### (7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel or other director, if any:

Apart from the remuneration and perquisites paid to him as Managing Director as stated above and his respective shareholding held directly or indirectly in the Company and Dr. Faruk G. Patel being father of Mr. Affan Faruk Patel, the Whole-Time Director, do not have any pecuniary relationship directly or indirectly with the Company and its managerial personnel.

### III. Other Information

#### (1) Reason of loss or inadequate profits:

At present, the Company is having adequate profits. However, the re-appointment is for a term of five years from July 15, 2025, to July 14, 2030, and the future trend in the profitability will largely depend on business environment in the domestic and global markets, cost of inputs and general state of economy as a whole. Therefore, the limits specified under Section 197(1) read with Schedule V of the Companies Act 2013 and the SEBI Listing Regulations, may be exceeded during the term of appointment.

#### (2) Steps taken or proposed to be taken for improvement:

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

#### (3) Expected increase in productivity and profits in measurable terms:

The Company is conscious about improvement in productivity and continually undertakes measures to improve its productivity and profitability. The Management is confident of achieving revenue growth in the future.

### IV. Disclosures:

The disclosures as required on all elements of remuneration package such as salary, benefits, bonuses, pensions, details of fixed components and performance linked incentives along with performance criteria, service contract details, notice period, severance fees, etc. have been made in the Boards' Report under the heading "Corporate Governance Report" forming part of the Annual Report for 2023-24.

The Company has not defaulted in payment of dues to any bank or public financial institution or any other secured creditor.

Except Dr. Faruk G. Patel and Mr. Affan Faruk Patel and their relatives to the extent of their shareholding, if any, in the Company, none of the other Directors or Key Managerial Personnel of the Company and/or their relatives is concerned or interested, financially or otherwise, in the aforesaid Resolutions.

The Board of Directors recommends the resolutions set out at Item No. 6 of the Notice for approval of the shareholders by way of Special Resolution.

### ITEM NO. 7

In terms of Regulation 17(1A) of the SEBI Listing Regulations, no listed entity shall appoint a person or continue the directorship of any person as non-executive director who has attained the age of seventy-five years unless special resolution is passed to that effect.

The consent of the shareholders by way of Special Resolution is sought for the continuation of directorship of Mr. Bhupendra Vadilal Shah as Non-Executive Non-Independent Director of the Company, who will attain the age of 75 (seventy-five) years on January 17, 2025.

Based on the recommendation of the Nomination and Remuneration Committee ('NRC'), the Board of Directors of the Company at their meeting held on August 30, 2024, proposed the continuation of Mr. Bhupendra Vadilal Shah as a Non-Executive Non-Independent Director of the Company, and recommends this Special Resolution as set out in Resolution No. 7 of this Notice for approval of the shareholders of the Company.

The Board is of the opinion that Mr. Bhupendra Vadilal Shah's rich and diverse experience is a valuable asset to the Company which adds value and enriched point of view during Board discussions and decision making. He is also a person of integrity who possesses required expertise and his association as Non-Executive Non-Independent Director will be beneficial to the Company. Considering Mr. Bhupendra Vadilal Shah's seniority, role played by him towards the growth of this Company and to reap the benefits of his rich and varied experience, approval of the shareholders is sought for continuation of Mr. Bhupendra Vadilal Shah as a Non-Executive Non-Independent Director, liable to retire by rotation, as set out in Resolution No. 7 of this Notice.

Relevant details relating to continuation of directorship of Mr. Bhupendra Vadilal Shah, including his profile, as required under the Act, SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India are provided in the "Annexure" to this Notice.

Mr. Bhupendra Vadilal Shah is not disqualified from continuing as a Director in terms of Section 164 of the Act and has consented to continue as a Director of the Company. He is not debarred from holding the office of Director by virtue of any order passed by the Securities and Exchange Board of India or any other such authority pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018.

Other than Mr. Bhupendra Vadilal Shah none of the Directors, Key Managerial Personnel or their relatives are in any way, concerned or interested, financially or otherwise in the proposed Special Resolution as set out in Resolution No. 7 of this Notice.

## **ITEM NO. 8**

The Company's Non-Executive Directors are leading professionals with high level of expertise and rich experience in functional areas such as business strategy, finance, corporate governance, etc. They have been shaping and steering the long-term strategy and make valuable contributions for the overall growth of the Company. Further, pursuant to the changing regulatory landscape

over the last few years, the Non-Executive Directors have assumed a central role in maintaining high level of corporate governance in the Company. These changes have enhanced the corporate governance requirements, particularly Board Governance and Management, requiring greater time commitments, attention and higher level of oversight by the Non-Executive Directors.

The Nomination and Remuneration Committee and Board of Directors, recommended the proposal for payment remuneration payable to Non-Executive Director(s) including Independent Director(s) of the Company, by way of commission or otherwise, a sum not exceeding 1% of the net profits of the Company per annum, calculated in accordance with the provisions of Section 198 of the Act, for a period of three years from the financial year commencing from April 1, 2024.

The payment of commission would be in addition to the sitting fees and other expenses being paid to them for attending the meetings of the Board and its committees, if any.

The Board of Directors will determine each year the specific amount to be paid as commission to the Non-Executive Director(s) including Independent Director, which shall not exceed 1% of the net profits of the Company for that year, as computed in the manner referred to in Section 198 of the Act.

Further, pursuant to Section 197 of the Act and Schedule V, in the event of absence or inadequacy of profits (as calculated under Section 198 the Act) in any financial year, the Company can pay a managerial remuneration to its Directors including any Managing Director or Whole-time Director or Manager or any other Non-Executive Director, including Independent Director, a sum not exceeding the limits prescribed under said Schedule V subject to the following conditions:

- a) Payment of such minimum remuneration is approved by way of a resolution passed by the Nomination and Remuneration Committee and by the Board of Directors;
- b) The Company has not committed any default in payment of dues to any bank or public financial institution or non-convertible debenture holders or any other secured creditor, and in case of default, the prior approval of the bank or public financial institution concerned or the non-convertible debenture holders or other secured creditor, as the case may be, shall be obtained by the Company before obtaining the approval in the general meeting;
- c) For payment of remuneration that is within the Schedule V limits, shareholders' approval is required by way of an ordinary resolution; and
- d) Such an ordinary resolution shall be valid for a period not exceeding three years.

Accordingly, the Board of Directors have proposed to seek approval for payment of minimum remuneration (within the limits as specified under Schedule V of the Act) to Non-Executive and Independent Directors for a period of 3 years from the financial year commencing from April 1, 2024, in the event of absence or inadequacy of profits, in any of the three financial years.

Accordingly, approval of shareholders is being sought for payment of remuneration in the form of commission or otherwise (within the limits as specified under Schedule V of the Act) to Non-Executive Director(s) including Independent Director(s) subject to a ceiling limit of 1% of net profits calculated as per Section 198 of the Act or minimum remuneration as per Schedule V of the Act in the event of absence or inadequacy of profits for a period of three years from the financial year commencing from April 1, 2024 as per proposed resolution at Item no. 8 of this Notice.

## STATEMENT OF INFORMATION FOR THE MEMBERS PURSUANT TO SCHEDULE V OF THE COMPANIES ACT, 2013:

### I. General Information

#### (1) Nature of Industry:

The Company is Gujarat's prominent balance of plant solution provider in Renewable Energy Industry engaged, from conceptualization till the commissioning of a wind power projects & wind-solar hybrid power project.

#### (2) Date of commencement of commercial production:

The Company carries on renewable and green energy business since its incorporation.

#### (3) Financial performance based on given indicators:

Standalone Financial Results:

Particulars	₹ in Lakh except EPS)	
	2023-24	2022-23
Turnover	46,869.40	43,382.68
Profit (Loss) before Tax	7,640.33	6,317.86
Profit (Loss) after Tax	5,864.70	4,381.60
Earning per share (Basic) (in ₹)	8.79	6.57

Consolidated Financial Results:

Particulars	₹ in Lakh except EPS)	
	2023-24	2022-23
Turnover	47,294.94	43,782.25
Profit (Loss) before Tax	7,736.65	6,497.24
Profit (Loss) after Tax	5,832.21	4,390.82
Earning per share (Basic) (in ₹)	8.75	6.58

#### (4) Foreign investments or collaborations, if any:

As on March 31, 2024, the Shareholding of Foreign Portfolio Investors and Non-Residents, in the Company is detailed as under:

Particulars	No. of Shares	%
Foreign Portfolio Investors Category I	71,773	0.11
Foreign Portfolio Investors Category II	1,76,253	0.26
Non-Resident Indians (NRIs)	22,77,850	3.42

The Company has not entered into any material foreign collaboration.



## II. Information about the Appointee

### (1) Background details:

The background details and profile of all Non-Executive Director(s) including all Independent Director(s) are stated in "BOD PROFILES" which forms the part of this annual report.

### (2) Past Remuneration:

(₹ in lakh)

Sr. No	Name of Director	FY 2023-24
1	Bhupendra Vadilal Shah	Nil
2	Bhadrabala Dhimant Joshi	Nil
3	Venu Birappa	25.62
4	Neethimani Karunamoorthy	11.80
5	Rajendra Kundanlal Desai	6.13
6	Dukhabandhu Rath	2.34
7	Arvindkumar Tribhovandas Patadia	12.01

### (3) Job profile and their suitability:

The Company's Non-Executive Directors are leading professionals with high level of expertise and rich experience in functional areas such as business strategy, financial governance, corporate governance, amongst others. The Company's Non-Executive Directors have been shaping and steering the long-term strategy and make invaluable contributions towards the Company's business strategy, monitoring of risk management and compliances. Detailed profile of all Non-Executive Director(s) including all Independent Director(s) are stated in "BOD PROFILES" which forms the part of this annual report. The elaborated experience of the Directors in various sectors helps in enriching the Board discussions and deliberations and taking decisions that are beneficial for the growth of the Company.

### (4) Remuneration proposed:

Remuneration in form of commission not exceeding 1% of net profit calculated as per Section 198 of the Act in case of profit or calculated as per Schedule V of the Act in the event of absence or inadequacy of profits for a period of 3 years from the financial year commencing from April 1, 2024 to be paid to the Non-Executive Directors including Independent Directors.

### (5) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:

Taking into consideration the size of the Company, the profile of the directors, his/her responsibilities and contribution and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration paid to similar senior level counterparts in other Companies in the industry.

### (6) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel or other director, if any:

Except for drawing remuneration, there is no other pecuniary relationship with the Company or with the managerial personnel of the Company.

### (7) Recognition or Awards:

Nil

## III. Other Information

### (1) Reason of loss or inadequate profits:

At present, the Company is having adequate profits. However, the future trend in the profitability will largely depend on business environment in the domestic and global markets, cost of inputs and general state of economy as a whole. The Company continues to strive for minimum cost and maximum output strategy, ensuring industry best EBIDTA margin.

### (2) Steps taken or proposed to be taken for improvement:

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

### (3) Expected increase in productivity and profits in measurable terms:

The Company is conscious about improvement in productivity and continually undertakes measures to improve its productivity and profitability. The Management is confident of achieving revenue growth in the future.

The Company has not defaulted in payment of dues to any bank or public financial institution or any other secured creditor.

## IV. Disclosure

The disclosures as required on all elements of remuneration package such as salary, benefits, bonuses, pensions, details of fixed components and performance linked incentives along with performance criteria, service contract details, notice period, severance fees, etc. have been made in the Boards' Report under the heading "Corporate Governance Report" forming part of the Annual Report for 2023-24.

All Non-Executive Director(s) of the Company may be deemed to be concerned or interested in this resolution to the extent of their shareholding in the Company, if any and commission that may be payable to them from time to time. None of the other Directors, Key Managerial Personnel or their relatives are in any way, concerned or interested, financially or otherwise in the proposed Special Resolution as set out in Item No. 8 of this Notice.

The Board of Directors recommends the resolution set out at Item No. 8 of the Notice for approval of the shareholders by way of Special Resolution.

### ITEM NO. 9

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

Keeping in view the Company's existing and future financial requirements to support its business operations, the Company may need additional funds for growth. Hence, the consent of the members be and is hereby accorded to enable the Board of Directors to raise finance together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in ordinary course of business) may, at any time, exceed the aggregate of its paid-up share capital, free reserves and securities premium, that is to say reserves not set apart for any specific purpose, provided that the total amount so borrowed by the Board of Directors shall not at any time exceed the limit of ₹ 2000 Crores (Rupees Two Thousand Crores Only). None of the Directors, Key Managerial Personnel or their relatives are in any way, concerned or interested, financially or otherwise in the proposed Special Resolution as set out in Item No. 9 of this Notice.

The Board of Directors recommends the resolution set out at Item No. 9 of the Notice for approval of the shareholders by way of Special Resolution.

### ITEM NO. 10

Pursuant to the provisions of Section 179 and 180(1)(a) and other applicable provisions and the Rules framed thereunder, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof, for the time being in force) the Board of Directors of the Company shall not sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company and also shall not create further pledge, mortgage, hypothecation and/or Charge on the movable/immovable properties of the Company except with the approval of the members of the Company by Special Resolution. Therefore, the consent of the members be and is hereby accorded to enable the Board of Directors to (i) sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings; (ii) create such charge/security in addition to existing on all or any of the moveable and/or immovable properties, tangible or intangible assets of

the Company, both present and future and/or the whole or any part of the undertaking(s) of the Company, as the case may be, provided that the total amount of Sale and/or lease consideration/indebtedness shall not at any time exceed ₹ 2000 Crore (Rupees Two Thousand Crore Only). None of the Directors, Key Managerial Personnel or their relatives are in any way, concerned or interested, financially or otherwise in the proposed Special Resolution as set out in Item No. 10 of this Notice.

The Board of Directors recommends the resolution set out at Item No. 10 of the Notice for approval of the shareholders by way of Special Resolution.

### ITEM NO. 11

To achieve long term strategic and business objectives, Company proposes to invest in other bodies corporate or grant loans, give corporate guarantees or provide securities to other persons or other body corporate as and when required. Pursuant to the provisions of section 186(3) of the Companies Act, 2013 and rules made there under, the Company needs to obtain prior approval of shareholders by way of special resolution passed at the General Meeting in case the amount of investment, loan, guarantee or security proposed to be made is more than sixty percent of the paid up share capital, free reserves and securities premium account or one hundred percent of free reserves and securities premium account, whichever is higher.

Accordingly, the Board of Directors of the Company proposes to seek approval of shareholders by way of special resolution to authorize the Board to exercise powers for an amount not exceeding ₹ 2000 crore (Rupees Two Thousand Crore Only) outstanding at any time not withstanding that such investments, outstanding loans given or to be given and guarantees and security provided are in excess of the limits prescribed under Section 186 of the Companies Act, 2013 and rules made thereunder.

None of the Directors, Key Managerial Personnel or their relatives are in any way, concerned or interested, financially or otherwise in the proposed Special Resolution as set out in Item No. 11 of this Notice.

The Board of Directors recommends the resolution set out at Item No. 11 of the Notice for approval of the shareholders by way of Special Resolution.

### ITEM NO. 12, 13 & 14

The provisions of the SEBI Listing Regulations, as amended by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021, effective April 1, 2022, mandates prior approval of members by means of an ordinary resolution for all material related party transactions and subsequent material modifications as defined by the audit committee, even if such transactions are in the ordinary course of business of the concerned Company and at an arm's length basis. Effective from April 1, 2022, a transaction with a related party shall be considered as material if the transaction(s) to be entered into, either individually or taken together with previous transactions during a financial year, whether directly and/or through

its subsidiary(ies), exceed(s) ₹ 1,000 Crores, or 10% of the annual consolidated turnover as per the last audited financial statements of the listed entity, whichever is lower.

The Company, along with its subsidiary(ies), propose to enter into certain related party transaction(s) as mentioned below, on mutually agreed terms and conditions, and the aggregate of such transaction(s), are expected to cross the applicable materiality thresholds as mentioned above. Accordingly, as per the SEBI Listing Regulations, prior approval of the Members is being sought for all such arrangements/transactions proposed to be undertaken by the Company, either directly or along with its subsidiary(ies). All the said transactions shall be in the ordinary course of business of the Company and on an arm's length basis.

The Audit Committee has, on the basis of relevant details provided by the management, as required by the law, reviewed and approved the said transaction(s), subject to approval of the shareholders, while noting that such transactions shall be on arms' length basis and in the ordinary course of business of the Company. Your Board of Directors considered the same and recommends passing of the resolutions contained in Item Nos. 12, 13, &14 of this Notice.

Information required under Regulation 23 of SEBI Listing Regulations read with SEBI Circular dated July 11, 2023 is provided herein below:

## A. Resolution Item No. 12:

### Background, details and benefits of the transaction

K.P. Energy Limited ('KPE') and KPI Green Energy Limited (erstwhile K.P.I. Global Infrastructure Limited) ('KPI') are commonly controlled entities. Both, KPE and KPI are located in India and are related parties to each other. KPI is renewable power generating Company focused on providing solar and wind-solar hybrid power, both as an Independent Power Producer ('IPP') and as service provider

to Captive Power Producer ('CPP') customers. Under IPP Segment, the Company build, own, operate and maintain grid connected solar power projects and generate revenue by entering into Power Purchase Agreements ('PPA') with third parties for selling power units generated through solar projects. Under CPP Segment, the Company develop, transfer, operate and maintain grid connected solar power projects for CPP customers and generate revenue by selling these projects to CPP customers for their captive use requirements.

KPE is in the business of providing turnkey EPC services for development of the Balance of Plants of the Wind Power Projects and Wind-Solar Hybrid Power Projects including identification and acquisition of land, civil activities, electrical activities including development of the power evacuation facilities for the project, obtaining permits and approvals for the Project etc. It also provides operation and maintenance services of the Balance of Plant of the project for the operational life of the project through its wholly owned subsidiary KP Energy OMS Limited. KPE has its own renewable energy generation capacity of 19.9 MW including wind energy assets of 8.4 MW (4\*2.1 MW) and 11.5 MWdc solar power plants.

Under the Gujarat Renewable Energy Policy—2023, KPE is developing various Projects in Gujarat where in expertise of KPI can be utilised for the Solar project capacity in the Hybrid power projects. KPE also develops wind solar hybrid power project for KPI in its ordinary course of business at arm's length basis. KPI is having expertise in development of large and utility scale solar power projects and KPE has the expertise of development of the wind power projects. This allows both companies to leverage each other's expertise in the development of various renewable energy projects. It will be in the mutual interest of both the Companies to utilise the respective expertise and execute the Projects under the existing and future renewable energy policy of the state. Further, both the companies can utilise each other's expertise for Operation and Maintenance of renewable energy projects.

Details of the proposed RPTs between KPE and KPI, including the information required to be disclosed in the Explanatory Statement pursuant to the SEBI Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023, are as follows:

Sr. No	Description	Details of proposed RPTs between KPE and KPI
1.	Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs.	
	a. Name of the Related Party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise).	KPI Green Energy Limited is a group Company of K.P. Energy Limited and both are related party by virtue of the common control of management.
	b. Type, material terms and particulars of the proposed RPTs.	KPE and KPI propose to enter into the following Related Party Transactions: <ul style="list-style-type: none"> <li>Purchase, sale, or supply of any goods or materials;</li> <li>Development of the renewable power projects by KPI and KPE for each other including their respective affiliates and customers;</li> <li>Providing loans and advances;</li> </ul>

Details of the proposed RPTs between KPE and KPI, including the information required to be disclosed in the Explanatory Statement pursuant to the SEBI Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023, are as follows: **(Contd.)**

Sr. No	Description	Details of proposed RPTs between KPE and KPI
		<ul style="list-style-type: none"> <li>• Purchase/sale/transfer/exchange/lease of business assets including property, plant and equipment, Intangible assets, transfer of technology to meet the business objectives and requirements;</li> <li>• Availing/rendering of engineering/Procurement/Construction/Commissioning and other non-engineering services;</li> <li>• Operation &amp; Maintenance (O&amp;M) Services;</li> <li>• Reimbursement of expenses;</li> </ul> <p>Further, the material terms and conditions are based on the contracts/purchase orders which inter alia include the rates based on prevailing/extent market conditions and commercial terms as on the date of entering into the contract(s).</p>
	c. Value of Transaction	Upto INR 1000 Crore (Rupees One Thousand Crore Only).
	d. Tenure of the proposed transaction (particular tenure shall be specified)	For three financial years from FY 2024-25 to FY 2026-27.
	e. Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed RPTs.	211.44%
2.	Justification for the proposed RPTs.	Please refer to "Background, details and benefits of the transaction", which forms part of the explanatory statement to the resolution no. 12.
3.	Details of proposed RPTs relating to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary	
	a. details of the source of funds in connection with the proposed transaction.	KPE on its own and along with its subsidiaries is growing and, in this pursuit, it is exploring opportunities developing greenfield power projects under the IPP and CPP segment. It is also growing in development activities including land development/developing infrastructural facilities, etc. for renewable energy projects. For funding of these projects/requirements and also any cashflow mismatch, KPE may, in its ordinary course of business, require borrowing/corporate guarantee. The terms of borrowing including interest rates shall be mutually agreed subject to the applicable provisions of the Companies Act 2013 and on arm's length basis.
	b. details of financial indebtedness incurred	
	c. applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and	
	d. the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the related party transaction	
4.	Copy of the valuation or other external party report, if any such report has been relied upon	Not applicable
5.	Name of the director or key managerial personnel who is related, if any and nature of relationship	Dr. Faruk G. Patel, Managing Director of KPE, is Chairman and Managing Director of the KPI. His interest or concern, is limited only to the extent of his shareholding and directorship/KMP position in the KPE and KPI.
6.	Any other information relevant or important for the members to take a decision on the proposed transaction.	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Companies Act, 2013 forming part of this Notice.

### Arm's length pricing:

The related party transaction(s)/contract(s)/arrangement(s) mentioned in this proposal shall be evaluated by the Audit Committee of the Company. The related party transaction(s)/contract(s)/arrangement(s) to be entered are qualified as contract under ordinary course of business.

The shareholders may note that in terms of the provisions of the SEBI Listing Regulations, the related parties as defined thereunder (whether such related party(ies) is a party to the aforesaid transactions or not), shall not vote to approve resolutions under Item No. 12. Dr. Faruk G. Patel, Managing Director of the Company, is deemed to be interested or concerned in the said resolution, being a Chairman and Managing Director of KPI. Also Mr. Affan Faruk Patel, Whole Time Director of KPE, is deemed to be interested or concerned in the said resolution, being son of Dr. Faruk G. Patel. Further, Mrs. Bhadrabala Joshi and Mrs. Venu Birappa are deemed to be interested or concerned in the said resolution being Non-Executive Directors of both the companies. None of the Directors, Key Managerial Personnel or their relatives are in any way, concerned or interested, financially or otherwise in the proposed resolution as set out in Item No. 12 of this Notice.

The Board recommends the relevant ordinary resolution set forth at Item No. 12 in the Notice for the approval of the Members.

### B. Resolution Item No. 13:

#### Background, details and benefits of the transaction:

KP Energy Limited ('KPE') and KP Green Engineering Limited (formerly known as K P Buildcon Private Limited) ('KPGE')

are commonly controlled entities. Both, KPE and KPGE are located in India and are related parties to each other. KPGE is engaged in the business of Fabrication and Hot-Dip Galvanising of Transmission Line Structure, Windmill Structures, Telecom Towers, Substation & Switchyard Structures, Solar Module Mounting structure, Cable trays, Earthing strips, pole structure, operation and maintenance of Optical Fiber Cable infrastructure, etc.

KPE is in the business of providing turnkey EPCC services for development of the Balance of Plants of the Wind Power Projects and Wind-Solar Hybrid Power Projects including identification and acquisition of land, civil activities, electrical activities including development of the power evacuation facilities for the project, obtaining permits and approvals for the Project etc. It also provides operation and maintenance services of the Balance of Plant of the project for the operational life of the project through its wholly owned subsidiary KP Energy OMS Limited. KPE has its own renewable energy generation capacity of 19.9 MW including wind energy assets of 8.4 MW (4\*2.1 MW) and 11.5 MWdc solar power plants.

KPE for providing turnkey services for the development of the balance of plant of the wind and wind-solar hybrid projects requires certain materials including Transmission Line Structure, Solar Module Mounting structure, EHV Line Towers, Isolators, Switchyard Structures, Cable trays, Earthing strips, pole structure for 33kv internal lines etc. It would be in the best interest of KPE to procure these materials from KPGE in order to achieve the delivery timelines. KPGE being the related Company, all materials sourcing becomes faster and at beneficial arm length rates in the ordinary course of the business. Therefore, this transaction between KPE and KPGE is essential and in the beneficial interest of the Company.

Details of the proposed RPTs between KPE and KPGE, including the information required to be disclosed in the Explanatory Statement pursuant to the SEBI Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023, are as follows:

Sr. No	Description	Details of proposed RPTs between KPE and KPGE
1.	Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs.	
a.	Name of the Related Party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise).	KP Green Engineering Limited is a group Company of K.P. Energy Limited and both are related party by virtue of the common control of management.
b.	Type, material terms and particulars of the proposed RPTs.	KPE and KPGE have propose to enter into the following Related Party Transactions: <ul style="list-style-type: none"> <li>• Purchase, sale, or supply of any goods or materials;</li> <li>• Providing loans and advances;</li> <li>• Purchase/sale/transfer/exchange/lease of business assets including property, plant and equipment, Intangible assets, transfer of technology to meet the business objectives and requirements;</li> </ul>

Details of the proposed RPTs between KPE and KPGE, including the information required to be disclosed in the Explanatory Statement pursuant to the SEBI Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023, are as follows: (Contd.):

Sr. No	Description	Details of proposed RPTs between KPE and KPGE
		<ul style="list-style-type: none"> <li>• Availing/rendering of engineering/Procurement/Construction/Commissioning and other non-engineering services;</li> <li>• Availing or rendering of any services;</li> <li>• Reimbursement of expenses;</li> </ul> <p>Further, the material terms and conditions are based on the contracts/purchase orders which inter alia include the rates based on prevailing/extent market conditions and commercial terms as on the date of entering into the contract(s).</p>
	c. Value of Transaction	Upto INR 1000 Crore (Rupees One Thousand Crore Only)
	d. Tenure of the proposed transaction (particular tenure shall be specified)	For three financial years from FY 2024-25 to FY 2026-27
	e. Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed RPTs.	211.44%
2.	Justification for the proposed RPTs.	Please refer to "Background, details and benefits of the transaction", which forms part of the explanatory statement to the resolution no. 12.
3.	Details of proposed RPTs relating to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary	
	a. Details of the source of funds in connection with the proposed transaction.	KPE on its own and along with its subsidiaries is growing and, in this pursuit, it is exploring opportunities developing greenfield power projects under the IPP and CPP segment. It is also growing in development activities including land development/developing infrastructural facilities, etc. for renewable energy projects. For funding of these projects/requirements and also any cashflow mismatch, KPE may, in its ordinary course of business, require borrowing/corporate guarantee. The terms of borrowing including interest rates shall be mutually agreed subject to the applicable provisions of the Companies Act 2013 and on arm's length basis.
	b. Details of financial indebtedness incurred	
	c. Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and	
	d. the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the related party transaction	
4.	Copy of the valuation or other external party report, if any such report has been relied upon	Not applicable
5.	Name of the director or key managerial personnel who is related, if any and nature of relationship	Dr. Faruk G. Patel, Managing Director of KPE, is a Director of the KPGE. His interest or concern, is limited only to the extent of his shareholding and directorship position in KPE and KPGE.
6.	Any other information relevant or important for the members to take a decision on the proposed transaction.	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Companies Act, 2013 forming part of this Notice.

### Arm's length pricing:

The related party transaction(s)/contract(s)/arrangement(s) mentioned in this proposal shall be evaluated by the Audit Committee of the Company. The related party transaction(s)/contract(s)/arrangement(s) to be entered are qualified as contract under ordinary course of business.

The Shareholders may note that in terms of the provisions of the SEBI Listing Regulations, the related parties as defined thereunder (whether such related party(ies) is a party to the aforesaid transactions or not), shall not vote to approve resolutions under Item No. 13. Dr. Faruk G. Patel, Managing Director of the Company, is deemed to be interested or concerned in the said resolution, being a Director of KPGE. Also Mr. Affan Faruk Patel, Whole Time Director of KPE, is deemed to be interested or concerned in the said resolution, being son of Dr. Faruk G. Patel. Further, Mr. Amitkumar Subhashchandra Khandelwal is deemed to be interested or concerned in the said resolution being Director in both the companies. None of the Directors, Key Managerial Personnel or their relatives are in any way, concerned or interested, financially or otherwise in the proposed resolution as set out in Item No. 13 of this Notice.

The Board recommends the relevant ordinary resolution set forth at Item No. 13 in the Notice for the approval of the Shareholders.

### C. Resolution Item No. 14:

#### Background, details and benefits of the transaction

K.P. Energy Limited ('KPE') and Sun Drops Energia Private Limited ('SDEPL') are commonly controlled entities. Both, KPE and SDEPL are located in India and are related parties to each other. SDEPL is renewable power generating Company focused on providing solar and wind-solar hybrid power, both as an Independent Power Producer ('IPP') and as service provider to Captive Power Producer ('CPP')

customers. Under IPP Segment, the Company build, own, operate and maintain grid connected solar power projects and generate revenue by entering into Power Purchase Agreements ('PPA') with third parties for selling power units generated through solar projects. Under CPP Segment, the Company develop, transfer, operate and maintain grid connected solar power projects for CPP customers and generate revenue by selling these projects to CPP customers for their captive use requirements.

KPE is in the business of providing turnkey EPCC services for development of the Balance of Plants of the Wind Power Projects and Wind-Solar Hybrid Power Projects including identification and acquisition of land, civil activities, electrical activities including development of the power evacuation facilities for the project, obtaining permits and approvals for the project etc. It also provides operation and maintenance services of the Balance of Plant of the project for the operational life of the project through its wholly owned subsidiary KP Energy OMS Limited. KPE has its own renewable energy generation capacity of 19.9 MW including wind energy assets of 8.4 MW (4\*2.1 MW) and 11.5 MWdc solar power plants.

Under the Gujarat Renewable Energy Policy—2023, KPE is developing various Projects in Gujarat where in expertise of SDEPL can be utilised for the solar project capacity in the hybrid power projects. KPE can also develop wind solar hybrid power project for SDEPL in its ordinary course of business at arm's length basis. SDEPL is having expertise in development of solar power projects and KPE has the expertise of development of the wind power projects. This allows both companies to leverage each other's expertise in the development of various renewable energy projects. It will be in the mutual interest of both the Companies to utilise the respective expertise and execute the Projects under the existing and future renewable energy policy of the state. Further, both the companies can utilise each other expertise for Operation and Maintenance of renewable energy projects.

Details of the proposed RPTs between KPE and SDEPL, including the information required to be disclosed in the Explanatory Statement pursuant to the SEBI Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023, are as follows:

Sr. No	Description	Details of proposed RPTs between KPE and SDEPL
1.	Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs.	
	a. Name of the Related Party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise).	Sun Drops Energia Private Limited is a group Company of K.P. Energy Limited and both are related party by virtue of the common control of management.
	b. Type, material terms and particulars of the proposed RPTs.	KPE and SDEPL propose to enter into the following Related Party Transactions: <ul style="list-style-type: none"> <li>• Purchase, sale, or supply of any goods or materials;</li> <li>• Development of the renewable power projects by SDEPL and KPE for each other including their respective affiliates and customers;</li> <li>• Providing loans and advances;</li> </ul>

Details of the proposed RPTs between KPE and SDEPL, including the information required to be disclosed in the Explanatory Statement pursuant to the SEBI Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023, are as follows: (Contd.):

Sr. No	Description	Details of proposed RPTs between KPE and SDEPL
		<ul style="list-style-type: none"> <li>• Purchase/sale/transfer/exchange/lease of business assets including property, plant and equipment, Intangible assets, transfer of technology to meet the business objectives and requirements;</li> <li>• Availing/rendering of engineering/Procurement/Construction/Commissioning and other non-engineering services;</li> <li>• Operation &amp; Maintenance (O&amp;M) Services;</li> <li>• Reimbursement of expenses;</li> </ul> <p>Further, the material terms and conditions are based on the contracts which inter alia include the rates based on prevailing/extent market conditions and commercial terms as on the date of entering into the contract(s).</p>
	c. Value of Transaction	Upto INR 500 Crore (Rupees Five Hundred Crore Only).
	d. Tenure of the proposed transaction (particular tenure shall be specified)	For three financial years from FY 2024-25 to FY 2026-27.
	e. Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed RPTs.	105.72%
2.	Justification for the proposed RPTs.	Please refer to "Background, details and benefits of the transaction", which forms part of the explanatory statement to the resolution no. 14.
3.	Details of proposed RPTs relating to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary	
	e. Details of the source of funds in connection with the proposed transaction.	KPE on its own and along with its subsidiaries is growing and, in this pursuit, it is exploring opportunities developing greenfield power projects under the IPP and CPP segment. It is also growing in development activities including land development/developing infrastructural facilities, etc. for renewable energy projects. For funding of these projects/requirements and also any cashflow mismatch, KPE may, in its ordinary course of business, require borrowing/corporate guarantee. The terms of borrowing including interest rates shall be mutually agreed subject to the applicable provisions of the Companies Act 2013, and on arm's length basis
	f. Details of financial indebtedness incurred	
	g. Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and	
	h. the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the related party transaction	
4.	Copy of the valuation or other external party report, if any such report has been relied upon	Not applicable
5.	Name of the director or key managerial personnel who is related, if any and nature of relationship	Dr. Faruk G. Patel, Managing Director of KPE, is Director of the SDEPL. His interest or concern, is limited only to the extent of his shareholding and directorship in the KPE and SDEPL.
6.	Any other information relevant or important for the members to take a decision on the proposed transaction.	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Companies Act, 2013 forming part of this Notice.



### **Arm's length pricing:**

The related party transaction(s)/contract(s)/arrangement(s) mentioned in this proposal shall be evaluated by the Audit Committee of the Company. The related party transaction(s)/contract(s)/arrangement(s) to be entered are qualified as contract under ordinary course of business.

The Shareholders may note that in terms of the provisions of the SEBI Listing Regulations, the related parties as defined thereunder (whether such related party(ies) is a party to the aforesaid transactions or not), shall not vote to approve resolutions under Item No. 14. Dr. Faruk G. Patel, Managing Director of the Company, is deemed to be interested or concerned in the said resolution, being a Director of SDEPL. Also Mr. Affan Faruk Patel, Whole Time Director of KPE, is deemed to be interested or concerned in the said resolution, being son of Dr. Faruk G. Patel. None of the Directors, Key Managerial Personnel or their relatives are in any way, concerned or interested, financially or otherwise in the proposed resolution as set out in Item No. 14 of this Notice.

The Board recommends the relevant ordinary resolution set forth at Item No. 14 in the Notice for the approval of the Shareholders.

### **ITEM NO. 15**

The Company at present is in the business of providing turnkey EPCC services for development of the Balance of Plants of the Wind Power Projects and Wind-Solar Hybrid Power Projects including identification and acquisition of land, civil activities, electrical activities including development of the power evacuation facilities for the project, obtaining permits and approvals for the project etc. It also provides operation and maintenance services of the Balance of Plant of the project for the operational life of the project through its wholly owned subsidiary KP Energy OMS Limited. In the future, the Company may explore opportunities in the green hydrogen sector. This potential expansion aligns with our commitment to sustainability and innovation and supports our strategic objective of diversifying into the green hydrogen business, which is consistent with our overall growth and sustainability goals. Accordingly, the Board feels that Company should

widen its activities by undertaking activities as stated in the above resolution.

To enable the Company to extend its business activities in future, it is proposed to alter the Object Clause of the Memorandum of Association of the Company by inserting new clauses as stated in the Resolution No. 15 above.

The Board at its meeting held on August 30, 2024, has approved alteration of the Object Clause of MoA of the Company and now seeks shareholders' approval through Special Resolution pursuant to the provisions of Section 13 of the Companies Act, 2013.

The Board of Directors recommends the resolution set out at Item Nos. 15 of the Notice for approval of the shareholder by way of special resolution.

None of the Directors, Key Managerial Personnel or their relatives are in any way, concerned or interested, financially or otherwise in the proposed Special Resolution as set out in Resolution No. 15 of this Notice.

### **ITEM NO. 16**

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of **M/s. Nanty Shah & Associates, Cost Accountants** (Firm Registration No.: 101268) as the Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial year 2024-25, at a fee of ₹ 50,000 (Fifty Thousand Only) plus applicable Taxes and out of pocket expenses, as remuneration for cost audit services for the Financial Year 2024-25.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the Members of the Company.

Accordingly, consent of the shareholders is sought for passing an ordinary resolution as set out at Item No. 16 of this Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2025.

#### **Registered Office:**

'KP House', Opp. Ishwar Farm Junction BRTS,  
Near Bliss IVF Circle,  
Canal Road, Bhatar, Surat-395017, Gujarat.  
Tel.: +91 261 2234757  
Fax: +91 261 2234757  
Email: [info@kpenergy.in](mailto:info@kpenergy.in)  
Website: [www.kpenergy.in](http://www.kpenergy.in)

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

**Karmit Sheth**  
Company Secretary & Compliance Officer

**Place:** Surat  
**Date:** August 30, 2024

# Annexure to the Notice

## DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT IN 15TH ANNUAL GENERAL MEETING

Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India.

Name of Director	Mr. Affan Faruk Patel	Mrs. Venu Birappa
Director Identification Number (DIN)	08576337	09123017
Date of Birth (Age)	July 11, 1997 (27 years)	July 18, 1963 (61 years)
Designation/Category of Directorship	Whole-Time Director, Executive Director	Non-Executive Non-Independent Director
Date of first appointment on the Board	December 26, 2019	July 6, 2022
Terms and Conditions of appointment/re-appointment	Re-appointment in terms of Section 152(6) of the Companies Act, 2013.	Re-appointment in terms of Section 152(6) of the Companies Act, 2013.
Qualification	Bachelor of Engineering degree in Electrical Engineering from Sarvajanic College of Engineering and Technology.	Bachelor's degree in electrical engineering from the Maharaja Sayajirao University Baroda, Diploma in Management from Indira Gandhi National Open University and Degree in Bachelor of Laws (General) from Saurashtra University.  She also holds Certificate for completion of course and examination of Quality Management Systems Auditor/Lead Auditor Training based on ISO 9001:2005.
Brief Profile and nature of expertise in specific functional areas	<p>Mr. Affan Faruk Patel currently holds the position of Whole-Time Director at the Company, where he leads the operational activities and spearheads business development initiatives. With a strong focus on cultivating business relationships, Mr. Patel's proactive and personalized approach has been instrumental in driving the Company's growth and expanding its footprint in the renewable energy sector.</p> <p>Under his leadership, the Company has seen significant advancements in customer acquisition, revenue growth, and operational efficiency. Mr. Patel leads a dedicated team responsible for strategizing and implementing innovative approaches to enhance customer engagement, drive growth and increase profitability.</p> <p>Mr. Patel's contributions to the industry have been widely recognized through multiple prestigious awards:</p> <ul style="list-style-type: none"> <li>- Wind Acumen of the Year at Grand Masters India Awards 2024.</li> <li>- Grand Master Award at Wind Insider Grand Masters India - Leadership Award 2023.</li> <li>- India's 50 most powerful and influential wind business leaders by Windinsider Leadership summit 2022.</li> </ul> <p>His competitive spirit and unwavering commitment to excellence continue to drive the Company forward, reinforcing its position as a leader in the renewable energy sector.</p>	<p>Mrs. Venu Birappa possesses extensive and comprehensive experience across all facets of the power sector, including regulatory, legal, financial, commercial, and technical aspects related to transmission, system operation, and distribution.</p> <p>Mrs. Venu Birappa began her professional journey in 1984 with the erstwhile Gujarat Electricity Board (GEB) and later with Gujarat Energy Transmission Corporation Limited (GETCO), where she served as an Executive Engineer (Regulatory &amp; Commerce) until July 31, 2021. She played a significant role in formulating regulations under the Electricity Act, 2003, and handled various petitions before the Commission on topics such as the approval of transmission capital costs, issues related to transmission agreements and electricity trading, disputes concerning BPTA, tariff-related matters, open access, intra-state ABT, renewable energy, and captive generation plants. Additionally, she participated in public hearings for determining the generic tariff of renewable energy projects, including solar, wind, hydro, MSW, biomass, and bagasse. She also represented GETCO in various petitions and appeals before the GERC, Hon'ble APTEL, Hon'ble High Court, and Hon'ble Supreme Court, and was responsible for preparing draft petitions, replies and written submissions required to be filed with these authorities.</p>

<b>Name of Director</b>	<b>Mr. Affan Faruk Patel</b>	<b>Mrs. Venu Birappa</b>
Name of the companies in which he/she holds directorship (other than K.P. Energy Limited)	None	KPI Green Energy Limited <sup>1</sup>
Name of committees in which he/she holds membership/ chairmanship (other than K.P. Energy Limited)	None	<p><b>Audit Committee</b> Member KPI Green Energy Limited</p> <p><b>Nomination and remuneration Committee</b> Member KPI Green Energy Limited</p> <p><b>Stakeholders Relationship Committee</b> Member KPI Green Energy Limited</p> <p><b>Risk Management Committee</b> Member KPI Green Energy Limited</p> <p><b>Corporate Social Responsibility Committee</b> Chairperson KPI Green Energy Limited</p>
Name of listed entities from which the person has resigned in the past three years	None	None
Details of remuneration last drawn	During the financial year 2023-24, Mr. Affan Faruk Patel was paid a remuneration of ₹ 58.43 lakhs.	During the financial year 2023-24, Mrs. Venu Birappa was paid a professional fee of ₹ 25.62 lakhs and a sitting fee of ₹ 0.43 lakhs.
No. of meetings of the Board attended during the year	8 of 8	8 of 8
Details of remuneration sought to be paid	Remuneration as approved by the Board of Directors/ shareholders in accordance with applicable provisions of law.	Sitting fees and commission as approved by the Board of Directors/shareholders in accordance with applicable provisions of law.
Inter se relationship with other Directors, Manager, and other Key Managerial Personnel of the Company	Son of Dr. Faruk G. Patel, Managing Director of the Company.	None
Shareholding in the Company as on the date of Notice (self and beneficial basis)	1,37,990 equity shares of face value of ₹ 5/- each	Nil

## DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT IN 15<sup>th</sup> ANNUAL GENERAL MEETING

Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India.

Name of Director	Dr. Faruk G. Patel	Mr. Bhupendra Vadilal Shah
Director Identification Number (DIN)	00414045	06359909
Date of Birth (Age)	March 24, 1972 (52 years)	January 17, 1950 (74 years)
Designation/Category of Directorship	Managing Director, Executive Director	Non-Executive Non-Independent Director
Date of first appointment on the Board	January 8, 2010	July 30, 2016
Terms and Conditions of appointment/re-appointment	Re-appointed as Managing Director, in terms of Section 196 of Companies Act, 2013.	Continuation of directorship as Non-Executive Director in terms of Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
Qualification	Doctorate in Innovation, Talent & Creativity Management from American East Coast University, New York, USA. He has also completed the comprehensive course in solar photovoltaic design, technology, and application from the Gujarat Energy Research and Management Institute.	Bachelor of Engineering degree in Civil Engineering from the Maharaja Sayajirao University.
Brief Profile and nature of expertise in specific functional areas	Dr. Faruk G. Patel is presently designated as Managing Director of the Company. He is the founding promoter of the Company. The Company has been taking advantage of his guidance and supervision since incorporation of the Company i.e. January 8, 2010. He has significantly contributed to the overall growth of the Company. Because of his sustained efforts, the Company has sustained a growth pattern and has achieved success in creating a brand image in the Renewable energy sector. He has wholesome exposure on all aspects of business of the Company and is engaged in supervision & conduct of business along with an experienced team.	Mr. Shah's astute understanding of financial and technical matters provides invaluable insights to propel our Company's growth. With a remarkable entrepreneurial journey that began with the founding of Kashi Parekh Brothers, a wholesale trading business specialising in iron and steel, his contributions as a Non-Executive Director are instrumental in driving our Company forward.
Name of the companies in which he/she holds directorship (other than K.P. Energy Limited)	KPI Green Energy Limited <sup>1</sup> KP Green Engineering Limited <sup>1</sup>	None
Name of committees in which he/she holds membership/ chairmanship (other than K.P. Energy Limited)	<b>Audit Committee</b> Member KPI Green Energy Limited <b>Risk Management Committee</b> Member KPI Green Energy Limited <b>Corporate Social Responsibility Committee</b> Member KPI Green Energy Limited <b>Nomination and Remuneration Committee</b> Member KP Green Engineering Limited	None
Name of listed entities from which the person has resigned in the past three years	None	None
Details of remuneration last drawn	During the financial year 2023-24, Dr. Faruk G. Patel was paid a remuneration of ₹ 240 lakhs.	During the financial year 2023-24, Mr. Bhupendra Vadilal Shah was paid a sitting fee of ₹ 0.20 lakhs.

<b>Name of Director</b>	<b>Dr. Faruk G. Patel</b>	<b>Mr. Bhupendra Vadilal Shah</b>
No. of meetings of the Board attended during the year	7 of 8	8 of 8
Details of remuneration sought to be paid	Remuneration as approved by the Board of Directors/ shareholders in accordance with applicable provisions of law.	Sitting fees for attending the meeting of Board and Committees, as approved by the Board.
Inter se relationship with other Directors, Manager, and other Key Managerial Personnel of the Company	Father of Affan Faruk Patel, Whole-Time Director of the Company.	None
Shareholding in the Company as on the date of Notice (self and beneficial basis)	2,98,78,566 equity shares of face value of ₹ 5/- each.	60,000 equity shares of face value of ₹ 5/- each.

Note:

<sup>1</sup>Listed Company

# Director's Report

Dear Shareholders,

Your Directors are pleased to present the 15<sup>th</sup> Annual Report along with the Audited Financial Statements of your Company for the financial year ended March 31, 2024 ('FY 2023-24/FY24').

## 1. FINANCIAL PERFORMANCE

The Audited Financial Statements of your Company as on March 31, 2024, are prepared in accordance with the relevant applicable Indian Accounting Standards ('Ind AS') and Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and the provisions of the Companies Act, 2013 ('Act').

The summarized financial highlight is depicted below:

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	2024	2023	2024	2023
<b>Revenue from operations</b>	46,869.40	43,382.68	47,294.94	43,782.25
Other Income	1,257.70	455.78	1,259.79	456.42
<b>Total Income</b>	<b>48,127.10</b>	<b>43,838.46</b>	<b>48,554.73</b>	<b>44,238.67</b>
Expenditure	(38,383.05)	(36,463.48)	(38,708.20)	(36,681.73)
<b>Profit Earnings before interest, tax, depreciation and amortization (EBITDA)</b>	<b>9,744.05</b>	<b>7,374.98</b>	<b>9,846.53</b>	<b>7,556.94</b>
Finance Cost	<b>(1,262.77)</b>	<b>(540.60)</b>	<b>(1,263.55)</b>	<b>(540.68)</b>
Depreciation	(840.94)	(516.53)	(846.33)	(519.03)
<b>Profit Before Taxation</b>	<b>7,640.33</b>	<b>6,317.86</b>	<b>7,736.65</b>	<b>6,497.24</b>
Share of Profit/(Loss) from an associate	-	-	(103.62)	(113.55)
Tax expenses	(1,775.62)	(1,936.26)	(1,800.81)	(1,992.87)
<b>Profit for the period</b>	<b>5,864.70</b>	<b>4,381.60</b>	<b>5,832.21</b>	<b>4,390.82</b>

1. Previous period/year figures have been re-grouped/re-classified wherever necessary.
2. There has been no change in nature of business of your Company.

### Performance Highlights:

#### Consolidated Financial Performance:

Total revenue from operations of your Company for the FY 2023-24 stood at ₹47,294.94 Lakhs as against ₹43,782.25 Lakhs for the corresponding previous financial year.

During the year, your Company generated earnings before interest, depreciation and tax (EBIDTA) of ₹9,846.53 Lakhs compared to ₹7,556.94 Lakhs in the previous financial year.

Net profit for FY 2023-24 is ₹5,832.21 Lakhs as compared to ₹4,390.82 Lakhs in the previous financial year, showing an increase of 32.83%.

#### Standalone Financial Performance:

Total revenue from operations of your Company for the FY 2023-24 stood at ₹46,869.40 Lakhs as against ₹43,382.68 Lakhs for the corresponding previous financial year.

During the year, your Company generated earnings before interest, depreciation and tax (EBIDTA) of ₹9,744.05 Lakhs as against ₹7,374.98 Lakhs for previous financial year, showing growth of 32.12%.

Net profit for FY 2023-24 is ₹5,864.70 Lakhs as compared to ₹4,381.60 Lakhs in the previous financial year, showing an increase of 33.85%.

## 2. DIVIDEND AND RESERVES

### Dividend:

The Board of Directors at their meeting held on April 22, 2024, has recommended payment of Re. 0.10 (Ten Paise only) (2%) per equity share of ₹5/- (Rupees Five only) each fully paid-up as final dividend for the financial year 2023-24. The dividend is subject to approval of shareholders' at the ensuing Annual General Meeting ("AGM") of the Company. During the year under review, the Company has paid an interim dividend of Re. 0.25 paise (5%) and Re. 0.20 paise (4%), **aggregating to Re. 0.45/- (9%)** per equity shares having a face value of ₹5/- each fully paid-up.

The total dividend for the financial year 2023-24, including the proposed final dividend, **amounts to Re. 0.55/- (11%)** per equity share of ₹5/- each fully paid-up and would involve a total outflow of ₹ 166.73 Lakhs translating into a dividend payout of 2.84% of the standalone profits of the Company.

As per the Income Tax Act, 1961, dividends paid or distributed by the Company shall be taxable in the hands of the shareholders. Accordingly, the Company makes the payment of the dividend from time to time after deduction of tax at source.

Details of the dividend paid by the Company during the financial year 2023-24 are stated below:

(₹ in Lakhs)

Particulars	Gross Dividend Amount	Tax deducted at source	Net Amount of dividend
1 <sup>st</sup> Interim Dividend	55.58	4.55	51.03
2 <sup>nd</sup> Interim Dividend	44.46	3.95	40.51

The aforesaid interim dividend(s) have been paid by the Company from its profit for the financial year 2023-24.

### Dividend Distribution Policy:

The Dividend Distribution Policy, in terms of Regulation 43A of the SEBI Listing Regulations, can be accessed on the Company's website at [https://kpenergy.in/kpdata/assets/uploads/Dividend%20Distribution%20Policy\\_17042024.pdf](https://kpenergy.in/kpdata/assets/uploads/Dividend%20Distribution%20Policy_17042024.pdf).

### Transfer to Reserves:

Your Company has transferred the whole amount of Profit to Retained Earnings account as per annexed audited Balance sheet for the year ended March 31, 2024.

### 3. AMOUNT OF UNPAID/UNCLAIMED DIVIDEND TRANSFER TO UNPAID DIVIDEND ACCOUNT OF THE COMPANY

During the financial year 2023-24, your Company has transferred an amount of ₹5,792.8/- against the unpaid/unclaimed dividend to the Unpaid Dividend Account. The Company has paid ₹6,709.05/- as dividend from the Unpaid Dividend Account, following the verification of the claims received from the shareholders. The Statements of unpaid/unclaimed dividends are uploaded on the Company's website at <https://kpenergy.in/S-O-U-A-U-D>.

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

### 4. CHANGES IN SHARE CAPITAL

During the year under review, to recognize unwavering support of the shareholders, the Company through Postal Ballot on February 2, 2024, approved the issue of bonus equity shares in the proportion of 2:1 i.e. 2 (Two) new fully paid-up equity share of ₹5/- (Rupees Five only) each for every 1 (One) existing fully paid-up equity share of ₹5/- (Rupees Five only) each, and consequential increase in authorised equity share capital of the Company from

₹ 12,50,00,000/- (Rupees Twelve Crores Fifty Lakhs Only) divided into 2,50,00,000 (Two Crores Fifty Lakhs) Equity Shares of ₹5/- (Rupees Five Only) each to ₹35,00,00,000/- (Rupees Thirty Five Crores Only) divided into 7,00,00,000 (Seven Crores) Equity Shares of ₹5/- (Rupees Five Only) each, by creation of additional 4,50,00,000 (Four Crores Fifty Lakhs) Equity Shares of ₹5/- (Rupees Five) each.

Further, pursuant to the allotment of 4,44,60,000 (Four Crores Forty Four Lakhs Sixty Thousand) equity shares having face value of ₹5/- (Rupees Five only) each by way of bonus issue, the paid-up equity share capital of your Company increased from ₹11,11,50,000/- (Rupees Eleven Crores Eleven Lakhs Fifty Thousand) divided into 2,22,30,000 (Two Crores Twenty Two Lakhs Thirty Thousand) equity shares of ₹5/- (Rupees Five only) each to ₹33,34,50,000/- (Rupees Thirty Three Crores Thirty Four Lakhs Fifty Thousand only) divided into 6,66,90,000 (Six Crores Sixty Six Lakhs Ninety Thousand) equity shares of ₹5/- (Rupees Five only) each.

**The Authorised Share Capital of the Company as on March 31, 2024**, is ₹35,00,00,000/- (Rupees Thirty Five Crores only) divided into 7,00,00,000 (Seven Crores) Equity Shares of ₹5/- (Rupees Five only) each.

**The Paid-up Share Capital of the Company as on March 31, 2024**, is ₹ 33,34,50,000/- (Rupees Thirty Three Crores Thirty Four Lakhs Fifty Thousand only) divided into 6,66,90,000 (Six Crores Sixty Six Lakhs Ninety Thousand) equity shares of ₹5/- (Rupees Five only) each.

### 5. DEPOSITS

There were no outstanding deposits within the meaning of Section 73 and 74 of the Act read with rules made thereunder at the end of FY24 or the previous financial years. Your Company did not accept any deposit during the year under review.

## 6. CREDIT RATING

During the year under review, CARE has reaffirmed the credit rating for Long-term bank facilities and Short-term bank facilities of the Company as CARE BBB; Stable/CARE A3+. The Summary of Rating action is as follows:

Facilities/Instruments	Amount (₹ Crores)	Rating
Long-term bank facilities	92.79 (Enhanced from 27.79)	CARE BBB; Stable
Long-term/Short-term bank facilities	31.00	CARE BBB; Stable/CARE A3+

India Ratings and Research (Ind-Ra), a Fitch Group Company has assigned a Short-Term Rating of IND A2+ to the bank loans of the Company. The Summary of Rating is action is as follows:

Instrument Type	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issue (Million)	Rating/ Outlook	Rating Action
Bank Guarantee Limits	-	-	-	₹ 100	IND A2+	Assigned

## 7. EMPLOYEE STOCK OPTION PLAN

During the year under review, the shareholders of the Company at their 14<sup>th</sup> Annual General Meeting ('AGM') held on September 29, 2023, had approved the adoption and implementation of 'KP Energy Limited - Employee Stock Option Plan 2023' (hereinafter referred to as 'KP Energy-ESOP 2023'/'the Plan') and extension and grant of Employee Stock Option ('ESOPs') to the eligible employees of the Company and of Group Companies including subsidiary Company(ies) and/or associate Company(ies) of the Company, exclusively working in India or outside, other than employee who is a promoter or person belonging to the promoter group of the Company, Independent Directors and Director(s) holding directly or indirectly more than 10% of the outstanding equity shares of the Company, in one or more tranches not exceeding 5,00,000 (Five Lakhs) ('ESOP Pool') ESOPs. The plan seeks to drive long-term performance, retain key talent and to provide an opportunity for the employees to participate in the growth of the Company.

The Company consider the plan as a long-term incentive tool that would assist in aligning employees' interest with that of the shareholders and enable the employees not only to become co-owners, but also to create wealth out of such ownership in future. The Plan has been formulated in accordance with the provisions of the Act and SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ('SBEB Regulations'). The Nomination and Remuneration Committee ('NRC') administers the Plan and functions as the Compensation Committee for the purposes of SBEB Regulations.

The shareholders of the Company, on February 2, 2024, through Postal Ballot, approved the issuance of Bonus equity shares in the ratio of 2:1 (Two new equity shares for every one equity share held in the Company) and owing to the bonus issue, the ESOP Pool was increased to 15,00,000 (Fifteen Lakhs) ESOPs.

The eligible employees, as determined by NRC, will be granted ESOPs, which will be vested as per the approved vesting schedule and are be exercisable into fully paid-up equity shares of ₹5/- (Rupees Five only) each of the Company, on the terms and conditions as provided

under the Plan, in accordance with the provisions of the applicable laws and regulations for the time being in force. The statutory disclosures as mandated under the Act and SBEB Regulation and a certificate from Secretarial Auditor, confirming implementation of the Scheme in accordance with SBEB Regulations and Shareholders resolutions have been hosted on the website of the Company at [www.kpenergy.in](http://www.kpenergy.in) and same will be available for electronic inspection by the shareholders during the AGM of the Company.

During the year under review, no ESOPs were granted by the Company to eligible employees.

## 8. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

In terms of Section 134(3)(l) of the Act, except as disclosed elsewhere in this Report, no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this Report.

## 9. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

### Board of Directors:

As of March 31, 2024, your Company's Board had ten members, consisting of three Executive Director, three Non-Executive and Non-Independent and four Independent Directors. The Board have two Woman Directors. The details of Board and Committee composition, tenure of directors, and other details are available in the Corporate Governance Report, which forms part of this Integrated Annual Report. During the year under review, following changes took place in the Directorships:

### Appointment:

- Mr. Afzal Harunbhai Malkani (DIN: 07194226) was appointed as Additional Director (Non-Executive Non-Independent) with effect from August 10, 2023. His appointment as Director (Non-Executive Non-Independent) was approved by the shareholders by passing a special resolution in the 14<sup>th</sup> Annual General Meeting held on September 29, 2023.



- Mr. Amitkumar Subhashchandra Khandelwal (DIN: 09287996) was appointed as Whole-Time Director and Key Managerial Personnel of the Company with effect from November 7, 2023. His appointment was approved by the shareholders by passing an Ordinary Resolution through Postal Ballot on February 2, 2024.
- Mr. Dukhabandhu Rath (DIN: 08965826) was appointed as Additional Director (Non-Executive Independent Director) with effect from November 7, 2023. His appointment as Director (Non-Executive Independent) was approved by the shareholders by passing a special resolution through Postal Ballot on February 2, 2024.

As on the date of this report, Mrs. Harsha Chirag Koradia (DIN: 08007668) was appointed as an Additional Director (Non-Executive Independent) with effect from June 29, 2024. Her appointment as Director (Non-Executive Independent) was approved by the Shareholder in their Extra Ordinary General Meeting held on July 31, 2024.

#### **Re-appointment/Change in Designation:**

- Designation of Mrs. Venu Birappa (DIN: 09123017) changed from Non-Executive Independent Director to Non-Executive Non-Independent Director, with effect from December 31, 2023.

As on the date of this report, Dr. Faruk G. Patel (DIN: 00414045) was re-appointed as Managing Director of the Company, by the Board of Directors in their meeting held on August 30, 2024, for the period of further 5 years commencing from July 15, 2025 to July 14, 2030, subject to the approval of shareholders of the Company. The resolution seeking shareholders' approval for his appointment forms part of the Notice.

#### **Cessation:**

- Mr. Afzal Harunbhai Malkani (DIN: 07194226) resigned from the post of Non-Executive Non-Independent with effect from December 30, 2023.

As on the date of this report, Mr. Arvindkumar Tribhovandas Patadia (DIN: 09267710) resigned from the position of Non-Executive Independent Director of the Company, with effect from 5:38 P.M. on April 2, 2024.

The Board places on record its sincere appreciation for contribution during his tenure on the Board of the Company.

#### **Re-appointment of Director(s) retiring by rotation:**

In accordance with the provisions of Section 152 of the Act, read with rules made thereunder, Mr. Affan Faruk Patel (DIN: 08576337) and Mrs. Venu Birappa (DIN: 09123017) are liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers themselves for re-appointment. The Board recommends the re-appointment of Mr. Affan Faruk Patel and Mrs. Venu Birappa as Director for your approval. Brief details as required under Secretarial Standard-2 and Regulation 36 of SEBI Listing Regulations, are provided in the Notice of Annual General Meeting.

#### **Key Managerial Personnel:**

Following are Key Managerial Personnel ('KMPs') of the Company as per Sections 2(51) and 203 of the Act as on March 31, 2024:

1. Dr. Faruk G. Patel, Managing Director
2. Mr. Affan Faruk Patel, Whole-Time Director
3. Mr. Amitkumar Subhashchandra Khandelwal, Whole-Time Director
4. Mrs. Shabana Virender Bajari, Chief Financial Officer
5. Mr. Karmit Haribhadrabhai Sheth, Company Secretary

During the financial year 2023-24, Mr. Pravinkumar Singh resigned from the role of Chief Financial Officer of the Company with effect from the closure of the Business hours of November 7, 2023. Following his resignation, Mrs. Shabana Virender Bajari was appointed as the new Chief Financial Officer of the Company with effect from November 8, 2023.

#### **10. DECLARATION BY AN INDEPENDENT DIRECTOR**

Your Company has received declarations from all the Independent Directors of your Company confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and there has been no change in the circumstances which may affect their status as an Independent Director. The Independent Directors have also given declaration of compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to their name appearing in the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs. The Independent Directors have also confirmed that they have complied with the Company's code of conduct.

#### **11. MEETINGS OF BOARD OF DIRECTORS**

The Board of Directors met eight (8) times during the year under review. The intervening gap between the meetings did not exceed 120 days, as prescribed under the Act and SEBI Listing Regulations. The details of board meetings and the attendance of the Directors are provided in the Corporate Governance Report, which forms part of this Integrated Annual Report.

#### **12. INDEPENDENT DIRECTORS' MEETING**

The Independent Directors met on March 28, 2024, without the attendance of Non-Independent Directors and members of the management. The Independent Directors reviewed the performance of Non-Independent Directors, the Committees and the Board as a whole along with the performance of the Chairperson of your Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

### 13. COMMITTEES OF THE BOARD

The Company has constituted various Committees of the Board as required under the Act, and the SEBI Listing Regulations. For details like composition, number of meetings held, attendance of shareholders, etc. of such Committees, please refer to the Corporate Governance Report which forms a part of this Annual Report.

### 14. BOARD EVALUATION

The Board carried out an annual performance evaluation of its own performance and that of its Committees and Individual Directors as per the formal mechanism adopted by the Board. The performance evaluation of all the Directors was carried out by the Nomination and Remuneration Committee of the Company. The performance evaluation of the Chairman, the Non-Independent Directors and the Board as a whole was carried out by the Independent Directors. The performance evaluation was carried out through a structured evaluation process covering various aspects of the Board functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, contribution at the meetings and otherwise, independent judgment, governance issues etc.

The Board is regularly updated on changes in statutory provisions, as applicable to the Company. The Board is also updated on the operations, functions and nature of industry in which the Company operates. These updates help the Directors to keep abreast of key changes and their impact on the Company. Additionally, the Directors participate in various programmes where these topics are presented to them. The details of such programmes are provided in the Corporate Governance Report, which forms part of this Integrated Annual Report.

### 15. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

As on March 31, 2024, your Company has Six (6) subsidiary companies, One (1) associate Company and Six (6) project specific Special Purpose Vehicles (SPVs) in form of Limited Liability Partnership as below:

1. K.P Energy Mahua Windfarms Private Limited, Subsidiary
2. Wind Farm Developers Private Limited, Subsidiary
3. Ungarn Renewable Energy Private Limited, Subsidiary
4. Evergreen Mahuva Windfarms Private Limited, Subsidiary
5. HGV DTL Transmission Projects Private Limited, Wholly Owned Subsidiary
6. KP Energy OMS Limited, Wholly Owned Subsidiary
7. VG DTL Transmission Project Private Limited, Associate
8. Mahua Power Infra LLP, SPV
9. Manar Power Infra LLP, SPV
10. Miyani Power Infra LLP, SPV
11. Belampar Power Infra LLP, SPV
12. Hajjpir Renewable Energy LLP, SPV
13. Vanki Renewable Energy LLP, SPV

The performance, financial position and details as required under Section 129 of the Act for each of the subsidiaries and associates companies for the financial year ended March 31, 2024, in the prescribed format AOC-1, is attached as **Annexure-III**, which forms part of this report.

### 16. AUDITORS AND AUDITOR'S REPORT

#### Statutory Auditors:

Pursuant to the provisions of Section 139 of the Act read with rules made thereunder, as amended from time to time, **M/s. MAAK and Associates**, Chartered Accountants (Firm Registration No 135024W), was appointed as Statutory Auditors of the Company to hold office till the conclusion of the Annual General Meeting (AGM) of the Company to be held in the calendar year 2026. In accordance with the provisions of the Act, the appointment of Statutory Auditor is not required to be ratified at every AGM.

The Statutory Auditor has confirmed that they are not disqualified to act as Statutory Auditor and are eligible to hold office as Statutory Auditor of your Company.

Representatives of M/s. MAAK and Associates, Statutory auditors of your Company attended the previous AGM of your Company.

#### Statutory Auditors' Observations in Audit Report:

The Audit Report submitted by statutory auditors for the financial year ended March 31, 2024, does not contain any qualifications, reservations, adverse remarks or disclaimers.

#### Secretarial Auditor:

Pursuant to the provisions of Section 204 of the Act read with rules made thereunder, as amended from time to time, the Board has appointed **M/s. Chirag Shah & Associates**, Practising Company Secretary, to undertake the Secretarial Audit of your Company for financial year 2023-24. The Secretarial Audit Report, in **Form MR-3**, for the year under review is provided as **Annexure-I** of this report.

#### Secretarial Auditors' Observations in Secretarial Audit Report:

The Secretarial Audit Report submitted by Secretarial Auditors for the financial year ended March 31, 2024, does not contain any qualifications, reservations, adverse remarks or disclaimers.

#### Cost Auditor:

Pursuant to Section 148 of the Act read with rules made thereunder, as amended from time to time, the Company is required to maintain the cost accounts and records of the Company, accordingly, the Board has appointed **M/s. Nanty Shah & Associates**, Cost Accountants, Firm Registration No. 101268, as Cost Auditor to prepare and to audit the Cost records of the Company for the financial year 2023-24. The remuneration payable to the Cost Auditor shall be subject to ratification by the shareholders at the Annual General Meeting. Accordingly, the necessary Resolution for ratification of the remuneration payable to cost auditor for the financial year 2024-25, has been included in the Notice forming the part of this Integrated Annual report.

## Reporting of Frauds by Auditors:

During the year under review, the Statutory Auditor, Secretarial Auditor and Cost Auditor of the Company have not reported any instances of frauds committed in the Company by its Officers or Employees, to the Audit Committee or the Board under Section 143(12) of the Act.

## 17. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The brief details of the CSR Committee are provided in the Corporate Governance Report, which forms part of this Annual Report. The CSR Policy is available on the website of your Company at <https://kpenergy.in/Code-and-Policies>. The Report on CSR activities is annexed as **ANNEXURE - II** to this report.

Further, the Chief Financial Officer of your Company has certified that CSR spends of your Company for the FY 2023-24 have been utilized for the purpose and in the manner approved by the Board of Directors of the Company.

## 18. MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report for the year under review, as stipulated under the SEBI Listing Regulations, is presented in a section forming part of this Integrated Annual Report.

## 19. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Pursuant to Regulation 34 of SEBI Listing Regulations, the Company being in the top 1000 listed entity required to submit the Business Responsibility and Sustainability Report for the financial year ended March 31, 2024. The Business Responsibility and Sustainability Report describing the initiatives taken by the Company from an environment, social and governance (ESG) perspective, forms part of this Annual Report.

## 20. CORPORATE GOVERNANCE

The Company is committed to good corporate governance practices. The Corporate Governance Report as stipulated by SEBI Listing Regulations, forms part of this Integrated Annual Report along with the required certificate from a Practising Company Secretary regarding compliance of the conditions of Corporate Governance as stipulated.

In compliance with Corporate Governance requirements as per the SEBI Listing Regulations, your Company has formulated and implemented a Code of Conduct for all Board members and Senior Management Personnel of your Company ('Code of Conduct'), who have affirmed the compliance thereto. The Code of Conduct is available on the website of your Company at <https://kpenergy.in/C-O-C>

## 21. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has put in place adequate, strong and effective internal control systems with best processes commensurate with its size and scale of operations which ensures that all the assets are safeguarded and protected

and that the transactions are authorized recorded and reported correctly. The internal audit covers a wide variety of operational matters and ensures compliance with specific standard with regards to availability and suitability of policies and procedures. During the year no reportable material weakness in the design or operation was observed.

## 22. VIGIL MECHANISM/WHISTLE BLOWER POLICY

Your Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism for Directors and employees in confirmation with Section 177 of the Act and Regulation 22 of SEBI Listing Regulations, to facilitate reporting of the genuine concerns about unethical or improper activity, without fear of retaliation. The vigil mechanism of the Company provides for adequate safeguards against victimization of Directors and employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases. The said policy is uploaded on the website of the Company at <https://kpenergy.in/Code-and-Policies>.

## 23. ANNUAL RETURN

Pursuant to Section 134(3)(a) of the Act, the draft annual return as on March 31, 2024, prepared in accordance with Section 92(3) of the Act, is made available on the website of the Company at <https://kpenergy.in/Annual-Return>.

## 24. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The provisions of Section 186 of the Act, with respect to loans, guarantees, investments or security are not applicable to the Company as the Company is engaged in providing infrastructural facilities and is exempted under Section 186 of the Act. The particulars of loans, guarantees and investments made during the year under review are given in the notes forming part of the financial statements.

## 25. RELATED PARTY TRANSACTIONS

During the year under review, all transactions entered into with related parties were approved by the Audit Committee of the Board of Directors. Certain transactions, which were repetitive in nature, were approved through omnibus route. As per the SEBI Listing Regulations, any related party transaction which exceeds ₹ 1,000 Crores or 10% of the annual consolidated turnover, as per the last audited financial statement whichever is lower, is considered as material and requires shareholders approval. Accordingly, the Company has sought and obtained necessary shareholders approval for the year under review.

All transactions with related parties entered into during the year under review were at arm's length basis and in the ordinary course of business and in accordance with the provisions of the Act and the rules made thereunder, SEBI Listing Regulations and your Company's Policy on Related Party Transactions. Therefore, the disclosure of Related Party Transactions as required under Section 134(3)(h) of

the Act in Form AOC-2 is not applicable for FY24 and hence does not form part of this report.

Your Company did not enter into any related party transactions during the year under review, which could be prejudicial to the interest of minority shareholders. The Policy on Related Party Transactions is available on your Company's website at <https://kpenenergy.in/Code-and-Policies>.

## 26. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

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

## 27. PARTICULARS OF EMPLOYEES AND REMUNERATION

The information required under Section 197 of the Act, read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, relating to percentage increase in remuneration, ratio of remuneration of each Director and Key Managerial Personnel to the median of employees' remuneration is provided in **Annexure-V** of this report. The statement containing particulars of employees, as required under Section 197 of the Act, read with the rules made thereunder, as amended from time to time, are not applicable to the Company as none of the employees has received remuneration above the limits specified in the rule 5(2) & (3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 during the financial year 2023-24.

## 28. BOARD POLICIES

The details of various policies approved and adopted by the Board as required under the Act and SEBI Listing Regulations are available on the website of your Company at <https://kpenenergy.in/Code-and-Policies>.

## 29. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

Pursuant to Section 178(3) of the Act, the Company has framed a policy on Directors' appointment and remuneration and other matters ('Nomination, Remuneration and Evaluation Policy') which is available on the website of your Company at <https://kpenenergy.in/Code-and-Policies>.

## 30. HEALTH, SAFETY & ENVIRONMENT POLICY

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

## 31. CYBER SECURITY

In view of increased cyberattack scenarios, the Company has taken significant strides to bolster its cybersecurity posture. We periodically review and enhance our processes and technology controls to align with the evolving threat landscape. The Company's technology environment is enabled with security monitoring at various layers starting from end user machines to network, application and the data. These measures ensure a resilient technology environment, safeguarding our digital assets and maintaining the integrity and confidentiality of our information. The Policy on Cyber Security and Data Privacy is available on the Company's website at <https://kpenenergy.in/Code-and-Policies>.

## 32. CODE FOR PREVENTION OF INSIDER TRADING

Your Company has adopted a Code of Conduct ("Code") to regulate, monitor and report trading in Company's shares by Company's designated persons and their immediate relatives as per the requirements under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The Code, inter alia, lays down the procedures to be followed by designated persons while trading/dealing in Company's shares and sharing Unpublished Price Sensitive Information ("UPSI"). The Code covers Company's obligation to maintain a digital database, mechanism for prevention of insider trading and handling of UPSI, and the process to familiarize with the sensitivity of UPSI. Further, it also includes code for practices and procedures for fair disclosure of unpublished price sensitive information which has been made available on the Company's website at <https://kpenenergy.in/Code-and-Policies>.

## 33. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

As per the requirement of the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act 2013, read with rules made thereunder, your Company has laid down a Prevention of Sexual Harassment (POSH) Policy and has constituted Internal Complaints Committees ('ICs') to consider and resolve the complaints related to sexual harassment. The Company has zero tolerance on sexual harassment at the workplace. The ICs also work extensively on creating awareness on relevance of sexual harassment issues. All new employees go through a detailed personal orientation on anti-sexual harassment policy adopted by your Company. During the year under review, the Company has not received any complaint pertaining to sexual harassment.

## 34. RISK MANAGEMENT

Company's Risk Management Framework is designed to help the organization to meet its objective through alignment of the operating controls to the mission and vision of the Company. For the period under review the Board of the Company is responsible for framing, implementing, monitoring, reviewing the risk management plan and ensuring its effectiveness.

The Risk Management Framework strives to ensure a holistic, mutually exclusive and collectively exhaustive,

allocation of risks by identifying risks relating to key areas such as project development, regulatory, business and commercial, liquidity, people, etc. Using this framework, we aim to achieve key business objectives, both in the long term and short term, while maintaining a competitive advantage.

### 35. DIRECTORS' RESPONSIBILITY STATEMENT

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

- I. in the preparation of the annual financial statements, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- II. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- III. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- IV. they have prepared the annual accounts on a going concern basis;
- V. they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- VI. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### 36. SECRETARIAL STANDARDS

The Directors have devised proper systems and processes for complying with the requirements of applicable provisions of Secretarial Standard-1 and Secretarial Standard-2 Secretarial Standards issued by the Institute of

Company Secretaries of India and that such systems were adequate and operating effectively.

### 37. GENERAL DISCLOSURES

The Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions/events of these nature during the year under review:

- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of Shares (Including Sweat Equity Shares) to employees of the Company under any scheme.
- Significant or material orders passed by the Regulators or Courts or Tribunals which impact the going concern status and the Company's operation in future.
- Application was made or any proceeding is pending under the Insolvency and Bankruptcy Code, 2016.
- One-time settlement of loan obtained from the Banks or Financial Institutions.
- Revision of financial statements and Director's Report of the Company.
- None of the Directors of the Company has been debarred or disqualified from being appointed or continuing as a Director by SEBI/Ministry of Corporate Affairs/Statutory Authorities.
- Neither the Managing Director nor the Whole-time Directors of the Company, receives any commission from any of its subsidiaries.

### 38. ACKNOWLEDGEMENT

Your Directors wish to express their gratitude to the bankers, financial institutions, government and regulatory authorities, customers, suppliers, business partners, shareholders, and all other stakeholders who have supported the Company, directly or indirectly, throughout the year.

Your Directors also extend their sincere appreciation to all employees of the KP Family, at every level, for their dedicated efforts and ongoing contributions, which have been instrumental in fostering the Company's success and growth.

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

**Place:** Surat  
**Date:** August 30, 2024

**Dr. Faruk G. Patel**  
Managing Director  
DIN: 00414045

**Affan Faruk Patel**  
Whole-Time Director  
DIN: 08576337

# Annexure-I

## FORM NO. MR-3

### Secretarial Audit Report

#### for the Financial Year Ended March 31, 2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

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

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **K.P. Energy Limited (CIN: L40100GJ2010PLC059169)** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit by using appropriate Information technology tools like virtual data sharing by way of data room and remote desktop access tools, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2024**, (hereinafter called the 'Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter. The physical Inspection or Verification of documents and records were taken to the extent possible.

We have examined the books, papers, minute books, forms and returns filed, and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - d. Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
  - e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (**Not Applicable to the Company during the audit period**);
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not Applicable to the Company during the audit period);**
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not Applicable to the Company during the audit period);**
  - i. The Securities and Exchange Board of India SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015;
- (vi) Laws specifically applicable to the industry to which the Company belongs, as identified by the management, that is to say:
- a. The Electricity Act, 2003;

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

- a. Secretarial Standards issued by the Institute of Company Secretaries of India;
- b. The Listing Agreements entered into by the Company with Stock Exchange(s)

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

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

Adequate notice is given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. In certain cases, the shorter notice was given for meetings and the consent of directors were taken for the same.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

**We further report that** during the audit period under review, following special resolutions were passed at the Annual General Meeting held on September 29, 2023:

1. Revision in Remuneration Payable to Dr. Faruk G. Patel (DIN: 00414045), Managing Director of the Company.
2. Revision in Remuneration Payable to Mr. Affan Faruk Patel (DIN: 08576337), Whole-Time Director of the Company.
3. Increase in borrowing powers of the Company.
4. Increase in limits for selling, leasing or otherwise disposing of the whole or substantially whole of the undertaking and/or Creating Charge/Security over the Assets/Undertaking of the Company.
5. Increase in the Limits of Loans and Investments by the Company.
6. Approval for Adoption and Implementation of KP Energy Limited - Employee Stock Option Plan 2023.
7. Approval for extension of KP Energy Limited-Employee Stock Option Plan 2023 to the employees of the existing and future subsidiary company(ies) and existing and future associate company of the Company in India or outside India.
8. Appointment of Mr. Afzal Harunbhai Malkani (DIN: 07194226) as Non-Executive Non-Independent Director of the Company.

**We further report that** during the audit period under review, following special resolution was passed through postal ballot the results of which were declared on February 2, 2024, and the resolution deemed to be passed on February 2, 2024.

1. Appointment of Mr. Dukhabandhu Rath (DIN: 08965826) as Non-Executive Independent Director of the Company.

**We further report that,** during the audit period and up to the date of this report, following were/are the actions/ events undertaken by the Company which may have a major bearing on the Company's affairs in pursuance of the above referred laws, rules, guidelines, standards etc.

1. The Board has allotted 4,44,60,000 (Four Crores Forty Four Lakhs Sixty Thousand) equity shares having face value of ₹ 5/- (Rupees Five only) as bonus equity shares, in the ratio of 2:1 i.e. 2 (Two) new fully paid-up equity shares of ₹ 5/- (Rupees Five only) each for every 1 (One) existing fully paid-up equity share of ₹ 5/- (Rupees Five only) each in the meeting of February 13, 2024. The issue of Bonus Shares was approved by the shareholders of the Company by way of postal ballot on February 2, 2024.

2. The Company, on July 25, 2024, has disinvested entire 99% stake amounting to contribution of ₹ 99,000/- (Rupees Ninety-Nine Thousand only) held by the Company in the project specific SPV namely Miyani Power Infra LLP.
3. Issuance and Allotment of 6,88,800 Warrants by way of Preferential Issue on Private Placement basis to a person belonging to the promoter category ("Preferential Issue"). The issue of Warrants was approved by the shareholders of the Company in the Extraordinary General Meeting held on July 31, 2024.

For **M/s. Chirag Shah & Associates**  
Company Secretaries

**CS Chirag Shah**

Partner

Membership No.: FCS 5545

COP No: 3498

UDIN: F005545F001080289

Peer Review Cert. No. 704/2020

**Place:** Ahmedabad

**Date:** August 30, 2024

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



## ANNEXURE A

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

Our Secretarial Audit Report of even date is to be read along with this letter.

### Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

### Auditor's Responsibility

1. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
2. We believe that audit evidence and information obtain from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
3. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

### Disclaimer

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

For **M/s. Chirag Shah & Associates**  
Company Secretaries

**CS Chirag Shah**  
Partner

Membership No.: FCS 5545

COP No: 3498

UDIN:F005545F001080289

Peer Review Cert. No. 704/2020

**Place:** Ahmedabad  
**Date:** August 30, 2024

# Annexure-II

## Annual Report on Corporate Social Responsibilities Activities

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

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

Your Company is deeply committed to Corporate Social Responsibility (CSR), guided by the principles outlined in the Companies Act, 2013. Over the years, the Company has been focusing on its vision to create a lasting positive impact on society by fostering inclusive and sustainable development. This commitment extends beyond our business activities to encompass the communities around us. Our mission encompasses actively supporting local initiatives that uplift marginalized communities, addressing critical social, economic, and environmental issues. We aim to contribute meaningfully to the betterment of society.

Your Company's CSR is not limited to philanthropy but encompasses holistic community development and sustainability-related initiatives. It aims to provide a dedicated approach to community development in the areas of education, environmental sustainability, social advancement and rural development. Governed by our CSR Policy, your Company carried out/implemented its CSR activities/projects through various implementation agencies including KP Human Development Foundation.

The CSR Policy of the Company, as approved by the Board of Directors, is available on the Company's website at <https://www.kpenergy.in/Code-and-Policies>.

### 2. Composition of Corporate Social Responsibility (CSR) Committee:

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

Sr. No.	Name of the Committee member	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Arvindkumar Tribhovandas Patadia (Resigned w.e.f. April 2, 2024)	Chairman (Non-Executive Independent Director)	1	1
2	Dr. Faruk G. Patel	Member (Managing Director)	1	1
3	Mr. Affan Faruk Patel	Member (Whole-Time Director)	1	1

Mr. Rajendra Kundanlal Desai appointed as Chairman w.e.f. April 17, 2024.

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

#### Composition of CSR Committee:

<https://www.kpenergy.in/kpdata/assets/uploads/Composition%20of%20Committee%20of%20Board.pdf>

#### CSR Policy and CSR Projects:

<https://www.kpenergy.in/kpdata/assets/uploads/Corporate%20Social%20Responsibility%20Policy.pdf>

### 4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable: Not applicable for the year under review.

5.	(a) Average net profit of the Company as per Section 135(5):	₹3,309.68 Lakhs
	(b) Two percent of average net profit of the Company as per Section 135(5):	₹66.19 Lakhs
	(c) Surplus arising out of the CSR projects or programmes or activities of the previous Financial years:	Nil
	(d) Amount required to be set off for the Financial Year, if any:	Nil
	(e) Total CSR obligation for the financial year (5b+5c-5d):	₹66.19 Lakhs

6. (a)	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):	₹66.20 Lakhs
(b)	Amount spent in administrative overheads:	Nil
(c)	Amount spent on Impact Assessment, if applicable:	Not applicable
(d)	Total amount spent for the Financial Year [6(a)+6(b)+6(c)]:	₹66.20 Lakhs

(e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (₹ in Lakhs)	Amount Unspent (₹)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of Transfer
66.20			Not applicable		

(f) Excess amount for set-off, if any:

Sr. No.	Particulars	Amount (₹ in Lakhs)
(i)	Two percent of average net profit of the Company as per Section 135(5):	66.19
(ii)	Total amount spent for the Financial Year:	66.20
(iii)	Excess amount spent for the financial year [(ii)-(i)]:	0.01
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any:	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]:	0.01

## 7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

Sr. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of Section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of Section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of Section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
Not applicable								

## 8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

If Yes, enter the number of Capital assets created/acquired: Not applicable

### Details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sr. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/Authority/beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
Not applicable							

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

**9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per sub-section (5) of Section 135:** Not applicable

For and on behalf of  
**K.P. Energy Limited**

**Place:** Surat  
**Date:** August 30, 2024

**Dr. Faruk G. Patel**  
Managing Director  
DIN: 00414045

**Rajendra Kundanlal Desai**  
Chairman, CSR Committee  
DIN: 00198139

# Annexure-III

## Form AOC-1

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

### PART "A": SUBSIDIARIES

(₹ in lakhs)

Sr. No.	Particulars	Details					
		K.P Energy Mahua Windfarms Private Limited	Wind Farm Developers Private Limited	Ungarn Renewable Energy Private Limited	Evergreen Mahuva Windfarms Private Limited <sup>1</sup>	HGV DTL Transmission Projects Private Limited	KP Energy OMS Limited
1	Name of the Subsidiary Company	K.P Energy Mahua Windfarms Private Limited	Wind Farm Developers Private Limited	Ungarn Renewable Energy Private Limited	Evergreen Mahuva Windfarms Private Limited <sup>1</sup>	HGV DTL Transmission Projects Private Limited	KP Energy OMS Limited
2	Date of becoming subsidiary	July 1, 2015	July 1, 2015	July 1, 2015	January 18, 2018	April 20, 2018	January 13, 2022
3	End date of Reporting Period of subsidiary	March 31, 2024	March 31, 2024	March 31, 2024	March 31, 2024	March 31, 2024	March 31, 2024
4	Reporting currency	INR	INR	INR	INR	INR	INR
5	Share capital (₹)	76.82	63.91	29.60	1.00	1.00	235.00
6	Reserves & Surplus	(1.36)	(1.43)	(0.56)	(8.15)	(0.56)	233.23
7	Total assets (₹)	85.97	72.76	31.41	2393.63	0.91	1130.09
8	Total Liabilities (₹)	10.51	10.28	2.37	1838.02	0.47	661.86
9	Investments	Nil	Nil	Nil	Nil	Nil	Nil
10	Turnover	Nil	Nil	Nil	Nil	Nil	848.90
11	Profit/(Loss) before taxation	0.18	(0.20)	(0.16)	(0.12)	(0.20)	96.88
12	Provision for taxation	Nil	Nil	Nil	Nil	Nil	25.19
13	Profit/(Loss) after taxation	0.18	(0.20)	(0.16)	(0.12)	(0.20)	71.69
14	Proposed Dividend	Nil	Nil	Nil	Nil	Nil	Nil
15	% of shareholding	99.36	99.23	98.34	51.00	100.00*	100.00**

<sup>1</sup>Figures are based on unaudited financial statement/result.

\*As on March 31, 2024, K.P. Energy Limited holds 99.90% shares directly and 0.10% shares through its nominee Mr. Hassan Faruk Patel (Registered Owner).

\*\*As on March 31, 2024, K.P. Energy holds 99.9997% shares directly and 0.0003% shares through its six nominees Mr. Hassan Faruk Patel, Mr. Affan Faruk Patel, Mr. Pravinkumar Singh, Mr. Karmit Sheth, Mrs. Nilam Desai, Mrs. Yasmin Mansuri (Registered Owners).

**Notes:**

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

Sr. No.	Name of the Subsidiary
1	K.P Energy Mahua Windfarms Private Limited
2	Wind Farm Developers Private Limited
3	Ungarn Renewable Energy Private Limited
4	HGV DTL Transmission Projects Private Limited
5	Evergreen Mahuva Windfarms Private Limited

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

**PART "B": ASSOCIATES AND JOINT VENTURES****Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

Sr. No.	Particulars	Details
1.	Name of Associates	VG DTL Transmission Project Private Limited
2.	Latest audited Balance Sheet Date	March 31, 2024
3.	Date on which the Associate was associated or acquired	September 28, 2020
4.	Shares of Associate or Joint Ventures held by the Company on the year end	
	No.	2,46,00,000
	Amount of Investment in Associates (₹)	2460.00
	Extend of Holding (in percentage)	50.00%
5.	Description of how there is significant influence	There is significant influence due to shareholding.
6.	Reason why the associate is not Consolidated	NA
7.	Net worth attributable to Shareholding as per latest audited Balance Sheet	2008.38
8.	Profit or (Loss) for the year	
	(i) Considered in Consolidation	(103.62)
	(ii) Not Considered in Consolidation	-

Note:

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

VG DTL Transmission Project Private Limited

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

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

**Place:** Surat  
**Date:** August 30, 2024

**Dr. Faruk G. Patel**  
Managing Director  
DIN: 00414045

**Affan Faruk Patel**  
Whole-Time Director  
DIN: 08576337

# Annexure - IV

## Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and outgo

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

### A. CONSERVATION OF ENERGY

#### I) Steps taken or impact on conservation of energy:

- The Company along with its subsidiaries is inter alia engaged in the business of development of renewable energy projects.
- The Company designs the entire power evacuation infrastructure such that transmission losses are capped to minimum level and effective designing helps in reduction of the overall transmission loss of the Project.
- The Company has its own consolidated green power generation portfolio of 19.9MW comprising of 4 wind turbine generators having capacity of 2.1MW each and solar power capacity of 11.5 MWdc.
- The Company is using higher efficiency with lower consumption of plant equipment to promote the energy conservation.

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

Your Company is actively involved in the renewable energy sector, focusing on developing power projects and generating electricity through eco-friendly, renewable energy sources.

#### III) Capital investment on energy conservation equipment:

Since all the power plants of the Company are renewable energy based and connected with DISCOM & STU transmission lines, the Company is not required to conserve the energy generated out of it.

### B. TECHNOLOGY ABSORPTION

#### I) Efforts made towards technology absorption

- We as renewable business Company motivate large electricity consumers to use renewable energy. We promote our customers to switch from fossil energy to renewable energy generation and consumption. Our experienced in-house technology, design and engineering team which constantly evaluates the technological advancements in all major equipment utilised in Wind and Solar Plants. With this combination, we are able to provide most technologically advanced solutions for renewable power plants development. It also helps us in carrying out the Operation and Maintenance services effectively in our plants as

well and these are designed to provide maximum performance for the invested capital for own generating portfolio segment.

- We have successfully implemented and are utilising Wind Cube Light Detection and Ranging (LIDAR) technology (developed by LEOSPHERE) at our sites in Gujarat and became one of the first private players in the industry to adopt the unique upgraded system for better accuracy, reduced uncertainty and faster wind statistics availability.
- The Company has launched a state-of-art and high-tech Centralized Network Operation Centre (NOC), a technology-driven platform, to enhance the monitoring and management of renewable energy assets, ensuring their efficient operation and performance. By leveraging digital solutions, the Company aims to maximize energy production, minimize downtime, and optimize the utilization of renewable resources.
- Our project design and deployment of energy-efficient equipment optimize captive consumption within the plant. Additionally, we design and advocate for the utilization of shared infrastructure among multiple plant owners in renewable energy parks, featuring common evacuation facilities to reduce overall energy consumption. Furthermore, we have initiated the use of dry robotic cleaning for solar panels to conserve water and reduce water consumption in our solar plants. We have been utilizing a value engineering approach to make our projects more economically viable, aiming to improve efficiency, plant availability, output, and consequently, profitability.
- We have initiated the development of a Central Monitoring System (CMS) to enable centralized monitoring of all our Solar and Wind assets at the head office level. By implementing this system, we aim to optimize plant performance and streamline operations by effectively tracking and analyzing data from all our assets.
- Our entire portfolio is monitored by an in-house team of plant technicians, engineers, and subject matter experts. We use performance analytical tools like SCADA & other innovative technologies to improve energy yield/production. While operating a renewable power plant may appear straightforward—sunshine or wind generates power—the true challenge lies in the depth and granularity of data monitoring and analysis. This allow us to detect and rectify even the smallest faults in generating components promptly, ensuring the plant operates at optimal levels every single day.

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

Reduction in cost and optimization of plant and grid availability and power generation.

**III) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):** Not applicable

**IV) Expenditure incurred on Research and Development:** Not applicable

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

There was no foreign exchange earnings or outgo, during the financial year 2023-24.

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

**Place:** Surat  
**Date:** August 30, 2024

**Dr. Faruk G. Patel**  
Managing Director  
DIN: 00414045

**Affan Faruk Patel**  
Whole-Time Director  
DIN: 08576337



# Annexure - V

## Information pursuant to Section 197 of the Companies Act, 2013

[Read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

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

Name of Directors	Designation	Ratio
Dr. Faruk G. Patel	Managing Director	62.50:1
Mr. Affan Faruk Patel	Whole-Time Director	15.63:1
Mr. Amitkumar Subhashchandra Khandelwal <sup>1</sup>	Whole-Time Director	6.25:1

<sup>1</sup>Mr. Amitkumar Subhashchandra Khandelwal (DIN: 09287996) was appointed as Whole-Time Director and Key Managerial Personnel of the Company with effect from November 7, 2023. His appointment was approved by the shareholders by passing an Ordinary Resolution through Postal Ballot on February 2, 2024.

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

Name of Directors and KMP	Designation	% Increase
Dr. Faruk G. Patel	Managing Director	233.33%
Mr. Affan Faruk Patel	Whole-Time Director	122.22%
Mr. Amitkumar Subhashchandra Khandelwal*	Whole-Time Director	Nil
Mr. Pravin Radhekant Singh <sup>1</sup>	Chief Financial Officer	Nil
Mrs. Shabana Virender Bajari <sup>2</sup>	Chief Financial Officer	Nil
Mr. Karmit Haribhadrabhai Sheth	Company Secretary	31.28%

<sup>1</sup>Mr. Pravinkumar Singh resigned from the post of Chief Financial Officer and Key Managerial Personnel of the Company with effect from the closure of the Business hours of November 7, 2023.

<sup>2</sup>Mrs. Shabana Virender Bajari appointment as Chief Financial Officer and Key Managerial Personnel of the Company with effect from November 8, 2023.

\*Refer Note to para (i) of this Annexure-V

### (iii) The percentage increase in the median remuneration of employees in the financial year: 19.58%

### (iv) Number of permanent employees on the rolls of Company as on March 31, 2024: 203

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

The average percentage increase in the salary of the employees other than managerial personnel for the financial year 2023-24 is **22.92%**, for those employees who are present throughout last & current financial year. whereas Remuneration of managerial personnel has increased by **128.94%**. The increase in managerial remuneration is based on the Company’s performance, individual performance, inflation, prevailing industry trends and benchmarks.

### (vi) Affirmation that the remuneration is as per the Remuneration Policy of the Company:

The Company affirms that the remuneration is as per the Remuneration Policy of the Company.

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

Place: Surat  
Date: August 30, 2024

**Dr. Faruk G. Patel**  
Managing Director  
DIN: 00414045

**Affan Faruk Patel**  
Whole-Time Director  
DIN: 08576337

# Corporate Governance Report

## 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

The essence of Corporate Governance extends beyond mere adherence to laws and regulations; it revolves around fostering a strong bond between a company's management, board of directors, shareholders, and other stakeholders. Adherence to the highest ethical standards constitutes the foundation of all our commercial transactions, as we endeavor to realize our enduring corporate goals and augment stakeholder value.

Our Company is dedicated to creating long-term value for all stakeholders while maintaining unwavering integrity, fulfilling societal responsibilities, respecting the environment, and ensuring regulatory compliance. For us, Corporate Governance is not merely a legal obligation, it is an inherent commitment to conducting business ethically and responsibly. As a responsible corporate citizen, we place significant emphasis on fostering a corporate culture characterized by conscience, integrity, fairness, transparency, accountability, and efficiency.

In line with the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 ('SEBI Listing Regulations') and Companies Act, 2013 ('Act'), our Company diligently adheres to the requirements of corporate governance.

## 2. BOARD OF DIRECTORS:

The Board of Directors ('Board') serves as the highest authority in governance and steers our business in the right direction. It is responsible for fostering the Company's cultural, ethical, sustainable, and accountable growth. Comprised of highly integrated, knowledgeable, and committed professionals, the Board offers strategic guidance and independent perspectives to the Company's senior management while fulfilling its fiduciary duties. Additionally, the Board provides direction and exercises appropriate oversight to ensure the Company is managed in a way that meets stakeholders' aspirations and societal expectations.

### a) Composition of the Board:

The Company's Board has an optimum mix of Executive and Non-Executive Directors, in line with the applicable provisions of the Act and the SEBI Listing Regulations.

The Board's current strength reflects a well-balanced combination of professionalism, competence, and broad expertise that enables the Board to effectively lead the Company.

As on March 31, 2024, the Company has ten (10) Directors out of which three (3) Directors are Executive Directors, three (3) Directors are Non-Executive Directors and four (4) Directors are Independent Directors. The maximum tenure of the independent Directors is in compliance with the Companies Act, 2013 ("Act"). All the Independent Directors have confirmed that they meet the criteria as mentioned under regulation 16(1)(b) of the SEBI Listing Regulation and Section 149 of the Act.

In compliance with Regulation 17A of the SEBI Listing Regulations, none of the Directors held directorship in more than seven (7) listed companies. Further, none of the Independent Directors of the Company served as an Independent Director in more than seven (7) listed companies. None of the Independent Directors serving as a whole-time director/managing director in any listed entity, serves as an Independent Directors of more than three (3) listed entities.

None of the Directors is a member of more than ten (10) committees or acted as chairperson of more than five (5) committees (committees being, audit committee and stakeholders' relationship committee, as per Regulation 26(1) of the SEBI Listing Regulations) across all the public limited companies in which he/she is a director. Further, all the Directors have made necessary disclosures regarding Committee positions held by them in other companies and none of the Directors held directorship in more than twenty (20) Indian companies, with not more than ten (10) public limited companies.

All Independent Directors of the Company have been appointed as per the provisions of the Act and SEBI Listing Regulations. The Chairperson of the Company is a Non-Executive Director and not related to the Managing Director.

The composition of the Board is in conformity with the Regulation 17 of the SEBI Listing Regulations read with Section 149 and 152 of the Act.

**The composition of the Board and the number of Directorships and Committee positions (other than K.P. Energy Limited) held by the Directors as on March 31, 2024 are as under:**

Name, Designation and DIN of Directors	Date of appointment	Category of Directorship	Directorship held in other Companies <sup>1</sup>	Details of Committee <sup>2</sup>	
				Chairperson	Member
Dr. Faruk G. Patel (Managing Director) (DIN: 00414045)	08/01/2010	Promoter & Executive	3	-	1
Mr. Affan Faruk Patel (Whole-Time Director) (DIN: 08576337)	26/12/2019	Executive	1	-	-
Mr. Amitkumar Subhashchandra Khandelwal <sup>3</sup> (Whole-Time Director) (DIN: 09287996)	07/11/2023	Executive	2	1	-
Mrs. Bhadrabala Dhimant Joshi (Chairperson and Director) (DIN: 07244587)	17/08/2015	Non-Executive	1	1	-
Mr. Bhupendra Vadilal Shah (Director) (DIN: 06359909)	30/07/2016	Non-Executive	-	-	-
Mrs. Venu Birappa <sup>4</sup> (Director) (DIN: 09123017)	06/07/2022	Non-Executive	1	-	2
Mr. Arvindkumar Tribhovandas Patadia (Director) (DIN: 09267710)	14/08/2021	Independent & Non-Executive	-	-	-
Dr. Neethimani Karunamoorthy (Director) (DIN: 01660111)	26/03/2022	Independent & Non-Executive	-	-	-
Mr. Rajendra Kundanlal Desai (Director) (DIN: 00198139)	10/11/2022	Independent & Non-Executive	1	2	-
Mr. Dukhabandhu Rath <sup>5</sup> (Director) (DIN: 08965826)	07/11/2023	Independent & Non-Executive Director	3	-	2

<sup>1</sup>The Directorships held by the Directors, as mentioned above excludes alternate directorships, directorships in foreign companies, companies under section 8 of the act and private limited companies but includes Public Limited Companies.

<sup>2</sup>Represents membership/Chairpersonship of two committees viz. audit committee and stakeholders' relationship committee as per Regulation 26(1)(b) of the SEBI Listing Regulations.

<sup>3</sup>Appointed as Whole-Time Director and Key Managerial Personnel of the Company with effect from November 7, 2023.

<sup>4</sup>Change in designation from Non-Executive Independent Director to Non-Executive Non-Independent Director of the Company with effect from December 31, 2023.

<sup>5</sup>Appointed as an Additional Director (Non-Executive Independent) w.e.f. November 7, 2023, and was subsequently regularized as Director (Non-Executive Independent) by the shareholders by passing a special resolution through Postal Ballot on February 2, 2024.

**Details of name of other listed entities where Directors of the Company are Directors and the category of Directorship as on March 31, 2024 are as under:**

Sr. No.	Name of Director	Name of other Listed entities in which the concerned Director is a Director	Category of Directorship
1	Dr. Faruk G. Patel (DIN: 00414045)	KPI Green Energy Limited KP Green Engineering Limited	Managing Director Non-Executive Non-Independent Director
2	Mr. Amitkumar Subhashchandra Khandelwal (DIN: 09287996)	KPI Green Energy Limited KP Green Engineering Limited	Non-Executive Non-Independent Director Non-Executive Non-Independent Director
3	Mrs. Bhadrabala Dhimant Joshi (DIN: 07244587)	KPI Green Energy Limited	Non-Executive Non-Independent Director
4	Mrs. Venu Birappa (DIN: 09123017)	KPI Green Energy Limited	Non-Executive Independent Director
5	Mr. Rajendra Kundanlal Desai (DIN: 00198139)	Shahlon Silk Industries Limited	Non-Executive Independent Director
6	Mr. Dukhabandhu Rath (DIN: 08965826)	SG Finserv Limited	Non-Executive Independent Director

**Details of shares of the Company held by Non-Executive Directors as on March 31, 2024, are as under:**

Name of Directors	No. of shares held as on March 31, 2024
Mr. Bhupendra Vadilal Shah	65,516
Mr. Arvindkumar Tribhovandas Patadia	1,581
Mr. Rajendra Kundanlal Desai	2,400

Except above, none of Non-Executive Directors of the Company holds equity shares or convertible instruments of the Company as on March 31, 2024. The Company has not issued any convertible instruments to any of Directors of the Company.

**Relationship between directors inter-se:**

None of the Directors of the Company are related to each other except Dr. Faruk G. Patel and Mr. Affan Faruk Patel, who are related to each other as father and son.

**Changes in the Board subsequent to the FY 2023-24:**

- Mr. Affan Faruk Patel (DIN: 08576337), Whole-Time Director, is retiring at the ensuing Annual General Meeting ('AGM') and being eligible, offers himself for re-appointment.
- Mrs. Venu Birappa (DIN: 09123017), Non-Executive Director, is retiring at the ensuing AGM and being eligible, offers herself for re-appointment.

- On the recommendation of Nomination & Remuneration Committee, Dr. Faruk G. Patel (DIN: 00414045) has been re-appointed as Managing Director of the Company by the Board for a period of 5 (five) years w.e.f. July 25, 2025, up to July 24, 2030, subject to approval of members at the ensuing AGM.

- Mrs. Harsha Chirag Koradia (DIN: 08007668) was appointed as an Additional Director (Non-Executive Independent) with effect from June 29, 2024. Her appointment as Director (Non-Executive Independent) was approved by the Shareholder in their Extra Ordinary General Meeting held on July 31, 2024.

- Mr. Arvindkumar Tribhovandas Patadia (DIN: 09267710) resigned from the position of Non-Executive Independent Director of the Company, with effect from 5:38 P.M. on April 2, 2024.

Brief resume(s) of the Director proposed to be appointed/ re-appointed is given in the Explanatory Statement annexed to the Notice convening the 15<sup>th</sup> Annual General Meeting.

### Skills/expertise/competencies of the Board of Directors:

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

Business Leadership	Leadership experience including in areas of business development, strategic planning, succession planning, driving change and long-term growth and guiding the Company and its senior management towards its vision and values.
Financial Expertise	Knowledge and skills in accounting, finance, treasury management, tax and financial management of large corporations with understanding of capital allocation, funding and financial reporting processes.
Risk Management	Ability to understand and assess the key risks to the organization, legal compliances and ensure that appropriate policies and procedures are in place to effectively manage risk.
Corporate Governance	Experience in implementing good corporate governance practices, reviewing compliance and governance practices for a sustainable growth of the company and protecting stakeholder's interest.
Technology & Innovations	Experience or knowledge of emerging areas of technology such as digital, artificial intelligence, cyber security, data Centre, data security etc.
Industry and Sector Experience	Knowledge and experience in the business sector to provide strategic guidance to the management in fast changing environment.

In the table below, the specific areas of focus or expertise of individual Board members have been highlighted:

Name of Director	Areas of Skills/Expertise					
	Business Leadership	Financial Expertise	Risk Management	Corporate Governance	Technology & Innovations	Industry and Sector Experience
Dr. Faruk G. Patel (Managing Director)	✓	✓	✓	✓	✓	✓
Mr. Affan Faruk Patel (Whole-Time Director)	✓	✓	✓	✓	✓	✓
Mr. Amitkumar Subhashchandra Khandelwal <sup>1</sup> (Whole-Time Director)	✓	✓	✓	✓	✓	✓
Mrs. Bhadrabala Dhimant Joshi (Chairperson & Non-Executive Director)	✓	-	✓	✓	-	✓
Mr. Bhupendra Vadilal Shah (Non-executive Director)	✓	✓	✓	✓	-	✓
Mrs. Venu Birappa <sup>2</sup> (Non-Executive Director)	✓	✓	✓	✓	✓	✓
Mr. Arvindkumar Tribhovandas Patadia (Independent Director)	✓	✓	✓	✓	✓	✓
Dr. Neethimani Karunamoorthy (Independent Director)	✓	-	✓	✓	✓	✓
Mr. Rajendra Kundanlal Desai (Independent Director)	✓	✓	✓	✓	-	-
Mr. Dukhabandhu Rath <sup>3</sup> (Independent Director)	✓	✓	✓	✓	✓	-

**Note: Each Director may possess varied combinations of skills/expertise within the described set of parameters and it is not necessary that all Directors possess all skills/expertise listed therein.**

<sup>1</sup>Appointed as Whole-Time Director and Key Managerial Personnel of the Company with effect from November 7, 2023.

<sup>2</sup>Change in designation from Non-Executive Independent Director to Non-Executive Non-Independent Director of the Company with effect from December 31, 2023.

<sup>3</sup>Appointed as an Additional Director (Non-Executive Independent) w.e.f. November 7, 2023 and was subsequently regularized as Director (Non-Executive Independent) by the shareholders by passing a special resolution through Postal Ballot on February 2, 2024.

## b) Board Meetings and Procedure:

The Board/Committee meetings facilitate the decision-making process in an informed and efficient manner. Board Meetings are governed by structured agenda. All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions. The Company Secretary in consultation with the Senior Management prepares the detailed agenda for the meetings. While preparing the agenda, notes on agenda, minutes, etc. of the meeting(s), adequate care is taken to ensure adherence to all applicable laws and regulations

including the Companies Act, 2013, read with the Rules made thereunder, the Secretarial Standards issued by the ICSI and the Listing Regulations. Frequent and detailed deliberation on the agenda provides the strategic roadmap for the future growth of the Company.

The required information as enumerated in Part A of Schedule II to SEBI Listing Regulations is made available to the Board of Directors for discussions and consideration at every Board Meeting. The Board periodically reviews compliance reports of all laws applicable to the Company as required under Regulation 17(3) of the SEBI Listing Regulations. The Company offered the facility of video conferencing, as prescribed under Section 173(2) of the Act read together with Rule 3 of the Companies (Meetings of Board and its Powers) Rules, 2014, to facilitate the participation of Directors in the Meetings.

During the year under review, Board met eight (8) times on May 19, 2023; May 29, 2023; August 10, 2023; August 29, 2023; October 04, 2023; November 7, 2023; December 30, 2023; February 13, 2024.

The Board meets at least once in every quarter to review the Company's operations and financial performance. The maximum gap between two meetings is not more than 120 days. The necessary quorum was present in all the meetings.

**The details of attendance of Directors at the Board Meetings during FY 2023-24 and at the last Annual General Meeting held on September 29, 2023, are as under:**

Sr. No.	Name of Director(s)	No. of Meetings		Attendance at last AGM	% of Attendance
		Held during the tenure	Attended		
1	Dr. Faruk G. Patel	8	7	Yes	87.5
2	Mr. Affan Faruk Patel	8	8	Yes	100
3	Mr. Amitkumar Subhashchandra Khandelwal <sup>1</sup>	2	2	NA	100
4	Mrs. Bhadrabala Dhimant Joshi	8	8	Yes	100
5	Mr. Bhupendra Vadilal Shah	8	8	Yes	100
6	Mrs. Venu Birappa <sup>2</sup>	8	8	Yes	100
7	Mr. Arvindkumar Tribhovandas Patadia	8	8	Yes	100
8	Mr. Neethimani Karunamoorthy	8	7	Yes	87.5
9	Mr. Afzal Malkani <sup>3</sup>	3	3	Yes	100
10	Mr. Rajendra Kundanlal Desai	8	8	Yes	100
11	Mr. Dukhabandhu Rath <sup>4</sup>	2	1	NA	50

<sup>1</sup>Appointed as Whole-Time Director and Key Managerial Personnel of the Company with effect from November 7, 2023.

<sup>2</sup>Change in designation from Non-Executive Independent Director to Non-Executive Non-Independent Director of the Company with effect from December 31, 2023.

<sup>3</sup>Resignation from post of Non-Executive Non-Independent Director of the Company With effect from December 30, 2023.

<sup>4</sup>Appointed as an Additional Director (Non-Executive Independent) w.e.f. November 7, 2023 and was subsequently regularized as Director (Non-Executive Independent) by the shareholders by passing a special resolution through Postal Ballot on February 2, 2024.

During the year, the Board of Directors accepted all recommendations of the Committees of the Board, which were statutory in nature and required to be recommended by the Committee and approved by the Board of Directors. Hence, the Company is in compliance of condition of clause 10(j) of schedule V of the SEBI Listing Regulations.

### **c) Independent Directors' familiarisation Programme:**

All new directors are taken through a detailed induction and familiarization program when they join the Board of the Company. The induction program is an exhaustive one that covers the history, culture, background of the Company and its growth, various milestones in the Company's existence since its incorporation, the present structure and an overview of the businesses and functions. All Board members of the Company are accorded every opportunity to familiarize themselves with the Company, its management, its operations and above all, the industry perspective and issues. They are made to interact with senior management personnel and proactively provided with relevant news, views and updates on the Company and sector.

Details of familiarization programmes under Regulations 25(7) and 46 of SEBI Listing Regulations to Independent Directors are available on the website of the Company at <https://kpenergy.in/Code-and-Policies>.

### **d) Meeting of Independent Directors:**

The Independent Directors meet at least once a year, without the presence of Executive Directors or Management representatives. The Independent Directors met once during the Financial Year 2023-24, on March 28, 2024. The Independent Directors inter alia discuss the issues arising out of the Committee Meetings and Board discussion including the quality, quantity and timely flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

Statutory Auditors also have independent access to the members of the Audit Committee to discuss internal audit effectiveness, control environment and their general feedback. The Independent Directors also have access to the Secretarial Auditor, Cost Auditor and the management for discussions and questions, if any.

### **e) Declarations from Independent Directors:**

The Company has received declarations from the Independent Directors that they meet the criteria of Independence stipulated under Section 149 of the Act read with Rule 5 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 and applicable provisions of the SEBI Listing Regulations. The Independent Directors have also confirmed that they have registered

themselves with the Independent Director's Database maintained by the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

The Independent Directors under Regulation 25(8) of the Listing Regulations have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management of the Company.

### **f) Detailed reason for the Resignation of an Independent Director before expiry of his tenure:**

None of the Independent Directors of the Company have resigned before the expiry of their tenure. Thus, disclosure of detailed reasons for their resignation along with their confirmation that there are no material reasons other than those provided by them is not applicable.

### **g) Performance Evaluation Criteria for Independent Directors:**

The performance evaluation criteria for Independent Directors are determined by the Nomination and Remuneration Committee. An indicative list of factors that may be evaluated include participation and contribution by a Director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behaviour and judgement.

## **3. REMUNERATION POLICY:**

The Remuneration Policy of the Company is directed towards rewarding performance, based on review of achievements on a periodic basis. The Company endeavors to attract, retain, develop and motivate the high-caliber executives and to incentivise them to develop and implement the Group's Strategy, thereby enhancing the business value and maintain a high-performance workforce. The Policy ensures that the level and composition of remuneration of the Directors is optimum.

### **Remuneration to Non-Executive Director:**

The Company pays a sitting fee of ₹ 2500/- to Non-Executive Directors and Independent Directors for attending each Board and Committee meeting. Additionally, the Company has paid professional fees, as detailed below, for providing

professional and advisory services to the Board concerning the Renewable Energy Sector, specifically in relation to the regulatory, legal, financial, commercial, and technical aspects of energy projects, system operation, power transmission, evacuation, and distribution networks.

(₹ in Lakhs)

Sr. No	Name of Director	FY 2023-24
1	Venu Birappa	25.62
2	Neethimani Karunamoorthy	11.80
3	Rajendra Kundanlal Desai	6.13
4	Dukhabandhu Rath	2.34
5	Arvindkumar Tribhovandas Patadia	12.01

The Company has not granted stock options to the Non-Executive and Independent Directors. For the financial year 2023-24 the Company has taken a Directors' & Officers' Liability Insurance Policy on voluntary basis. Apart from sitting fees and professional fees paid to Non-Executive Directors for their services, there were no pecuniary relationships or transactions between the Company and any of its Non-Executive Directors.

### Remuneration to Executive Director:

The remuneration of the Executive Directors is recommended by the Nomination and Remuneration Committee to the Board based on criteria such as industry benchmarks, the Company's performance vis-à-vis the industry, responsibilities shouldered, performance/track record, macro-economic review on remuneration packages of heads of other organisations. On the recommendation of the Nomination and Remuneration Committee, the remuneration paid/payable by way of salary, perquisites and allowances (fixed component), incentive and/or commission (variable components), if any, to its Executive Directors within the limits prescribed under the Act is approved by the Board of Directors and by the Members in the General Meeting.

The Executive Directors are not paid sitting fees for attending meetings of the Board and its Committees.

### Details of Remuneration:

Details of sitting fees paid to Non-Executive Directors during financial year 2023-24 are as under:

(₹ in Lakhs)

Name of Director	Sitting Fee
Mrs. Bhadrabala Dhimant Joshi (Chairperson and Non-Executive Director)	0.33
Mr. Bhupendra Vadilal Shah (Non-Executive Director)	0.20
Mr. Afzal Harunbhai Malkani <sup>1</sup> (Non-Executive Directors)	0.08
Mrs. Venu Birappa <sup>2</sup> (Non-Executive Director)	0.43
Mr. Arvindkumar Tribhovandas Patadia (Independent Director)	0.53
Dr. Neethimani Karunamoorthy (Independent Director)	0.23
Mr. Rajendra Kundanlal Desai (Independent Director)	0.30
Dukhabandhu Rath <sup>3</sup> (Independent Director)	0.05

<sup>1</sup>Resignation from post of Non-Executive Non-Independent Director of the Company With effect from December 30, 2023.

<sup>2</sup>Change in designation from Non-Executive Independent Director to Non-Executive Non-Independent Director of the Company with effect from December 31, 2023.

<sup>3</sup>Appointed as an Additional Director (Non-Executive Independent) w.e.f. November 7, 2023 and was subsequently regularized as Director (Non-Executive Independent) by the shareholders by passing a special resolution through Postal Ballot on February 2, 2024.



Details of remuneration paid to Executive Directors during and for financial year 2023-24 are as under:

(₹ in Lakhs)

Name of Directors	Total Remuneration paid
Dr. Faruk G. Patel (Managing Director)	240.00
Mr. Affan Faruk Patel (Whole-Time Director)	58.43
Mr. Amitkumar Subhashchandra Khandelwal (Whole-Time Director)	9.60

#### 4. BOARD COMMITTEE:

The Board Committees plays a vital role in ensuring sound corporate governance practices. The Committees are constituted to handle specific activities and ensure the timely resolution of various issues. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The minutes of all Committee meetings are presented to the Board for review. As on March 31, 2024, the Board has constituted the following Committees:

- a) Audit Committee
- b) Nomination and Remuneration Committee
- c) Stakeholders Relationship Committee
- d) Corporate Social Responsibility Committee

##### a) Audit Committee:

The Audit Committee acts as a link among the Management, the Statutory Auditors, Internal Auditors and the Board of Directors to oversee the financial reporting process of the Company. The Audit Committee's purpose is to oversee the quality and integrity of accounting, auditing and financial reporting process including review of the internal audit reports and action taken report.

The Audit Committee comprises a majority of Independent Directors to enable independent and transparent review of financial reporting process and internal control mechanism with an objective to further strengthen the confidence of all stakeholders.

##### Brief Description of Terms of reference:

The powers, role and terms of reference of the Audit Committee covers the areas as contemplated under Section 177 of the Act and Regulation 18 and Schedule II Part C of the SEBI Listing Regulations. The brief terms of reference of Audit Committee are as under:

- 1) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- 2) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- 3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- 4) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Section 134(5)(c) read with Section 134(3)(c) of the Companies Act, 2013;
  - b. Changes, if any, in accounting policies and practices and reasons for the same;
  - c. Major accounting entries involving estimates based on the exercise of judgment by management;
  - d. Significant adjustments made in the financial statements arising out of audit findings;
  - e. Compliance with listing and other legal requirements relating to financial statements;
  - f. Disclosure of any related party transactions;
  - g. Modified opinion(s) in the draft audit report;
- 5) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- 6) Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- 7) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- 8) Approval or any subsequent modification of transactions of the company with related parties;
- 9) Scrutiny of inter-corporate loans and investments;
- 10) Valuation of undertakings or assets of the company, wherever it is necessary;

- 11) Evaluation of internal financial controls and risk management systems;
- 12) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- 13) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- 14) Discussion with internal auditors of any significant findings and follow up there on;
- 15) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- 16) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- 17) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- 18) To review the functioning of the Whistle Blower mechanism;
- 19) Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- 20) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
- 21) Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments existing as on the date of coming into force of this provision;
- 22) Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;
- 23) To carry out any other function mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable.

### **Mandatorily Review of Information by Audit Committee:**

- 1) Management discussion and analysis of financial condition and results of operations;
- 2) Management letters/letters of internal control weaknesses issued by the statutory auditors;
- 3) Internal audit reports relating to internal control weaknesses; and
- 4) The appointment, removal and terms of remuneration of the chief internal auditor.
- 5) Statement of deviations:
  - a. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s).
  - b. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice.

### **Meeting, Attendance & Composition of Audit Committee:**

During the financial year 2023-24, Audit Committee met six (6) times on May 19, 2023, August 10, 2023, August 29, 2023, November 7, 2023, December 27, 2023 and February 13, 2024. The intervening gap between two meetings did not exceed 120 days.

The Composition of the Audit Committee and details of attendance of the members during FY 2023-24 are given below:

Name & Designation of Members	Category	No. of Meetings	
		Held during the tenure	Attended
Mr. Arvindkumar Tribhovandas Patadia (Chairman)	Independent & Non-Executive Director	6	6
Dr. Faruk G. Patel (Member)	Promoter & Managing Director	6	6
Mrs. Venu Birappa <sup>1</sup> (Member)	Non-Independent & Non-Executive Director	5	5
Mr. Rajendra Kundanlal Desai <sup>2</sup> (Member)	Independent & Non-Executive Director	1	1

<sup>1</sup>Ceased to be member of the Audit Committee with effect from December 30, 2023.

<sup>1</sup>Change in designation from Non-Executive Independent Director to Non-Executive Non-Independent Director with effect from December 31, 2023.

<sup>2</sup>Reconstituted and appointed as member of Audit Committee w.e.f. December 30, 2023.

All members of the Audit Committee have accounting and financial management knowledge and expertise/exposure. The Company Secretary acts as the Secretary to the Committee. The minutes of each Audit Committee meeting are placed in the next meeting of the Board. The Chairman of the Committee was present at the last Annual General Meeting held on September 29, 2023 to answer shareholders' queries.

### **b) Nomination & Remuneration Committee:**

As on March 31, 2024, the Nomination & Remuneration Committee ('NRC') comprise of a Non-Executive Director and two (2) Independent Directors. The Committee's composition meets the requirements of Section 178 of the Act and Regulation 19 of SEBI Listing Regulations.

#### **Brief Description of Terms of Reference**

The powers, role and terms of reference of NRC covers the areas as contemplated under the SEBI Listing Regulations and Section 178 of the Act. The brief terms of reference of Nomination & Remuneration Committee are as under:

- 1) Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- 2) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a. use the services of an external agencies, if required;
  - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c. consider the time commitments of the candidates.
- 3) Formulation of criteria for evaluation of performance of independent directors and the Board;
- 4) Devising a policy on Board diversity;
- 5) Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance;
- 6) Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
- 7) To recommend/review remuneration of the Managing Director(s) and Whole-Time Director(s)/Executive Director(s) based on their performance and defined assessment criteria.
- 8) To recommend to the board, all remuneration, in whatever form, payable to senior management.
- 9) To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable.

### **Meeting, Attendance & Composition of Nomination & Remuneration Committee:**

During the financial year 2023-24, Nomination & Remuneration Committee met five (5) times on August 10, 2023, August 29, 2023, November 7, 2023, December 29, 2023, and March 28, 2024. The Composition of the Nomination & Remuneration Committee and details of attendance of the members during FY 2023-24 are given below

Name & Designation of Members	Category	No. of Meetings	
		Held during the tenure	Attended
Mr. Arvindkumar Tribhovandas Patadia (Chairman)	Independent & Non-Executive Director	5	5
Mrs. Bhadrabala Dhimant Joshi, (Member)	Non-Executive Director	5	5
Mrs. Venu Birappa <sup>1</sup> (Member)	Non-Independent & Non-Executive Director	4	4
Mr. Rajendra Kundanlal Desai <sup>2</sup> (Member)	Independent & Non-Executive Director	1	1

<sup>1</sup>Ceased to be member of the Nomination & Remuneration Committee with effect from December 30, 2023.

<sup>1</sup>Change in designation from Non-Executive Independent Director to Non-Executive Non-Independent Director with effect from December 31, 2023

<sup>2</sup>Reconstituted and appointed as member of Nomination and Remuneration Committee w.e.f. December 30, 2023.

The Company Secretary acts as the Secretary to the NRC. The minutes of each NRC meeting are placed in the next meeting of the Board.

### c) Stakeholders Relationship Committee:

The Stakeholders Relationship Committee ('SRC') comprise of three (3) members, with a majority of Independent Directors.

#### Brief Description of Terms of reference:

The powers, role and terms of reference of Committee covers the areas as contemplated under the Listing Regulations and Section 178 of the Companies Act, 2013. The brief terms of reference of Stakeholders Relationship Committee are as under:

- 1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- 2) Reviewing of measures taken for effective exercise of voting rights by shareholders.
- 3) Reviewing of adherence to the service standards adopted in respect of various services being rendered by the Registrar & Share Transfer Agent.
- 4) Reviewing of the various measures and initiatives taken for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.
- 5) To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable.

#### Meeting, Attendance & Composition of Stakeholders Relationship Committee:

During the financial year 2023-24, the SRC met once on March 28, 2024.

The Composition of the SRC and details of attendance of the members during FY 2023-24, are given below:

Name & Designation of Members	Category	No. of Meetings	
		Held during the tenure	Attended
Mr. Rajendra Kundanlal Desai (Chairman)	Independent & Non-Executive Director	1	1
Dr. Neethimani Karunamoorthy (Member)	Independent & Non-Executive Director	1	1
Mr. Affan Faruk Patel (Member)	Whole-Time Director	1	1
Mrs. Mrs. Venu Birappa <sup>1</sup> (Member)	Non-Independent & Non-Executive Director	NA	NA

<sup>1</sup>Ceased to be member of the Stakeholders Relationship Committee with effect from December 30, 2023.

<sup>1</sup>Change in designation from Non-Executive Independent Director to Non-Executive Non-Independent Director with effect from December 31, 2023.

The Company Secretary acts as the Secretary of SRC. The Minutes of the Stakeholders' Relationship Committee are reviewed by the Board of Directors at the subsequent Board Meeting. The Chairman of the SRC was present at the last AGM held on September 29, 2023, to answer queries of the security holders.

#### Compliance Officer:

In terms of the requirement of SEBI Listing Regulations, Mr. Karmit Sheth, Company Secretary, is the Compliance Officer of the Company.

#### Details of Investor Complaints

During the financial year 2023-24, no complaint was received from shareholders or security holders.

#### **d) Corporate Social Responsibility Committee:**

The Corporate Social Responsibility ('CSR') Committee comprise of three (3) members including one Independent Director.

#### **Terms of Reference**

The powers, role and terms of reference of CSR Committee covers the areas contemplated under Section 135 of the Companies Act, 2013. The brief terms of reference of CSR Committee are as under:

- 1) To formulate and recommend to the Board, a Corporate Social Responsibility policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act and rules made there under;
- 2) To review and recommend the amount of expenditure to be incurred on the Corporate Social Responsibility activities;
- 3) To monitor the implementation framework of Corporate Social Responsibility Policy;
- 4) To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for performance of its duties.

#### **Meeting, Attendance & Composition of Corporate Social Responsibility Committee:**

During the financial year 2023-24, the CSR Committee met once on March 28, 2024.

The Composition of the CSR Committee and details of attendance of the members at the committee meeting during the year are given below:

Name & Designation of Members	Category	No. of Meetings	
		Held during the tenure	Attended
Mr. Arvindkumar Tribhovandas Patadia (Chairman)	Independent & Non-Executive Director	1	1
Dr. Faruk G. Patel (Member)	Promoter & Managing Director	1	1
Mr. Affan Faruk Patel (Member)	Whole-Time Director	1	1

#### **5. PARTICULARS OF SENIOR MANAGEMENT:**

The details of the Senior Management Personnel of the Company identified in accordance with the Act and Regulation 16(1)(d) of the Listing Regulations as on March 31, 2024, are given below:

Sr. No.	Name	Designation
1	Mrs. Shabana Bajari	Chief Financial Officer
2	Mr. Karmit Sheth	Company Secretary & Compliance Officer

During FY 2023-24, the following changes took place in the senior management of the Company:

Mr. Pravinkumar Singh resigned from his position as Chief Financial Officer effective from the closure of the Business hours of November 7, 2023.

Subsequently, Mrs. Shabana Virender Bajari was appointed as the new Chief Financial Officer, effective November 8, 2023.

#### **6. SUBSIDIARY COMPANIES:**

The Company does not have any material subsidiary company in terms of Regulation 16(1)(c) of the SEBI Listing Regulations. The minutes of the Board meetings of the subsidiary companies are placed at the Board meeting of the Company on half yearly basis. The Audit Committee of the Company reviews the financial statements including investments made by unlisted subsidiary companies.

The management annually brings to the notice of the Audit Committee and the Board of Directors of the Company, a statement of all significant transactions and arrangements entered into by unlisted subsidiaries, if any. The Policy for determining material subsidiaries has been uploaded on the Company's website at: <https://www.kpenergy.in/Code-and-Policies>.

## 7. GENERAL BODY MEETING:

### Annual General Meetings:

The details of last three Annual General Meetings ('AGMs') are as follows:

Financial Year	Date and Time	Location	Special Resolutions passed
2022-23	September 29, 2023, at 3:00 P.M. IST	Conducted through video conference/ other audio-visual means. The deemed venue of the meeting is the Registered Office of the Company at 'KP House', Opp. Ishwar Farm Junction BRTS, Near Bliss IVF Circle, Canal Road, Bhatar, Surat-395017	<ol style="list-style-type: none"> <li>Revision in Remuneration Payable to Dr. Faruk G. Patel (DIN: 00414045), Managing Director of the Company.</li> <li>Revision in Remuneration Payable to Mr. Affan Faruk Patel (DIN: 08576337), Whole-Time Director of the Company.</li> <li>Increase in borrowing powers of the Company.</li> <li>Increase in limits for selling, leasing or otherwise disposing of the whole or substantially whole of the undertaking and/or Creating Charge/Security over the Assets/Undertaking of the Company.</li> <li>Increase in the Limits of Loans and Investments by the Company.</li> <li>Approval for Adoption and Implementation of KP Energy Limited - Employee Stock Option Plan 2023.</li> <li>Approval for extension of KP Energy Limited - Employee Stock Option Plan 2023 to the employees of the existing and future subsidiary company(ies) and existing and future associate company of the Company in India or outside India.</li> <li>Appointment of Mr. Afzal Harunbhai Malkani (DIN: 07194226) as Non-Executive Non-Independent Director of the Company.</li> </ol>
2021-22	September 29, 2022, at 3:00 P.M. IST		<ol style="list-style-type: none"> <li>Appointment of Mrs. Venu Birappa (DIN: 09123017) as Non-Executive Independent Director of the Company.</li> <li>Payment of Remuneration to Mrs. Venu Birappa (DIN: 09123017) for the FY 2022-23, which may exceed 50% of the total remuneration payable to all the Non-Executive Directors of the Company.</li> </ol>
2020-21	September 30, 2021, at 3:00 P.M. IST		<ol style="list-style-type: none"> <li>Sale/Transfer of Undertaking Under Section 180(1)(a) Of the Companies Act, 2013.</li> </ol>

All the resolutions proposed by the Directors to shareholders in last three years were approved by shareholders with requisite majority.

Video Recording of the last AGM is available on the website of the Company at: <https://www.kpenergy.in/video-gallery>.

Voting results of the last AGM is available on the website of the Company at: <https://www.kpenergy.in/Voting-Results>.

## Postal Ballot:

During the financial year 2023-24, the following special resolution was passed through Postal Ballot:

Date of Postal Ballot Notice	Special Resolutions passed	Approval Date	Voting Pattern	
			% of votes cast in favour	% of votes cast against
December 30, 2023	Appointment of Mr. Dukhabandhu Rath (DIN: 08965826) as Non-Executive Independent Director of the Company	February 2, 2024	100%	0%

### Person who conducted the aforesaid postal ballot exercise

M/s. Chirag Shah & Associates, Company Secretaries (FCS No.: 5545 and CP No.: 3498) was appointed as Scrutinizer for conducting the aforesaid Postal Ballot exercise in a fair and transparent manner.

### Whether any resolutions are proposed to be conducted through postal ballot:

There is no immediate proposal for passing any resolution through postal ballot. None of the businesses proposed to be transacted at the ensuing AGM require passing of a resolution through postal ballot.

### Procedure for postal ballot:

Prescribed procedure for postal Ballot as per the provisions contained in this behalf in the Act read with rules made there under and SEBI Listing Regulations, as amended from time to time has been complied with.

## 8. MEANS OF COMMUNICATION:

### Financial Results:

The quarterly and annual financial results are regularly submitted to the Stock Exchange(s) in accordance with SEBI Listing Regulations and were published in prominent daily newspapers viz. Indian Express (English) and Financial Express (Gujarati) and were also uploaded on the website of the Company at [www.kpenergy.in](http://www.kpenergy.in).

### Website and News Releases:

The Company has dedicated "Investors" section on its website viz. [www.kpenergy.in](http://www.kpenergy.in), wherein any person can access the corporate policies, Annual Reports, financial results, investor presentation and shareholding details etc.

The Company's official news releases and presentations made to the institutional investors and analysts, if any, are also available on the Company's website at <https://kpenergy.in/financials>.

### Intimation to Stock Exchange(s):

All the material information, requisite announcements and periodical filings are being submitted by the Company electronically through web portal of BSE Limited, where the equity shares of the Company are listed.

### Annual Report:

The Annual Report containing, inter alia, the audited Financial Statements, Consolidated Financial Statements, Board's Report, Auditor's Reports and other important information is sent to the Members and others entitled thereto. The Management Discussion and Analysis forms a part of the Annual Report. The Annual Report is also available on the website of the Company at <https://kpenergy.in/Annual-Reports> and on the website of BSE Limited.

## 9. GENERAL SHAREHOLDER INFORMATION:

### Company Registration Details:

The Company is registered in the State of Gujarat, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L40100GJ2010PLC059169.

### Address for Correspondence:

#### K.P. Energy Limited

Registered Office: 'KP House',  
Opp. Ishwar Farm Junction BRTS, Near Bliss IVF Circle,  
Canal Road, Bhatar, Surat-395017, Gujarat, India.  
Tel.: +91 261 2234757  
Fax: +91 261 2234757  
Email: [info@kpenergy.in](mailto:info@kpenergy.in)  
Website: <https://kpenergy.in>

### 15<sup>th</sup> Annual General Meeting :

Date	: September 26, 2024
Day	: Thursday
Time	: 3:00 P.M.
Mode	: Through Video Conference ("VC")/ Other Audio Visual Means ("OAVM")

### Financial year:

The Financial Year of the Company is from April 1<sup>st</sup> to March 31<sup>st</sup> of the following year.

### Book closure date:

The Register of Members and Share Transfer Books of the Company will be closed from Saturday, September 21, 2024 to Thursday, September 26, 2024 (both days inclusive) for the purpose of 15<sup>th</sup> AGM.

## Dividend Payment date:

The Board has considered and recommended a dividend of Re. 0.10/- per equity share of face value of ₹ 5/- each for the financial year 2023-24, subject to approval of the members at the ensuing AGM.

**Final Dividend Record Date:** October 7, 2024

**Final Dividend Payment Date:** On or before October 26, 2024

The total dividend for the financial year 2023-24, including the proposed final dividend, **amounts to Re. 0.55/- (11%)** per equity share of ₹ 5/- each fully paid-up

## Dividend Distribution Policy:

The Dividend Distribution Policy of the Company is available on the website of the Company at <https://kpenergy.in/Code-and-Policies>.

## Listing on Stock Exchanges:

The Equity shares of the Company are listed with the following stock exchange :

Name of Stock Exchange	Scrip Code
<b>BSE Limited (BSE)</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001	539686

## Depositories:

### National Securities Depository Limited (NSDL)

Trade World, 'A' Wing, 4<sup>th</sup> Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel (West) Mumbai-400013, Maharashtra.

### Central Depository Services (India) Limited (CDSL)

Marathon Futorex, A-Wing, 25<sup>th</sup> floor, NM Joshi Marg, Lower Parel, Mumbai 400013, Maharashtra.

Annual listing fee to BSE and Annual Custody/Issuer fee to NSDL & CDSL for the financial year 2024-25, have been paid by the Company.

## Market Price Data: High, Low during each month in FY 2023-24

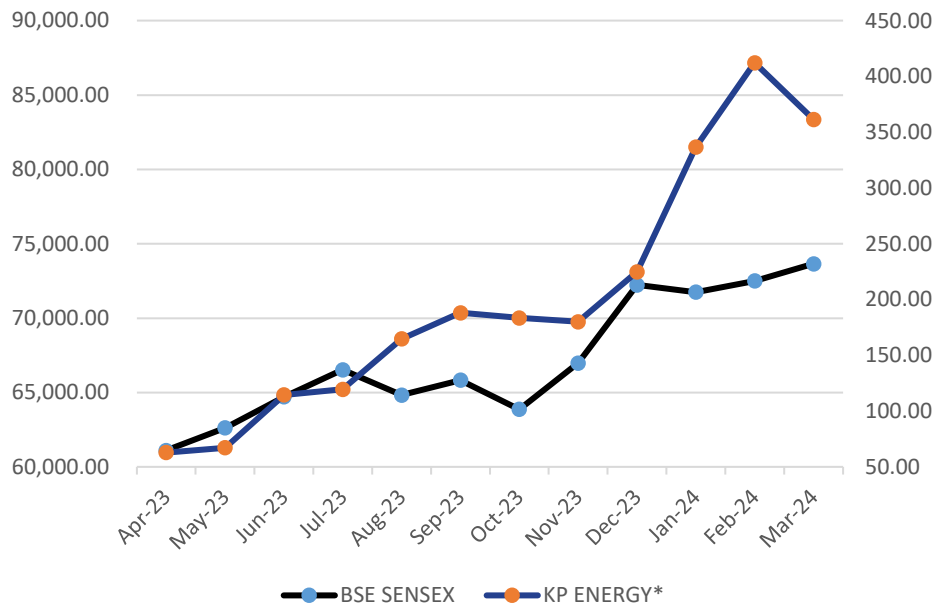
(In ₹ per share)

Month	High	Low	Close
April 2023	197.45	150.10	188.85
May 2023	224.00	176.00	201.80
June 2023	361.95	196.10	343.65
July 2023	396.95	336.55	358.80
August 2023	503.50	332.65	494.45
September 2023	600.00	476.95	564.65
October 2023	619.40	493.05	550.65
November 2023	595.00	482.00	540.30
December 2023	685.00	532.00	674.70
January 2024	1010.10	708.40	1010.10
February 2024	1200.00	364.05	412.30
March 2024	424.80	310.00	361.50

**Source:** This information is compiled from the data available on the website of BSE Limited.



**Performance in comparison to broad-based indices such as BSE Sensex:**



\*The share price of the company has been adjusted in proportionate of Bonus Shares issued in the ratio of 2:1 vide shareholders’ approval received by way of postal ballot dated February 2, 2024.

**Suspension of Trading:**

The securities of the Company were not suspended from trading on stock exchanges during the year under review.

**Registrar & Share Transfer Agent:**

<b>Name &amp; Address</b>	<b>Bigshare Services Private Limited</b> Pinnacle Business Park, Office no S6-2 ,6 <sup>th</sup> floor, Mahakali Caves Road , Next to Ahura Centre, Andheri East, Mumbai 400093, Maharashtra.
<b>Telephone</b>	022-62638200
<b>Fax</b>	022-62638299
<b>E-mail</b>	<a href="mailto:info@bigshareonline.com">info@bigshareonline.com</a>
<b>Website</b>	<a href="http://www.bigshareonline.com">www.bigshareonline.com</a>

Shareholders are requested to correspond directly with the R & T Agent for transfer/transmission of shares, change of address, queries pertaining to their shares, dividend etc.

## Share Transfer System:

The Company's shares are compulsorily traded in the demat segment on stock exchanges, bulk of the transfers take place in the electronic form. The share transfers received in physical form are processed through R & T Agent, within seven days from the date of receipt, subject to the documents being valid and complete in all respects. The Board has delegated the authority for approving transfer, transmission, issue of duplicate share certificate, dematerialization etc. to the Stakeholder Relationship Committee. All the physical transfers received are processed by the R & T Agent and are approved by the Stakeholders Committee well within the statutory period. The Stakeholders Relationship Committee meets for approval of the transfer, transmission, issue of duplicate share certificate, dematerialization/rematerialization of shares etc. and all valid share transfers received during the year ended March 31, 2024 have been acted upon. The share certificates duly endorsed are returned immediately to the shareholders by the R & T Agent.

In terms of Regulation 40(1) of SEBI Listing Regulations, with effect from April 1, 2019, securities of listed companies

can be transferred only in dematerialised form (except transmission of securities or transposition in the name(s) of holding). Accordingly, the shares held in physical form will not be transferred unless they are converted into dematerialised form. Transfers of equity shares in electronic form are effected through the depository system with no involvement of the Company.

Pursuant to Regulation 40(9) of the SEBI Listing Regulations, the Company obtain certificates from a practicing Company Secretary (i) on a yearly basis to the effect that all the transfers are completed within the statutory stipulated period and (ii) on a quarterly basis regarding reconciliation of the share capital audit of the Company confirming that the total issued/paid-up capital of the Company is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL. A copy of these certificates so received are submitted to BSE.

All communication regarding share certificates, change of address, dividend etc. should be addressed to R & T Agents of the Company at the address given above.

## Shareholding as on March 31, 2024:

Distribution of equity shareholding as on March 31, 2024:

Sr. No.	No. of shares	No. of shares	% of Shareholding	Total no. of Shareholders	% of Shareholders
1	1-5000	1,02,27,704	15.34	43,708	98.18
2	5001-10000	26,95,807	4.04	382	0.86
3	10001-20000	27,97,014	4.19	199	0.45
4	20001-30000	18,94,359	2.84	75	0.17
5	30001-40000	11,12,236	1.67	32	0.07
6	40001-50000	13,98,732	2.10	31	0.07
7	50001-100000	25,60,086	3.84	36	0.08
8	100001 and above	4,40,04,062	65.98	53	0.12
<b>Total</b>		<b>6,66,90,000</b>	<b>100.00</b>	<b>44,516</b>	<b>100.00</b>

Categories of equity shareholding as on March 31, 2024:

Category	No. of shares held		Total No. of Shares	% of Holding
	Physical	Demat		
Promoter and Promoter Group	-	2,98,78,566	2,98,78,566	44.80
Relatives of Promoters (Non-Promoter)	-	31,680	31,680	0.05
Directors and their relatives (Non-Promoter)	-	3,78,531	3,78,531	0.57
Key Managerial Personnel	-	9,650	9,650	0.01
Public Individuals/HUF	4,060	3,06,97,970	3,07,02,030	46.04
Non-Resident Indian	-	24,36,206	24,36,206	3.65
Foreign Portfolio Investor - Category I	-	42,185	42,185	0.06

Categories of equity shareholding as on March 31, 2024: **(Contd.)**

(In ₹ per share)

Category	No. of shares held		Total No. of Shares	% of Holding
	Physical	Demat		
Foreign Portfolio Investor - Category II	-	1,76,253	1,76,253	0.26
Foreign Institutional Investor	-	-	-	-
Clearing Members	-	81,047	81,047	0.12
Corporate Bodies	-	29,45,612	29,45,612	4.42
Unclaimed or Suspense or Escrow Account	-	8,240	8,240	0.01
<b>Total</b>	<b>4,060</b>	<b>6,66,85,940</b>	<b>6,66,90,000</b>	<b>100</b>

Top ten equity shareholders of the Company as on March 31, 2024:

Sr. No.	Name of the Shareholders	Number of equity shares	% of holding
1	Farukbhai Gulambhai Patel	2,98,78,566	44.80%
2	Manish Kantilal Haria	16,62,006	2.49%
3	Veer Value Ventures LLP	14,95,818	2.24%
4	Saurabh Nareshkumar Shah	8,23,500	1.23%
5	Kutir Navinchandra Patel	6,95,139	1.04%
6	Anjana Suresh Gandhi	6,25,500	0.94%
7	Chiragkumar Bakulbhai Limbasiya	6,00,000	0.90%
8	Sanjay M Sanghavi	5,14,800	0.77%
9	Sreedar Reddy G	4,66,515	0.70%
10	Vishal Nitin Sampat	3,78,265	0.57%
<b>Total</b>		<b>3,71,40,109</b>	<b>55.69%</b>

### Dematerialization of shares and liquidity:

The equity shares of the Company are tradable in compulsory dematerialized segment of the Stock Exchange and are available in depository system of National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company is INE127T01021.

As on March 31, 2024, 6,66,85,940 equity shares of the Company (representing 99.99% of the Company's share capital) are in dematerialized form. The Company's equity shares are regularly traded on the BSE Limited.

### Details of dividend in the Unpaid/Unclaimed Dividend Accounts as on March 31, 2024:

Under the provisions of the Act, the dividend has been declared by a company but has not been paid or claimed within 30 days from the date of the declaration to any shareholder, the company shall, within 7 days from the date of expiry of the said period of 30 days, transfer the total amount of unpaid or unclaimed dividend to a special account which called Unpaid Dividend Account. Accordingly, During the financial year 2023-24, Company has transferred an amount of ₹ 5,792.8/- against the unpaid/unclaimed dividend to the Unpaid Dividend Account. The Statement of unpaid/unclaimed dividends as on March 31,

2024, is uploaded on the Company's website <https://www.kpenergy.in/S-O-U-A-U-D>

Further, the money transferred to the Unpaid Dividend Account of a company which remains unpaid or unclaimed for a period of 7 years from the date of such transfer shall be transferred by the company along with interest accrued, if any, thereon to the Investor Education and Protection Fund (IEPF) administered by the Central Government. During the year, there were no funds transferred to IEPF.

### Outstanding GDRs/ADRs/warrants or any convertible instruments, conversion date and likely impact on equity:

There were no outstanding GDRs/ADRs/Warrants or any convertible instruments as at March 31, 2024.

### Commodity Price Risk/Foreign Exchange Risk and Hedging: Not Applicable

### Site Locations:

**Wind Farms/Power Evacuation Facility:** Villages Ratdi, Matalpar, Kuchhdi, Mahuva, Bhungar, Fulsar, Sonvadiya, Vanana, Dhandhalpur, Sidhpur, Gadhsisa.

**Solar Plants:** Village Bhungar, Simdhara, Bhersam.

## Green Initiative:

The Company welcomes and supports the 'Green Initiative' undertaken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents including the Annual Report to Shareholders at their e-mail address previously registered with the depositories or the Company's Registrar and Share Transfer Agent.

In line with the SEBI Listing Regulations, the Company has emailed soft copies of its Annual Report to all those Shareholders who have registered their email address for the said purpose. With reference to MCA General Circular No. 20/2020 dated May 5, 2020, MCA Circular dated May 05, 2022, MCA General Circular No. 11/2022 dated December 28, 2022, and MCA Circular dated September 25, 2023, read with the Securities and Exchange Board of India Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 and Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 07, 2023, Companies

have been dispensed with the printing and dispatch of Annual Reports to Shareholders. Hence, the Annual Report of the Company for the financial year ended March 31, 2024, would be sent through email to the Shareholders.

We would greatly appreciate and encourage more Members to register their email address with their Depository Participant or the RTA/Company, to receive soft copies of the Annual Report and other information disseminated by the Company. Shareholders who have not registered their e-mail addresses so far are requested to do the same. Those holding shares in demat form can register their e-mail address with their concerned DPs. Shareholders who hold shares in physical form are requested to register their e-mail addresses with the RTA/Company, by sending KYC updation forms duly signed by the shareholder(s) with required details.

Please note that all documents relating to Annual General Meeting shall be available on the Company's website.

## Credit Ratings:

During FY 2023-24, CARE has reaffirmed the credit rating for Long-term bank facilities and Short-term bank facilities of the Company as CARE BBB; Stable/CARE A3+. The Summary of Rating action is as follows:

Facilities/Instruments	Amount (₹ crore)	Rating
Long-term bank facilities	92.79 (Enhanced from 27.79)	CARE BBB; Stable
Long-term/Short-term bank facilities	31.00	CARE BBB; Stable/CARE A3+

India Ratings and Research (Ind-Ra), a Fitch Group Company has assigned a Short-Term Rating of IND A2+ to the bank loans of the Company. The Summary of Rating of action is as follows:

Instrument Type	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issue (million)	Rating/ Outlook	Rating Action
Bank Guarantee Limits	-	-	-	INR 100	IND A2+	Assigned

The Company has not issued any debt instruments and did not have any fixed deposit programme or any scheme or proposal involving mobilisation of funds in India or abroad during the financial year ended March 31, 2024.

## 10. OTHER DISCLOSURES:

### a) Disclosure on materially significant related party transactions:

The Company has adopted the Policy on Related Party Transactions ('RPTs') in line with the provisions of the Act and SEBI Listing Regulations, as amended from time to time, which is available on the website of the Company at <https://www.kpenergy.in/Code-and-Policies>.

The Policy intends to ensure that proper reporting, approval, disclosure processes are in place for all transactions between the Company and related parties. This Policy specifically deals with the review and approval of Material RPTs, keeping in mind the potential or actual conflicts of interest that may arise because of entering into these transactions. All RPTs by the Company and RPTs by the subsidiary companies, exceeding their respective standalone turnover, were placed before the Audit Committee for review and prior approval. Prior omnibus

approval is obtained for RPTs on a yearly basis, for the transactions which are of repetitive nature and/or entered in the ordinary course of business and are at arm's length. All RPTs entered during the year were in ordinary course of business and on arm's length basis.

The Company had also obtained the prior approval of shareholders for the material RPTs entered into during the Financial Year 2023-24.

### b) Compliance with Capital Market Regulations during the last three years :

The Company has complied with all the requirements of the Stock Exchanges as well as the regulations and guidelines prescribed by the Securities and Exchange Board of India (SEBI). There were no penalties or strictures imposed on the Company by Stock Exchange(s) or SEBI or any statutory authority on any matter related to capital markets during the last three years.

### **c) Whistle Blower Policy:**

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism for its employees and directors to report concerns about unethical improper activity and financial irregularities. No person has been denied access to the Chairman of the Audit Committee. The Audit Committee monitors and reviews the investigations of the whistleblower complaints. The said policy is uploaded on the website of the Company at <https://www.kpenergy.in/Code-and-Policies>.

During the year under review, no cases were reported under the whistle blower policy.

### **d) Compliance with Non-mandatory Requirements:**

The non-mandatory requirements have been adopted to the extent and in the manner as stated under the appropriate headings detailed below:

#### **The Board:**

The Board of Directors periodically reviewed the compliance of all the applicable laws and steps taken by your Company to rectify instances of non-compliance, if any. The Company is in compliance with all mandatory requirements of Listing Regulations.

#### **Shareholder Rights:**

The quarterly, half-yearly and annual financial results of your Company are published in newspapers and posted on Company's website [www.kpenergy.in](http://www.kpenergy.in). The same are also available on the website of Bombay Stock Exchange (BSE) at <https://www.bseindia.com/stock-share-price/kp-energy-ltd/kpel/539686/>.

#### **Modified opinion(s) in audit report:**

The auditors have expressed an unmodified opinion in their report on the financial statements of the Company. The Company continues to adopt best practices to ensure regime of unmodified audit opinion.

#### **Separate posts of Chairperson and the Managing Director or the Chief Executive Officer:**

The Chairperson of the board is a Non-Executive Director and her position is separate from the position of that of the Managing Director of the Company. Further the Chairperson of the Company is not related to the Managing Director of the Company.

#### **Reporting of Internal Auditor:**

The Internal Auditor reports functionally to the Audit Committee of the Company and administratively to the Managing Director & Whole-Time Director.

#### **Disclosure of accounting treatment in preparation of Financial Statements:**

The Company follows the guidelines of Accounting Standards referred to in section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 together with Ind AS issued by the Institute of Chartered Accountants of India.

### **Conflict of Interest:**

The designated Senior Management Personnel of the Company have disclosed to the Board that no material, financial and commercial transactions have been made during the year under review in which they have personal interest, which may have a potential conflict with the interest of the Company at large.

### **Code of Conduct:**

The Company has laid down the Code of Conduct for all the Board Members and Senior Management of the Company. The Code of Conduct is available on the website of the Company at <https://www.kpenergy.in/C-O-C>.

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

### **Governance Policies:**

The Company has also adopted Policy on Determining Materiality, Website Content Archival Policy and Policy on Preservation of Documents which is uploaded on the website of the Company at <https://www.kpenergy.in/Code-and-Policies>.

### **Anti-Corruption and Anti-Bribery Policy:**

It is Company's endeavor to conduct its business in an honest and ethical manner. Company takes a zero-tolerance approach to bribery and corruption and is committed to acting professionally, fairly and with integrity in all its business dealings and relationships, wherever it operates. Company's designated personnel are strongly prohibited from engaging in any form of unethical activity. If any employee, partner vendor, supplier, stakeholder suspects or becomes aware of any potential bribery involving the employee, it is incumbent upon the person to report it to the Vigilance and Ethics Officer.

A copy of the said Policy is available on the website of the Company at <https://www.kpenergy.in/Code-and-Policies>.

### **Code on prohibition of Insider Trading:**

In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 ('PIT Regulations'), the Company has adopted the Code of Conduct to Regulate, Monitor and Report Trading by Insiders and Code of Practice and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ('UPSI') ('Code') to regulate and monitor trading by Designated Persons ('DPs') and their immediate relatives. The Code, inter alia, lays down the procedures to be followed by designated persons while trading/dealing in Company's shares and sharing UPSI. The Code covers Company's obligation to maintain a digital database, mechanism for prevention of insider trading and handling of UPSI, and the process to familiarize with the sensitivity of UPSI. Further, it also includes code for practices and procedures for fair disclosure of unpublished price sensitive information which has been made available on the Company's website at <https://www.kpenergy.in/Code-and-Policies>.

### Risk Management Framework:

The Company has a structured Risk Management Framework, designed to identify, assess and mitigate risks appropriately. In line with the Company's commitment to deliver sustainable value, this framework aims to provide an integrated and organised approach to evaluate and manage risks. As on the date of this report, the Board has formed a Risk Management Committee (RMC) to frame, implement and monitor the risk management plan for the Company. The RMC is responsible for reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls. The major risks identified by the businesses are systematically addressed through mitigation actions on a continual basis. The policy on Risk Management is also available on the website of the Company at <https://www.kpenergy.in/Code-and-Policies>.

### Directors' details:

As required under Regulation 36(3) of the SEBI Listing Regulations, particulars of Director seeking re-appointment at the forthcoming AGM are given in the Annexure to the Notice of the 15<sup>th</sup> AGM to be held on Thursday, September 26, 2024.

### Compliance with Secretarial Standards:

The Company complies with all applicable secretarial standards.

### e) Policy on Material Subsidiary:

The Company has adopted a Policy on Material Subsidiary in line with the requirements of the Listing Regulations. The objective of this Policy is to lay down criteria for identification and dealing with material subsidiaries and to formulate a governance framework for subsidiaries of the Company. The Policy on Material Subsidiary is available on the website of the Company at <https://www.kpenergy.in/Code-and-Policies>.

### f) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A):

During FY 2023-24, no funds were raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A).

### g) Certificate from Secretarial Auditor pursuant to Schedule V of the Listing Regulations:

A certificate from M/s. Chirag Shah & Associates, Practising Company Secretaries, pursuant to Schedule V of the Listing Regulations, confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority as on March 31, 2024, is annexed to this report.

### h) Fees to Statutory Auditors:

During the financial year 2023-24, total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditors is given below: (₹ in lakhs)

M/s. Maak and Associates	Amount Paid
Audit Fees	3.85
Other Services	1.25
<b>Total</b>	<b>5.10</b>

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

As per the requirement of the provisions of the sexual harassment of women at workplace (Prevention, Prohibition & Redressal) Act, 2013 read with rules made thereunder, your Company has laid down a Prevention of Sexual Harassment (POSH) Policy and has constituted Internal Complaints Committees (ICs) to consider and resolve the complaints related to sexual harassment. The Company has zero tolerance on sexual harassment at the workplace. The ICs also work extensively on creating awareness on relevance of sexual harassment issues. All new employees go through a detailed personal orientation on anti-sexual harassment policy adopted by your Company. During the year under review, the Company has not received any complaint pertaining to sexual harassment.

### j) Reclassification of the persons forming part of the Promoter/Promoter Group of the Company:

The Board of Directors at its meeting held on May 19, 2023, inter alia, approved the request received from certain members of Promoter/Promoter Group, as detailed hereunder, seeking reclassification from the 'Promoter/Promoter Group' category to the 'Public' category, subject to the approval of the Stock Exchange i.e., BSE Limited and such other approvals/confirmations/consents as may be necessary and required for the said purpose under the SEBI Listing Regulations.

Sr. No.	Name of the persons	Category
1	Ashish Ashwin Mithani	Promoter
2	Jolly Ashish Mithani	Promoter Group
3	Bhav nabab Ashwinbhai Mithani	Promoter Group
4	Jagruti Niraj Mithani	Promoter Group

It may be noted that the above-mentioned person does not hold any shares in the Company. The Company has submitted the application to BSE Limited on June 2, 2023, which was approved by stock exchange on September 25, 2023. The Company has made all the necessary disclosures on the material developments in this regard from time to time on the stock exchange.

**k) Details of Loans and Advances by the Company and its Subsidiaries in the nature of loans to firms/companies in which Directors are interested:**

The aforesaid details are provided in the financial statements of the Company forming part of this Integrated Annual Report.

**l) Commodity Price Risk/Foreign Exchange Risk and Hedging:**

Not Applicable

**m)** There are no non-compliances of any requirements of Corporate Governance Report, as per sub-paras (2) to (10) of Schedule V Part C of the SEBI Listing Regulations.

**n)** The Company has complied with the requirements specified in Regulations 17 to 27 and Clauses (b) to (i) of Regulation 46(2) of the SEBI Listing Regulations.

**o) CEO/CFO Certificate:**

In compliance with Regulation 17(8) of SEBI Listing Regulations, the CFO of the Company has furnished a Certificate to the Board, for the year ended on March 31, 2024, and the same is attached to this Report. They have also provided quarterly certificates on financial results while placing the same before the Board pursuant to Regulation 33 of SEBI Listing Regulations.

**p) Company Secretary certificate on Corporate Governance:**

The Company has obtained a certificate from M/s. Chirag Shah & Associates, Practising Company Secretaries, affirming compliance of Corporate Governance requirements during FY 2023-24 and the same is attached to this Report.

**q) Disclosure in respect of equity shares transferred to unclaimed suspense account and suspense escrow demat account:**

As required by Regulation 34(3) read with Para F of Schedule V of the Listing Regulations, the details of Demat Suspense Account/Unpaid Suspense Account are disclosed here

Sr. No.	Particulars	No. of shareholders	No. of equity shares
1	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	Nil	Nil
2	No. of shares transferred to suspense account during the year (Pursuant to issue of bonus equity shares in ratio of 2:1)	2	8,240
3	Number of shareholders who approached the Company for transfer of shares from suspense account during the year;	Nil	Nil
4	Number of shareholders to whom shares were transferred from suspense account during the year;	Nil	Nil
5	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year;	2	8,240

The voting rights on these shares transferred to Demat/Unclaimed suspense account shall remain frozen till the rightful owner of such shares claims the shares.

**r) Disclosure of certain types of agreements binding listed entities:**

The Company has not been informed of any agreement under Regulation 30A(1) read with clause 5A of paragraph A of Part A of Schedule III of the Listing Regulations. Accordingly, there was no requirement for disclosing the same.

## Declaration of Compliance with the Code of Conduct

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

Further certified that the members of the board of directors and senior management personnel have affirmed the compliance with the code applicable to them during the year ended March 31, 2024.

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

**Place:** Surat  
**Date:** August 30, 2024

**Dr. Faruk G. Patel**  
Managing Director  
DIN: 00414045

**Affan Faruk Patel**  
Whole-Time Director  
DIN: 08576337



# Compliance Certificate on Corporate Governance

To  
The Members of  
**K.P. Energy Limited**

We have examined the compliance of conditions of Corporate Governance by K.P. Energy Limited (**'the Company'**) for the year ended on March 31, 2024, as stipulated in the applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, pursuant to the Listing Agreement of the Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of procedures and implementations thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

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

For **M/s. Chirag Shah & Associates**  
Company Secretaries

**CS Chirag Shah**  
Partner

Membership No.: FCS 5545

COP No: 3498

UDIN: F005545F001080388

Peer Review Cert. No. 704/2020

**Place:** Ahmedabad  
**Date:** August 30, 2024

# Certificate of Non-Disqualification of Directors

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

To,  
The Members of  
**K.P. Energy Limited**

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

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2024, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India (SEBI), Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Directors	DIN	Date of appointment in the Company
1.	Dr. Faruk G. Patel	00414045	08/01/2010
2.	Mr. Affan Faruk Patel	08576337	26/12/2019
3.	Mr. Amitkumar Subhashchandra Khandelwal	09287996	07/11/2023
4.	Mrs. Bhadrabala Dhimant Joshi	07244587	17/08/2015
5.	Mr. Bhupendra Vadilal Shah	06359909	30/07/2016
6.	Mrs. Venu Birappa*	09123017	06/07/2022
7.	Mr. Arvindkumar Tribhovandas Patadia**	09267710	14/08/2021
8.	Dr. Neethimani Karunamoorthy	01660111	26/03/2022
9.	Mr. Rajendra Kundanlal Desai	00198139	10/11/2022
10.	Mr. Dukhabandhu Rath	08965826	07/11/2023

\*Change in Designation from Non-Executive Independent Director to Non-Executive Non-Independent director w.e.f. December 31, 2023

\*\*Resigned from the post of Non-Executive Independent Director of the Company w.e.f. April 2, 2024.

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

For **M/s. Chirag Shah & Associates**  
Company Secretaries

**CS Chirag Shah**

Partner

Membership No.: FCS 5545

COP No: 3498

UDIN: FO05545FO01080366

Peer Review Cert. No. 704/2020

**Place:** Ahmedabad  
**Date:** August 30, 2024

# Certificate of Chief Financial Officer

[Pursuant to Regulation 17(8) read with Part B of Schedule II and Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

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

I have reviewed the financial statements including the cash flow statements of the Company for the year ended March 31, 2024, and to the best of my knowledge and belief:

1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

I hereby certify that, to the best of my knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2024, are fraudulent, illegal or violation of the Company's code of conduct.

I accept responsibility for establishing and maintaining internal control for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and I have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal control, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.

I further certify that I have indicated to the auditors and the Audit Committee:

- a) There have been no significant changes in internal control over financial reporting system during the year;
- b) There have been no significant changes in accounting policies during the year except for the changes disclosed in the notes to the financial statements, if any; and
- c) There have been no instances of significant fraud, of which I have become aware, involving management or an employee having a significant role in the Company's internal control system over financial reporting.

**Place:** Surat  
**Date:** August 30, 2024

**Shabana Virender Bajari**  
Chief Financial Officer

# Business Responsibility & Sustainability Report

## SECTION A: GENERAL DISCLOSURES

### I. Details of listed entity

1.	Corporate Identity Number (CIN) of the Company	L40100GJ2010PLC059169
2.	Name of the Company	K.P. ENERGY LIMITED
3.	Year of incorporation	2010
4.	Registered office address	'KP House', Opp. Ishwar Farm Junction BRTS, Near Bliss IVF Circle, Canal Road, Bhatar, Surat 395017, Gujarat.
5.	Corporate address	'KP House', Opp. Ishwar Farm Junction BRTS, Near Bliss IVF Circle, Canal Road, Bhatar, Surat 395017, Gujarat.
6.	E-mail ID	<a href="mailto:info@kpenergy.in">info@kpenergy.in</a>
7.	Telephone	+91 261 2234757
8.	Website	<a href="https://www.kpenergy.in">https://www.kpenergy.in</a>
9.	Financial year reported	Financial Year 2023-24
10.	Name of the Stock Exchanges where shares are listed	BSE Limited (BSE)
11.	Paid-up Capital	₹ 33,34,50,000
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Name: Mr. Karmit Sheth Designation: Company Secretary & Compliance Officer Telephone Number: (0261) 2234757 Email ID: <a href="mailto:secretarial@kpgroup.co">secretarial@kpgroup.co</a>
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Disclosures under this report are made on a consolidated basis.
14.	Name of assurance provider	NA
15.	Type of assurance obtained	NA

### II. Products/services

#### 16. Details of business activities (accounting for 90% of the turnover):

Sr. No.	Description of Main Activity	Description of Business Activity	% of turnover of the Company
1	Construction	Roads, railways, Utility projects	95.29%

#### 17. Products/Services sold by the Company (accounting for 90% of the turnover):

Sr. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Construction and maintenance of power plants	42201	95.29%
2	Electric power generation using other non-conventional sources	35106	3.82%

### III. Operations

#### 18. Number of locations where plants and/or operations/offices of the Company are situated:

Location	Number of plants	Number of offices	Total
National	13	1	14
International	0	0	0

#### 19. Markets served by the Company:

##### a. Number of locations

Locations	Number
National (No. of States)	1
International (No. of Countries)	0

##### b. What is the contribution of exports as a percentage of the total turnover of the Company? Nil

**c. Types of customers:** Our company delivers comprehensive energy and related services to commercial and industrial clients, as well as to several private corporations, acting as both an Independent Power Producer (IPP) and Captive Power Producer (CPP). We offer end-to-end Engineering, Procurement, Construction and Commissioning (EPCC) services for wind and wind-Solar hybrid power projects, covering everything from site assessment and project development to operational management.

#### 20. Details as at the end of Financial Year, i.e. March 31, 2024:

##### a. Employees and workers (including differently abled):

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
<b>EMPLOYEES</b>						
1.	Permanent (D)	277	262	94.58%	15	5.42%
2.	Other than Permanent (E)	12	12	100%	0	0
<b>3.</b>	<b>Total employees (D+E)</b>	<b>289</b>	<b>274</b>	<b>94.81%</b>	<b>15</b>	<b>5.19%</b>
<b>WORKERS</b>						
4.	Permanent (F)	0	0	0	0	0
5.	Other than Permanent (G)	0	0	0	0	0
<b>6.</b>	<b>Total workers (F+G)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

##### b. Differently abled Employees and workers:

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>						
1.	Permanent (D)	0	0	0	0	0
2.	Other than Permanent (E)	0	0	0	0	0
<b>3.</b>	<b>Total differently abled employees (D+E)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>DIFFERENTLY ABLED WORKERS</b>						
4.	Permanent (F)	0	0	0	0	0
5.	Other than Permanent (G)	0	0	0	0	0
<b>6.</b>	<b>Total differently abled workers (F+G)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## 21. Participation/Inclusion/Representation of women:

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	10	2	20%
Key Management Personnel	2	1	50%

## 22. Turnover rate for permanent employees and workers:

	FY 2024			FY2023			FY2022		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	26.32%	15.83%	42.15%	27.84%	23.53%	51.37%	20.28%	18.18%	38.46%
Permanent Workers	0	0	0	0	0	0	0	0	0

## IV. Holding, Subsidiary and Associate Companies (including joint ventures):

### 23. Name of holding/subsidiary/associate companies/joint ventures:

Sr. No.	Name of the holding/subsidiary/associate companies/joint ventures (A)	Indicate whether Holding/Subsidiary/Associate/Joint Venture	% of shares held by the Company	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the Company (Yes/No)
1	K.P Energy Mahua Windfarms Private Limited	Subsidiary	99.36%	Yes
2	Wind Farm Developers Private Limited	Subsidiary	99.23%	Yes
3	Ungarn Renewable Energy Private Limited	Subsidiary	98.34%	Yes
4	Evergreen Mahuva Windfarms Private Limited	Subsidiary	51%	Yes
5	HGV DTL Transmission Projects Private Limited	Subsidiary	100%	Yes
6	KP Energy OMS Limited	Subsidiary	100%	Yes
7	VG DTL Transmission Projects Private Limited	Associate	50%	No

## V. CSR Details:

24. (i) Whether CSR is applicable as per Section 135 of Companies Act, 2013 (Yes/No): Yes

(ii) Turnover (₹ In Lakhs): 47,294.94

(iii) Net worth (₹ In Lakhs): 18,443.41

## VI. Transparency and Disclosure Compliances:

### 25. Complaints/Grievances on any of the principles (Principle 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom compliant is received	Grievance Redressal Mechanism in place (Yes/No)(If yes, then provide weblink for grievance redressal policy)	FY2024			FY2023		
		No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks	No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks
Communities	Yes <a href="https://kpenenergy.in/contact-us">https://kpenenergy.in/contact-us</a>	0	0	0	0	0	0
Investors (other than shareholders)	Yes <a href="https://kpenenergy.in/investors-contacts">https://kpenenergy.in/investors-contacts</a>	0	0	0	0	0	0

**25. Complaints/Grievances on any of the principles (Principle 1 to 9) under the National Guidelines on Responsible Business Conduct:** (Contd.)

Stakeholder group from whom compliant is received	Grievance Redressal Mechanism in place (Yes/No) (If yes, then provide weblink for grievance redressal policy)	FY2024			FY2023		
		No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks	No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks
Shareholders	Yes <a href="https://kpenergy.in/investors-contacts">https://kpenergy.in/investors-contacts</a>	0	0	0	0	0	0
Employees and workers	Yes <a href="https://kpenergy.in/contact-us">https://kpenergy.in/contact-us</a>	0	0	0	0	0	0
Customers	Yes <a href="https://kpenergy.in/contact-us">https://kpenergy.in/contact-us</a>	0	0	0	0	0	0
Value Chain Partners	-	0	0	0	0	0	0
Other (please specify)	-	0	0	0	0	0	0

**26. Overview of the Company's business conduct, pertaining to environment and social matters that present a risk or an opportunity to the business of the Company, rationale for identifying the same, approach to adapt or mitigate the risk along with its financial implications, as per the following format:**

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Occupational Health and Safety	Risk	Prioritizing the health and safety of our employees, we protect our most valuable asset, foster a positive organizational culture, and contribute to sustainable growth and success in the industry.	We are committed to achieve a workplace that is free from harm and environmental leaks.	Negative
2.	Regulatory risk	Risk/opportunity	The Company being in renewable sector operates within a regulated space that is subject to government and regulatory policies.  Changes or amendments in wind energy policies or power evacuation facilities could have both positive and negative impact on industry's performance, including Company's operations.	Constantly monitoring government, regulatory and policy developments to enable us to anticipate and adapt potential changes in the renewable energy policy landscape.  Actively engaging with stakeholders, participating in industry associations, and providing constructive feedback to help shape favourable regulatory frameworks.	Negative/Positive
3.	Project development risk	Risk	The process of project development entails various risks, ranging from obtaining building permits and acquiring suitable land to managing logistics and Right-of-Way (RoW) challenges. These uncertainties expose our business to potential project delays, cancellations, or writeoffs, which can significantly impact profitability. Furthermore, project delays often lead to cost overruns, further exacerbating the potential impact on our financial performance.	The Company is committed to diligently addressing project development risks and implementing robust strategies to minimise their potential consequences by adopting following measures:  - Proactive identification and mitigation of potential challenges related to building permits, land acquisitions, logistics, and Right-of-Way (RoW) to minimise the likelihood of project delays, cancellations, or write-offs.  - Strengthening project planning and execution capabilities to ensure efficient and timely delivery by conducting comprehensive feasibility studies, optimising project timelines, and establishing effective project management processes.	Negative

**26. Overview of the Company’s business conduct, pertaining to environment and social matters that present a risk or an opportunity to the business of the Company, rationale for identifying the same, approach to adapt or mitigate the risk along with its financial implications, as per the following format:** (Contd.)

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
				- Actively collaborating, fostering strong partnerships, and maintaining open communication channels with relevant stakeholders, including local authorities, to address project development uncertainties more effectively and minimize potential roadblocks.	
4.	Local communities	Opportunity	Creating opportunities for local employment and community development is a cornerstone of our commitment. We not only contribute to the community's well-being but also build strong, mutually beneficial relationships that support sustainable growth and development.	We are working with all our communities through continuous engagement through training and awareness programs and providing local employment to improve the quality of life.	Positive
5.	Business continuity	Risk	Prevention and recovery from potential threats such as natural disasters or disruption in operation due to technical failure are crucial to us.	We have a strategic risk management process in place that supports to identify the short, medium and long-term risks. Within these processes, we have incorporated systems that help our operations to become durable to unforeseen issues.	Negative

**SECTION B: MANAGEMENT AND PROCESS DISCLOSURES**

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements:

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9	
<b>Policy and management processes</b>											
1.	a. Whether the Company’s policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
	b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
	c. Weblink of the policies, if available	<a href="https://kpenery.in/Code-and-Policies">https://kpenery.in/Code-and-Policies</a>									
2.	Whether the Company has translated the policy into procedures. (Yes/No)						Yes				
3.	Do the enlisted policies extend to the Company’s value chain partners? (Yes/No)						Yes				
4.	Name of the national and international codes/certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by the Company and mapped to each principle.	<b>The Company has adopted and implemented below standards:</b> ISO 9001:2015 (QMS) ISO 14001:2015 (EMS) ISO 45001:2018 (OH&S)									



- |   |  |
|---|--|
| 5. Specific commitments, goals and targets set by the Company with defined timelines, if any.                                       | The Company has already developed 1 GW + renewable energy projects and owns a power generation portfolio of 19.9 MW, including wind and solar projects. We have set an ambitious target to commission 10 GW+ renewable energy projects at the group level. Additionally, we aim to establish 100 MW of independent power producer (IPP) assets within the next two financial years. These initiatives will support sustainable development and align with KP Group's mission of nation-building, providing a framework for investing in ventures that enhance citizen wellbeing and drive India's economic growth. |
| 6. Performance of the Company against the specific commitments, goals and targets along with reasons, in case the same are not met. | The Company has already started development of the 30MW wind power project at Vagra site in Bharuch District and has applied for connectivity for development of 100MW of Inter State Transmission System (ISTS) connected wind power project in state of Gujarat.   |

**Governance, leadership and oversight**

- |  |   |
|--|---|
| 7. Statement by Director, responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure) | The power sector is critical to economic growth, but conventional power is known for emitting pollutants that are harmful to the environment. The Company generates power from renewable energy sources, which not only helps to reduce greenhouse gas emissions but also helps to propel economic growth in a more environmentally friendly manner. The Company is aware of its social responsibility and has deeply embedded Environmental and Social Governance (ESG) principles in its process, and all activities are carried out responsibly in accordance with these principles. We are constantly striving to improve processes and contribute to society in order to create a better future. We also assist our customers in meeting their goals for reducing carbon emissions and achieving growth with minimal environmental impact. |
| 8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).   | Mr. Amitkumar Subhashchandra Khandelwal<br>Whole-Time Director<br>DIN: 09287996   |
| 9. Does the Company have a specified Committee of the Board/Director responsible for decision making on sustainability related issues? (Yes/No). If yes, provide details.  | There is no specific committee for the same, however, we are in process of forming a committee specific for the implementing and oversighting of the Business Responsibility policy. For the current financial year, Mr. Amitkumar Subhashchandra Khandelwal (DIN: 09287996), Whole-Time Director of the Company will be responsible for decision making on sustainability related issues.  |
| 10. Details of review of NGRBCs by the Company:  |   |

Subject for review	Indicate whether review provided below taken by Director/Committee of the Board/any other Committee									Frequency (Annually/Half yearly/Quarterly/Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	As a practice, Business Responsibility & Sustainability Report (“BRR”) policy of the Company is reviewed periodically or whenever required by department heads, business heads and executive directors. During this assessment, the efficacy of the policy is reviewed and necessary changes to policy are suggested for consideration and implementation to the Board of Directors.																	
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Board of Directors																	

- |  |           |           |           |           |           |           |           |           |           |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| 11. Has the entity carried out independent assessment/evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency. | <b>P1</b> | <b>P2</b> | <b>P3</b> | <b>P4</b> | <b>P5</b> | <b>P6</b> | <b>P7</b> | <b>P8</b> | <b>P9</b> |
|  |           |           |           |           |           |           |           |           | No        |

12. If answer to question (1) above is 'No' i.e. not all Principles are covered by a Policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principle material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)						NA			
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

## SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

### Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable

#### Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	4	Code of Conduct for Board of Directors and Senior Management, Familiarisation Programmes.	100%
Key Managerial Personnel	2	Learning Attitude, Investor Awareness, Prevention of sexual harassment (POSH).	100%
Employees other than Board of Directors and KMPs	20	First Aid Training, Importance of QC Plan, Basic of ISO, Prevention of sexual harassment (POSH), Human Rights, Environment, Health and Safety, Technical Skills	85%
Workers	NA	NA	NA

2. Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by Directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year:

	Monetary				
	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine	NIL	NIL	NIL	NIL	NIL
Settlement	NIL	NIL	NIL	NIL	NIL
Compounding fee	NIL	NIL	NIL	NIL	NIL

	Non-Monetary			
	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL

(Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website)

**3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed:**

Case Details	Name of the regulatory/enforcement agencies/judicial institutions
	NA

**4. Does the Company have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy:**

Yes. The Company has a comprehensive Anti-Corruption and Anti-Bribery (ABAC) Policy in place. The Company is committed to upholding the utmost standards for transparency and accountability in all its operations and strives to attain its purpose through compliance with national and international legal and ethical requirements. The Company does not tolerate any form of bribery, embezzlement, or corruption, and will uphold all applicable laws countering these unethical practices.

Link of the policy: <https://kpenery.in/kpdata/assets/uploads/anti-corruption-and-anti-bribery-policy.pdf>

**5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:**

	FY 2023-24	FY 2022-23
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NIL	NIL

**6. Details of complaints with regard to conflict of interest:**

	FY 2023-24		FY 2022-23	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	NA	NIL	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	NA	NIL	NA

**7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflict of interest:**

NA

**8. Number of days of accounts payables ((Accounts payable \*365)/Cost of goods/services procured) in the following format:**

	<b>FY 2024 (Current Financial Year)</b>	<b>FY 2023 (Previous Financial Year)</b>
Number of days of accounts payables	197.45	104.86

**9. Open-ness of business:**

<b>Parameter</b>	<b>Metrics</b>	<b>FY 2024</b>	<b>FY 2023</b>
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	NA	NA
	b. Number of trading houses where purchases are made from	NA	NA
	c. Purchases from top 10 trading houses as % of total purchases from	NA	NA
Concentration of Sales	a. Sales to dealers/distributors as % of total sales	NA	NA
	b. Number of dealers/distributors to whom sales are made	NA	NA
	c. Sales to top 10 dealers/distributors as % of total sales to dealers/distributors	NA	NA
Share of RPTs in	a. Purchases (Purchases with related parties/Total Purchases)	7.59%	3.13%
	b. Sales (Sales to related parties/Total Sales)	30.38%	4.42%
	c. Loans & advances (Loans & advances given to related parties/Total loans & advances)	There was no loan and advances outstanding as on March 31, 2024 and March 31, 2023	
	d. Investments (Investments in related parties/Total Investments made)	90.97%	90.92%

**Leadership Indicators**

**1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:**

<b>Total number of awareness programmes held</b>	<b>Topics/principles covered under the training</b>	<b>%age of value chain partners covered (by value of business done with such partners) under the awareness programmes</b>
NA	NA	NA

**2. Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same:**

Yes, the Company maintains a Code of Conduct specifically tailored for its Board of Directors and senior management personnel.

All the members of the Board of Directors and Senior Management of the Company are expected to dedicate their best efforts to advance the Company's interests and to make decisions that affect the Company based on the Company's best interests and independent of outside influences.

Any circumstance that entails, or is reasonably anticipated to entail, a conflict of interest with the Company must be promptly disclosed to the Company Secretary.

The policy can be accessed on company's website at <https://kpenery.in/CodeofConduct>

**Principle 2: Business should provide goods and services in a manner that is sustainable and safe.**

**Essential Indicators**

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of products and processes to total R&D and capex investments made by the entity, respectively:

Segment	FY2024	FY2023	Details of improvements in environmental and social impacts
R&D	0.00%	0.00%	The majority of the Capex in FY24 was spent on the procurement and development of renewable energy projects (Wind, and Wind-Solar Hybrid). The renewable projects shall result in generation of clean power without any GHG pollution. It also creates a significant livelihood for locals.
Capex	91.17%	48.08%	

**2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

As of now, the entity does not have procedure in place for sustainable sourcing. However, the company sources most of its spares and components from reputed corporates who have adopted sustainable practices.

**b. If yes, what percentage of inputs were sourced sustainably?**

NA

**3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste:**

Due to the inherent characteristics of the Company's product and service offerings, the concept of product reclamation does not apply.

**4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same:**

Yes. Extended Producer Responsibility (EPR) is applicable to the Company for Plastic waste management, the waste management procedures adhere to the principles of Extended Producer Responsibility (EPR) guidelines and the waste is appropriately handled. Efforts are being made to develop strategies that enhance waste management efficiency and effectiveness.

**Leadership Indicators**

1. Has the entity conducted Life Cycle Perspective/Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product/Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective/Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link
NA					

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/services, as identified in the Life Cycle Perspective/Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same:

Name of Product/Service	Description of the risk/concern	Action Taken
NA		

**3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry):**

Indicate input material	Recycled or re-used input material to total material	
	FY2024	FY2023
	NA	

**4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

	FY2024			FY2023		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastics (including packaging)						
E-waste						
Hazardous waste						
Other waste						

**5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category:**

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
	NA

**Principle 3: Business should respect and promote the wellbeing of all employees, including those in their value chains**

**Essential indicators**

**1. a. Details of measures for the wellbeing of employees:**

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent employees</b>											
Male	262	262	100%	262	100%	-	-	-	-	-	-
Female	15	15	100%	15	100%	15	100%	-	-	-	-
<b>Total</b>	<b>277</b>	<b>277</b>	<b>100%</b>	<b>277</b>	<b>100%</b>	<b>15</b>	<b>5.4%</b>	-	-	-	-
<b>Other than Permanent employees</b>											
Male	12	12	100%	12	100%	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>12</b>	<b>12</b>	<b>100%</b>	<b>12</b>	<b>100%</b>	-	-	-	-	-	-

**b. Details of measures for the wellbeing of workers:**

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent Workers</b>											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-	-	-	-	-	-
<b>Other than Permanent Workers</b>											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-	-	-	-	-	-

**c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:**

	FY 2023-24	FY 2022-23
Cost incurred on well-being measures as a % of total revenue of the company	0.61%	0.72%

**2. Details of retirement benefits, for Current FY and Previous Financial Year:**

Benefits	FY2024			FY2023		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority Yes/No/Not Applicable ("NA")	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority Yes/No/Not Applicable ("NA")
PF	72%	-	Yes	60%	-	Yes
Gratuity	96%	-	NA	98%	-	Yes
ESI	3%	-	Yes	4%	-	Yes
Others- please specify	GMC – 100% WC – 100%	-	-	GMC – 100% WC – 100%	-	Yes

Note: (GMC: Group Medical Coverage WC: Workmen's Compensation) All eligible employees and workers are covered under ESI. For the business location, which don't come under purview of ESI, the workforce is covered under the Workmen's Compensation Act, 1923.

**3. Accessibility of workplaces**

Are the premises/offices of the Company accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the Company in this regard:

Yes, the company ensures that all its premises and offices are fully compliant with the Rights of Persons with Disabilities Act, 2016. We strongly promote equal opportunities for everyone and recognize the importance of fostering a diverse and equitable work environment. We have made extensive modifications to ensure that all facilities are accessible, including the installation of wheelchair, ramps and accessible restrooms. Our commitment to inclusivity is integral to our operations, and we continually strive to enhance our facilities to create a welcoming and accessible environment for everyone.

**4. Does the Company have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy:**

The Company strongly stands against discrimination based on gender, caste, religion, disability. The Company is fully committed to provide equal opportunities to everyone, fostering an inclusive and fair environment.

5. Return to work and Retention rates of permanent employees and workers that took parental leave:

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention Rate	Return to work rate	Retention Rate
Male	NA	NA	NA	NA
Female	100%	0%	NA	NA
<b>Total</b>	<b>100%</b>	<b>0%</b>	<b>NA</b>	<b>NA</b>

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief:

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent workers	NA
Other than permanent workers	NA
Permanent employees	A grievance redressal mechanism is available for permanent employees. The system is designed to redress the grievance within a defined timeline of 15 working days. The grievances are resolved in fair and time bound manner maintaining utmost confidentiality.
Other than permanent employees	

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

\*The Company does not have any employee associations.

Category	FY2024			FY2023		
	Total employees/workers in respective category (A)	No. of employees/workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/workers in respective category (C)	No. of employees/workers in respective category, who are part of association(s) or Union (D)	% (D/C)
<b>Total Permanent Employees</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
- Male	NIL	NIL	NIL	NIL	NIL	NIL
- Female	NIL	NIL	NIL	NIL	NIL	NIL
<b>Total Permanent Workers</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
- Male	NIL	NIL	NIL	NIL	NIL	NIL
- Female	NIL	NIL	NIL	NIL	NIL	NIL

8. Details of training given to employees and workers:

Category	FY2024					FY2023				
	Total (A)	On health and safety measures		On skill upgradation		Total (D)	On health and safety measures		On skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
Male	274	274	100%	274	100%	218	218	100%	218	100%
Female	15	15	100%	15	100%	11	11	100%	11	100%
<b>Total</b>	<b>289</b>	<b>289</b>	<b>100%</b>	<b>289</b>	<b>100%</b>	<b>229</b>	<b>229</b>	<b>100%</b>	<b>229</b>	<b>100%</b>
<b>Workers</b>										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



**9. Details of performance and career development reviews of employees and workers:**

Category	FY2024			FY2023		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Employees</b>						
Male	274	262	95.62%	218	213	97.71%
Female	15	15	100%	11	11	100%
<b>Total</b>	<b>289</b>	<b>277</b>	<b>95.85%</b>	<b>229</b>	<b>224</b>	<b>97.82%</b>
<b>Workers</b>						
Male	-	-	-	-	-	-
Female	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**10. Health and safety management system:**

**a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage of such system?**

Yes, the Company endeavors to prevent all injuries and work-related illnesses. The company is committed to provide safe and healthy working environment for the prevention of work-related injuries and ill health. This is implemented at all sites and offices.

**b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

The processes employed to identify work-related matters are carefully designed and systematically implemented. This involves a thorough analysis of various factors, including tasks, responsibilities, potential risks, and operational requirements.

**c. Whether you have processes for workers to report work related hazards and to remove themselves from such risks (Yes/No):**

Yes

**d. Do the employees/worker of the entity have access to non-occupational medical and healthcare services? (Yes/No)**

Yes, the employees and workers have access to non-occupational medical and healthcare services.

**11. Details of safety related incidents, in the following format:**

Safety Incident/Number	Category	FY2024	FY2023
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	0	0
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

**12. Describe the measures taken by the entity to ensure a safe and healthy workplace:**

The company places a strong emphasis on prioritizing the safety of its workforce and has introduced various initiatives to reduce workplace injuries and promote safety awareness. To achieve this, the company conducts training programs that focus on employee well-being. Furthermore, the company has formulated a Health, Safety & Environment (HSE) policy, accessible through its official website at <https://kpenergy.in/healthandsafepolicy>

**Number of Complaints on the following made by employees and workers:**

	FY2024			FY2023		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Working Conditions	Nil	Nil	NA	Nil	Nil	NA
Health & Safety	Nil	Nil	NA	Nil	Nil	NA

**13. Assessments for the year:**

	% of plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100% of plants and offices were assessed by internal team of the Company.
Working Conditions	

**14. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions:**

No significant concerns were raised during the assessment.

**Leadership Indicators**

**1. Does the entity extend any life insurance or any compensatory package in the event of death of:**

**(A) Employees (Yes/No):** Yes

**(B) Workers (Yes/No):** NA

**2. Provide the measures undertaken by the entity to ensure payment of statutory dues by the value chain partners:**

The Company is compliant to statutory dues of employees towards income tax, provident fund, professional tax, ESIC etc. as applicable from time to time, the other value chain partners (vendors) are equally responsible to comply as per the contract.

**3. Provide the number of employees/workers having suffered grave consequences due to work-related injury/ill-health/fatalities (as reported in Q11 of Essential Indicators above), who are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	Total No. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY2024	FY2023	FY2024	FY2023
Employees	0	0	0	0
Workers	0	0	0	0

**4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No)**

Yes. At our company, we empower employees by promoting continuous learning and staying updated with the latest technologies. We regularly offer training programs to enhance productivity of employees. Some highly skilled individuals may continue as consultants or advisors after their service period, based on business needs.

**5. Details on assessment of value chain partners:**

	<b>% of value chain partners (by value of business done with such partners) that were assessed</b>
Health and safety practices Working Conditions	The Company expects its value chain partners to comply with existing regulations, particularly those pertaining to health and safety practices and working conditions. Although no specific assessment has been carried out pertaining to health and safety practices and working conditions of value chain partners.

**6. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners:**

No corrective action plan has been necessitated on the above-mentioned parameters.

**Principle 4: Business should respect the interests of and be responsive to all its stakeholders**

**Essential indicators:**

**1. Describe the processes for identifying key stakeholder groups of the Company:**

The Company actively interacts with a wide array of stakeholders, encompassing investors, regulators, customers, and employees, utilizing a range of communication channels. To facilitate these engagements and ensure effective resolution of concerns, the company has instituted a Stakeholder Relations Committee. This committee plays a proactive role in engaging with stakeholders and addressing complaints and grievances.

The Stakeholder Relations Committee bears the responsibility of addressing shareholders' grievances, supervising voting rights, monitoring service standards, overseeing unclaimed dividends, and fulfilling other pertinent obligations. Through these structured efforts, the Company maintains a robust and responsive approach to stakeholder relations and accountability.

**2. List of stakeholder groups identified as key for the Company and the frequency of engagement with each stakeholder group:**

<b>Stakeholder Group</b>	<b>Whether identified as vulnerable &amp; marginalised group (Yes/No)</b>	<b>Channels of communication</b> (Emails, SMS, Newspapers, Pamphlets, Advertisements, Community Meetings, Notice Board, Website, Others)	<b>Frequency of engagement</b> (Annually, Half yearly, quarterly/ others- please specify)	<b>Purpose and scope of engagement including key topics and concerns raised during such engagement</b>
Employees	No	Regular meetings, workshops, seminars, training programmes, Emails, newsletters, and magazines	Continuous	Health and safety, rewards and recognition
Government/ Regulatory Body	No	Response to information Sought, Routine filing of reports, Regulatory audits and inspections, Annual Reports, Industry Forums	Continuous, Need based	Compliance of regulations, tax revenues
Investors	No	Annual reports, meetings, social media, investor meetings, seminars, website	Regular/Need based	Growth of the company, open and effective communication
Customers	No	Customer survey, email, social media, website, telephone, contractual agreements	Frequent, Need based	Grievances, service quality, Timely and proactive communication on reconciliation and settlements
Local communities	Yes	Awareness programs, meetings, CSR activities	Regular and need-based	Education, infrastructure, health camps, providing job opportunities to locals
Vendor/ Suppliers	No	One-on-one interaction for compliance monitoring, Grievance redressal	Regular	Ethics and transparency, Risk assessment for suppliers and compliance

## Leadership Indicators

### 1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board:

Various departments of the Company remain in constant touch with the stakeholders and taking necessary feedback from them. Board of Directors are taking this feedback from the respective team and take necessary course of action, if required.

### 2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes/No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity:

Yes, engaging with our stakeholders has assisted us in identifying our material issues. We have set specific goals in order to achieve our sustainability objectives. For instance, we have identified CSR projects for promotion of education and protection of environment in vicinity of our projects and offices based on consultation with local stakeholders.

### 3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalized stakeholder groups:

Yes, the Company has continually taken initiatives for the upliftment of the disadvantaged, vulnerable & marginalized stakeholders.

Through our CSR initiative, the KP Human Development Foundation, we are setting up the world's first old-age home specifically for individuals with physical disabilities in Uchediya village, Jhagadia taluka, Bharuch. Named "Prabhu nu ghar," this facility, located along the banks of the Narmada River, will be equipped to house 200 inmates.

## Principle 5: Business should respect and promote human rights

### Essential Indicators

#### 1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY2024			FY2023		
	Total (A)	No. of employees/workers covered (B)	% (B/A)	Total (C)	No. of employees/workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	277	277	100%	224	224	100%
Other than Permanent	12	12	100%	5	5	100%
<b>Total Employees</b>	<b>289</b>	<b>289</b>	<b>100%</b>	<b>229</b>	<b>229</b>	<b>100%</b>
<b>Workers</b>						
Permanent	-	-	-	-	-	-
Other than Permanent	-	-	-	-	-	-
<b>Total Workers</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### 2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY2024					FY2023				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
<b>Permanent</b>	<b>277</b>	<b>-</b>	<b>-</b>	<b>277</b>	<b>100%</b>	<b>224</b>	<b>2</b>	<b>0.89%</b>	<b>222</b>	<b>99.11%</b>
Male	262	-	-	262	100%	213	2	0.94%	211	99.06%
Female	15	-	-	15	100%	11	0	0	11	100%
<b>Other than Permanent</b>	<b>12</b>	<b>12</b>	<b>100%</b>	<b>-</b>	<b>-</b>	<b>5</b>	<b>3</b>	<b>60%</b>	<b>-</b>	<b>-</b>
Male	12	12	100%	-	-	5	3	60%	-	-
Female	-	-	-	-	-	-	-	-	-	-

**2. Details of minimum wages paid to employees and workers, in the following format: (Contd.)**

Category	FY2024					FY2023				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Workers</b>										
<b>Permanent</b>	-	-	-	-	-	-	-	-	-	-
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
<b>Other than Permanent</b>	-	-	-	-	-	-	-	-	-	-
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-

**3. Details of remuneration/salary/wages, in the following format:**
**a. Median remuneration/wages:**

	Male		Female	
	Number	Median remuneration/salary/wages of respective category	Number	Median remuneration/salary/wages of respective category
Board of Directors (BoD)	3	500000	0	0
Key Managerial Personnel (KMP)	1	125000	1	266852
Employees other than BoD and KMP	270	25157	14	44140
Workers	0	0	0	0

**b. Gross wages paid to females as % of total wages paid by the entity, in the following format:**

	FY2024	FY2023
Gross wages paid to females as % of total wages paid by the entity, in the following format	9.68%	6.10%

**4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

Yes. Human rights is a matter of great sensitivity, and at KP, there is a strict policy of zero tolerance towards any form of human rights violation.

**5. Describe the internal mechanisms in place to redress grievances related to human rights issues:**

The Company has implemented a robust process to address employee concerns proactively. This process includes investigating issues through a dedicated Grievance Redressal mechanism. Employees also have the option to communicate their concerns by submitting a grievance letter to their respective HR departments.

**6. Number of Complaints on the following made by employees and workers:**

	FY2024			FY2023		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	NIL	NIL	-	NIL	NIL	-
Discrimination at workplace	NIL	NIL	-	NIL	NIL	-
Child Labour	NIL	NIL	-	NIL	NIL	-
Forced Labour/Involuntary Labour	NIL	NIL	-	NIL	NIL	-
Wages	NIL	NIL	-	NIL	NIL	-
Other Human rights related issues	NIL	NIL	-	NIL	NIL	-

**7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

	FY2024	FY2023
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	NIL	NIL
Complaints on POSH as a % of female employees/workers	NIL	NIL
Complaints on POSH upheld	NIL	NIL

**8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases:**

The Company strongly believes in building a diverse and inclusive workplace. Employees are encouraged to be themselves and contribute their unique skills and perspectives. This teamwork benefits everyone. In order to ensure equal opportunities for everyone, the company maintains a practice of treating all employees equally, regardless of their gender, religion, or background.

This commitment to addressing employee concerns is demonstrated through the implementation of a robust Grievance Redressal process, which facilitates prompt and effective investigations and resolutions. Additionally, the company has established a Code of Conduct that clearly define employee responsibilities and acceptable conduct within the organization. These endeavors serve as the foundation for fostering a diverse and inclusive culture at the workplace, exemplifying the Company's unwavering commitment to creating a supportive and equitable environment for all its employees.

**9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes. Several of our business agreements and contracts do include Company's expectations to promote sustainability, fair competition and respect for human rights. Further, the majority of our prominent vendors and customers, who significantly contribute to our business, are well-established corporations with their own comprehensive systems and policies that encompass all aspects of business practices, including Human Rights compliance.

**10. Assessment for the year:**

	% of the Company's plants and offices that were assessed (by the Company or statutory authorities or third parties)
Child Labour	100%
Forced Labour/Involuntary Labour	100%
Sexual Harassment	100%
Discrimination at workplace	100%
Wages	100%
Other- please specify	100%

**11. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 9 above:**

There were no significant risks or concerns identified.

**Leadership Indicators**

**1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints:**

No, Human Rights issues arose during FY24, and consequently, no modifications or introductions were made to any business processes in response to such concerns.

**2. Details of the scope and coverage of any Human rights due diligence conducted:**

Human rights due diligence is a critical aspect of corporate responsibility, by conducting comprehensive assessments, we can identify potential impacts on human rights and take appropriate measures to respect and uphold these standards. This process is integral to the project lifecycle, ensuring that all employees, and contractors are treated fairly and ethically.

**3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Yes. The Company prioritizes the accessibility of all its premises and offices for differently abled individuals. It has taken substantial steps to integrate diverse accessibility features, including wheelchair and ramps, among others.

#### 4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	NA
Discrimination at workplace	NA
Child Labour	NA
Forced Labour/Involuntary Labour	NA
Wages	NA
Others – please specify	NA

#### 5. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 4 above:

NA

### Principle 6: Business should respect and make efforts to protect and restore the environment

#### Essential Indicators

#### 1. Details of total energy consumption (in Giga Joules (GJ) or multiples) and energy intensity, in the following format:

Parameter	FY2024	FY2023
Total electricity consumption (A)	1,726.71 GJ	741.1788 GJ
Total fuel consumption (B)	0 GJ	0 GJ
Energy consumption through other sources (C)	0	0
<b>Total energy consumption (A+B+C)</b>	<b>1,726.71 GJ</b>	<b>741.1788 GJ</b>
From Non-renewable sources	0	0
Total electricity consumption (D)	0	0
Total fuel consumption (E)	0	0
Energy consumption through other sources (F)	0	0
Total energy consumption from no -renewable (D+E+F)	0	0
<b>Total energy consumption (A+B+C+D+E+F)</b>	<b>1,726.71 GJ</b>	<b>741.1788 GJ</b>
Energy intensity per rupee of turnover	-	-
Energy intensity per rupee of turnover adjusted for purchasing power parity (PPP) (Total energy consumed/Revenue from operations adjusted for PPP)	-	-
Energy intensity in terms of physical output	-	-
Energy intensity (optional) – the relevant metric may be selected by the Company	-	-

Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, name of the external agency: No

#### 2. Does the Company have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Yes/No) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any:

No, the Company is not identified as designated consumer under the Performance Achieve and Trade (PAT) Scheme of the Government of India.

**3. Provide details of the following disclosures related to water, in the following format:**

Parameter	FY2024	FY2023
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	-	0
(ii) Groundwater	1098.85	1322.21
(iii) Third party water	1692.54	337.45
(iv) Seawater/desalinated water	-	-
(v) Others	380	290
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	<b>3171.39</b>	<b>1949.66</b>
<b>Total volume of water consumption (in kilolitres)</b>	<b>3171.39</b>	<b>1949.66</b>
Water intensity per rupee of turnover (Total Water consumption/ Revenue from operations)	-	-
Water intensity per rupee of turnover adjusted for purchasing power parity (PPP) (Total water consumption/Revenue from operations adjusted for PPP)		
Water intensity in terms of physical output	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, name of the external agency: No

**4. Provide the following details related to water discharge:**

Parameter	FY2024	FY2023
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
<b>(i) To Surface water</b>		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
<b>(ii) To Groundwater</b>		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
<b>(iii) To Seawater</b>		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
<b>(iv) Sent to third-parties</b>		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
<b>(v) Others</b>		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
<b>Total water discharged (in kilolitres)</b>	<b>0</b>	<b>0</b>

Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, name of the external agency: No



**5. Has the Company implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation:**

Not Applicable, The Renewable energy generation and project development business does not involve any liquid discharge that could affect the environment or the water resources. Therefore, the company is not subject to the regulations, or the permits related to liquid waste management.

**6. Please provide details of air emissions (other than GHG emissions) by the Company, in the following format:**

Parameter	Unit	FY2024	FY2023
NOx			
SOx			
Particulate matter (PM)			
Persistent organic pollutants (POP)		NA	
Volatile organic compounds (VOC)			
Hazardous air pollutants (HAP)			
Others – please specify			

Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, name of the external agency: No

**7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY2024	FY2023
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	T CO <sub>2</sub> e	NA	NA
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	T CO <sub>2</sub> e	NA	NA
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover</b> (Total Scope 1 and Scope 2 GHG emissions/Revenue from operations)	T CO <sub>2</sub> e/L INR	NA	NA
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for purchasing power parity (PPP)</b> (Total Scope 1 and Scope 2 GHG emissions/Revenue from operations adjusted for PPP)	T CO <sub>2</sub> e (PP P Adjusted)/L INR	NA	NA
<b>Total Scope 1 and Scope 2 emission intensity in terms of physical output</b>	T CO <sub>2</sub> e/O	NA	NA
<b>Total Scope 1 and Scope 2 emission intensity</b> (optional) – the relevant metric may be selected by the entity	T CO <sub>2</sub> e/O	NA	NA

Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, name of the external agency: No

**8. Does the Company have any project related to reducing Green House Gas emission? If yes, then provide details:**

The Company has taken proactive measures to promote environmental sustainability, leading to significant positive impacts. To increase green cover and combat deforestation, the Company has planted numerous trees across various locations, with ongoing maintenance to ensure their health and growth. In line with its commitment to renewable energy, the Company has implemented Solar Power Plant and WindMill projects, advancing clean and sustainable energy generation. To further reduce energy consumption and carbon emissions, the Company has upgraded to high-energy efficient equipment, fostering a greener operational approach. Additionally, the Company has introduced measures to optimize energy use in its buildings, reducing waste and improving overall efficiency. Recognizing the importance of public engagement, the Company has conducted awareness programs focused on greenhouse gas (GHG) reduction, encouraging stakeholders to join in collective efforts for environmental preservation.

**9. Provide details related to waste management by the Company, in the following format:**

Parameter	FY2024	FY2023
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	1.74	2.45
E-waste (B)	0	0
Bio-medical waste (C)	0	0
Construction and demolition waste (D)	0	0
Battery waste (E)	3	4
Radioactive waste (F)	0	0
Other Hazardous Waste. Please specify, if any. (G)	0.9	0.9
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	0	0
<b>Total (A+B + C + D + E + F + G + H)</b>	<b>5.64</b>	<b>7.35</b>
<b>Waste intensity per rupee of turnover</b> (Total Water generated/Revenue from operations)	-	-
<b>Waste intensity per rupee of turnover adjusted for purchasing power parity (PPP)</b> Total Water generated/Revenue from operations adjusted for PPP	-	-
<b>Waste intensity in terms of physical output</b>	-	-
<b>Waste intensity</b> (optional) – the relevant metric may be selected by the entity	-	-
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
<b>Total</b>	<b>0</b>	<b>0</b>
<b>For each category of waste generated, total waste disposed of through disposal method (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, name of the external agency: No

**10. Briefly describe the waste management practices adopted in your establishment. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes:**

In managing hazardous waste, we rigorously comply with all relevant regulatory mandates and embrace industry-leading practices. This encompasses meticulous segregation, secure storage, and safe transportation of hazardous materials. Consistent with regulatory directives, we ensure the environmentally sound disposal of hazardous waste by engaging certified vendors proficient in recycling such materials.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format:

Sr. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval/clearance are being complied with? (Yes/No) If no, the reasons thereof and corrective action taken, if any.
NA			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
NA					

13. Is the entity compliant with the applicable environmental law/regulations/guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection Act and rules thereunder (Yes/No). If not, provide details of all such non-compliances, in the following format:

Yes, the Company is compliant with the applicable laws and regulations for FY24.

Sr. No.	Specify the law/regulation/guidelines which was not complied with	Provide details of the non-compliance	Any fines/penalties/action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
NA				

**Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

**Essential indicators**

1. a. Number of affiliations with trade and industry chambers/associations:

None

b. List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the Company is a member of/affiliated to:

Sr. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations (State/National)
NA		

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the Company, based on adverse orders from regulatory authorities:

Name of the authority	Brief of the case	Corrective action taken
NA		

## Principle 8: Businesses should promote inclusive growth and equitable development

### Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the Company, based on applicable laws, in the current financial year:

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
NA					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by the Company, in the following format:

Sr. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amount paid to PAFs in the FY (In INR)
NA						

3. Describe the mechanisms to receive and redress grievances of the community:

The company is committed to actively engaging with the community and ensuring that their grievances are heard and appropriately redressed. During the engagements any concerns raised are systematically gathered and adeptly addressed.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY2024	FY2023
Directly sourced from MSMEs/small producers	14.30%	7.79%
Sourced directly from within the district and neighbouring districts	16.49%	6.05%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/on contract basis) in the following locations, as % of total wage cost:

Location	FY2024	FY 2023
Rural	43.79%	64.28%
Semi-Urban	-	-
Urban	56.21%	35.72%
Metropolitan	-	-

(Place to be categorized as per RBI Classification System - rural/semi-urban/urban/metropolitan)

## Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner

### Essential indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback:

We have well defined systems for receiving and responding to consumer complaints and feedback. Consumers can share their complaint and feedback via email. Timely and effective redressal of concerns/complaints raised by our stakeholders is a key priority for our businesses. To ensure this, the Company offers a dedicated email and contact number, which are prominently featured on its official website, for addressing consumer grievances.

**2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about:**

<b>As a percentage to total turnover</b>	
Environmental and social parameters relevant to the product	Not Applicable considering the nature of Company's product and services offerings.
Safe and responsible usage	
Recycling and/or safe disposal	

**3. Number of consumer complaints in respect of the following:**

	FY2024		Remarks	FY2023		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	NIL	NIL	NA	NIL	NIL	NA
Advertising	NIL	NIL	NA	NIL	NIL	NA
Cyber- security	NIL	NIL	NA	NIL	NIL	NA
Delivery of essential services	NIL	NIL	NA	NIL	NIL	NA
Restrictive Trade Practices	NIL	NIL	NA	NIL	NIL	NA
Unfair Trade Practices	NIL	NIL	NA	NIL	NIL	NA
Other (product related)	NIL	NIL	NA	NIL	NIL	NA

**4. Details of instances of product recalls on account of safety issues:**

	Number	Reasons for recall
Voluntary recalls	NIL	NA
Forced recalls	NIL	NA

**5. Does the Company have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy:**

The company takes proactive measures to ensure the security of user and device data through its comprehensive privacy policy. This policy, designed to provide the highest level of protection, is easily accessible on the company's website. You can find it by following this link: [KP Energy/Cyber Security and Data privacy](#)

**6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services:**

Not Applicable, considering the nature of Company's product and services offerings.

**7. Provide the following information relating to data breaches:**

**a. Number of instances of data breaches:** NIL

**b. Percentage of data breaches involving personally identifiable information of customers:** NIL

**c. Impact, if any, of the data breaches:** NIL



## Leadership Indicators

**1. Channels/platforms where information on products and services of the Company can be accessed (provide web-link, if available):**

All information regarding business of the Company can be accessed through the Company's website i.e. [www.kpenergy.in](http://www.kpenergy.in)

**2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services:**

Not Applicable

**3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services:**

Not Applicable

**4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as whole? (Yes/No):**

Not Applicable

# Independent Auditor's Report

TO THE MEMBERS OF

## **K.P. ENERGY LIMITED**

### **Report on the Standalone Financial Statements**

#### **OPINION**

We have audited the accompanying standalone financial statements of K.P. ENERGY LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year ended on that date, and a summary of the material accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### **BASIS FOR OPINION**

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made 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 Standalone Financial Statements.

#### **KEY AUDIT MATTERS**

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

<b>Sr. No.</b>	<b>Key Audit Matter (KAM)</b>	<b>How the matter was addressed in our Audit?</b>
1.	<p><b>Revenue recognition – Fixed price (EPCC) development contracts</b></p> <p>The Company, inter alia, engages in Fixed-price (EPCC) development contracts, where, revenue is recognized using the milestone computed as per the input method based on management's estimate of contract costs.</p> <p>We have identified revenue recognition of fixed price development contracts as a KAM considering there is an inherent risk around the accuracy of revenues given the customized and complex nature of these project development contracts.</p>	<p>Our audit procedures on revenue recognized from fixed price contracts include obtaining an understanding of the systems, processes and controls implemented by management for recording and calculating revenue.</p> <p>We have tested that the revenue recognized is in accordance with the Indian Accounting Standard by evaluating identification of performance obligations. We have also tested management's estimation of contract cost and the obligations, if any. We have observed that the estimates of cost to complete were reviewed and approved by the appropriate levels of Management.</p>
2.	<p><b>Evaluation of procedure for recognizing the revenue from sale of power</b></p> <p>The Company has adopted the procedure for recognizing the revenue from sale of power as unbilled revenue at the initial stage on monthly basis and once the confirmation is received from the customer and the regulatory authority in respect of the actual units of electricity transmitted, the Company raises invoice to the client and the same is adjusted against the unbilled revenue booked earlier.</p>	<p>We have obtained the actual invoice raised by the Company after receipt of the confirmation from the regulatory authority and the customers, certificate of share of electricity generated by the GETCO – State Load Dispatch Centre on monthly basis, calculations of Wheeling Loss 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 March 31, 2024 would be offset only after the receipt of the above documentary</p>

Sr. No. Key Audit Matter (KAM)	How the matter was addressed in our Audit?
<p>3. <b>Right of Way Expenses incurred during the course of the development of EPC contracts</b></p> <p>The Company has, inter alia, incurred considerable amount on Right of Way expenses during the course of the development of EPC contracts. These costs comprise of the compensation paid to various individuals on whose lands the transmission towers are to be erected and the stringing of transmission lines were carried out. The compensation was paid to the individuals for the loss of standing crops on the respective lands.</p>	<p>evidences from the respective authorities and the customers which would be settled in the subsequent F.Y. and to that extent, there is the possibility that the revenue booked as unbilled revenue can be varied.</p> <p>Our audit procedures include the verification of payment details to various individuals, land records i.e 7/12 of the land to identify the actual owners or co-owners as the case may be along with the authorization trails of the management along with the control mechanism adopted by the management with its adequate implementation of the same.</p> <p>We have obtained the payment vouchers or the agreements entered into by the Company with these individuals directly or through any agent as the case may be. We have verified the payment vouchers and agreements on test check basis to identify the actual person to whom the compensation was paid by the Company and also verified the consent of other co-owners where the compensation was paid to one of the co-owners.</p> <p>The Company has accounted for all the amounts which were paid as compensation to these individuals and charged the same to the revenue, however, in the case of the compensation paid in the month of March 2024, the payment vouchers with proper authorization have been produced before us and in such cases, the agreements were remained to be executed. Till the date of our audit report, the said agreements are yet to be executed.</p>

### MANAGEMENT’S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

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

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

### AUDITOR’S RESPONSIBILITY FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the 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 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system 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 made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations as on March 31, 2024 on its financial position in its standalone financial statements – Refer Note 31 to the standalone financial statements.

The Company has following pending litigations:

1. Public Interest Litigation No. 85 of 2016 at High Court of Gujarat
2. Public Interest Litigation No. 241 of 2018 at High Court of Gujarat
3. Special Civil Application No. 9120 of 2017 at High Court of Gujarat
4. Special Civil Application No. 6303 of 2020 at High Court of Gujarat
5. Special Civil Application No. 1050 of 2020 at High Court of Gujarat
6. Special Civil Application No. 17093 of 2018 at High Court of Gujarat
7. Special Civil Application No. 6832 of 2020 at High Court of Gujarat

8. Public Interest Litigation No. 88 of 2023 at High Court of Gujarat
9. Assessment Proceedings with Assessment Unit, Income tax department for AY 2019-20 amounting to ₹179.94 Lakhs under Section 147 read with Section 144B of the Income Tax Act, 1961.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("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 Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company 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;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in their circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. As stated in Note 12 to the Standalone Financial Statements:
- (a) The final dividend proposed in the previous year, declared and paid by the Company during the year, is in accordance with Section 123 of the Act, as applicable.
- (b) The Interim Dividend declared and paid by the Company during the year and until the date of this report is in compliance with the Section 123 of the Act.
- (c) The Board of Directors of the Company have proposed final dividend for the year, which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act, as applicable.
- vi. Based on our examination, which included test checks, the Company has used accounting software 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 software. 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.

2. 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 paragraphs 3 and 4 of the Order, to the extent applicable.
3. As required with reference to the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act"), we give in the **"Annexure-B"** a statement on the matters specified to the extent applicable.

**For MAAK and Associates**

Chartered Accountants

FRN: 135024W

**Marmik Shah**

Partner

Membership No: 133926

UDIN: 24133926BKCJOI6792

**Place:** Ahmedabad

**Date:** 22-04-2024

# Annexure-A

## TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our Report of even date)

- |   |  |
|---|--|
| <p>(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.</p> <p>(b) According to information and explanation given to us, the Company has maintained proper records showing full particulars of Property, Plant and Equipment.</p> <p>(c) The Property, Plant and Equipment have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and nature of its business and no material discrepancies were noticed on such verification.</p> <p>(d) The title deeds of immovable properties are held in the name of the Company.</p> <p>(e) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year and accordingly, the clause for revaluation of Property, Plant and Equipment (including Right of Use assets) or intangible assets or both is not applicable.</p> <p>(f) No proceedings have been initiated or are pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under.</p> | <p>(iii) (a) According to information and explanation given to us, the Company has granted loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 within applicable limits.</p> <p>(b) In our opinion and according to information and explanations given to us, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the Company's interest.</p> <p>(c) According to information and explanation given to us, in respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts are regular.</p> <p>(d) According to information and explanation given to us, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the Balance Sheet date.</p> <p>(e) According to information and explanation given to us, no Loan granted by the Company, which has been fallen during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.</p> <p>(f) According to information and explanation given to us, the Company has granted loans to related parties as defined in clause (76) of Section 2 of the Companies Act, 2013 in the nature of loans repayable on demand.</p> |
| <p>(ii) (a) According to the information and explanation given to us, the management has carried out physical verification of Inventories during the year on quarterly basis and at the end of Financial Year, which considering nature of Business and size of the Company is, in our opinion, at suitable intervals.</p> <p>(b) According to the information and Explanation given to us, the Company has maintained proper records of inventory and has not found any material discrepancies on physical verification and the same have been properly dealt with in the books of accounts.</p> <p>(c) The Company has not been sanctioned working capital limits in excess of ₹5 Crores, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.</p>  | <p>(iv) In our opinion and according to information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans, investment, guarantees and security.</p> <p>(v) According to information and explanation given to us, the Company has not accepted any deposits as defined in the Companies (Acceptance of Deposits) Rules, 2014. Accordingly, the provision of Clause 3(v) of the order is not applicable to the Company.</p> <p>(vi) We have broadly reviewed the records maintained by the Company pursuant to rules prescribed by the Central Government for maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that, prima facie,</p>   |

the prescribed accounts and records have been maintained. However, we have not made detailed examination of records.

- (vii) (a) According to the information and explanations given to us, in respect of statutory dues:
1. The Company has generally been regular in depositing undisputed statutory dues.
  2. There were no undisputed amounts payable as at March 31, 2024 for a period of more than six months from the date they became payable.
  3. The Company has disputed outstanding statutory dues as at March 31, 2024 amounting to ₹179.94 Lakhs for the AY 2019-20.
- (viii) According to the information and explanations given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961), if so, whether such undisclosed income has been recorded in the accounts during the year is not applicable to Company.
- (ix) (a) In our opinion and according to information and explanations given to us, the Company has not defaulted in the repayment of loans and borrowings to financial institutions and banks.
- (b) In our opinion and according to information and explanations given to us, the Company is not declared wilful defaulter by any bank or financial institution or other lender.
- (c) In our opinion and according to information and explanations given to us, the Company has applied term loans for the purpose for which the loans were obtained.
- (d) In our opinion and according to information and explanations given to us, the Company has not utilised funds raised on short term basis for long term purposes.
- (e) In our opinion and according to information and explanations given to us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures, and therefore, reporting under this clause is not applicable to the Company.
- (f) In our opinion and according to information and explanations given to us, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) (a) In our opinion and according to information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). The term loans have been applied by the Company during the year for the purpose for which they were raised.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and therefore, the reporting under clause 3(xiv) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (b) To the best of our knowledge and according to the information and explanations given to us, any report under sub-section (12) of Section 143 of Act has not been filed by the auditors in Form ADT-4, the clause for rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government is not applicable to the Company.
- (c) To the best of our knowledge and according to the information and explanations given to us, there are no whistle-blower complaints received during the year by the Company and accordingly, no reporting is required under this clause.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, reporting under clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with sections 177 and 188 of the Companies Act, 2013 where applicable for all transactions with related parties and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the reports of the Internal Auditors for the period under audit and there are no adverse comments made by the Internal Auditors.
- (xv) In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into non-cash transactions

with directors or persons connected with them and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Therefore, the reporting under clause (xvi) of the Order is not applicable to the Company.
- (b) In our opinion and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, accordingly this clause is not applicable to the Company.
- (xvii) In our opinion and according to the information and explanations given to us, the Company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of Statutory Auditors during the year and accordingly, the provisions of clause 3(xviii) of the order is not applicable.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence

supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) (a) In our opinion and according to the information and explanations given to us, there are no unspent amount towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a fund specified in Schedule VII to the Companies Act, 2013 in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable to the Company.
- (b) In respect of other than ongoing projects, there are no unspent amount requiring a transfer to a special account within a period of 30 days from the end of the said financial year in compliance with the provision of Section 135(6) of the Companies Act, 2013.
- (xxi) In our opinion and according to the information and explanations given to us, there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the Standalone Financial Statements.

**Place:** Ahmedabad  
**Date:** 22-04-2024

**For MAAK and Associates**  
Chartered Accountants  
FRN: 135024W

**Marmik Shah**  
Partner  
Membership No: 133926  
UDIN: 24133926BKJJOI6792

# Annexure-B

## TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS

### Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. We have audited the internal financial controls over financial reporting of K.P. ENERGY LIMITED ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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.

#### AUDITORS' RESPONSIBILITY

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We have conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

6. A Company's internal financial control over financial reporting 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 control over financial reporting 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 authorizations of management and directors of the Company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized 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

7. Because of the inherent limitations of internal financial controls over financial reporting, 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 to future periods are subject to the risk that the internal financial control over financial Guidance Note on Audit of reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## OPINION

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For MAAK and Associates**

Chartered Accountants

FRN: 135024W

**Marmik Shah**

Partner

Membership No: 133926

UDIN: 24133926BKCJOI6792

**Place:** Ahmedabad

**Date:** 22-04-2024



# Standalone Balance Sheet

As at March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
<b>Assets</b>			
<b>Non-current Assets</b>			
Property, plant and equipment	2	14,985.53	13,324.72
Right of use assets	2	1,414.70	802.72
Capital work-in-progress	2	116.94	113.01
<b>Non-current financial assets</b>			
Investments	3	2,871.56	2,871.56
Other financial assets	4	94.45	67.08
Other non-current assets	5	1,132.18	938.62
		<b>20,615.36</b>	<b>18,117.71</b>
<b>Current Assets</b>			
Inventories	6	10,643.78	7,318.70
<b>Financial assets</b>			
(i) Investments	3	199.12	210.79
(ii) Trade receivables	7	25,549.40	6,007.92
(iii) Cash and cash equivalents	8	83.86	16.22
(iv) Bank balance other than cash and cash equivalents	9	2,246.21	1,284.83
(v) Loans	10	40.99	28.96
(vi) Other financial assets	4	634.50	362.43
Other current assets	5	1,202.95	501.16
		<b>40,600.81</b>	<b>15,731.01</b>
		<b>61,216.17</b>	<b>33,848.72</b>
<b>Total Assets</b>			
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Equity share capital	11	3,334.50	1,111.50
Other equity	12	14,799.69	11,283.82
		<b>18,134.19</b>	<b>12,395.32</b>
<b>Liabilities</b>			
<b>Non-current Liabilities</b>			
<b>Financial liabilities</b>			
(i) Borrowings	13	8,006.09	2,753.54
(ii) Lease Liabilities	14	1,290.94	760.25
(iii) Other financial Liabilities	15	915.25	837.68
Provisions	16	64.85	41.32
Deferred tax liabilities (net)	26	2,002.67	1,925.11
Other non-current liabilities	17	267.26	1,453.85
		<b>12,547.06</b>	<b>7,771.74</b>
<b>Current Liabilities</b>			
<b>Financial liabilities</b>			
(i) Borrowings	13	1,511.70	742.82
(ii) Lease Liabilities	14	159.37	79.94
(iii) Trade payables	18	17,235.63	9,386.25
(iv) Other financial liabilities	15	5,589.18	2,375.65
Provisions	16	3,893.75	49.58
Other current liabilities	17	1,339.65	642.57
Liabilities for current tax (net)	26	805.64	404.85
		<b>30,534.92</b>	<b>13,681.66</b>
		<b>43,081.98</b>	<b>21,453.39</b>
<b>Total Liabilities</b>			
<b>Total Equity and Liabilities</b>			
		<b>61,216.17</b>	<b>33,848.72</b>

The accompanying notes are an integral part of the financial statements

As per our report of even date

**For, MAAK and Associates**

Chartered Accountants  
Firm Registration No: 135024W

For and on behalf of Board of Directors of

**K.P. ENERGY LIMITED**

**CA Marmik Shah**

Partner  
Membership No: 133926

**Farukbhai Gulambhai Patel**

Managing Director  
DIN: 00414045

**Affan Faruk Patel**

Whole-Time Director  
DIN: 08576337

**Place:** Ahmedabad

**Date:** 22/04/2024

**UDIN:** 24133926BKCJOI6792

**Karmit Haribhadrabhai Sheth**

Company Secretary

**Place:** Surat

**Date:** 22/04/2024

**Shabana Virender Bajari**

Chief Financial Officer

# Standalone Statement of Profit and Loss

For the year ended on March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Income</b>			
Revenue from operations	20	46,869.40	43,382.68
Other income	21	1,257.70	455.78
<b>Total income</b>		<b>48,127.10</b>	<b>43,838.46</b>
<b>Expenses</b>			
Cost of material consumed	22	32,476.19	32,689.13
Employee benefits expense	23	1,389.30	980.60
Depreciation and amortization expense	2	840.94	516.53
Finance costs	24	1,262.77	540.60
Other expenses	25	4,517.57	2,793.74
<b>Total expense</b>		<b>40,486.77</b>	<b>37,520.60</b>
<b>Profit before exceptional items and tax</b>		<b>7,640.33</b>	<b>6,317.86</b>
Exceptional items		-	-
<b>Profit before tax</b>		<b>7,640.33</b>	<b>6,317.86</b>
<b>Tax expense/(credit)</b>			
Current Tax	26	1,634.89	1,361.37
Adjustment of tax relating to earlier periods	26	63.15	51.56
Deferred tax	26	63.04	523.33
<b>Less: MAT credit entitlement</b>		14.54	-
<b>Total tax expense</b>		<b>1,775.62</b>	<b>1,936.26</b>
<b>Profit for the period/year</b>		<b>5,864.70</b>	<b>4,381.60</b>
<b>Other comprehensive income</b>			
<b>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</b>			
Re-measurement gains (losses) on Defined benefit Obligation		(8.16)	(6.56)
Income Tax effect		2.05	1.91
<b>Other comprehensive Income for the period/year</b>		<b>(6.11)</b>	<b>(4.65)</b>
<b>Total comprehensive Income for the period/year</b>		<b>5,858.61</b>	<b>4,376.96</b>
<b>Adjusted Basic and diluted earnings per equity shares (in ₹) face value of ₹5 each</b>	<b>27</b>	<b>8.79</b>	<b>6.57</b>

The accompanying notes are an integral part of the financial statements

As per our report of even date

**For, MAAK and Associates**  
Chartered Accountants  
Firm Registration No: 135024W

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

**CA Marmik Shah**  
Partner  
Membership No: 133926

**Farukbhai Gulambhai Patel**  
Managing Director  
DIN: 00414045

**Affan Faruk Patel**  
Whole-Time Director  
DIN: 08576337

**Place:** Ahmedabad  
**Date:** 22/04/2024  
**UDIN:** 24133926BKCJOI6792

**Karmit Haribhadrabhai Sheth**  
Company Secretary

**Shabana Virender Bajari**  
Chief Financial Officer

**Place:** Surat  
**Date:** 22/04/2024

# Standalone Statement of Cash Flows

For the year ended March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

Particulars	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
<b>Cash flow from operating activities</b>		
<b>Profit before tax as per statement of profit and loss</b>	<b>7,640.33</b>	<b>6,317.86</b>
Adjustments for:		
Loss/(Gain) on sale/discard of property, plant and equipments (net)	-	(12.59)
Finance cost on right of use of asset	89.85	45.44
Depreciation and amortisation	840.94	516.53
Interest income	(122.61)	(44.40)
Interest expense	937.68	321.95
Gain on fair value of Security Deposits	(0.32)	-
Notional Interest on Fair value of Loan	77.57	70.99
Realised (gain)/loss on Investment in shares and securities	(1.16)	(281.35)
Unrealised (gain)/loss on Investment in shares and securities	(12.12)	(7.38)
Profit/(Loss) on Defined Benefit Obligation	(6.11)	(4.65)
<b>Operating profit before working capital changes</b>	<b>9,444.05</b>	<b>6,922.40</b>
Movements in working capital:		
(Increase)/decrease in trade receivables	(19,541.48)	(3,885.77)
(Increase)/decrease in inventories	(3,325.09)	5,022.53
(Increase)/decrease in Current & Non-Current financial assets	(643.17)	(51.01)
(Increase)/decrease in Current and Non-current Assets	(895.35)	632.83
Increase/(decrease) in Trade Payables	11,285.51	(796.61)
Increase/(decrease) in Current & Non-Current liabilities	(490.43)	(803.96)
Increase/(decrease) in provisions	3,867.71	1,047.00
Increase/(decrease) in Current & Non-Current financial liabilities	3,966.17	(1,644.51)
<b>Cash generated from operations</b>	<b>3,667.92</b>	<b>6,442.90</b>
Direct taxes (paid)/refund (net)	(968.05)	(1,969.89)
<b>Net cash Inflow/(Outflow) from operating activities (A)</b>	<b>2,699.87</b>	<b>4,473.01</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipments (Including capital work in progress, capital advances and capital creditors)	(3,117.65)	(5,997.42)
Purchase of Shares of Subsidiary	-	113.57
Purchase of Investments	0.00	(251.49)
Proceeds from Transfer of Net worth on Slump Sale to Subsidiary	-	(306.57)
Interest received	122.61	44.40
Sale of investment in Mutual Fund and shares	24.96	479.93
Capital Advance	(3,436.12)	-
<b>Net cash inflow from investing activities (B)</b>	<b>(6,406.20)</b>	<b>(5,917.58)</b>
<b>Cash flows from financing activities</b>		
Proceeds/(repayment) from Long-Term Borrowings	6,764.25	1,883.49
Payment of Dividend	(99.14)	(106.40)
Proceeds/(repayment) from current borrowing (net)	(742.82)	(680.41)
Share issue expenses written off against reserves	(16.88)	-
Interest paid	(937.68)	(321.95)
Cash Payment of lease liabilities interest	(89.85)	(45.44)
Payment of lease liabilities	(142.53)	(78.87)
<b>Net cash Inflow from financing activities (C)</b>	<b>4,735.35</b>	<b>650.42</b>
<b>Net increase/(decrease) in cash &amp; cash equivalents (A + B + C)</b>	<b>1,029.02</b>	<b>(794.15)</b>
Cash and cash equivalents at the beginning of the year	1,301.05	2,095.20
<b>Cash and cash equivalents at the end of the period</b>	<b>2,330.07</b>	<b>1,301.05</b>
<b>Notes:</b>		
Component of cash and cash equivalents		
Cash on hand	8.23	12.94
Balances with scheduled bank		
On current accounts	5.51	2.60
Balance in escrow account	70.12	0.68
Other bank balance	2,246.21	1,284.83
<b>Cash and Cash Equivalents at the End of the period</b>	<b>2,330.07</b>	<b>1,301.05</b>

(1) The Statement of Cash flows has been prepared under the Indirect method as set out in Ind AS 7 - Statement of Cash flows notified under Section 133 of The Companies Act, 2013, read together with paragraph 7 of the Companies (Indian Accounting Standard) Rules 2015 (as amended).

(2) Previous year figures are regrouped/reclassified wherever necessary.

As per our report of even date

**For, MAAK and Associates**  
Chartered Accountants  
Firm Registration No: 135024W

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

**CA Marmik Shah**  
Partner  
Membership No: 133926

**Farukbhai Gulambhai Patel**  
Managing Director  
DIN: 00414045

**Affan Faruk Patel**  
Whole-Time Director  
DIN: 08576337

**Karmit Haribhadrabhai Sheth**  
Company Secretary

**Shabana Virender Bajari**  
Chief Financial Officer

**Place:** Ahmedabad  
**Date:** 22/04/2024  
**UDIN:** 24133926BKCJOI6792

**Place:** Surat  
**Date:** 22/04/2024

# Standalone Statement of Changes in Equity

For the year ended March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

Particulars	Equity share capital	Retained earnings	Total
<b>Balance as at April 1, 2022</b>	<b>1,111.50</b>	<b>7,163.28</b>	<b>8,274.78</b>
Profit for the year	-	4,381.60	4,381.60
Other comprehensive income	-	(155.57)	(155.57)
Dividend Distributed	-	(105.50)	(105.50)
<b>Total comprehensive income for the year</b>	<b>1,111.50</b>	<b>11,283.82</b>	<b>12,395.32</b>
<b>Balance as at March 31, 2023</b>	<b>1,111.50</b>	<b>11,283.82</b>	<b>12,395.32</b>
Profit for the year	-	5,864.70	5,864.70
Adjustment to opening balance	-	(2.81)	(2.81)
Other comprehensive income	-	(6.11)	(6.11)
Bonus Issue	2,223.00	(2,239.88)	(16.88)
Dividend Distributed	-	(100.04)	(100.04)
<b>Balance as at March 31, 2024</b>	<b>3,334.50</b>	<b>14,799.69</b>	<b>18,134.19</b>

The accompanying notes form an integral part of financials statements

As per our report of even date

**For, MAAK and Associates**  
Chartered Accountants  
Firm Registration No: 135024W

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

**CA Marmik Shah**  
Partner  
Membership No: 133926

**Farukbhai Gulambhai Patel**  
Managing Director  
DIN: 00414045

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Whole-Time Director  
DIN: 08576337

**Place:** Ahmedabad  
**Date:** 22/04/2024  
**UDIN:** 24133926BKCJOI6792

**Karmit Haribhadrabhai Sheth**  
Company Secretary

**Shabana Virender Bajari**  
Chief Financial Officer

**Place:** Surat  
**Date:** 22/04/2024

# Note-1 Company Overview and Material Accounting Policies

## 1. COMPANY OVERVIEW

K.P. Energy Limited ("the Company") was incorporated on January 8, 2010 as a Private Limited Company in India. Its registered office is located at "KP House", Opp. Ishwar Farm Junction BRTS, Near Bliss IVF Circle, Canal Road, Bhatar, Surat - 395017, Gujarat. The financial statements are prepared as per Ind AS prescribed under the Companies Act, 2013. The Company is primarily engaged in Wind Farm development, development of Wind power projects and allied services related to it along with generation of electricity through wind power generating assets and operation and maintenance services of wind power projects primarily in India.

## 2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rule, 2015 and Companies (Indian Accounting Standards) Second Amendment Rules, 2019.

The Company has adopted all the Ind AS standards. The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

The financial statements are presented in INR, the functional currency of the Company. Items included in the financial statements of the Company are recorded using the currency of the primary economic environment in which the Company operates (the 'functional currency').

The financial statements of the Company for the year ended March 31, 2024 were approved for issue in accordance with the resolution of the Board of Directors on April 22, 2024.

## 3. USE OF ESTIMATES

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in Note 4 Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of the changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

## 4. CRITICAL ACCOUNTING ESTIMATES

### a. Revenue recognition

The Company uses the percentage-of-completion method in accounting for its fixed-price contracts. The use of the percentage-of-completion method requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

### b. Taxes

#### Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in India where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

## Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits (Minimum alternate tax credit entitlement) and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

## Minimum alternate tax

Ind AS 12 defines deferred tax to include carry forward of unused tax credits. MAT credits are in the form of unused tax credits that are carried forward by the entity for a specified period of time. Accordingly, MAT credit entitlement should be shown separately in the balance sheet.

## c. Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of the Company's assets are determined by the Management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical

experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

## Material Accounting Policies

### 5. CURRENT VERSUS NON-CURRENT CLASSIFICATION

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle\*;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle\*;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

### 6. REVENUE RECOGNITION

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as goods and services tax and other applicable taxes etc.

The Company applies the revenue recognition criteria to each separately identifiable component of the sales transaction as set out below:

### Sale of goods

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, there is neither continuing managerial involvement with the goods nor effective control over the goods sold, it is probable that economic benefits will flow to the Company, the costs incurred or to be incurred in respect of the transaction can be measured reliably and the amount of revenue can be measured reliably.

### Sale of power

Revenue from sale of power is recognized when there is actual transmission of power and considerable certainty for recoverability of the revenue exists once the actual transmission of power is confirmed from the regulatory authorities. The Company recognises the revenue from sale of power as unbilled revenue on monthly basis and the same is settled after the Company receives the confirmation from regulatory authorities and the customer in respect of the actual units transmitted and thereafter the actual Invoice is raised to the customer and the same is settled against the unbilled revenue recognised for the said customer. Revenue from the end of the last billing to the Balance Sheet date is recognized as unbilled revenues.

### Revenue from Infrastructure development and work contract income

Revenue on time-and-material contracts are recognized as the related services are performed and revenue from the end of the last billing to the Balance Sheet date is recognized as unbilled revenues. Revenue from fixed-price, fixed-timeframe contracts, where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. When there is uncertainty as to the measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the current contract estimates. Costs and earnings in excess of billings are classified as unbilled revenue while billings in excess of costs and earnings are classified as unearned revenue. Deferred contract costs are amortized over the term of the contract. Maintenance revenue is recognized rateably over the term of the underlying maintenance arrangement.

### Interest income

Interest income is recognised on time proportion basis taking into account the amount outstanding and rate applicable. Interest income is recognised using the effective interest rate (EIR) method.

For all Financial Assets measured at amortized cost, interest income is recorded using the effective interest rate (EIR) i.e. the rate that exactly discounts estimated future cash

receipts through the expected life of the financial asset to the net carrying amount of the financial assets. The future cash flows include all other transaction costs paid or received, premiums or discounts if any, etc.

### Dividend income

Dividend income is recognised at the time when right to receive the payment is established, which is generally when the shareholders approve the dividend.

## 7. INVENTORY

Inventories are valued as follows:

### Raw materials, stores and spares

Raw materials, components, stores and spares are valued at lower of cost and net realisable value. Cost of raw materials, components and stores and spares is determined on a "First-in, First-out" basis and includes interest on raw materials as a carrying cost of materials where such materials are stored for a substantial period of time. Stores and spares having useful life of more than twelve months are capitalised as tangible assets under "Property, plant and equipment" and are depreciated prospectively over their remaining useful lives in accordance with Ind AS 16.

### Work-in-progress

Lower of cost and net realisable value. Cost includes raw material cost and a proportion of direct and indirect overheads up to estimated stage of completion.

## 8. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the Management. The Company depreciates property, plant and equipment over their estimated useful lives using the Straight Line method.

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end.

Building (Temporary structure) | 3 years (1)

Building (Permanent structure) | 60 years (1)

Computer equipment | 3 years (1)

Electrical installation and equipment | 10 years (1)

Furniture and fixtures | 10 years (1)

Vehicles (Heavy) | 8 years (1)

Vehicles (Others) | 10 years (1)

Office equipment | 5 years (1)

Plant and machinery | 15 years (1)

Wind power generation plant | 22 years (1)

Freehold land is not depreciated.

(1) Based on technical evaluation, the Management believes that the useful lives as given above best represent the period over which the Management expects to use these assets. Hence, the useful lives

for these assets may be different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013. Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment are capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss. Assets to be disposed of are reported at the lower of the carrying value or the fair value less cost to sell.

## 9. INTANGIBLE ASSETS

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

## 10. INVESTMENTS IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Investments in Subsidiaries, Associates and Joint Ventures are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, associates and joint venture, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

## 11. BORROWING COST

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of

interest calculated using the effective interest rate (EIR) and other costs like finance charges in respect of the finance leases recognised in accordance with Ind AS 17, that an entity incurs in connection with held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

## 12. FINANCIAL INSTRUMENTS

### 12.1. Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

If the Company determines that the fair value at initial recognition differs from the transaction price, the Company accounts for that instrument at that date as follows:

- at the measurement basis mentioned above if that fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets. The Company recognises the difference between the fair value at initial recognition and the transaction price as a gain or loss.
- in all other cases, at the measurement basis mentioned above, adjusted to defer the difference between the fair value at initial recognition and the transaction price. After initial recognition, the Company recognises that deferred difference as a gain or loss only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

### 12.2. Subsequent measurement

#### a. Non-derivative financial instruments

##### (i) Financial assets carried at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.



### (ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

### (iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss.

### (iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit or loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts being approximate fair value due to the short maturity of these instruments.

### (v) Investment in subsidiaries

Investment in subsidiaries is carried at cost in accordance with Ind AS 27 - separate financial statements.

## b. Share capital

### Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognized as deduction from equity, net of any tax effects.

### Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flow from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

## 13. FAIR VALUE OF FINANCIAL INSTRUMENTS

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amounts being approximate fair value due to the short maturity of these instruments.

## 14. FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

**Level 1:** Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

**Level 2:** Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;

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

## 15. ASSETS HELD FOR SALE

Non-current assets or disposal groups comprising of assets and liabilities are classified as 'held for sale' when all the following criteria are met: (i) decision has been made to sell; (ii) the assets are available for immediate sale in its present condition; (iii) the assets are being actively marketed; and (iv) sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date.

Subsequently, such non-current assets and disposal groups classified as 'held for sale' are measured at the lower of its carrying value and fair value less costs to sell. Non-current assets held for sale are not depreciated or amortised.

## 16. IMPAIRMENT

### a. Financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, ECLs are measured at an

amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECLs (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in profit or loss.

## **b. Non-financial assets**

### **(i) Intangible assets and property, plant and equipment**

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

## **17. PROVISIONS**

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

## **18. FOREIGN CURRENCY**

### **Functional currency**

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

### **Transactions and translations**

Foreign-currency-denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from such translations are included in net profit in the Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary

assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

## **19. EARNINGS PER EQUITY SHARE**

Basic earnings per equity share are computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share are computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

## **20. EMPLOYEE BENEFITS**

### **Provident fund**

Eligible employees of K.P. Energy Limited receive benefits from a provident fund, if any, which is a defined benefit plan. Both the eligible employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. There are no other obligation other than contribution payable to the respective statutory authorities.

No retirement benefits have been paid to any employee during the year by the Company. Retirement benefits in the form of Gratuity and other long-term/short-term employee benefits have not been provided in the financial statements.

## **21. CASH FLOW STATEMENT**

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

## 22. DIVIDENDS

The final dividend on shares is recorded as a liability on the date of approval by the shareholders, and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

## 23. CONTINGENT LIABILITIES

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

## 24. LEASES

Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments under operating leases are recognized as an expense on a straight-line basis in net profit in the Statement of Profit and Loss over the lease term.

## 25. 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.

## 26. 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.

## 27. SIGNIFICANT MANAGEMENT JUDGEMENT IN APPLYING ACCOUNTING POLICIES AND ESTIMATION UNCERTAINTY

The following are the critical judgments and the key estimates concerning the future that management has made in the process of applying the Company's accounting policies and that may have the most significant effect on the amounts recognised in the financial Statements or that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

- a) **Evaluation of indicators for impairment of assets:** The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.
- b) **Recognition of deferred tax liabilities:** The extent to which deferred tax liabilities can be recognised is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilised.

## 28. MAINTENANCE OF AUDIT LOG

The Company has defined process to take full back-up of books of account maintained electronically on daily basis and it maintains the daily log of such back-up for cyclic period of 1 week.

## 29. RECENT ACCOUNTING PRONOUNCEMENTS

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2023.



### **(1) Definition of Accounting Estimates - Amendments to Ind AS 8**

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates. The amendments had no impact on the Company's financial statements.

### **(2) Disclosure of Accounting Policies - Amendments to Ind AS 1**

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their

'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The amendments have had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company's financial statements.

### **(3) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12**

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases. The amendments had no impact on the Company's financial statements.

# Notes to the Standalone Financial Statements

For the year ended March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

## NOTE 2: PROPERTY, PLANT AND EQUIPMENT, RIGHT OF USE ASSETS AND CAPITAL WORK-IN-PROGRESS

Particulars	Property, plant and equipment							Right of use assets		Capital work-in-progress	
	Land-Freehold	Buildings	Plant & Machinery	Equipment	Office Equipment	Computer Equipment	Furniture & Fixtures	Intangible Asset	Vehicles		Total
<b>Cost</b>											
<b>As at April 1, 2022</b>	<b>523.96</b>	<b>240.50</b>	<b>8,367.40</b>	<b>393.46</b>	<b>55.34</b>	<b>321.28</b>	<b>-</b>	<b>168.21</b>	<b>10,070.15</b>	<b>603.61</b>	<b>48.11</b>
Reclass to Right of Use Land	-	-	-	-	-	-	-	-	-	-	-
Additions	561.14	7.01	4,843.93	275.78	8.34	40.55	45.54	87.01	5,869.30	282.36	6,797.10
Deductions/Adjustment	-	-	(81.45)	(2.79)	(0.65)	(1.85)	-	(22.21)	(108.95)	-	(6,732.21)
<b>As at April 1, 2023</b>	<b>1,085.10</b>	<b>247.51</b>	<b>13,129.88</b>	<b>666.45</b>	<b>63.03</b>	<b>359.98</b>	<b>45.54</b>	<b>233.01</b>	<b>15,830.50</b>	<b>885.97</b>	<b>113.01</b>
Reclass to Right of Use Land	-	-	-	-	-	-	-	-	-	-	-
Additions	20.02	98.18	2,101.94	40.47	20.36	61.53	1.54	91.78	2,435.83	677.48	2,155.41
Deductions/Adjustment	-	-	-	-	-	-	-	-	-	-	(2,151.48)
<b>As at March 31, 2024</b>	<b>1,105.12</b>	<b>345.69</b>	<b>15,231.82</b>	<b>706.92</b>	<b>83.40</b>	<b>421.51</b>	<b>47.08</b>	<b>324.78</b>	<b>18,266.33</b>	<b>1,563.45</b>	<b>116.94</b>
<b>Depreciation/amortisation</b>											
<b>As at April 1, 2022</b>	<b>-</b>	<b>23.27</b>	<b>1,847.23</b>	<b>37.23</b>	<b>40.14</b>	<b>78.50</b>	<b>-</b>	<b>34.07</b>	<b>2,060.44</b>	<b>52.38</b>	<b>-</b>
Reclass to Right of Use Land	-	-	-	-	-	-	-	-	-	-	-
Depreciation for the year	-	3.83	363.29	52.61	8.85	31.40	7.21	18.47	485.66	30.87	-
DeductionsF/(Adjustment)	-	-	(26.00)	(1.22)	(0.62)	(0.83)	-	(11.65)	(40.32)	-	-
<b>As at April 1, 2023</b>	<b>-</b>	<b>27.10</b>	<b>2,184.52</b>	<b>88.62</b>	<b>48.37</b>	<b>109.07</b>	<b>7.21</b>	<b>40.89</b>	<b>2,505.78</b>	<b>83.25</b>	<b>-</b>
Reclass to Right of Use Land	-	-	-	-	-	-	-	-	-	-	-
Depreciation for the year	-	5.44	621.56	66.87	9.05	35.77	7.39	28.95	775.02	65.50	-
Deductions/(Adjustment)	-	-	-	-	-	-	-	-	-	-	-
<b>As at March 31, 2024</b>	<b>-</b>	<b>32.55</b>	<b>2,806.09</b>	<b>155.49</b>	<b>57.41</b>	<b>144.84</b>	<b>14.60</b>	<b>69.84</b>	<b>3,280.80</b>	<b>148.75</b>	<b>-</b>
<b>Net Block</b>											
As at March 31, 2024	1,105.12	313.14	12,425.73	551.43	25.98	276.68	32.48	254.95	14,985.53	1,414.70	116.94
As at March 31, 2023	1,085.10	220.41	10,945.36	577.83	14.67	250.91	38.33	192.12	13,324.72	802.72	113.01

### Notes:

- There is no intent to sale any of the assets held by the Company and hence there is no fixed assets held for disposal.
- Property plant and equipment pledged as security.  
**Refer schedule no. 13 for information on property, plant and equipment pledged as security by the Company.**
- All the assets purchased during the year were put to use before March 31, 2023. The assets which are not put to use during the year are separately shown under capital work-in-progress as on March 31, 2024.

# Notes to Standalone Financials Statements (Contd.)

For the year ended March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

## Note 2(b) - Capital work-in-progress

### Capital work-in-progress (CWIP) ageing

CWIP	Amount in CWIP for year ended March 31, 2024				
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in Progress	96.15	20.79	-	-	116.94
Project Temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>96.15</b>	<b>20.79</b>	-	-	<b>116.94</b>

CWIP	Amount in CWIP for year ended March 31, 2023				
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in Progress	113.01	-	-	-	113.01
Project Temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>113.01</b>	-	-	-	<b>113.01</b>

### Projects whose completion is overdue or has exceeded its cost compared to its original plan

CWIP	Amount in CWIP for year ended March 31, 2024				
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
SAP Software	-	-	-	-	-
<b>Total</b>	-	-	-	-	-

CWIP	Amount in CWIP for year ended March 31, 2023				
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
SAP Software	17.61	-	-	-	17.61
Mangonese Villa	95.40	-	-	-	95.40
<b>Total</b>	<b>113.01</b>	-	-	-	<b>113.01</b>

## NOTE 3: INVESTMENTS

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Non-Current</b>		
<b>Investments at fair value through other comprehensive income (FVTOCI)</b>		
<b>Investments at Cost</b>		
Investment subsidiary (Refer Note A Below)	2,871.31	2,871.31
Investment in Shares of Saraswat Bank	0.25	0.25
<b>Total</b>	<b>2,871.56</b>	<b>2,871.56</b>
<b>Current</b>		
SBI Short-term Debt Fund	69.21	64.63
SBI Savings Fund	129.91	146.16
<b>Total</b>	<b>199.12</b>	<b>210.79</b>

# Notes to Standalone Financials Statements (Contd.)

**For the year ended March 31, 2024**

(All amounts are in ₹ Lakhs, unless otherwise stated)

## Note A: Investment in subsidiary

### (i) Investment in equity share of subsidiary

Particulars	As at March 31, 2024	As at March 31, 2023
Evergreen Mahuva Windfarms Private Limited	0.51	0.51
HGV DTL Transmission Projects Private Limited	1.00	1.00
VG DTL Transmission Projects Private Limited	2,460.00	2,460.00
KP Energy OMS Limited	235.00	235.00
K.P Energy Mahua Windfarms Private Limited	76.33	76.33
Ungarn Renewable Energy Private Limited	29.11	29.11
Wind Farm Developers Private Limited	63.42	63.42
<b>Total</b>	<b>2,865.37</b>	<b>2,865.37</b>

### (ii) Investments in capital contribution of subsidiary LLPs

Particulars	As at March 31, 2024	As at March 31, 2023
Belampar Power Infra LLP	0.99	0.99
Hajipir Renewable Energy LLP	0.99	0.99
Mahuva Power Infra LLP	0.99	0.99
Manar Power Infra LLP	0.99	0.99
Miyani Power Infra LLP	0.99	0.99
Vanki Renewable Energy LLP	0.99	0.99
<b>Total</b>	<b>5.94</b>	<b>5.94</b>

## NOTE 4: OTHER FINANCIAL ASSETS

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Non-current</b>		
Security Deposits	94.45	67.08
<b>Total</b>	<b>94.45</b>	<b>67.08</b>
<b>Current</b>		
Reimbursement of Expense Recoverable from Subsidiaries	384.50	362.43
Performance Security Deposits	250.00	-
<b>Total</b>	<b>634.50</b>	<b>362.43</b>

## NOTE 5: OTHER ASSETS

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Non-current</b>		
Advances for land	232.18	38.62
Evergreen Mahuva Private Limited (BG Claim)	900.00	900.00
<b>Total</b>	<b>1,132.18</b>	<b>938.62</b>

# Notes to Standalone Financials Statements (Contd.)

For the year ended March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

## NOTE 5: OTHER ASSETS (Contd.)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Current</b>		
Advances to suppliers	1,049.72	443.78
Prepaid Expenses	145.29	57.25
Other current asset	7.94	0.13
<b>Total</b>	<b>1,202.95</b>	<b>501.16</b>

## NOTE 6: INVENTORIES

Particulars	As at March 31, 2024	As at March 31, 2023
Inventories (Including cost of land and related development expenses)	10,643.78	7,318.70
<b>Total</b>	<b>10,643.78</b>	<b>7,318.70</b>

## NOTE 7: TRADE RECEIVABLES

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Current</b>		
- from others	25,549.40	6,007.92
<b>Total</b>	<b>25,549.40</b>	<b>6,007.92</b>

a) No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person; nor any trade or other receivable are due from firms or private companies in which any director is a partner, a director or a member.

b) Trade receivable ageing as follow:

Trade receivables ageing schedule for March 31, 2024

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 Months - 1 year	1-2 Years	2-3 Years	More than 3 years	
Undisputed Trade receivables - Considered good	21,862.97	1,746.68	1,182.97	120.70	154.28	481.81	25,549.40
Undisputed Trade receivables - which have significant increase in risk	-	-	-	-	-	-	-
Undisputed Trade receivables - Credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables - Considered good	-	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in risk	-	-	-	-	-	-	-



# Notes to Standalone Financials Statements (Contd.)

**For the year ended March 31, 2024**

(All amounts are in ₹ Lakhs, unless otherwise stated)

## Trade receivables ageing schedule for March 31, 2024 (Contd.)

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	
Disputed Trade receivables - Credit impaired	-	-	-	-	-	-	-
Allowances for expected credit loss due to increase in credit risk	-	-	-	-	-	-	-
<b>Total</b>	<b>21,862.97</b>	<b>1,746.68</b>	<b>1,182.97</b>	<b>120.70</b>	<b>154.28</b>	<b>481.81</b>	<b>-</b>

## Trade receivables ageing schedule for March 31, 2023

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables - Considered good	131.26	4,415.08	473.33	292.72	10.41	685.12	6,007.92
Undisputed Trade receivables - which have significant increase in risk	-	-	-	-	-	-	-
Undisputed Trade receivables - Credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables - Considered good	-	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in risk	-	-	-	-	-	-	-
Disputed Trade receivables - Credit impaired	-	-	-	-	-	-	-
Allowances for expected credit loss due to increase in credit risk	-	-	-	-	-	-	-
<b>Total</b>	<b>131.26</b>	<b>4,415.08</b>	<b>473.33</b>	<b>292.72</b>	<b>10.41</b>	<b>685.12</b>	<b>6,007.92</b>

## NOTE 8: CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with banks:		
Balance in current account	5.51	2.60
Balance in escrow account	70.12	0.68
Cash on hand	8.23	12.94
<b>Total</b>	<b>83.86</b>	<b>16.22</b>

# Notes to Standalone Financials Statements (Contd.)

For the year ended March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

## NOTE 9: BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2024	As at March 31, 2023
In unpaid dividend accounts	1.43	1.46
Deposits with original maturity over 3 months but less than 12 months (Refer note 1 below)	2,244.79	1,283.37
<b>Total</b>	<b>2,246.21</b>	<b>1,284.83</b>

### Note 1

#### Deposits with original maturity over 3 months but less than 12 months

Fixed deposit with State Bank of India	1,082.56	663.81
Fixed deposit with SIDBI	-	257.32
Fixed Deposit With Axis	532.44	262.24
Fixed Deposit With Saraswat	277.48	100.00
Fixed Deposit With Yes Bank	352.30	-
<b>Total</b>	<b>2,244.79</b>	<b>1,283.37</b>

**Note:** Fixed deposits with SBI, SIDBI, Axis, Saraswat and Yes bank are stated with Accrued Interest upto the date of the Balance sheet on the basis of the Interest Certificates obtained from the respective Banks by the management.

## NOTE 10: LOANS

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Non-Current</b>		
<b>Current</b>		
Loans to Related Parties (Unsecured)	36.66	26.39
Loans to employees	4.33	2.57
<b>Total</b>	<b>40.99</b>	<b>28.96</b>

## NOTE 11: SHARE CAPITAL

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Authorised</b>		
7,00,00,000 Equity Shares of ₹5 each (2,50,00,000 Equity Shares of ₹5 each as at March 31, 2023)	3,500.00	1,250.00
<b>Total</b>	<b>3,500.00</b>	<b>1,250.00</b>
<b>Issued, subscribed and fully paid up shares</b>		
6,66,90,000 Equity Shares of ₹5 each (2,22,30,000 Equity Shares of ₹5 each as at March 31, 2023)	3,334.50	1,111.50
<b>Total</b>	<b>3,334.50</b>	<b>1,111.50</b>

# Notes to Standalone Financials Statements (Contd.)

**For the year ended March 31, 2024**

(All amounts are in ₹ Lakhs, unless otherwise stated)

## Notes:

### (a) Reconciliation of the number of the shares outstanding as the beginning and end of the year

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number	(₹ in Lakhs)	Number	(₹ in Lakhs)
At the beginning of the year	2,22,30,000	1,111.50	1,11,15,000	1,111.50
Bonus shares issued	4,44,60,000	2,223.00	-	-
Split of shares (Face Value From ₹10 to ₹5 each)	-	-	1,11,15,000	-
<b>At the end of the year</b>	<b>6,66,90,000</b>	<b>3,334.50</b>	<b>2,22,30,000</b>	<b>1,111.50</b>

### (b) Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of ₹5 per share. Each holder of equity shares is entitled to one vote per share.

During the Year, the Company has declared and paid the Interim Dividend of ₹100.04 Lakhs and declared Final Dividend pertaining to F.Y.2023-24 of ₹66.69 Lakhs in its board meeting held on 22/04/2024 subject to approval of shareholders in annual general meeting of the Company.

In the event of liquidation of the Company, the holders 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.

### (c) Details of shareholder holding more than 5% shares in the Company

Particulars	As at March 31, 2024	
	No. of Shares	% Holding
Farukbhai Gulambhai Patel	2,98,78,566	44.80
<b>Total</b>	<b>2,98,78,566</b>	<b>44.80</b>

Particulars	As at March 31, 2023	
	No. of Shares	% Holding
Farukbhai Gulambhai Patel	2,98,78,566	44.80
<b>Total</b>	<b>2,98,78,566</b>	<b>44.80</b>

### (d) Details of shareholding of Promoters as at March 31, 2024

Particulars	No. of Shares in Lakhs	% of Holding
Farukbhai Gulambhai Patel	298.79	44.80
<b>Total</b>	<b>298.79</b>	<b>44.80</b>

# Notes to Standalone Financials Statements (Contd.)

For the year ended March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

## Details of shareholding of Promoters as at March 31, 2023

Particulars	No. of Shares in Lakhs	% of Holding
Farukbhai Gulambhai Patel	298.79	44.80
<b>Total</b>	<b>298.79</b>	<b>44.80</b>

## NOTE 12: OTHER EQUITY

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Retained earnings</b>		
Opening Balance	11,288.46	7,012.36
<b>Add:</b> Profit for the year	5,864.70	4,381.60
<b>Less:</b> Bonus Issued	(2,239.88)	
<b>Less:</b> Dividend Declared/Distributed	(100.04)	(105.50)
Adjustment to Opening Balance	(2.81)	
<b>Other comprehensive income</b>		
Actuarial Gain/(Loss) on Gratuity	(14.72)	(6.56)
Tax on Notional Gain/(Loss)	3.96	1.91
<b>Total</b>	<b>14,799.69</b>	<b>11,283.82</b>

## Proposed dividends on Equity shares

Particulars	As at March 31, 2024	As at March 31, 2023
Proposed dividend for the year ended on March 31, 2024: ₹0.10 per share (March 31, 2023: ₹ Nil per share)	66.69	-

The Board of Directors recommended a final dividend of ₹0.10/- (March 31, 2023: ₹ Nil/-) per equity share of face value of ₹5 each, for the financial year ended March 31, 2024.

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at March 31, 2024.

## NOTE 13: BORROWINGS

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Non-current</b>		
Term loans from banks	7,982.45	2,693.36
Vehicle loans from banks (Secured against respective motor vehicles financed)	77.79	78.68
Unamortised Loan processing Fee	(54.15)	(18.50)
<b>Total</b>	<b>8,006.09</b>	<b>2,753.54</b>
<b>Current maturity of long term borrowings</b>		
Term loans from banks	1,471.03	708.17
Vehicle loans from banks	40.67	34.65
<b>Total</b>	<b>1,511.70</b>	<b>742.82</b>

# Notes to Standalone Financials Statements (Contd.)

For the year ended March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

## NOTE 13: BORROWINGS (Contd.)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Total borrowings</b>		
Secured borrowings	9,517.79	3,496.36
<b>Total borrowings</b>	<b>9,517.79</b>	<b>3,496.36</b>

Details of Borrowings are as follow:

### Rupee term loans

(refer point A part (i) for interest rate)

Name of the bank	Amount of sanction	Year of sanction	No. of installments	Total amount of installment	As at March 31, 2024	As at March 31, 2023
SBI term loan	1,725.00	Refer note 1 below			-	245.00
SIDBI term loan	1,990.00	Refer note 2 below			-	7.47
SBI GECL Loan	149.00	Refer note 3 below			129.26	150.17
SBI GECL Loan	298.00	Refer note 3 below			33.30	134.48
Axis Bank Term Loan	3,650.00	Refer note 3 below			3,425.88	1,825.00
ICICI Machinery Loan	19.91	Refer note 3 below			10.59	16.92
Saraswat Term Loan	2,000.00	Refer note 3 below			1,854.46	1,022.50
Arka Fincap Limited	4,000.00	Refer note 3 below			4,000.00	-

### Notes: 1

Name of the bank	Amount of sanction	Year of sanction	No. of installments	Total amount of installment	As at March 31,	
					2024	2023
SBI term loan I*	825.00	2015-16	90	8.00	-	158.22
SBI term loan II*	900.00	2016-17	69	13.00	-	86.78
SBI GECL Loan	149.00	2021-22	36	4.14	129.26	150.17
SBI GECL Loan	298.00	2020-21	36	8.28	33.30	134.48
Arka Fincap Limited**	4,000.00	2023-24	48	286.00	4,000.00	-

\***Security:** Secured on specific Immovable Property owned by the Company. The Loan Tenure has been ended as on March 31, 2024.

\*\***Security:** Secured against Immovable Property of Third Party and Personal Guarantee by Promoter of the Company.

### Notes: 2

Name of the bank	Amount of sanction	Year of sanction	No. of installments	Total amount of installment	As at March 31,	
					2024	2023
SIDBI term loan I*	995.00	2017-18	114	8.73	-	3.85
SIDBI term loan II*	995.00	2017-18	114	8.73	-	3.57
SIDBI term loan III**	100.00	2020-21	30	1.16	-	0.05

\***Security:** Secured against Land located at Survey No. 173p5 at Village Sathara, Taluka Mahuva, District Bhavnagar and R.S. No. 90/03, Paikie - 1, Village: Rinavada, Porbandar have been hypothecated against term loan from SIDBI Bank.

# Notes to Standalone Financials Statements (Contd.)

## For the year ended March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

**\*\*Security:** Secured against Land located at Survey No. 173p5 at Village Sathara, Taluka Mahuva, District Bhavnagar and R.S. No. 90/03, Paikie - 1, Village: Rinavada, Porbandar.

### Notes: 3

Name of the bank	Amount of sanction	Year of sanction	No. of installments	Total amount of installment	As at March 31, 2024	As at March 31, 2023
ICICI Loan*	19.91	2022-23	36	0.63	10.59	16.92
Axis term loan**	3,650.00	2022-23	72	32.02	3,425.88	1,825.00
Saraswat term loan**	2,000.00	2022-23	120	25.83	1,854.46	1,022.00

**\*Security:** Secured against batching plant and including its spares, tools and accessories, software, in factory or sites of the Company situated at Village: Bhungar, Ta.- Talaja, Dist: Bhavnagar, Gujarat 364130.

**\*\*Security:** Secured on specific immovable property owned by the Company.

### Vehicle Loan

(refer point A part (ii) for interest rate)

Name of the bank	Amount of sanction	Year of sanction	No. of installments	Total amount of installment	As at March 31, 2024	As at March 31, 2023
HDFC Hyundai Creta Loan	15.55	2019-20	60	0.32	2.19	5.70
ICICI Bike Loan	5.45	2021-22	36	0.15	-	2.50
ICICI Bolero Loan	9.50	2021-22	60	0.19	10.95	21.18
ICICI Innova Loan	23.66	2021-22	60	0.63	10.61	16.52
ICICI Thar Loan	15.01	2021-22	60	0.30	7.13	10.08
ICICI Hyundai Aura Loan	7.90	2021-22	60	0.16	3.75	5.30
ICICI Creta Loan	20.30	2023-24	48	0.70	17.59	-
ICICI Innova Loan	27.14	2023-24	60	0.72	23.49	-
Mercedes Financial Services - Mercedes Loan	54.25	2022-23	60	1.11	42.74	52.05

### A. Details of interest rate for each type of borrowings

- The interest on above rupee term loans from banks are linked to the respective banks base rates/MCLR which are floating in nature. As of March 31, 2024 the interest rates ranges from 8.50% to 9.45% per annum (March 31, 2023: 8.50% to 11% per annum).
- The interest on above vehicle loans from banks are linked to the respective banks base rates/MCLR which are fixed in nature. As of March 31, 2024 the interest rates ranges from 7.25% to 9.15% per annum (March 31, 2023: 7.80% to 18.10% per annum).

# Notes to Standalone Financials Statements (Contd.)

For the year ended March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

## B. Details of guarantee for each type of borrowings

Particulars	As at March 31,	
	2024	2023
<b>Guaranteed by Directors</b>		
Rupee Term loans	22,211.00	6,712.00
Rupee Non-Fund based Limit	4,600.00	3,100.00
Rupee Cash Credit	3,080.00	580.00

## NOTE 14: LEASE LIABILITIES

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Non-Current</b>		
Corporate Office	819.59	528.06
Plot	8.78	-
Plant	462.57	232.19
<b>Total</b>	<b>1,290.94</b>	<b>760.25</b>
<b>Current</b>		
Corporate Office	106.85	53.87
Plot	-	-
Plant	52.53	26.08
<b>Total</b>	<b>159.37</b>	<b>79.94</b>

## NOTE 15: OTHER FINANCIAL LIABILITIES

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Non-current</b>		
Apraava Energy Private Limited (Loan Liability)	915.25	837.68
<b>Total</b>	<b>915.25</b>	<b>837.68</b>
<b>Current</b>		
Cash Credit Balance with State Bank of India	3,050.60	2,308.97
Cash Credit Balance with Yes Bank	2,360.05	-
Employee Reimbursement Payable	0.33	-
Salary payable	173.11	63.08
ESIC payable	0.04	0.06
PF payable	4.67	3.18
PT payable	0.37	0.35
<b>Total</b>	<b>5,589.18</b>	<b>2,375.65</b>

# Notes to Standalone Financials Statements (Contd.)

For the year ended March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

## NOTE 16: PROVISIONS

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Non-current</b>		
Provision for Gratuity	64.85	41.32
<b>Total</b>	<b>64.85</b>	<b>41.32</b>
<b>Current</b>		
Provision for Gratuity	19.98	16.57
Provision for Expenses	3,870.96	30.19
Provision for Audit Fees	2.81	2.81
<b>Total</b>	<b>3,893.75</b>	<b>49.58</b>

## NOTE 17: OTHER LIABILITIES

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Non-current</b>		
<b>Deposits</b>		
Aspen infrastructures limited	100.00	100.00
<b>Others</b>		
Simms engineering private limited	34.36	39.36
Retention money payable	132.90	1,285.08
Deferred Operation & Maintenance Revenue	-	29.40
<b>Total</b>	<b>267.26</b>	<b>1,453.85</b>
<b>Current</b>		
Statutory liability	245.76	85.49
GST Payable	809.83	55.27
Director sitting fees payable	1.82	1.71
Unpaid Dividend	0.90	0.91
Deferred Operation & Maintenance Revenue	29.40	29.40
Advance from Customers	251.94	469.79
<b>Total</b>	<b>1,339.65</b>	<b>642.57</b>

## NOTE 18: TRADE PAYABLES

Particulars	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro enterprises and small enterprises	-	3,990.03
Total outstanding dues of creditors other than micro enterprises and small enterprises		
For Goods and Service	20,671.75	5,396.22
For Capital Goods	(3,436.12)	-
<b>Total</b>	<b>17,235.63</b>	<b>9,386.25</b>

### Notes:

(1) Due to related parties included in above trade payables.



# Notes to Standalone Financials Statements (Contd.)

For the year ended March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

## (2) Trade payable ageing as follow:

### Trade and other payable ageing as on March 31, 2024

Sr. No.	Particulars	Outstanding for following periods from due date of payment					Total
		Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
1	MSME	-	-	-	-	-	-
2	Others	-	16,251.71	712.44	72.19	199.28	17,235.63
3	Disputed dues - MSME	-	-	-	-	-	-
4	Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>		<b>-</b>	<b>16,251.71</b>	<b>712.44</b>	<b>72.19</b>	<b>199.28</b>	<b>17,235.63</b>

### Trade and other payable ageing as on March 31, 2023

Sr. No.	Particulars	Outstanding for following periods from due date of payment					Total
		Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
1	MSME	-	3,936.88	0.51	-	52.64	3,990.03
2	Others	-	5,095.26	148.10	105.68	47.19	5,396.22
3	Disputed dues - MSME	-	-	-	-	-	-
4	Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>		<b>-</b>	<b>9,032.13</b>	<b>148.61</b>	<b>105.68</b>	<b>99.83</b>	<b>9,386.25</b>

## NOTE 19: REVENUE FROM OPERATIONS

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Revenue from sublease of land</b>		
Revenue from sale of power	1,808.65	989.87
Revenue from operation and maintenance services	-	-
Revenue from Infrastructure Development	45,060.75	42,392.81
<b>Total</b>	<b>46,869.40</b>	<b>43,382.68</b>

## NOTE 20: OTHER INCOME

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Interest received on financial assets carried at amortization cost</b>		
Bank deposits	122.61	44.40
Lease Income	24.94	-
Unrealised Gain on Mutual Fund	12.12	7.02
Realised Gain on Mutual Fund	1.16	-
Scrap Sale	50.83	-
Gain on sale of Investment	-	129.05
Deferred Revenue of O & M Segment	29.40	29.40
Gain on fair value of Liability	-	233.32
Gain on fair value of Security Deposits	0.32	-
Profit on Sale of Fixed Assets	-	12.59

# Notes to Standalone Financials Statements (Contd.)

For the year ended March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

## NOTE 20: OTHER INCOME (Contd.)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Reversal of Expense	32.98	-
Insurance Claim Received	983.09	-
Sundry Balances written off	0.25	-
<b>Total</b>	<b>1,257.70</b>	<b>455.78</b>

## NOTE 21: COST OF MATERIAL CONSUMED

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening Inventory	7,318.70	12,341.22
Purchase & Direct Expenses	35,801.26	27,666.61
Adjustment	-	-
Closing Inventory	(10,643.78)	(7,318.70)
<b>Total</b>	<b>32,476.19</b>	<b>32,689.13</b>

## NOTE 22: EMPLOYEE BENEFIT EXPENSE

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries to Employees	836.98	622.01
Director Remuneration	366.39	141.12
Sitting fees to Independent Directors	2.13	2.45
Current Service Cost	26.15	12.20
Wages	62.52	48.85
Incentive	51.45	3.44
Contribution to provident funds	24.42	14.18
Contribution to ESIC	0.48	0.65
Staff welfare expenses	9.14	103.14
Bonus Expense	9.64	32.57
<b>Total</b>	<b>1,389.30</b>	<b>980.60</b>

## NOTE 23: FINANCE COST

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Interest on</b>		
Interest on loan	937.68	250.95
Interest on unsecured loan	0.35	-
Interest on fair value of loan	77.57	70.99
Bank and other finance charges	111.29	163.20
Lease finance cost	89.85	45.44
Loan processing fees	46.04	10.01
<b>Total</b>	<b>1,262.77</b>	<b>540.60</b>

# Notes to Standalone Financials Statements (Contd.)

**For the year ended March 31, 2024**

(All amounts are in ₹ Lakhs, unless otherwise stated)

## NOTE 24: OTHER EXPENSES

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Application Charges	25.81	27.46
Advertisement expense	206.22	11.75
Auditor's remuneration (Refer note A Below)	5.00	5.00
Brokerage Expense	6.55	15.89
Business Promotion Expense	113.52	23.83
Canteen expense	209.98	169.09
Certification charges	10.97	0.84
Computer expense	4.09	2.73
Corporate social responsibility expense (Refer note b below)	66.20	32.50
Courier charges	2.80	3.54
Donation expense	0.11	6.72
Design & Engineering Services	-	2.90
Electricity expense	21.20	30.98
Generation Deviation Charges	4.05	1.99
Generation loss Compensation	-	8.50
GST expense	152.78	18.37
House keeping expense	14.89	9.72
Insurance expense	113.59	176.32
Interest on Late Payment of GST	48.51	33.17
Installation Charges	4.06	-
Interest on statutory dues	81.23	24.84
Internet expense	16.76	18.45
IPP Expense	365.52	62.53
Labour expenses	-	2.45
Labour tax	0.01	0.04
Late filing fees	0.01	0.01
Lease rents	25.75	294.41
Legal and professional fees	493.69	147.16
Local Tax	3.47	6.79
Loss on Sales of Fixed Assest	-	0.03
Listing Professional Fees	8.75	3.00
Miscellaneous Expense	0.04	0.35
N.A. Charges	27.87	9.80
Operations & Maintenance Exp	102.14	115.00
Office expense	14.63	20.32
Petrol and diesel expenses	388.75	777.19
Professional tax	0.15	0.04

# Notes to Standalone Financials Statements (Contd.)

**For the year ended March 31, 2024**

(All amounts are in ₹ Lakhs, unless otherwise stated)

## NOTE 24: OTHER EXPENSES (Contd.)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Penalty	-	2.60
Rebate Expenses	1.68	4.32
Registration fees	14.72	0.39
Rent & Accomodation expenses	108.33	11.42
Repairing and maintenance expense	19.89	11.60
Royalty Expense	962.54	-
Research and development expense	3.43	5.50
ROC expense	0.39	0.47
Security service charges	430.08	320.71
Site expenses	23.08	41.22
Software expense	9.98	2.35
Society Maintenance Expense	1.69	-
Stamp duty	48.05	8.82
Stationary and printing expense	8.50	16.37
Survey & Map Making, Liasing Services	-	40.11
Telephone expenses	6.38	5.06
Tender Fees	0.05	-
Membership Expense	0.05	-
Transfer fees expense of geda	34.23	12.95
Transmission charges	104.32	109.10
Transportation expenses	74.13	86.92
TDS Expense	1.87	-
Travelling and conveyance expense	27.27	19.93
Unbilled IPP Expense	97.81	30.19
<b>Total</b>	<b>4,517.57</b>	<b>2,793.74</b>

## Note (a): Payment to Auditor

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>As auditor:</b>		
Audit fee	3.75	3.75
Limited review	1.25	1.25
<b>Total</b>	<b>5.00</b>	<b>5.00</b>

# Notes to Standalone Financials Statements (Contd.)

For the year ended March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

## Note (b): Details of CSR expenditure

Particulars	For the year 2023-24			For the year 2022-23		
	In cash	Yet to be paid in cash	Total	In cash	Yet to be paid in cash	Total
(i) Gross amount required to be spent during the year	66.20	-	66.20	32.50	-	32.50
(ii) Amount approved by the Board	66.20	-	66.20	32.50	-	32.50
(iii) Amount spent during the year						
Rural development projects	2.32	-	2.32	32.50	-	32.50
Ensuring environmental sustainability and ecological balance	15.82	-	15.82	-	-	-
Setting up homes and hostels for orphans	33.07	-	33.07	-	-	-
Promoting Education	15.00	-	15.00	-	-	-
<b>Total</b>	<b>66.20</b>	<b>-</b>	<b>66.20</b>	<b>32.50</b>	<b>-</b>	<b>32.50</b>

## NOTE 25: CURRENT TAX LIABILITIES

### a) Profit and loss section

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Current income tax:</b>		
Current income tax charge	1,634.89	1,361.37
Adjustment in respect of current income tax of previous years	63.15	51.56
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences	63.04	523.33
<b>Less: MAT credit entitlement</b>	14.54	-
<b>Tax expense reported in the Statement of profit and loss</b>	<b>1,775.62</b>	<b>1,936.26</b>

### b) Balance sheet section

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Provision for Income tax	805.64	404.85
<b>Total</b>	<b>805.64</b>	<b>404.85</b>

### c) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2024 and March 31, 2023

Particulars	March 31, 2024	March 31, 2023
<b>Accounting Profit before taxation</b>	<b>7,640.33</b>	<b>6,317.86</b>
India's domestic tax rate	25.17%	29.12%
Tax using the Company's domestic rate	1,923.07	1,839.76
<b>Tax effect of</b>		
Allowance and Disallowance of Expenditures	(288.18)	(478.39)
Effective income tax	1,634.89	1,361.37
<b>Income tax expenses charged to profit and loss</b>	<b>1,634.89</b>	<b>1,361.37</b>

# Notes to Standalone Financials Statements (Contd.)

For the year ended March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

## d) Deferred tax liability (net)

Particulars	Balance Sheet as at		Statement of Profit and Loss	
	March 31, 2024	March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Deferred tax liabilities:</b>				
Book V/s tax WDV impact	1,995.25	1,913.15	82.10	488.26
Gain on Shares and Securities	3.92	1.60	2.33	(15.39)
Gain on Fair value of Loan	21.33	47.27	(25.94)	47.27
Loan Processing Fees	13.63	5.39	8.24	5.38
<b>Total</b>	<b>2,034.14</b>	<b>1,967.40</b>	<b>66.73</b>	<b>525.51</b>
<b>Deferred tax assets:</b>				
Gratuity Provision	21.35	16.86	4.49	2.42
Lease Model	6.97	10.90	(3.93)	(0.24)
Gain on Fair value of Security Deposit	3.15	-	3.15	-
<b>DTA recognised to the extent of DTL</b>	<b>31.46</b>	<b>27.76</b>	<b>3.70</b>	<b>2.18</b>
<b>Less: MAT credit entitlement</b>	<b>-</b>	<b>(14.54)</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>2,002.67</b>	<b>1,925.11</b>	<b>63.04</b>	<b>523.33</b>

## NOTE 26: EARNING PER SHARE

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit/Loss attributable to equity shareholders of the Company	5,864.70	4,381.60
Weighted adjusted number of equity shares	666.90	666.90
Adjusted Basic and Diluted earning per share (in ₹)	8.79	6.57

## NOTE 27: FINANCIAL INSTRUMENTS, FINANCIAL RISK AND CAPITAL MANAGEMENT

### A) Category-wise classification of financial instruments

Particulars	Refer note	As at March 31, 2024			
		Fair Value through other Comprehensive Income	Fair Value through other Profit & Loss	Amortised Cost	Carrying value
<b>Financial asset</b>					
Investments	3	-	199.12	2,871.56	3,070.68
Trade receivables	7	-	-	25,549.40	25,549.40
Cash and cash equivalents	8	-	-	83.86	83.86
Other Bank balance	9	-	-	2,246.21	2,246.21
Loans	10	-	-	40.99	40.99
Others financial assets	4	-	-	728.94	728.94
<b>Total</b>		<b>-</b>	<b>199.12</b>	<b>31,520.97</b>	<b>31,720.09</b>
<b>Financial liabilities</b>					
Borrowings	13	-	-	9,517.79	9,517.79
Lease Liabilities	14	-	-	1,450.31	1,450.31
Trade payables	18	-	-	17,235.63	17,235.63
Other financial liabilities	15	-	-	6,504.42	6,504.42
<b>Total</b>		<b>-</b>	<b>-</b>	<b>34,708.16</b>	<b>34,708.16</b>

# Notes to Standalone Financials Statements (Contd.)

For the year ended March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

## A) Category-wise classification of financial instruments (Contd.)

Particulars	Refer note	As at March 31, 2023			
		Fair Value through other Comprehensive Income	Fair Value through other Profit & Loss	Amortised Cost	Carrying value
<b>Financial asset</b>					
Investments	3	-	210.79	2,871.31	3,082.10
Trade receivables	7	-	-	6,007.92	6,007.92
Cash and cash equivalents	8	-	-	16.22	16.22
Other Bank balance	9	-	-	1,284.83	1,284.83
Loans	10	-	-	28.96	28.96
Others financial assets	4	-	-	429.51	429.51
<b>Total</b>		<b>-</b>	<b>210.79</b>	<b>10,638.75</b>	<b>10,849.54</b>
<b>Financial liabilities</b>					
Borrowings	13	-	-	3,496.36	3,496.36
Lease Liabilities	14	-	-	840.19	840.19
Trade payables	18	-	-	9,386.25	9,386.25
Other financial liabilities	15	-	-	3,213.33	3,213.33
<b>Total</b>		<b>-</b>	<b>-</b>	<b>16,936.13</b>	<b>16,936.13</b>

## B) Financial instrument measured at amortised cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

## C) Fair value hierarchy

### Quantitative disclosures fair value measurement hierarchy for financial assets and financial liabilities

Particulars	As at March 31, 2024			
	Quoted market prices (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
<b>Assets</b>				
Investment in Shares and Mutual Fund	199.12	-	-	199.12
<b>Total</b>	<b>199.12</b>	<b>-</b>	<b>-</b>	<b>199.12</b>

Particulars	As at March 31, 2023			
	Quoted market prices (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
<b>Assets</b>				
Investment in Shares and Mutual Fund	210.79	-	-	210.79
<b>Total</b>	<b>210.79</b>	<b>-</b>	<b>-</b>	<b>210.79</b>

# Notes to Standalone Financials Statements (Contd.)

**For the year ended March 31, 2024**

(All amounts are in ₹ Lakhs, unless otherwise stated)

## D) Financial risk objective and policies

The Company's principal financial liabilities, comprise loans and borrowings and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations/projects. The Company's principal financial assets include loans, security and other deposits trade and lease receivables, and cash and cash equivalents that derive directly from its operations.

In the ordinary course of business, the Company is mainly exposed to interest rate risk, credit risk and liquidity risk.

The Company's risk management activities are subject to the management, direction and control of Chief Financial Officer under the framework of Risk Management Policy for Currency and Interest rate risk as approved by the Board of Directors of the Company. The Company's central treasury team ensures appropriate financial risk governance framework for the Company through appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken.

### (i) Interest rate risk

The Company is exposed to changes in market interest rates due to financing, investing and cash management activities. Currently the Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short-term debt obligations with fixed interest rates. As at March 31, 2024, all the borrowings are at floating rate of interest.

### (ii) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily

trade receivables and other financial assets), including deposits with banks and other financial instruments.

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive evaluation and individual credit limits are defined in accordance with this assessment.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on historical data.

Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Company's policy.

### (iii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Company has an established liquidity risk management framework for managing its short term, medium term and long-term funding and liquidity management requirements. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. The Company also has adequate credit facilities agreed with banks to ensure that there is sufficient cash to meet all its normal operating commitments in a timely and cost-effective manner.

## Maturity profile of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date:

Contractual maturities of financial liabilities as at March 31, 2024	Refer Note	On demand	within 1 year	Over 1 year Within 3 years	Over 3 years Within 5 years	Over 5 year	Total
Borrowings	13	-	1,499.85	3,314.71	1,941.36	2,761.86	9,517.79
Other financial liabilities	15	-	5,589.18	915.25	-	-	6,504.42
Trade and other payables	18	-	16,251.71	784.63	199.28	-	17,235.63
<b>Total</b>		<b>-</b>	<b>23,340.74</b>	<b>5,014.60</b>	<b>2,140.65</b>	<b>2,761.86</b>	<b>33,257.84</b>



# Notes to Standalone Financials Statements (Contd.)

## For the year ended March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

### Maturity profile of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date:

Contractual maturities of financial liabilities as at March 31, 2023	Refer Note	On demand	within 1 year	Over 1 year Within 3 years	Over 3 years Within 5 years	Over 5 year	Total
Borrowings	13	-	742.82	2,753.54	-	-	3,496.36
Other financial liabilities	15	-	2,375.65	837.68	-	(0.00)	3,213.33
Trade and other payables	18	-	9,032.13	254.28	99.83	-	9,386.25
<b>Total</b>		<b>-</b>	<b>12,150.60</b>	<b>3,845.50</b>	<b>99.83</b>	<b>(0.00)</b>	<b>16,095.94</b>

### E) Capital management

For the purposes of the Company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Company's capital management is to maximize shareholder value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using gearing ratio, which is net debt (total debt less cash and cash equivalents) divided by total capital plus net debt.

Particulars	Refer note	March 31, 2024	March 31, 2023
Total Borrowings		9,517.79	3,496.36
<b>Less:</b> Cash and bank balance	8	83.86	16.22
<b>Less:</b> Bank balance other than cash and cash equivalents	9	2,246.21	1,284.83
Net Debt (A)		7,187.71	2,195.32
Total Equity (B)	11,12	18,134.19	12,395.32
<b>Total Equity and net debt (C = A + B)</b>		<b>25,321.90</b>	<b>14,590.63</b>
Gearing ratio		28.39%	15.05%

### NOTE 28: DISCLOSURES FOR EMPLOYEE BENEFITS

The Company has recognised, in the Statement of Profit and Loss for the current year, an amount of 24.42 Lakhs (previous year 14.18 Lakhs) as expenses under the following defined contribution plan.

Particulars	March 31, 2024	March 31, 2023
<b>Contribution to</b>		
Provident Fund	24.42	14.18
Superannuation Fund	-	-
<b>Total</b>	<b>24.42</b>	<b>14.18</b>

The Company has a defined gratuity plan which is unfunded. Under the plan every employee who has completed at least five year of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

The following tables summaries the component of the net benefits expense recognised in the statement of profit and loss account and amounts recognized in the balance sheet for the respective plan.

# Notes to Standalone Financials Statements (Contd.)

For the year ended March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

## a) Changes in present value of the defined benefit obligation are as follows:

Particulars	March 31, 2024	March 31, 2023
Present value of the defined benefit obligation at the beginning of the year	57.89	51.91
Current service cost	13.25	8.62
Past Service Cost	-	-
Interest cost	4.29	3.58
Re-measurement (or Actuarial) (gain)/loss arising from:		
- change in demographic assumptions	-	-
- change in demographic assumptions	-	-
- change in financial assumptions	1.01	(1.75)
- experience variance	13.70	8.31
Benefits paid	(5.32)	(12.78)
Acquisition Adjustment	-	-
<b>Present value of the defined benefit obligation at the end of the year</b>	<b>84.83</b>	<b>57.89</b>

## b) Changes in fair value of plan assets are as follows:

Particulars	March 31, 2024	March 31, 2023
Fair value of plan assets at the beginning of the year	-	-
Investment income	-	-
Contributions by employer	-	-
Benefits paid	-	-
Return on plan assets, excluding amount recognised in net interest expense	-	-
Fair value of plan assets at the end of the year	-	-

## c) Net asset/(liability) recognised in the balance sheet

Particulars	March 31, 2024	March 31, 2023
Present value of the defined benefit obligation at the end of the year	84.83	57.89
Fair value of plan assets at the end of the year	-	-
Amount recognised in the balance sheet	(84.83)	(57.89)
<b>Net (liability)/asset - Current</b>	<b>(19.98)</b>	<b>(16.57)</b>
<b>Net (liability)/asset - Non-current</b>	<b>(64.85)</b>	<b>(41.32)</b>

## d) Expense recognised in the statement of profit and loss for the year

Particulars	March 31, 2024	March 31, 2023
Current service cost	13.25	8.62
Interest cost on benefit obligation	4.29	3.58
Total Expense	17.54	12.20
<b>Less: Capitalised</b>	<b>-</b>	<b>-</b>
<b>Total Expense included in employee benefits expense</b>	<b>17.54</b>	<b>12.20</b>

# Notes to Standalone Financials Statements (Contd.)

**For the year ended March 31, 2024**

(All amounts are in ₹ Lakhs, unless otherwise stated)

## e) Recognised in the other comprehensive income for the year

Particulars	March 31, 2024	March 31, 2023
Actuarial (gain)/losses arising from	-	-
- change in demographic assumptions	-	-
- change in demographic assumptions	-	-
- change in financial assumptions	1.01	(1.75)
- experience variance	13.70	8.31
Return on plan assets, excluding amount recognised in net interest expense	-	-
<b>Recognised in comprehensive income</b>	<b>14.72</b>	<b>6.56</b>

## f) Maturity profile of Defined Benefit Obligation

Particulars	March 31, 2024	March 31, 2023
Weighted average duration (based on discounted cashflows)	8 years	8 years

Expected Cash flows over the next (Value on undiscounted basis)	March 31, 2024	March 31, 2023
1 year	19.98	16.57
2 to 5 years	27.61	16.83
6 to 10 years	32.75	22.45
More than 10 years	73.01	48.51

## g) Quantitative sensitivity analysis for significant assumption is as below:

**Increase/(decrease) on present value of defined benefits obligation at the end of the year**

Particulars	March 31, 2024		March 31, 2023	
	Discount rate			
Assumptions	1% Increase	1% Decrease	1% Increase	1% Decrease
Sensitivity level				
Impact on defined benefit obligations	(4.81)	5.52	(3.10)	3.55

Particulars	March 31, 2024		March 31, 2023	
	Salary Growth rate			
Assumptions	1% Increase	1% Decrease	1% Increase	1% Decrease
Sensitivity level				
Impact on defined benefit obligations	5.06	(4.62)	3.42	(3.09)

Particulars	March 31, 2024		March 31, 2023	
	Attrition rate			
Assumptions	1% Increase of attrition rate	1% Decrease of attrition rate	1% Increase of attrition rate	1% Decrease of attrition rate
Sensitivity level				
Impact on defined benefit obligations	(0.76)	0.78	(0.45)	0.48

# Notes to Standalone Financials Statements (Contd.)

For the year ended March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

Particulars	March 31, 2024		March 31, 2023	
	Mortality rate			
Sensitivity level	10% Increase of mortality rates	10% Decrease of mortality rates	10% Increase of mortality rates	10% Decrease of mortality rates
Impact on defined benefit obligations	-	-	-	-

\* Figures being nullified on conversion to in Lakhs.

## Sensitivity Analysis Method

The sensitivity analysis 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.

## h) The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	March 31, 2024	March 31, 2023
Investments with insurer	0%	0%

The Company expects to contribute ₹ Nil to gratuity fund in the next year. (Previous year ₹ Nil) as the scheme is managed on non-funded basis.

## i) The principle assumptions used in determining gratuity obligations are as follows:

Particulars	March 31, 2024	March 31, 2023
Discount rate	7.21%	7.41%
Expected rate of return on plan assets	0.00%	0.00%
Rate of escalation in salary (per annum)	8.00%	8.00%
Mortality	As per mortality from India Assured Lives Mortality (2012-14)	As per mortality from India Assured Lives Mortality (2012-14)
Attrition rate	10.00%	10.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled. There has been significant change in expected rate of return on assets due to change in the market scenario.

## j) Amounts for the current and previous years are as follows:

Particulars	March 31, 2024	March 31, 2023
Defined benefit obligation	84.83	57.89
Plan assets	-	-
<b>Surplus/(deficit)</b>	<b>(84.83)</b>	<b>(57.89)</b>
Experience adjustments on plan liabilities (gain)/loss	13.70	8.31
Experience adjustments on plan assets gain/(loss)	-	-

# Notes to Standalone Financials Statements (Contd.)

**For the year ended March 31, 2024**

(All amounts are in ₹ Lakhs, unless otherwise stated)

## NOTE 29: LEASES

The Company has recognized lease liability measured at the present value of the remaining lease payments, and right-of-use (ROU) asset at an amount equal to lease liability.

The Company majorly is having Corporate Office, Plots and Plants on Long term Lease.

### Amount recognized in the Balance Sheet

Right-of-use assets	As at March 31, 2024	As at March 31, 2023
Corporate Office, Plant & Plot	1,414.70	802.72
<b>Total Right-of-use assets</b>	<b>1,414.70</b>	<b>802.72</b>

### Movement of lease liability

Right-of-use assets	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	840.19	591.26
Addition of lease liabilities	677.47	282.36
Termination of lease liabilities	-	-
Interest accrued	89.85	45.44
Payment of lease liabilities	(157.20)	(78.87)
<b>Balance at the end of the year</b>	<b>1,450.31</b>	<b>840.19</b>

Lease Liabilities	As at March 31, 2024	As at March 31, 2023
Non-Current	1,290.94	760.25
Current	159.37	79.94
<b>Total Lease Liabilities (Discounted)</b>	<b>1,450.31</b>	<b>840.19</b>

### Amount recognized in statement of profit and loss

Lease Liabilities	As at March 31, 2024	As at March 31, 2023
Depreciation expense on right-of-use asset	65.50	30.87
Interest expense (included in finance costs)	89.85	45.44
<b>Charge to statement of profit and loss</b>	<b>155.35</b>	<b>76.31</b>

### Amount recognized in statement of cash flow

Lease Liabilities	As at March 31, 2024	As at March 31, 2023
Interest component	89.85	45.44
Lease component	(142.53)	(78.87)
<b>Total cash outflow for leases</b>	<b>(52.68)</b>	<b>(33.43)</b>

# Notes to Standalone Financials Statements (Contd.)

For the year ended March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

## NOTE 30: RATIOS TO BE DISCLOSED

Particulars	Items included in numerator and denominator	Ratio as at March 31, 2024	Ratio as at March 31, 2023	Variations (in %)	Comments if Variance is more than 25%
(a) Current Ratio	Current Assets (including Bank Deposits having maturity of more than 1 year)/ Current Liabilities	1.33	1.15	15.64	-
(b) Debt-Equity Ratio	Net Debt/Total Equity	0.52	0.28	86.07	Note-1
(c) Debt Service Coverage Ratio	Earnings before Interest, Depreciation, Tax and Foreign Exchange Loss or (Gain) (net)/(Interest + Finance charges + Repayment of long-term debt made during the period (net of refinance))	4.55	5.88	(22.65)	-
(d) Return on Equity Ratio (refer note 1 below)	Net Profit after Taxes Average Shareholder's Equity	32.34	35.35	(8.51)	-
(e) Inventory turnover ratio	Cost of Good Sold Average Stock	3.62	3.33	8.74	-
(f) Trade Receivables turnover ratio	Revenue from operations Average Trade Receivables	2.97	7.02	(57.69)	Note-2
(g) Trade payables turnover ratio	Operating expenses + Other expenses Average Trade Payables	2.69	2.83	(4.88)	-
(h) Net capital turnover ratio	Revenue from Operations Net Working capital	4.66	21.17	(78.00)	Note-3
(i) Net profit ratio	Profit after Tax Total Income	12.51	10.10	23.89	-
(j) Return on Capital employed	Earnings before Interest, Tax and Foreign Exchange Loss or (Gain) (net)/Average Capital Employed (Shareholders Fund+Long-Term Borrowing+ Current Maturities of Borrowings+Short term borrowings)	27.96	32.92	(15.08)	-
(k) Return on investment	Income Generated from Investments Shareholders fund	32.34	35.35	(8.51)	-

### Notes:

- Debt Equity Ratio has significantly increased due to 50% of the loan pertaining to the 10MW IPP plant being availed during the current year.
- The Quarter 4 reflected larger sales considering that execution of certain major orders commenced during Q4.
- The Quarter 4 reflected larger sales resulting into higher working capital thereby lower capital turnover.

# Notes to Standalone Financials Statements (Contd.)

**For the year ended March 31, 2024**

(All amounts are in ₹ Lakhs, unless otherwise stated)

## NOTE 31: CONTINGENT LIABILITIES

The Company has no pending litigations which comprises of claims against the Company by employees and pertaining to proceedings pending with various direct tax, indirect tax and other authorities except the followings:

1. Public Interest Litigation No. 85 of 2016 at High Court of Gujarat;
2. Public Interest Litigation No. 241 of 2018 at High Court of Gujarat;
3. Special Civil Application No. 9120 of 2017 at High Court of Gujarat;
4. Special Civil Application No. 6303 of 2020 at High Court of Gujarat;
5. Special Civil Application No. 1050 of 2020 at High Court of Gujarat;
6. Special Civil Application No. 17093 of 2018 at High Court of Gujarat;
7. Special Civil Application No. 6832 of 2020 at High Court of Gujarat;
8. Public Interest Litigation No. 88 of 2023 at High Court of Gujarat;
9. Assessment proceedings with Assessment Unit, Income tax department for AY 2019-20 amounting to ₹179.94 Lakhs under Section 147 read with Section 144B of the Income Tax Act, 1961.

The Company has reviewed all its pending litigations and proceedings and provision has not provided as Contingent liabilities in its standalone financial statements.

The Company does not expect the outcome of these proceedings to have a material adverse effect on its standalone financial statements. Hence, no provision has been made by the Company against this litigation in books of account.

The Company has not given any Bank Guarantees in respect of Contingent liabilities.

## NOTE 32. DETAILS OF DUES TO MICRO ENTERPRISES AND SMALL ENTERPRISES AS DEFINED UNDER MSMED ACT, 2006

Information required to be furnished as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and Schedule III of the Companies Act, 2013 for the year ended March 31, 2024.

Sr. No.	Particulars	Year ended March 31, 2024	Year ended March 31, 2023
1	Principal amount and interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
	Principal	Nil	3,990.03
	Interest	Nil	Nil
2	The amount of interest paid by the buyer in terms of Section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	Nil	Nil
3	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil
4	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
5	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act 2006.	Nil	Nil

# Notes to Standalone Financials Statements (Contd.)

## For the year ended March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

The Company has not accounted interest on outstanding Balances of MSME vendors as on March 31, 2024 as the Company is of opinion that no outstanding MSME vendor would file a case under MSME Act, 2006 and would demand an interest on outstanding amount since outstanding date.

### NOTE 33: EVENT OCCURRED AFTER THE BALANCE SHEET DATE

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements.

The Board of Directors have proposed dividend after the balance sheet date which are subject to approval by the shareholders at the annual general meeting. Refer Note 12 for details.

### NOTE 34: SEGEMENT REPORTING

The Company has presented segment information in the consolidated financial statements which are presented in the same financial report. Accordingly, in terms of Paragraph 3 of Ind AS 108 "Operating segments", no disclosures related to segments are presented in these standalone financial statements.

### NOTE 35: OTHER STATUTORY INFORMATION

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company does not have any transactions with companies struck off.
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

- (v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) 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
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (a) 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
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (vii) 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.
- (viii) The Company has complied with the number of layers prescribed under clause (87) of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- (ix) The Company is not declared wilful defaulter by any bank or financial institutions or lender during the year.
- (x) The title deeds of all the immovable properties are held in the name of the Company.



# Notes to Standalone Financials Statements (Contd.)

For the year ended March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

## NOTE 36: RELATED PARTY TRANSACTIONS

Subsidiaries and Associates incorporated in India	As at March 31, 2024	As at March 31, 2023
Belampar Power Infra LLP	99.00%	99.00%
Evergreen Mahuva Windfarms Private Limited	51.00%	51.00%
Hajjipir Renewable Energy LLP	99.00%	99.00%
HGV DTL Transmission Projects Private Limited	100.00%	100.00%
K.P Energy Mahua Windfarms Private Limited	99.36%	99.36%
Mahuva Power Infra LLP	99.00%	99.00%
Manar Power Infra LLP	99.00%	99.00%
Miyani Power Infra LLP	99.00%	99.00%
Ungarn Renewable Energy Private Limited	98.34%	98.34%
Vanki Renewable Energy LLP	99.00%	99.00%
Wind Farm Developers Private Limited	99.23%	99.23%
KP Energy Oms Limited	100.00%	100.00%
VG DTL Transmission Projects Private Limited	50.00%	50.00%

Particulars	Nature of relationship
KP Sor-Urja Limited	Entity in which KMP is having controlling interest
KP Human Development Foundation	Entity in which KMP is having controlling interest
KPI Green Energy Limited	Entity in which KMP is having controlling interest
KP Green Engineering Limited (Formerly known as KP Buildcon Private Limited)	Entity in which KMP is having controlling interest
KPARK Sunbeat Private Limited	Entity in which KMP is having controlling interest
KPGENIX Sunray Private Limited	Entity in which KMP is having controlling interest
Quyosh Energia Private Limited	Entity in which KMP is having controlling interest
Sun Drop Energia Private Limited	Entity in which KMP is having controlling interest
Bharuchi Vahora Patel Surat Federation	Entity in which KMP is having controlling interest
KPEV Charging Private Limited	Entity in which KMP is having controlling interest
World Bharuchi Vahora Federation	Entity in which KMP is having controlling interest
KPIG Renewables Private Limited	Entity in which KMP is having controlling interest
KPI Green Oms Private Limited.	Entity in which KMP is having controlling interest
KPSUN Krag Private Limited	Entity in which KMP is having controlling interest
KPZON Energia Private Limited	Entity in which KMP is having controlling interest
Solwaves Energia Private Limited	Entity in which KMP is having controlling interest
KPIG Energia Private Limited	Entity in which KMP is having controlling interest
Faaiz Money Changer Private Limited	Entity in which KMP is having controlling interest
KPF Green Hydrogen and Ammonia Technology Private Limited	Entity in which KMP is having controlling interest
Renewable Minds LLP	Entity in which KMP is having controlling interest
Haveliwala & sons	Entity in which KMP is having controlling interest

# Notes to Standalone Financials Statements (Contd.)

For the year ended March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

## NOTE 36: RELATED PARTY TRANSACTIONS (Contd.)

Particulars	Nature of relationship
Varisity Venture Consultancy LLP	Entity in which KMP is having controlling interest
Skyliner 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
Chooseme Venture Consultancy LLP	Entity in which KMP is having controlling interest
Azran Venture Consultancy LLP	Entity in which KMP is having controlling interest

### List of Key Managerial Personnel

Farukbhai Gulambhai Patel	Managing Director
Pravinkumar Singh	Chief Financial Officer (resigned w.e.f. 07/11/2023)
Karmit Haribhadrabhai Sheth	Company Secretary
Affan Faruk Patel	Whole-Time Director
Shabana Virender Bajari	Chief Financial Officer (appointed w.e.f. 08/11/2023)
Amitkumar Subhashchandra Khandelwal	Whole-Time Director (appointed w.e.f. 07/11/2023)

### List of Relative of Key Managerial Personnel

Pinaben Haribhadrabhai Sheth
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The details of amounts stated due to or due from related parties are stated in Lakhs as at March 31, 2024 and March 31, 2023:

Subscription to/Purchase of Equity Shares/ Capital Contribution to LLP(S)	As at March 31, 2024	As at March 31, 2023
Belampar Power Infra LLP	0.99	0.99
Hajipir Renewable Energy LLP	0.99	0.99
Mahuva Power Infra LLP	0.99	0.99
Manar Power Infra LLP	0.99	0.99
Miyani Power Infra LLP	0.99	0.99
Vanki Renewable Energy LLP	0.99	0.99
Evergreen Mahuva Windfarms Private Limited	0.51	0.51
HGV DTL Transmission projects Private Limited	1.00	1.00
K.P Energy Mahua Windfarms Private Limited	76.33	76.33
Ungarn Renewable Energy Private Limited	29.11	29.11
VG DTL Transmission Projects Private Limited	2,460.00	2,460.00
Wind Farm Developers Private Limited	63.42	63.42
KP Energy OMS Limited	235.00	235.00
<b>Total</b>	<b>2,871.31</b>	<b>2,871.31</b>

# Notes to Standalone Financials Statements (Contd.)

For the year ended March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

Current Capital Contribution To LLP's (Reimbursement of Expense)	As at March 31, 2024	As at March 31, 2023
Belampar Power Infra LLP	11.77	11.74
Mahuva Power Infra LLP	277.72	287.84
Manar Power Infra LLP	15.17	0.58
Miyani Power Infra LLP	35.72	18.19
Vanki Renewable Energy LLP	44.06	44.03
Hajipir Renewable Energy LLP	0.06	0.03
<b>Total</b>	<b>384.50</b>	<b>362.39</b>

Loan to related parties	As at March 31, 2024	As at March 31, 2023
Evergreen Mahuva Windfarms Private Limited	0.60	0.60
K.P Energy Mahua Windfarms Private Limited	10.51	7.74
HGV DTL Transmission Projects Private Limited	0.47	0.33
VG DTL Transmission Projects Private Limited	12.68	7.46
Ungarn Renewable Energy Private Limited	2.12	2.05
Wind Farm Developers Private Limited	10.27	8.22
<b>Total</b>	<b>36.66</b>	<b>26.40</b>

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Trade Receivables</b>		
Evergreen Mahuva Windfarms Private Limited	406.75	384.26
KPI Green Energy Limited (Formerly known as K.P.I. Global Infrastructure Limited)	10,425.62	1,404.91
K.P. Energy OMS Limited	140.22	-
Sundrops Energia Private Limited	487.17	-
Kpark Sunbeat Private Limited	4.65	-
<b>Total</b>	<b>11,464.41</b>	<b>1,789.17</b>

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Other Financial Liabilities</b>		
Farukbhai Gulambhai Patel	70.31	3.22
Affan Faruk Patel	3.35	1.72
Pravinkumar Singh	-	0.71
Karmit Haribhadrabhai Sheth	0.44	0.95
Pinaben Haribhadrabhai Sheth	0.50	0.35
Shabana Virender Bajari	1.23	-
<b>Total</b>	<b>75.82</b>	<b>6.95</b>

# Notes to Standalone Financials Statements (Contd.)

For the year ended March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Other Liabilities (Net of Asset)</b>		
Neethimani Karunamoorthy	(0.21)	0.29
Arvindkumar Tribhovandas Patadia	(0.09)	0.59
Venu Birappa	(0.24)	0.43
Rajendra Kundanlal Desai	(0.06)	0.10
Bhupendra Vadilal Shah	0.18	0.28
Afzal Harunbhai Malkani	0.07	-
Dukhabandhu Rath	0.05	-
Bhadrabala Dhimantra Joshi	0.29	0.41
Vendhan Ganesan Mudaliar	-	0.18
<b>Total</b>	<b>(0.02)</b>	<b>2.27</b>

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Other Non-Current Assets</b>		
Evergreen Mahuva Windfarms Private Limited	900.00	900.00
<b>Total</b>	<b>900.00</b>	<b>900.00</b>
<b>Security Deposit</b>		
Sundrops Energia Private Limited	250.00	-
<b>Total</b>	<b>250.00</b>	<b>-</b>
<b>Trade Payables</b>		
KPI Green Energy Limited (Formerly known as K.P.I. Global Infrastructure Limited)	88.98	-
KP Green Engineering Limited (Formerly known as KP Buildcon Private Limited)	1,020.35	53.96
KP Energy OMS Limited	-	248.79
KPIG Energia Private Limited	27.06	-
Farukbhai Gulambhai Patel	35.07	-
<b>Total</b>	<b>1,171.46</b>	<b>302.75</b>

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	As at March 31, 2024	As at March 31, 2023
<b>Capital Transaction</b>		
Financing transaction		
Current Contribution (Net of withdrawals)		
Belampar Power Infra LLP	0.02	0.10
Hajipir Renewable Energy LLP	0.02	0.03
Mahuva Power Infra LLP	(10.12)	27.45
Manar Power Infra LLP	14.59	0.04
Miyani Power Infra LLP	17.53	14.93
Vanki Renewable Energy LLP	0.02	2.49
<b>Total</b>	<b>22.07</b>	<b>45.05</b>

# Notes to Standalone Financials Statements (Contd.)

**For the year ended March 31, 2024**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**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: (Contd.)**

<b>Loan to related parties</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
Evergreen Mahuva Windfarms Private Limited	-	0.03
K.P Energy Mahua Windfarms Private Limited	2.77	7.02
HGV DTL Transmission projects Private Limited	0.14	0.18
Ungarn Renewable Energy Private Limited	0.07	1.50
VG DTL Transmission Projects Private Limited	5.22	5.75
Wind Farm Developers Private Limited	2.05	7.33
<b>Total</b>	<b>10.26</b>	<b>21.81</b>

<b>Investment in subsidiary</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
KP Energy OMS Limited	-	220.00

<b>Rent deposit</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
Faruk Gulambhai Patel	200.00	-

<b>Security deposit</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
Sundrops Energia Private Limited	250.00	-

<b>Loans</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
Loan Taken - KPIG Energia Pvt. Ltd.	709.00	-
Loan Given - KPIG Energia Pvt. Ltd.	400.00	-

	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
<b>Revenue Transactions</b>		
<b>Purchases of Goods or Services</b>		
KP Green Engineering Private Limited (Formerly known as KP Buildcon Private Limited)	2,001.52	866.48
KPI Green Energy Limited (Formerly known as K.P.I. Global Infrastructure Limited)	70.51	0.88
KPIG Energia Private Limited	23.88	-
	<b>2,095.91</b>	<b>867.36</b>
<b>Sale of Goods or Services</b>		
KPI Green Energy Limited (Formerly known as K.P.I. Global Infrastructure Limited)	14,315.27	1,954.15
KP Green Engineering Private Limited (Formerly known as KP Buildcon Private Limited)	12.80	-
Sundrops Energia Private Limited	421.53	-
KP Energy OMS Limited	423.36	-
	<b>15,172.96</b>	<b>1,954.15</b>

# Notes to Standalone Financials Statements (Contd.)

For the year ended March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

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: (Contd.)

	As at March 31, 2024	As at March 31, 2023
<b>Interest Expense (Net Off)</b>		
KPIG Energia Private Limited	0.31	-
	<b>0.31</b>	
<b>Royalty Expense</b>		
Farukbhai Gulambhai Patel	962.54	-
	<b>962.54</b>	
<b>Donation</b>		
KP Human Development Foundation	66.20	32.50
	<b>66.20</b>	<b>32.50</b>
<b>Reimbursement Of Expense</b>		
KPI Green Energy Limited (Formerly known as K.P.I. Global Infrastructure Limited)	5.80	5.68
KP Energy OMS Limited	-	90.64
	<b>5.80</b>	<b>96.32</b>
<b>Lease Rent</b>		
Haveliwala & Sons	6.45	-
	<b>6.45</b>	
<b>Sitting Fees</b>		
Bhadrabala Dhimantraï Joshi	0.33	0.45
Bhupendra Vadilal Shah	0.20	0.28
Neethimani Karunamoorthy	0.23	0.33
Arvindkumar Tribhovandas Patadia	0.53	0.65
Venu Birappa	0.43	0.48
Rajendra Kundanlal Desai	0.30	0.10
Afzal Harunbhai Malkani	0.08	-
Dukhabandhu Rath	0.05	-
Vendhan Ganesan Mudaliar	-	0.18
	<b>2.13</b>	<b>2.45</b>
<b>Slump Sale of OMS Division</b>		
KP Energy OMS Limited	-	245.00
	-	<b>245.00</b>
<b>Mangerial Remuneration</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
<b>KMP</b>		
Farukbhai Gulambhai Patel	240.00	78.00
Affan Faruk Patel	58.43	28.00
Pravinkumar Singh	5.42	8.70
Karmit Haribhadrabhai Sheth	16.36	13.01

# Notes to Standalone Financials Statements (Contd.)

**For the year ended March 31, 2024**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**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: (Contd.)**

<b>Mangerial Remuneration</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
Amitkumar Subhashchandra Khandelwal	9.60	-
Shabana Virender Bajari	12.72	-
	<b>342.54</b>	<b>127.71</b>
<b>PROFESSIONAL FEES</b>		
Neethimani Karunamoorthy	11.80	11.00
Arvindkumar Tribhovandas Patadia	12.01	12.12
Venu Birappa	25.62	12.00
Rajendra Kundanlal Desai	6.13	-
Dukhabandhu Rath	2.34	
	<b>57.89</b>	<b>35.12</b>
<b>RELATIVE OF KMP</b>		
Pinaben Haribhadrabhai Sheth	4.95	2.10

**NOTE 37:** The Company has defined process to take full back-up of books of account maintained electronically on daily basis and it maintains the daily log of such back-up for cyclic period of 1 week.

**NOTE 38:** The Company has used accounting software for maintaining its books of account 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 software. Further, there are no instance of audit trail feature being tampered with.

**NOTE 39:** The previous year's figures have been re-grouped/re-classified wherever required to confirm to current year's classification.

As per our report of even date

**For, MAAK and Associates**  
Chartered Accountants  
Firm Registration No: 135024W

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

**CA Marmik Shah**  
Partner  
Membership No: 133926

**Farukbhai Gulambhai Patel**  
Managing Director  
DIN: 00414045

**Affan Faruk Patel**  
Whole-Time Director  
DIN: 08576337

**Place:** Ahmedabad  
**Date:** 22/04/2024  
**UDIN:** 24133926BKCJOI6792

**Karmit Haribhadrabhai Sheth**  
Company Secretary  
**Place:** Surat  
**Date:** 22/04/2024

**Shabana Virender Bajari**  
Chief Financial Officer

# Independent Auditor's Report

TO THE MEMBERS OF

**K.P. ENERGY LIMITED**

**Report on the Consolidated Financial Statements**

## OPINION

We have audited the accompanying Consolidated financial statements of K.P. ENERGY LIMITED ("the Company") and its associate and subsidiaries together referred as ("the Group"), which comprise the 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 ended on that date, and a summary of the material accounting policies and other explanatory information (hereinafter referred to as "the Consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

## BASIS FOR OPINION

We conducted our audit of the Consolidated financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act ("SAs"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the independence requirements that are relevant to our audit of the Consolidated financial statements under the provisions of the Act and the Rules made 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 financial statements.

## KEY AUDIT MATTERS

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

Sr. No.	Key Audit Matter ("KAM")	How the matter was addressed in our Audit?
1.	<p><b>Revenue recognition – Fixed price (EPCC) development contracts</b></p> <p>The Company inter alia engages in Fixed-price (EPCC) development contracts, where, revenue is recognized using the milestone completed computed as per the input method based on management's estimate of contract costs.</p> <p>We identified revenue recognition of fixed price development contracts as a KAM considering there is an inherent risk around the accuracy of revenues given the customized and complex nature of these Wind farm development contracts.</p>	<p>Our audit procedures on revenue recognized from fixed price development contracts include obtaining an understanding of the systems, processes and controls implemented by management for recording and calculating revenue.</p> <p>We have tested that the revenue recognized is in accordance with the Indian accounting standard by evaluating identification of performance obligations. We have also tested management's estimation of contract cost and the obligations if any. We have observed that the estimates of cost to complete were reviewed and approved by the appropriate levels of Management.</p>
2.	<p><b>Evaluation of procedure for recognizing the revenue from sale of power</b></p> <p>The Company has adopted the procedure for recognizing the revenue from sale of power as unbilled revenue at the initial stage on monthly basis and once the confirmation is received from the customer and the regulatory authority in respect of the actual units of electricity transmitted, the Company raises invoice to the client and the same is adjusted against the unbilled revenue booked earlier.</p>	<p>We have obtained the Actual Invoice raised by the Company after receipt of the confirmation from the regulatory authority and the customers, Certificate of share of electricity generated by the GETCO – State Load Dispatch Centre on monthly basis, Calculations of Wheeling Loss of wind mill on monthly basis issued by the Electricity Company to the client. We have matched the documents and correlate the same with the unbilled revenue booked on monthly basis.</p>



Sr. No. Key Audit Matter (“KAM”)	How the matter was addressed in our Audit?
	<p>The unbilled revenue appearing as on March 31, 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.</p>
<p>3. <b>Right of Way Expenses incurred during the course of the development of EPCC contracts</b></p> <p>The Company has inter alia incurred considerable amount on Right of Way Expenses during the course of the development of EPCC contracts. These costs comprised of the compensation paid to various individuals on whose lands the transmission towers are to be erected and the stringing of transmission lines were carried out. The compensation was paid to the individuals for the loss of standing crops on the respective lands.</p>	<p>Our audit procedures include the verification of payment details to various individuals, land records i.e. 7/12 of the land to identify the actual owners or co-owners as the case may be along with the authorization trails of the management along with the control mechanism adopted by the management with its adequate implementation of the same. We have obtained the payment vouchers or the agreements entered into by the Company with these individuals directly or through any agent as the case may be. We have verified the payment vouchers and agreements on test check basis to identify the actual person to whom the compensation was paid by the Company and also verified the consent of other co-owners where the compensation was paid to one of the co-owners. The Company has accounted for all the amounts which were paid as compensation to these individuals and charged the same to the revenue, however, in the case of the compensation paid in the month of March 2024, the payment vouchers with proper authorization have been produced before us and in such cases, the agreements were remained to be executed. Till the date of our audit report, the said agreements are yet to be executed.</p>

## MANAGEMENT’S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

In preparing the Consolidated financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management

either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are responsible for overseeing the Company’s financial reporting process.

## AUDITOR’S RESPONSIBILITY FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the 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 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system 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 made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

## OTHER MATTER

We have not audited the financial statements and other financial information, in respect of 1 subsidiary, whose financial statements include total assets of ₹1,085.77 Lakhs as at March 31, 2024, and total revenues of ₹ Nil and net cash outflows of ₹0.01 Lakhs for the year ended on that date. The management certified unaudited financial statement and other financial information have been furnished to us for the purpose of consolidation. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the management. Our opinion above on the consolidated financial statements, and our report on other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to reliance on the certified financials provided by the management.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations as on March 31, 2024 on its financial position in its Consolidated financial statements – Refer Note 35 to the Consolidated financial statements.

The Company has following pending litigations:

1. Public Interest Litigation No. 85 of 2016 at High Court of Gujarat;
2. Public Interest Litigation No. 241 of 2018 at High Court of Gujarat;
3. Special Civil Application No. 9120 of 2017 at High Court of Gujarat;
4. Special Civil Application No. 6303 of 2020 at High Court of Gujarat;

5. Special Civil Application No. 1050 of 2020 at High Court of Gujarat;
  6. Special Civil Application No. 17093 of 2018 at High Court of Gujarat;
  7. Special Civil Application No. 6832 of 2020 at High Court of Gujarat;
  8. Public Interest Litigation No. 13 of 2023 at High Court of Gujarat;
  9. Public Interest Litigation No. 88 of 2023 at High Court of Gujarat;
  10. Assessment proceedings with Assessment Unit, Income tax department for AY 2019-20 amounting to ₹252.32 Lakhs under Section 147 read with Section 144B of the income tax act, 1961.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person or entity, including foreign entity ("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 Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (b) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company 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;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in their circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. As stated in Note 12 to the Consolidated Financial Statements:
    - (a) The final dividend proposed in the previous year, declared and paid by the Company during the year, is in accordance with Section 123 of the Act, as applicable.
    - (b) The Interim Dividend declared and paid by the Company during the year and until the date of this report is in compliance with the Section 123 of the Act.
    - (c) The Board of Directors of the Company have proposed final dividend for the year, which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act, as applicable.
  - vi. Based on our examination, which included test checks, the Company and its subsidiaries has used accounting software 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 software. 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.

2. As required with reference to the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act"), we give in the "**Annexure-A**" a statement on the matters specified to the extent applicable.
3. In our opinion and according to the information and explanation given to us, the remuneration paid during the current year by the Holding Company and its subsidiary companies, wherever applicable, to its directors is in accordance with the provision of Section 197 of the Companies Act, 2013. The Remuneration paid to any director by the Holding Company and its subsidiary companies is not in excess of the limits laid down under Section 197 of the Act.

**For MAAK and Associates**  
Chartered Accountants  
FRN: 135024W

**Marmik Shah**  
Partner  
Membership No: 133926  
UDIN: 24133926BKCJOJ2689

**Place:** Ahmedabad  
**Date:** 22-04-2024

# Annexure A

## TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF K.P. ENERGY LIMITED

### Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. We have audited the internal financial controls over financial reporting of K.P. ENERGY LIMITED ("the Company") as of March 31, 2024 in conjunction with our audit of the Consolidated financial statements of the Company for the year ended on that date.

#### MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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.

#### AUDITORS' RESPONSIBILITY

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We have conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence, we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

6. A company's internal financial control over financial reporting 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 control over financial reporting 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 authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized 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**

7. Because of the inherent limitations of internal financial controls over financial reporting, 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 to future periods are subject to the risk that the internal financial control over financial Guidance Note on Audit of reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## **OPINION**

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**FOR MAAK and Associates**  
Chartered Accountants  
FRN: 135024W

**Marmik Shah**  
Partner  
Membership No: 133926  
UDIN: 24133926BKCJOJ2689

**Place:** Ahmedabad  
**Date:** 22-04-2024

# Consolidated Balance Sheet

As at March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
<b>Assets</b>			
<b>Non-current Assets</b>			
Property, plant and equipment	2	15,882.93	13,580.27
Right of use assets	2	1,493.19	802.72
Capital work-in-progress	2	117.64	113.71
<b>Non-current financial assets</b>			
Investments	3	2,008.63	2,112.24
Other financial assets	4	94.45	67.08
Other non-current assets	5	232.18	1,384.62
		<b>19,829.02</b>	<b>18,060.64</b>
<b>Current Assets</b>			
Inventories	6	11,990.22	8,639.73
<b>Financial assets</b>			
(i) Investments	3	199.12	210.79
(ii) Trade receivables	7	25,259.40	5,796.73
(iii) Cash and cash equivalents	8	110.07	50.72
(iv) Bank balance other than cash and cash equivalents	9	2,246.21	1,284.83
(v) Loans	10	20.46	11.02
(vi) Other financial assets	4	250.00	-
Other current assets	5	2,673.39	507.97
		<b>42,748.88</b>	<b>16,501.79</b>
		<b>62,577.90</b>	<b>34,562.43</b>
<b>Total Assets</b>			
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Equity share capital	11	3,334.50	1,111.50
Other equity	12	14,660.47	11,180.30
Non-Controlling Interests	13	(114.32)	(114.26)
Instruments entirely Equity in Nature	14	562.76	562.76
		<b>18,443.41</b>	<b>12,740.30</b>
<b>Liabilities</b>			
<b>Non-current Liabilities</b>			
<b>Financial liabilities</b>			
(i) Borrowings	15	8,537.01	3,284.46
(ii) Lease Liabilities	16	1,360.81	760.25
(iii) Other financial Liabilities	17	915.25	837.68
Provisions	18	64.85	48.02
Deferred tax liabilities (net)	27	2,027.10	1,924.29
Other non-current liabilities	19	280.23	1,453.85
		<b>13,185.25</b>	<b>8,308.55</b>
<b>Current Liabilities</b>			
<b>Financial liabilities</b>			
(i) Borrowings	15	1,511.70	742.82
(ii) Lease Liabilities	16	166.87	79.94
(iii) Trade payables	20	17,622.07	9,407.23
(iv) Other financial liabilities	17	5,589.18	2,375.65
Provisions	18	3,895.05	47.00
Other current liabilities	19	1,358.74	408.54
Liabilities for current tax (net)	27	805.63	452.40
		<b>30,949.24</b>	<b>13,513.58</b>
		<b>44,134.49</b>	<b>21,822.13</b>
		<b>62,577.90</b>	<b>34,562.43</b>
<b>Total Equity and Liabilities</b>			

Summary of material accounting policies 1  
The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

**For, MAAK and Associates**  
Chartered Accountants  
Firm Registration No: 135024W

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

**CA Marmik Shah**  
Partner  
Membership No: 133926

**Farukbhai Gulambhai Patel**  
Managing Director  
DIN: 00414045

**Affan Faruk Patel**  
Whole-Time Director  
DIN: 08576337

**Karmit Haribhadrabhai Sheth**  
Company Secretary

**Shabana Virender Bajari**  
Chief Financial Officer

**Place:** Ahmedabad  
**Date:** 22/04/2024  
**UDIN:** 24133926BKJCJOJ2689

**Place:** Surat  
**Date:** 22/04/2024

# Consolidated Statement of Profit and Loss

For the year ended on March 31, 2024

(All amounts are ₹ in Lakhs, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Income</b>			
Revenue from operations	21	47,294.94	43,782.25
Other income	22	1,259.79	456.42
<b>Total income</b>		<b>48,554.73</b>	<b>44,238.67</b>
<b>Expenses</b>			
Cost of material consumed	23	32,576.28	32,745.03
Employee benefits expense	24	1,541.46	1,074.59
Depreciation and amortization expense	2	846.33	519.03
Finance costs	25	1,263.55	540.68
Other expenses	26	4,590.45	2,862.10
<b>Total expense</b>		<b>40,818.08</b>	<b>37,741.43</b>
<b>Profit before exceptional items and tax</b>		<b>7,736.65</b>	<b>6,497.24</b>
Exceptional items		-	-
<b>Profit before tax</b>		<b>7,736.65</b>	<b>6,497.24</b>
<b>Share of Profit/(Loss) from an associates</b>		<b>(103.62)</b>	<b>(113.55)</b>
<b>Tax expense/(credit)</b>			
Current Tax	27	1,634.88	1,418.78
Adjustment of tax relating to earlier periods	27	63.12	51.56
Deferred tax	27	88.26	522.53
<b>Less: MAT credit entitlement</b>	27	14.54	-
<b>Total tax expense</b>		<b>1,800.81</b>	<b>1,992.87</b>
<b>Profit for the period/year</b>		<b>5,832.21</b>	<b>4,390.82</b>
<b>Other comprehensive income</b>			
<b>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</b>			
Re-measurement gains (losses) on Shares of Securities and shares		(12.51)	(6.56)
Income Tax effect		3.15	1.91
		<b>(9.36)</b>	<b>(4.65)</b>
<b>Other comprehensive income to be reclassified to profit or loss in subsequent periods</b>		-	-
<b>Other comprehensive Income for the period/year</b>		<b>(9.36)</b>	<b>(4.65)</b>
<b>Total comprehensive Income for the period/year</b>		<b>5,822.85</b>	<b>4,386.17</b>
<b>Total comprehensive Income attributable to</b>			
(a) Owners of the Company		5,822.91	4,386.85
(b) Non-controlling Interest		(0.06)	(0.68)
		<b>5,822.85</b>	<b>4,386.17</b>
Adjusted Basic EPS	28	8.75	6.58
Adjusted Diluted EPS	28	8.73	6.57
Summary of material accounting policies	1		

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

**For, MAAK and Associates**  
Chartered Accountants  
Firm Registration No: 135024W

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

**CA Marmik Shah**  
Partner  
Membership No: 133926

**Farukbhai Gulambhai Patel**  
Managing Director  
DIN: 00414045

**Affan Faruk Patel**  
Whole-Time Director  
DIN: 08576337

**Karmit Haribhadrabhai Sheth**  
Company Secretary

**Shabana Virender Bajari**  
Chief Financial Officer

**Place:** Ahmedabad  
**Date:** 22/04/2024  
**UDIN:** 24133926BKCJOJ2689

**Place:** Surat  
**Date:** 22/04/2024



# Consolidated Statement of Cash Flows

For the year ended March 31, 2024

(All amounts are ₹ in Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Cash flow from operating activities</b>		
<b>Profit before tax as per statement of profit and loss</b>	<b>7,633.02</b>	<b>6,383.69</b>
Adjustments for:		
Adjustments for:		
Depreciation and amortisation	846.33	519.03
Interest income	(122.64)	(44.40)
Interest expense	937.68	321.95
Gain on fair value of Security Deposits	(0.32)	-
Notional Interest on Fair value of Loan	77.57	70.99
Realised (gain)/loss on Investment in shares and securities	(1.16)	(281.35)
Unrealised (gain)/loss on Investment in shares and securities	(12.12)	(7.38)
Profit/(Loss) on Defined Benefit Obligation	(9.37)	(4.65)
Non-Controlling Interest	(0.06)	(12.59)
<b>Operating profit before working capital changes</b>	<b>9,438.78</b>	<b>6,990.73</b>
Movements in working capital		
(Increase)/decrease in trade receivables	(19,462.66)	(4,057.44)
(Increase)/decrease in inventories	(3,350.49)	4,014.61
(Increase)/decrease in Current & Non-Current financial assets	(279.86)	(5.97)
(Increase)/decrease in Current and Non-Current Assets	(1,022.42)	640.13
Increase/(decrease) in trade payables	11,650.96	(817.08)
Increase/(decrease) in Current & Non-Current liabilities	1,511.10	(1,120.60)
Increase/(decrease) in provisions	3,864.88	702.43
Increase/(decrease) in Current & Non-Current financial liabilities	1,944.39	(1,528.30)
<b>Cash generated from operations</b>	<b>4,294.66</b>	<b>4,818.51</b>
Direct taxes (paid)/refund (net)	(981.03)	(1,989.62)
<b>Net cash Inflow/(Outflow) from operating activities (A)</b>	<b>3,313.63</b>	<b>2,828.89</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipments (Including capital work in progress, capital advances and capital creditors)	(3,152.93)	(273.94)
Purchase of Shares of Subsidiary	-	113.57
Purchase/Sale of Investments	103.60	(2,184.31)
Increase in Right of Use of Assets	(690.47)	(251.49)
Interest received	122.64	44.40
Sale of investment in Mutual Fund and shares	24.96	479.93
Capital Advance	(3,436.12)	-
<b>Net cash inflow from investing activities (B)</b>	<b>(7,028.32)</b>	<b>(2,071.84)</b>
<b>Cash flows from financing activities</b>		
Proceeds/(repayment) from Long Term Borrowings	6,764.25	5,828.21
Repayment of Bank/FI Borrowing	-	(3,944.72)
Payment of Dividend	(99.14)	(106.40)
Proceeds/(repayment) from current borrowing (net)	(742.82)	(680.41)
Share issue expenses written off against reserves	(16.88)	-
Interest paid	(937.68)	(321.95)
Cash Payment of lease liabilities interest	(89.85)	(45.44)
Payment of lease liabilities	(142.53)	(45.44)
Minority interest	0.06	(2,226.22)
<b>Net cash Inflow from financing activities (C)</b>	<b>4,735.42</b>	<b>(1,542.37)</b>
<b>Net increase/(decrease) in cash &amp; cash equivalents (A + B + C)</b>	<b>1,020.73</b>	<b>(785.32)</b>
Cash and cash equivalents at the beginning of the year	1,335.55	2,120.87
<b>Cash and cash equivalents at the end of the period</b>	<b>2,356.28</b>	<b>1,335.55</b>
<b>Notes:</b>		
Component of cash and cash equivalents		
Cash on hand	11.38	28.76
Balances with scheduled bank		
On current accounts	28.57	21.28
Balance in escrow account	70.12	0.68
Other bank balance	2,246.21	1,284.83
<b>Cash and Cash Equivalents at the End of the period</b>	<b>2,356.28</b>	<b>1,335.55</b>

Summary of material accounting policies (refer Note 1)  
The accompanying notes are an integral part of the financial statements.

As per our report of even date

**For, MAAK and Associates**  
Chartered Accountants  
Firm Registration No: 135024W

**CA Marmik Shah**  
Partner  
Membership No: 133926

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

**Farukbhai Gulambhai Patel**  
Managing Director  
DIN: 00414045

**Affan Faruk Patel**  
Whole-Time Director  
DIN: 08576337

**Karmit Haribhadrabhai Sheth**  
Company Secretary

**Shabana Virender Bajari**  
Chief Financial Officer

Place: Ahmedabad  
Date: 22/04/2024  
UDIN: 24133926BKCJOJ2689

Place: Surat  
Date: 22/04/2024

# Consolidated Statement of Changes in Equity

For the year ended March 31, 2024

(All amounts are ₹ in Lakhs, unless otherwise stated)

Particulars	Equity share capital	Retained earnings	Total
<b>Balance as at April 1, 2022</b>	<b>1,111.50</b>	<b>7,049.87</b>	<b>8,161.37</b>
Profit for the year	-	4,391.50	4,391.50
Other comprehensive income	-	(155.57)	(155.57)
Dividend Distributed	-	(105.50)	(105.50)
<b>Total comprehensive income for the year</b>	<b>1,111.50</b>	<b>11,180.30</b>	<b>12,291.80</b>
<b>Balance as at March 31, 2023</b>	<b>1,111.50</b>	<b>11,180.30</b>	<b>12,291.80</b>
Profit for the year	-	5,832.21	5,832.21
Adjustment to opening balance	-	(2.77)	(2.77)
Other comprehensive income	-	(9.36)	(9.36)
Bonus Issue	2,223.00	(2,239.88)	(16.88)
Dividend Distributed	-	(100.04)	(100.04)
<b>Balance as at March 31, 2024</b>	<b>3,334.50</b>	<b>14,660.47</b>	<b>17,994.97</b>

The accompanying notes form an integral part of financials statements.

As per our report of even date

**For, MAAK and Associates**  
Chartered Accountants  
Firm Registration No: 135024W

**CA Marmik Shah**  
Partner  
Membership No: 133926

**Place:** Ahmedabad  
**Date:** 22/04/2024  
**UDIN:** 24133926BKCJOJ2689

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

**Farukbhai Gulambhai Patel**  
Managing Director  
DIN: 00414045

**Karmit Haribhadrabhai Sheth**  
Company Secretary

**Place:** Surat  
**Date:** 22/04/2024

**Affan Faruk Patel**  
Whole-Time Director  
DIN: 08576337

**Shabana Virender Bajari**  
Chief Financial Officer

# Note-1 Company Overview and Material Accounting Policies

## 1. COMPANY OVERVIEW

K.P. Energy Limited (“the Company”) was incorporated on January 8, 2010 as a Public Limited Company in India with its registered office located at “KP House”, Opp. Ishwar Farm Junction BRTS, Near Bliss IVF Circle, Canal Road, Bhatar, Surat-395017, Gujarat. The financial statements are prepared as per Ind AS prescribed under the Companies Act, 2013. The Company is primarily engaged in Wind Farm development, development of Wind power projects and allied services related to it along with generation of electricity through wind power generating assets and operation and maintenance services of wind power projects primarily in India.

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

<b>Subsidiaries Incorporated In India</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
Belampar Power Infra LLP	99.00%	99.00%
Evergreen Mahuva Windfarms Private Limited	51.00%	51.00%
Hajipir Renewable Energy LLP	99.00%	99.00%
HGV DTL Transmission projects Private Limited	100.00%	100.00%
K.P Energy Mahua Windfarms Private Limited	99.03%	99.03%
Mahuva Power Infra LLP	99.00%	99.00%
Manar Power Infra LLP	99.00%	99.00%
Miyani Power Infra LLP	99.00%	99.00%
Ungarn Renewable Energy Private Limited	98.20%	98.20%
Vanki Renewable Energy LLP	99.00%	99.00%
VG DTL Transmission Projects Private Limited	50.00%	50.00%
Wind Farm Developers Private Limited	98.77%	98.77%
KP Energy OMS Limited	100.00%	-

## 2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 (‘the act’) (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rule, 2015 and Companies (Indian Accounting Standards) Second Amendment Rules, 2019.

The Company has adopted all the Ind AS standards. The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. All assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between

acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

The financial statements are presented in INR, the functional currency of the Company. Items included in the financial statements of the Company are recorded using the currency of the primary economic environment in which the Company operates (the ‘functional currency’).

The financial statements of the Company for the year ended March 31, 2024 were approved for issue in accordance with the resolution of the Board of Directors on April 22, 2024.

## 3. USE OF ESTIMATES

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments

and the use of assumptions in these financial statements have been disclosed in Note 4 Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of the changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

## 4. CRITICAL ACCOUNTING ESTIMATES

### a. Revenue recognition

The Company uses the percentage-of-completion method in accounting for its fixed-price contracts. The use of the percentage-of-completion method requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

### b. Taxes

#### Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in India where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits (Minimum alternate tax credit entitlement) and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

#### Minimum alternate tax

Ind AS 12 defines deferred tax to include carry forward of unused tax credits. MAT credits are in the form of unused tax credits that are carried forward by the entity for a specified period of time. Accordingly, MAT credit entitlement should be shown separately in the balance sheet.

### c. Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of the Company's assets are determined by the Management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

## Material Accounting Policies

## 5. CURRENT VERSUS NON-CURRENT CLASSIFICATION

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle\*;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle\*;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

## 6. REVENUE RECOGNITION

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as goods and services tax and other applicable taxes etc.

The Company applies the revenue recognition criteria to each separately identifiable component of the sales transaction as set out below:

### Sale of goods

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, there is neither continuing managerial involvement with the goods nor effective control over the goods sold, it is probable that economic benefits will flow to the Company, the costs incurred or to be incurred in respect of the transaction can be measured reliably and the amount of revenue can be measured reliably.

### Sale of power

Revenue from sale of power is recognized when there is actual transmission of power and considerable certainty for recoverability of the revenue exists once the actual transmission of power is confirmed from the regulatory authorities. The Company recognises the revenue from sale of power as unbilled revenue on monthly basis and the same is settled after the Company receives the confirmation from regulatory authorities and the customer in respect of the actual units transmitted and thereafter the actual Invoice is raised to the customer and the same is settled against the unbilled revenue recognised for the said customer. Revenue from the end of the last billing to the Balance Sheet date is recognized as unbilled revenues.

## Revenue from infrastructure development and work contract income

Revenue on time-and-material contracts are recognized as the related services are performed and revenue from the end of the last billing to the Balance Sheet date is recognized as unbilled revenues. Revenue from fixed-price, fixed-timeframe contracts, where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. When there is uncertainty as to the measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the current contract estimates. Costs and earnings in excess of billings are classified as unbilled revenue while billings in excess of costs and earnings are classified as unearned revenue. Deferred contract costs are amortized over the term of the contract. Maintenance revenue is recognized rateably over the term of the underlying maintenance arrangement.

## Interest income

Interest income is recognised on time proportion basis taking into account the amount outstanding and rate applicable. Interest income is recognised using the effective interest rate (EIR) method.

For all Financial Assets measured at amortized cost, interest income is recorded using the effective interest rate (EIR) i.e. the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial assets. The future cash flows include all other transaction costs paid or received, premiums or discounts if any, etc.

## Dividend income

Dividend income is recognised at the time when right to receive the payment is established, which is generally when the shareholders approve the dividend.

## 7. INVENTORY

Inventories are valued as follows:

### Raw materials, stores and spares

Raw materials, components, stores and spares are valued at lower of cost and net realisable value. Cost of raw materials, components and stores and spares is determined on a "First-in, First-out" basis and includes interest on raw materials as a carrying cost of materials where such materials are stored for a substantial period of time. Stores and spares having useful life of more than twelve months are capitalised as tangible assets under "Property, plant and equipment" and are depreciated prospectively over their remaining useful lives in accordance with Ind AS 16.

## Work-in-progress

Lower of cost and net realisable value. Cost includes raw material cost and a proportion of direct and indirect overheads up to estimated stage of completion.

## 8. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the Management. The Company depreciates property, plant and equipment over their estimated useful lives using the Written Down Value method.

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end.

Building (Temporary structure) | 3 years (1)

Building (Permanent structure) | 60 years (1)

Computer equipment | 3 years (1)

Electrical installation and equipment | 10 years (1)

Furniture and fixtures | 10 years (1)

Vehicles (Heavy) | 8 years (1)

Vehicles (Others) | 10 years (1)

Office equipment | 5 years (1)

Plant and machinery | 15 years (1)

Wind power generation plant | 22 years (1)

Freehold land is not depreciated.

- (1) Based on technical evaluation, the Management believes that the useful lives as given above best represent the period over which the Management expects to use these assets. Hence, the useful lives for these assets may be different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment are capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss. Assets to be disposed of are reported at the lower of the carrying value or the fair value less cost to sell.

## 9. INTANGIBLE ASSETS

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

## 10. INVESTMENTS IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Investments in Subsidiaries, Associates and Joint Ventures are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, associates and joint venture, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

## 11. BORROWING COST

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest calculated using the effective interest rate (EIR) and other costs like finance charges in respect of the finance leases recognised in accordance with Ind AS 17, that an entity incurs in connection with held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

## 12. FINANCIAL INSTRUMENTS

### 12.1. Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

If the Company determines that the fair value at initial recognition differs from the transaction price, the Company accounts for that instrument at that date as follows:

- at the measurement basis mentioned above if that fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets. The Company recognises the difference between the fair value at initial recognition and the transaction price as a gain or loss.
- in all other cases, at the measurement basis mentioned above, adjusted to defer the difference between the fair value at initial recognition and the transaction price. After initial recognition, the Company recognises that deferred difference as a gain or loss only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

## 12.2. Subsequent measurement

### a. Non-derivative financial instruments

#### (i) Financial assets carried at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### (ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

#### (iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss.

#### (iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit or loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts being approximate fair value due to the short maturity of these instruments.

#### (v) Investment in subsidiaries

Investment in subsidiaries is carried at cost in accordance with Ind AS 27- separate financial statements.

## b. Share capital

### Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognized as deduction from equity, net of any tax effects.

### Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flow from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

## 13. FAIR VALUE OF FINANCIAL INSTRUMENTS

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amounts being approximate fair value due to the short maturity of these instruments.

## 14. FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

**Level 1:** Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

**Level 2:** Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;

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

## 15. ASSETS HELD FOR SALE

Non-current assets or disposal groups comprising of assets and liabilities are classified as 'held for sale' when all the following criteria are met: (i) decision has been made to sell; (ii) the assets are available for immediate sale in its present condition; (iii) the assets are being actively marketed; and (iv) sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date.

Subsequently, such non-current assets and disposal groups classified as 'held for sale' are measured at the lower of its carrying value and fair value less costs to sell. Non-current assets held for sale are not depreciated or amortised.

## 16. IMPAIRMENT

### a. Financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECLs (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in profit or loss.

### b. Non-financial assets

#### (i) Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

## 17. PROVISIONS

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

## 18. FOREIGN CURRENCY

### Functional currency

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

### Transactions and translations

Foreign-currency-denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from such translations are included in net profit in the Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

## 19. EARNINGS PER EQUITY SHARE

Basic earnings per equity share are computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share are computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.



The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

## 20. EMPLOYEE BENEFITS

### Provident fund

Eligible employees of K.P. Energy Limited receive benefits from a provident fund, if any, which is a defined benefit plan. Both the eligible employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. There are no other obligation other than contribution payable to the respective statutory authorities.

No retirement benefits have been paid to any employee during the year by the Company. Retirement benefits in the form of Gratuity and other long term/short term employee benefits have not been provided in the financial statements.

## 21. CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

## 22. DIVIDENDS

The final dividend on shares is recorded as a liability on the date of approval by the shareholders, and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

## 23. CONTINGENT LIABILITIES

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

## 24. LEASES

Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments under operating leases are recognized as an expense on a straight-line basis in net profit in the Statement of Profit and Loss over the lease term.

## 25. 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.

## 26. 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.

## 27. MATERIAL MANAGEMENT JUDGEMENT IN APPLYING ACCOUNTING POLICIES AND ESTIMATION UNCERTAINTY

The following are the critical judgments and the key estimates concerning the future that management has made in the process of applying the Company's accounting policies and that may have the most significant effect on the amounts recognised in the financial Statements or that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.



- a) Evaluation of indicators for impairment of assets:** The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.
- b) Recognition of deferred tax liabilities:** The extent to which deferred tax liabilities can be recognised is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilised.

## 28. RECENT ACCOUNTING PRONOUNCEMENTS

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated March 31, 2023 to amend the following Ind AS which are effective for annual periods beginning on or after April 1, 2023. The Company applied for the first-time these amendments.

### **(1) Definition of Accounting Estimates - Amendments to Ind AS 8**

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates. The amendments had no impact on the Company's financial statements.

### **(2) Disclosure of Accounting Policies - Amendments to Ind AS 1**

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The amendments have had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company's financial statements.

### **(3) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12**

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases. The amendments had no impact on the Company's financial statements.

Apart from these, consequential amendments and editorials have been made to other Ind AS like Ind AS 101, Ind AS 102, Ind AS 103, Ind AS 107, Ind AS 109, Ind AS 115 and Ind AS 34.

# Notes to the Consolidated Financial Statements

For the Year ended March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

## NOTE 2: PROPERTY, PLANT AND EQUIPMENT, RIGHT OF USE ASSETS AND CAPITAL WORK-IN-PROGRESS

Particulars	Property, plant and equipment										Right of use assets	Capital work-in-progress	
	Land-Freehold	Buildings	Plant & Machinery	Office Equipment	Computer Equipment	Furniture & Fixtures	Intangible Asset	Vehicles	Total	Land & Building			
<b>Cost</b>													
<b>As at April 1, 2022</b>	756.19	240.50	13,286.25	393.46	55.34	321.28	-	168.21	15,221.23	603.61	1,067.32		
Reclass to Right of Use Land	-	-	-	-	-	-	-	-	-	-	-	-	
Additions	584.42	7.01	4,853.62	282.40	9.88	42.43	45.54	98.70	5,924.00	282.36	6,797.10		
Deductions/Adjustment	(22.35)	-	(5,000.32)	(2.87)	(0.65)	(1.79)		(22.21)	(5,050.19)	-	(7,750.72)		
<b>As at April 1, 2023</b>	1,318.26	247.51	13,139.55	672.99	64.57	361.92	45.54	244.70	16,095.04	885.97	113.71		
Reclass to Right of Use Land	-	-	-	-	-	-	-	-	-	-	-	-	
Additions	20.02	98.18	2,743.06	44.97	20.54	61.79	1.54	92.70	3,082.81	756.22	2,155.41		
Deductions/Adjustment	-	-	-	-	-	-	-	-	-	-	(2,151.48)		
<b>As at March 31, 2024</b>	1,338.28	345.69	15,882.61	717.96	85.12	423.71	47.08	337.40	19,177.85	1,642.20	117.64		
<b>Depreciation/amortisation</b>													
<b>As at April 1, 2022</b>	-	23.27	2,022.68	37.23	40.14	78.50	-	34.07	2,235.89	52.38	-		
Reclass to Right of Use Land	-	-	-	-	-	-	-	-	-	-	-	-	
Depreciation for the year	-	3.83	363.82	53.06	8.85	31.57	7.21	19.82	488.16	30.87	-		
Deductions/(Adjustment)	-	-	(199.43)	(0.08)	-	-	-	(9.78)	(209.29)	-	-		
<b>As at April 1, 2023</b>	-	27.10	2,187.07	90.21	48.99	110.07	7.21	44.11	2,514.76	83.25	-		
Reclass to Right of Use Land	-	-	-	-	-	-	-	-	-	-	-	-	
Depreciation for the year	-	5.44	624.91	67.37	9.34	35.87	7.39	29.85	780.16	65.76	-		
Deductions/(Adjustment)	-	-	-	-	-	-	-	-	-	-	-	-	
<b>As at March 31, 2024</b>	-	32.55	2,811.98	157.58	58.33	145.93	14.60	73.96	3,294.92	149.01	-		
<b>Net Block</b>													
As at March 31, 2024	1,338.28	313.14	13,070.63	560.38	26.78	277.78	32.48	263.44	15,882.93	1,493.19	117.64		
As at March 31, 2023	1,318.26	220.40	10,952.48	582.77	15.58	251.85	38.33	200.59	13,580.27	802.72	113.71		

### Notes:

- There is no intent to sale any of the assets held by the Company and hence there is no fixed assets held for disposal.
- Property plant and equipment pledged as security.  
**Refer schedule no. 17 B for information on property, plant and equipment pledged as security by the Company.**
- All the assets purchased during the year were put to use before March 31, 2023. The assets which are not put to use during the year are separately shown under capital work-in-progress at the year end.

# Notes to Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

## NOTE 2: PROPERTY, PLANT AND EQUIPMENT, RIGHT OF USE ASSETS AND CAPITAL WORK-IN-PROGRESS (Contd.)

### Capital work-in-progress (CWIP) ageing

CWIP	Amount in CWIP for year ended March 31, 2024				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	96.15	20.79	-	0.70	117.64
Project Temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>96.15</b>	<b>20.79</b>	<b>-</b>	<b>0.70</b>	<b>117.64</b>

CWIP	Amount in CWIP for year ended March 31, 2023				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	113.01	-	-	0.70	113.71
Project Temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>113.01</b>	<b>-</b>	<b>-</b>	<b>0.70</b>	<b>113.71</b>

### Projects whose completion is overdue or has exceeded its cost compared to its original plan

CWIP	Amount in CWIP for year ended March 31, 2024				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
SAP Software	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

CWIP	Amount in CWIP for year ended March 31, 2023				
	Less than 1 year	1-2 years	2-3 years	More than 3 Years	Total
SAP Software	17.61	-	-	-	17.61
Mangonese Villa	95.40	-	-	-	95.40
Land & Related Expenses	-	-	-	0.70	0.70
<b>Total</b>	<b>113.01</b>	<b>-</b>	<b>-</b>	<b>0.70</b>	<b>113.71</b>

## NOTE 3: INVESTMENTS

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Non-Current</b>		
<b>Investments at fair value through other comprehensive income (FVTOCI)</b>		
Investment in equity share of other companies	-	-
Investment in Shares of Saraswat Bank	0.25	0.25
<b>Investments at Amortised Cost</b>		
Investment subsidiary	2,008.38	2,111.99
<b>Total</b>	<b>2,008.63</b>	<b>2,112.24</b>

# Notes to Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

## NOTE 3: INVESTMENTS (Contd.)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Current</b>		
SBI Short-term Debt Fund	69.21	64.63
SBI Savings Fund	129.91	146.16
<b>Total</b>	<b>199.12</b>	<b>210.79</b>

## NOTE 4: OTHER FINANCIAL ASSETS

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Non-current</b>		
Security Deposits	94.45	67.08
<b>Total</b>	<b>94.45</b>	<b>67.08</b>
<b>Current</b>		
Reimbursement of Expense Recoverable from Subsidiaries	0.00	-
Performance Security Deposits	250.00	-
<b>Total</b>	<b>250.00</b>	<b>-</b>

## NOTE 5: OTHER ASSETS

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Non-current</b>		
Advances for land	232.18	38.62
Receivables against previous projects	-	900.00
Advance against previous projects	-	446.00
<b>Total</b>	<b>232.18</b>	<b>1,384.62</b>
<b>Current</b>		
Advances to suppliers	1,064.61	443.78
Prepaid Expenses	151.87	62.45
Balances with statutory/Government authorities	102.98	1.61
Other current asset	7.94	0.13
Receivables against previous projects	900.00	-
Advance against previous projects	446.00	-
<b>Total</b>	<b>2,673.39</b>	<b>507.97</b>

## NOTE 6: INVENTORIES

Particulars	As at March 31, 2024	As at March 31, 2023
Inventories (Including cost of land and related development expenses)	11,990.22	8,639.73
<b>Total</b>	<b>11,990.22</b>	<b>8,639.73</b>

# Notes to Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

## NOTE 7: TRADE RECEIVABLES

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Current</b>		
- from others	25,259.40	5,796.73
<b>Total</b>	<b>25,259.40</b>	<b>5,796.73</b>

a) No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person; nor any trade or other receivable are due from firms or private companies in which any director is a partner, a director or a member.

b) Trade receivable ageing as follow:

Trade receivables ageing schedule for March 31, 2024

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables - Considered good	21,862.96	1,884.36	1,139.54	120.66	147.50	104.36	25,259.40
Undisputed Trade receivables - which have significant increase in risk	-	-	-	-	-	-	-
Undisputed Trade receivables - Credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables - Considered good	-	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in risk	-	-	-	-	-	-	-
Disputed Trade receivables - Credit impaired	-	-	-	-	-	-	-
Allowances for expected credit loss due to increase in credit risk	-	-	-	-	-	-	-
<b>Total</b>	<b>21,862.96</b>	<b>1,884.36</b>	<b>1,139.54</b>	<b>120.66</b>	<b>147.50</b>	<b>104.36</b>	<b>25,259.40</b>

Trade receivables ageing schedule for March 31, 2023

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables - Considered good	3,270.47	1,448.94	473.33	292.72	10.41	300.86	5,796.73
Undisputed Trade receivables - which have significant increase in risk	-	-	-	-	-	-	-
Undisputed Trade receivables - Credit impaired	-	-	-	-	-	-	-

# Notes to Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

## Trade receivables ageing schedule for March 31, 2023 (Contd.)

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	
Disputed Trade receivables - Considered good	-	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in risk	-	-	-	-	-	-	-
Disputed Trade receivables - Credit impaired	-	-	-	-	-	-	-
Allowances for expected credit loss due to increase in credit risk	-	-	-	-	-	-	-
<b>Total</b>	<b>3,270.47</b>	<b>1,448.94</b>	<b>473.33</b>	<b>292.72</b>	<b>10.41</b>	<b>300.86</b>	<b>5,796.73</b>

## NOTE 8: CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with banks:		
Balance in current account	28.57	21.27
Balance in escrow account	70.12	0.68
Cash on hand	11.38	28.77
<b>Total</b>	<b>110.07</b>	<b>50.72</b>

## NOTE 9: BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2024	As at March 31, 2023
In unpaid dividend accounts	1.43	1.46
Deposits with original maturity over 3 months but less than 12 months	2,244.79	1,283.37
<b>Total</b>	<b>2,246.21</b>	<b>1,284.83</b>
<b>Deposits with original maturity over 3 months but less than 12 months</b>		
Fixed deposit with State Bank of India	1,082.56	663.81
Fixed deposit with SIDBI	-	257.32
Fixed Deposit with Axis	532.44	262.24
Fixed Deposit with Saraswat Bank	277.48	100.00
Fixed Deposit with Yes Bank	352.30	-
<b>Total</b>	<b>2,244.79</b>	<b>1,283.37</b>

- (1) Fixed deposits with SBI, SIDBI, Axis and Saraswat are stated with Accrued Interest upto the date of the Balance sheet on the basis of the Interest Certificates obtained from the respective Banks by the management.

# Notes to Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

## NOTE 10: LOANS

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Current</b>		
Loans to Related Parties (Unsecured)	15.27	8.45
Loans to employees	5.19	2.57
<b>Total</b>	<b>20.46</b>	<b>11.02</b>

## NOTE 11: SHARE CAPITAL

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Authorised</b>		
7,00,00,000 Equity Shares of ₹5 each (2,50,00,000 Equity Shares of ₹5 each as at March 31, 2023)	3,500.00	1,250.00
<b>Total</b>	<b>3,500.00</b>	<b>1,250.00</b>
<b>Issued, subscribed and fully paid up shares</b>		
6,66,90,000 Equity Shares of ₹5 each (2,22,30,000 Equity Shares of ₹5 each as at March 31, 2023)	3,334.50	1,111.50
<b>Total</b>	<b>3,334.50</b>	<b>1,111.50</b>

### Notes:

#### (a) Reconciliation of the number of the shares outstanding as the beginning and end of the year

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
At the beginning of the year	2,22,30,000	1,111.50	1,11,15,000	1,111.50
Bonus shares issued	4,44,60,000	2,223.00	-	-
Split of shares (Face Value From ₹10 to ₹5 each)	-	-	1,11,15,000	-
<b>At the end of the year</b>	<b>6,66,90,000</b>	<b>3,334.50</b>	<b>2,22,30,000</b>	<b>1,111.50</b>

#### (b) Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of ₹5 per share. Each holder of equity shares is entitled to one vote per share.

During the Year, the Company has declared and paid the Interim Dividend of ₹100.04 Lakhs and declared Final Dividend pertaining to F.Y.2023-24 of ₹66.69 Lakhs in its board meeting held on 22/04/2024 subject to approval of shareholders in annual general meeting of the Company.

In the event of liquidation of the Company, the holders 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.



# Notes to Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

## (c) Details of shareholder holding more than 5% shares in the Company

Particulars	As at March 31, 2024	
	No. of Shares	% Holding
Farukbhai Gulambhai Patel	2,98,78,566	44.80
<b>Total</b>	<b>2,98,78,566</b>	<b>44.80</b>

Particulars	As at March 31, 2023	
	No. of Shares	% Holding
Farukbhai Gulambhai Patel	99,59,522	44.80
<b>Total</b>	<b>99,59,522</b>	<b>44.80</b>

## (d) Details of shareholding of Promoters as at March 31, 2024

Particulars	No. of Shares in Lakhs	% of Holding
Farukbhai Gulambhai Patel	298.79	44.80
<b>Total</b>	<b>298.79</b>	<b>44.80</b>

## Details of shareholding of Promoters as at March 31, 2023

Particulars	No. of Shares in Lakhs	% of Holding
Farukbhai Gulambhai Patel	99.60	44.80
<b>Total</b>	<b>99.60</b>	<b>44.80</b>

## NOTE 12: OTHER EQUITY

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Retained earnings</b>		
Opening Balance	11,180.30	7,049.87
<b>Add:</b> Profit for the year	5,832.21	4,391.50
<b>Less:</b> Bonus Issued	(2,239.88)	-
<b>Less:</b> Dividend Declared/Distributed	(100.04)	(105.50)
Adjustment to Opening Balance	(2.77)	-
<b>Other comprehensive income</b>		
Actuarial Gain/(Loss) on Gratuity	(12.51)	(4.65)
Tax on Notional Gain/(Loss)	3.15	(150.92)
Fair Valuation of Investments	-	-
<b>Other Equity</b>	<b>14,660.47</b>	<b>11,180.30</b>

# Notes to Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

## Proposed dividends on Equity shares

Particulars	As at March 31, 2024	As at March 31, 2023
Proposed dividend for the year ended on March 31, 2024: ₹0.10 per share (March 31, 2023: ₹ Nil per share)	66.69	-

The Board of Directors recommended a final dividend of ₹0.10/- (March 31, 2023: ₹ Nil/-) per equity share of face value of ₹5 each, for the financial year ended March 31, 2024.

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at March 31, 2024.

## NOTE 13: NON-CONTROLLING INTERESTS

Particulars	As at March 31, 2024	As at March 31, 2023
Non-Controlling Interests in Subsidiaries	(114.26)	2,111.96
Share of Subsidiary	(0.06)	(0.68)
Cumulative Shares in a VGDTL subsidiary considering it as an associates (Net off Accumulated Loss)	-	(2,225.54)
<b>Total</b>	<b>(114.32)</b>	<b>(114.26)</b>

## NOTE 14: INSTRUMENTS ENTIRELY EQUITY IN NATURE

Particulars	As at March 31, 2024	As at March 31, 2023
0% Compulsory Convertible Debenture	562.76	562.76
<b>Total</b>	<b>562.76</b>	<b>562.76</b>

## NOTE 15: BORROWINGS

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Long-term borrowings</b>		
<b>Non-current</b>		
Term loans from banks	7,982.45	2,693.36
Vehicle loans from banks (Secured against respective motor vehicles financed)	77.79	78.68
Unamortised Loan processing Fee	(54.15)	(18.50)
Loan from Related Parties	530.92	530.92
<b>Total</b>	<b>8,537.01</b>	<b>3,284.46</b>
<b>Current maturity of long-term borrowings</b>		
Term loans from banks	1,464.13	708.17
Vehicle loans from banks	47.57	34.65
<b>Total</b>	<b>1,511.70</b>	<b>742.82</b>
<b>Total borrowings</b>		
Secured borrowings	10,048.71	4,027.28
<b>Total borrowings</b>	<b>10,048.71</b>	<b>4,027.28</b>

# Notes to Consolidated Financial Statements (Contd.)

## For the year ended March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

### Details of Borrowings are as follow:

#### Rupee term loans

(refer point A part (i) for interest rate)

Name of the bank	Amount of sanction	Year of sanction	No. of installments	Total amount of installment	As at March 31, 2024	As at March 31, 2023
SBI term loan	1,725.00		Refer note 1 below.		-	245.00
SIDBI term loan	1,990.00		Refer note 2 below.		-	7.47
SBI GECL Loan	149.00		Refer note 3 below.		129.26	150.17
SBI GECL Loan	298.00		Refer note 3 below.		33.30	134.48
Axis Bank Term Loan	3,650.00		Refer note 3 below.		3,425.88	1,825.00
ICICI Machinery Loan	19.91		Refer note 3 below.		10.59	16.92
Saraswat Term Loan	2,000.00		Refer note 3 below.		1,854.46	1,022.50
Arka Fincap Limited	4,000.00		Refer note 3 below.		4,000.00	-

#### Notes: 1

Name of the bank	Amount of sanction	Year of sanction	No. of installments	Total amount of installment	As at March 31, 2024	As at March 31, 2023
SBI term loan I*	825.00	2015-16	90	8.00	-	158.22
SBI term loan II*	900.00	2016-17	69	13.00	-	86.78
SBI GECL Loan	149.00	2021-22	36	4.14	129.26	150.17
SBI GECL Loan	298.00	2020-21	36	8.28	33.30	134.48
Arka Fincap Limited**	4,000.00	2023-24	48	286.00	4,000.00	-

\***Security:** Secured on specific Immovable Property owned by the Company. The Loan Tenure has been ended as on March 31, 2024.

\*\***Security:** Secured against Immovable Property of Third Party and Personal Guarantee by Promoter of the Company.

#### Notes: 2

Name of the bank	Amount of sanction	Year of sanction	No. of installments	Total amount of installment	As at March 31, 2024	As at March 31, 2023
SIDBI term loan I*	995.00	2017-18	114	8.73	-	3.85
SIDBI term loan II*	995.00	2017-18	114	8.73	-	3.57
SIDBI term loan III**	100.00	2020-21	30	1.16	-	0.05

\***Security:** Secured against Land located at Survey No. 173p5 at Village Sathara, Taluka Mahuva, District Bhavnagar and R.S. No. 90/03, Paikie - 1, Village: Rinavada, Porbandar have been hypothecated against term-loan from SIDBI Bank.

\*\***Security:** Secured against Land located at Survey No. 173p5 at Village Sathara, Taluka Mahuva, District Bhavnagar and R.S. No. 90/03, Paikie - 1, Village: Rinavada, Porbandar.

# Notes to Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

## Notes: 3

Name of the bank	Amount of sanction	Year of sanction	No. of installments	Total amount of installment	As at March 31, 2024	As at March 31, 2023
ICICI Loan*	19.91	2022-23	36	0.63	10.59	16.92
Axis term loan**	3,650.00	2022-23	72	32.02	3,425.88	1,825.00
Saraswat term loan**	2,000.00	2022-23	120	25.83	1,854.46	1,022.00

\***Security:** Secured against batching plant and including its spares, tools and accessories, software, in factory or sites of the Company situated at Village: Bhungar, Ta.- Talaja, Dist: Bhavnagar, Gujarat 364130.

\*\***Security:** Secured on specific immovable property owned by the Company.

## Vehicle Loan

(refer point A part (ii) for interest rate)

Name of the bank	Amount of sanction	Year of sanction	No. of installments	Total amount of installment	As at March 31, 2024	As at March 31, 2023
HDFC Hyundai Creta loan	15.55	2019-20	60	0.32	2.19	5.70
ICICI Bike Loan	12.58	2020-21	24	0.63	-	-
ICICI Bolero Loan	17.89	2020-21	36	0.56	-	-
ICICI Bike Loan	5.45	2021-22	36	0.15	-	2.50
ICICI Bolero Loan	9.50	2021-22	60	0.19	10.95	21.18
ICICI Innova Loan	23.66	2021-22	60	0.63	10.61	16.52
ICICI Thar Loan	15.01	2021-22	60	0.30	7.13	10.08
ICICI Hyundai Aura Loan	7.90	2021-22	60	0.16	3.75	5.30
ICICI Creta Loan	20.30	2023-24	48	0.70	17.59	-
ICICI Innova Loan	27.14	2023-24	60	0.72	23.49	-
Mercedes Financial Services - Mercedes Loan	54.25	2022-23	60	1.11	42.74	52.05

## A. Details of interest rate for each type of borrowings

- The interest on above rupee term loans from banks are linked to the respective banks base rates/MCLR which are floating in nature. As of March 31, 2024 the interest rates ranges from 8.50% to 9.45% per annum (March 31, 2023: 8.50% to 11% per annum).
- The interest on above vehicle loans from banks are linked to the respective banks base rates/MCLR which are fixed in nature. As of March 31, 2024 the interest rates ranges from 7.25% to 9.15% per annum (March 31, 2023: 7.80% to 18.10% per annum).

## B. Details of guarantee for each type of borrowings

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Guaranteed by directors:</b>		
Rupee Term loans	22,211.00	6,712.00
Rupee Non-Fund based Limit	4,600.00	3,100.00
Rupee Cash Credit	3,080.00	580.00

# Notes to Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

## NOTE 16: LEASE LIABILITIES

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Non-Current</b>		
Corporate Office	819.59	528.06
Plot	8.78	-
Plant	532.44	232.19
<b>Total</b>	<b>1,360.81</b>	<b>760.25</b>
<b>Current</b>		
Corporate Office	106.85	53.87
Plot	-	-
Plant	60.03	26.08
<b>Total</b>	<b>166.87</b>	<b>79.94</b>

## NOTE 17: OTHER FINANCIAL LIABILITIES

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Non-current</b>		
Apraava Energy Private Limited (Loan Liability)	915.25	837.68
<b>Total</b>	<b>915.25</b>	<b>837.68</b>
<b>Current</b>		
Cash Credit Balance with State Bank Of India	3,050.60	2,308.97
Cash Credit Balance with Yes Bank	2,360.05	-
Employee Reimbursement Payable	0.33	-
Salary payable	173.11	63.08
ESIC payable	0.04	0.06
PF payable	4.67	3.18
PT payable	0.37	0.35
<b>Total</b>	<b>5,589.18</b>	<b>2,375.65</b>

## NOTE 18: PROVISIONS

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Non-current</b>		
Provision for Gratuity	64.85	48.02
<b>Total</b>	<b>64.85</b>	<b>48.02</b>
<b>Current</b>		
Provision for Gratuity	20.52	16.81
Provision for Expenses	3,871.52	30.19
Provision for Audit Fees	3.01	-
<b>Total</b>	<b>3,895.05</b>	<b>47.00</b>

# Notes to Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

## NOTE 19: OTHER LIABILITIES

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Non-current</b>		
<b>Deposits</b>		
Aspen infrastructures limited	100.00	100.00
<b>Others</b>		
Simms engineering private limited	34.36	39.36
Retention money payable	132.90	1,285.08
Gratuity Payable - OMS Limited	12.97	-
Deferred Operation & Maintenance Revenue	-	29.40
<b>Total</b>	<b>280.23</b>	<b>1,453.85</b>
<b>Current</b>		
Statutory liability	249.10	88.31
GST Payable	809.83	55.27
Salary Payable	15.75	6.99
Director sitting fees payable	1.82	1.71
Unpaid dividend	0.90	0.91
Provision for Audit Fees	-	2.91
Deferred Operation & Maintenance Revenue	29.40	29.40
Advance from customers	251.94	223.04
<b>Total</b>	<b>1,358.74</b>	<b>408.54</b>

## NOTE 20: TRADE PAYABLES

Particulars	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro enterprises and small enterprises	-	3,990.03
Total outstanding dues of creditors other than micro enterprises and small enterprises		
For Goods and Service	21,058.19	5,417.20
For Capital Goods	(3,436.12)	-
<b>Total</b>	<b>17,622.07</b>	<b>9,407.23</b>

### Notes:

(1) Due to related parties included in above trade payables.

# Notes to Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

(2) Trade payable ageing as follow:

Trade and other payable ageing as on March 31, 2024

Sr. No.	Particulars	Outstanding for following periods from due date of Payment					Total
		Not Due	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
1	MSME	-	-	-	-	-	-
2	Others	-	16,635.60	714.99	72.19	199.28	17,622.07
3	Disputed dues - MSME	-	-	-	-	-	-
4	Disputed dues - Others	-	-	-	-	-	-
	<b>Total</b>	<b>-</b>	<b>16,635.60</b>	<b>714.99</b>	<b>72.19</b>	<b>199.28</b>	<b>17,622.07</b>

Trade and other payable ageing as on March 31, 2023

Sr. No.	Particulars	Outstanding for following periods from due date of Payment					Total
		Not Due	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
1	MSME	-	3,936.88	0.51	-	52.64	3,990.03
2	Others	-	5,116.24	148.10	105.68	47.19	5,417.20
3	Disputed dues - MSME	-	-	-	-	-	-
4	Disputed dues - Others	-	-	-	-	-	-
	<b>Total</b>	<b>-</b>	<b>9,053.11</b>	<b>148.61</b>	<b>105.68</b>	<b>99.83</b>	<b>9,407.23</b>

## NOTE 21: REVENUE FROM OPERATIONS

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Revenue from sublease of land</b>		
Revenue from sale of power	1,808.65	989.87
Revenue from operation and maintenance services	416.90	399.57
Revenue from contract	45,069.39	42,392.81
<b>Total</b>	<b>47,294.94</b>	<b>43,782.25</b>

## NOTE 22: OTHER INCOME

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Interest received on financial assets carried at amortization cost</b>		
Bank deposits	122.64	44.40
Lease Income	24.94	-
Unrealised Gain on Mutual Fund	12.12	7.02
Realised Gain on Mutual Fund	1.16	-
Scrap Sale	50.83	-
Gain on sale of Investment	-	129.05

# Notes to Consolidated Financial Statements (Contd.)

**For the year ended March 31, 2024**

(All amounts are in ₹ Lakhs, unless otherwise stated)

## NOTE 22: OTHER INCOME (Contd.)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Deferred Revenue of O & M Segment	29.40	29.40
Gain on fair value of Liability	-	233.32
Gain on fair value of Security Deposits	0.32	-
Profit on Sale of Fixed Assets	-	12.59
Reversal of Expense	32.98	-
Insurance Claim Received	983.09	-
Sundry Balances written off	2.32	-
Miscellaneous Income	-	0.64
<b>Total Other income</b>	<b>1,259.79</b>	<b>456.42</b>

## NOTE 23: COST OF MATERIAL CONSUMED

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening Inventory	8,639.73	13,672.84
Purchase & Direct Expenses	35,926.77	27,711.91
Adjustment	-	-
Closing Inventory	(11,990.22)	(8,639.73)
<b>Total</b>	<b>32,576.28</b>	<b>32,745.03</b>

## NOTE 24: EMPLOYEE BENEFIT EXPENSE

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries to Employees	961.64	698.55
Director Remuneration	378.81	141.12
Sitting fees to Independent Directors	2.13	2.45
Current Service Cost	29.45	19.13
Wages	62.52	48.85
Labour Expense	1.65	2.73
Labour Tax	0.01	0.01
Incentive	51.95	3.44
Contribution to provident funds	32.61	18.76
Contribution to ESIC	0.56	0.70
Staff welfare expenses	9.31	103.25
Bonus Expense	10.82	35.61
<b>Total</b>	<b>1,541.46</b>	<b>1,074.59</b>



# Notes to Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

## NOTE 25: FINANCE COST

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Interest on</b>		
Interest on loan	937.68	321.95
Interest on Unsecured Loan	0.35	-
Interest on Fair value of Loan	77.57	-
Bank and other finance charges	111.39	163.28
Lease finance cost	90.52	45.44
Loan Processing Fees	46.04	10.01
<b>Total</b>	<b>1,263.55</b>	<b>540.68</b>

## NOTE 26: OTHER EXPENSES

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Application Charges	25.81	27.46
Advertisement expense	206.22	11.75
Auditor's remuneration (Refer note a below)	5.10	5.10
Bad Debts Expense	-	1.45
Brokerage Expense	6.55	15.89
Business Promotion Expense	115.02	24.14
Canteen expense	214.44	173.35
Certification charges	10.97	0.84
Computer expense	4.09	2.75
Corporate social responsibility expense (Refer note b below)	66.20	32.50
Courier charges	2.91	3.68
Donation expense	0.11	6.72
IPP Expense	365.52	62.43
Electricity expense	21.22	31.00
Generation Deviation Charges	7.08	6.25
Generation loss Compensation	-	8.50
GST expense	152.78	18.38
House keeping expense	15.73	10.34
Insurance expense	115.81	176.49
Interest on Late Payment of GST	48.56	33.19
Installation Charges	4.06	-
Interest on statutory dues	87.15	24.84
Internet expense	24.22	18.45
Labour expenses	-	2.45
Labour tax	0.01	17.74
Late filing fees	0.01	0.01

# Notes to Consolidated Financial Statements (Contd.)

**For the year ended March 31, 2024**

(All amounts are in ₹ Lakhs, unless otherwise stated)

## NOTE 26: OTHER EXPENSES (Contd.)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Late Payment Charges	-	0.01
Lease rents	31.56	311.78
Legal and professional fees	499.84	152.62
Local Tax	3.54	6.79
Loss On Sales Of Fixed Asset	-	0.03
Listing Professional Fees	8.75	3.00
Miscellaneous Expense	0.04	0.35
Operations & Maintenance Exp	102.14	115.00
Office expense	15.35	20.95
Petrol and diesel expenses	392.28	780.04
Professional tax	0.33	0.26
Prior Period Expense	-	0.06
Penalty	-	2.60
Rebate Expenses	1.68	4.32
Registration fees	15.01	0.74
Rent & Accomodation expenses	108.96	11.54
Repairing and maintenance expense	21.58	12.68
Royalty Expense	979.52	-
Research and development expense	3.43	5.50
ROC expense	0.69	4.74
Security service charges	430.08	320.71
Site expenses	32.10	47.47
Software expense	9.98	2.35
Society Maintenance Expense	1.69	-
Stamp duty	48.14	10.08
Stationary and printing expense	9.68	16.60
Survey & Map Making, Liasing Services	-	40.11
Telephone expenses	6.38	5.07
Tender Fees	0.05	-
Membership Expense	0.05	-
Transfer fees expense of geda	34.23	12.95
Transmission charges	104.32	109.10
Transportation expenses	74.44	87.36
TDS Expense	1.87	-
Travelling and conveyance expense	27.49	20.20
N.A. Charges	27.87	11.20
Unbilled IPP Expense	97.81	30.19
<b>Total</b>	<b>4,590.45</b>	<b>2,862.10</b>

# Notes to Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

## Note (a): Payment to Auditor

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>As auditor:</b>		
Audit fee	3.85	3.85
Limited review	1.25	1.25
<b>Total</b>	<b>5.10</b>	<b>5.10</b>

## Note (b): Details of CSR expenditure

Particulars	For the year 2023-24			For the year 2022-23		
	In cash	Yet to be paid in cash	Total	In cash	Yet to be paid in cash	Total
(i) Gross amount required to be spent during the year	66.20	-	66.20	32.50	-	32.50
(ii) Amount approved by the Board	66.20	-	66.20	32.50	-	32.50
(iii) Amount spent during the year						
Rural development projects	2.32	-	2.32	32.50	-	32.50
Ensuring environmental sustainability and ecological balance	15.82	-	15.82	-	-	-
Setting up homes and hostels for orphans	33.07	-	33.07	-	-	-
Promoting Education	15.00	-	15.00	-	-	-
<b>Total</b>	<b>66.20</b>	<b>-</b>	<b>66.20</b>	<b>32.50</b>	<b>-</b>	<b>32.50</b>

## NOTE 27: CURRENT TAX LIABILITIES

### a) Balance sheet section

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Provision for Income Tax	805.63	452.40
<b>Total</b>	<b>805.63</b>	<b>452.40</b>

### b) Profit and loss section

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Current income tax:</b>		
Current income tax charge	1,634.88	1,418.78
Adjustment in respect of current income tax of previous years	63.12	51.56
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences	88.26	522.53
<b>Less: MAT credit entitlement</b>	<b>14.54</b>	<b>-</b>
<b>Tax expense reported in the Statement of profit and loss</b>	<b>1,800.81</b>	<b>1,992.87</b>

# Notes to Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

## c) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2024 and March 31, 2023

Particulars	March 31, 2024	March 31, 2023
<b>Accounting Profit before taxation</b>	<b>7,736.65</b>	<b>6,497.24</b>
India's domestic tax rate	25.17%	27.82%
Tax using the Company's domestic rate	1,947.32	1,807.53
<b>Tax effect of</b>		
Allowance and Disallowance of Expenditures	(312.44)	(388.75)
Effective income tax	1,634.88	1,418.78
<b>Income tax expenses charged to profit and loss</b>	<b>1,634.88</b>	<b>1,418.78</b>

## d) Deferred tax liability (net)

Particulars	Balance Sheet as at		Statement of Profit and Loss	
	March 31, 2024	March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Deferred tax liabilities:</b>				
Book V/s tax WDV impact	2,028.05	1,914.10	113.95	489.21
Gain on Shares and Securities	3.92	1.60	2.33	(15.39)
Gain on Fair value of Loan	21.33	47.27	(25.94)	47.27
Loan Processing Fees	13.63	5.39	8.24	5.38
	<b>2,066.93</b>	<b>1,968.35</b>	<b>98.58</b>	<b>526.47</b>
<b>Deferred tax assets:</b>				
Gratuity Provision	24.74	18.62	6.12	4.18
Lease Model	6.68	10.90	(4.22)	(0.24)
Gain on Fair value of Security Deposit	3.15	-	3.15	-
Business Loss	5.26	-	5.26	-
<b>DTA recognised to the extent of DTL</b>	<b>39.84</b>	<b>29.52</b>	<b>10.32</b>	<b>3.94</b>
<b>Less: Mat Credit Entitlement</b>	<b>-</b>	<b>(14.54)</b>	<b>-</b>	<b>-</b>
	<b>2,027.10</b>	<b>1,924.29</b>	<b>88.26</b>	<b>522.53</b>

## NOTE 28: EARNING PER SHARE

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit/Loss attributable to equity shareholders of the Company	5,832.21	4,390.82
Weighted adjusted number of equity shares	6,66,90,000	6,66,90,000
Basic Earning per share (in ₹)	8.75	6.58
Number of Convertible Debenture into equity shares	1,13,000	1,13,000
Weighted average number of equity shares	6,68,03,000	6,68,03,000
Diluted earning per share (in ₹)	8.73	6.57

# Notes to Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

## NOTE 29: FINANCIAL INSTRUMENTS, FINANCIAL RISK AND CAPITAL MANAGEMENT

### A) Category-wise classification of financial instruments

Particulars	Refer note	As at March 31, 2024			
		Fair Value through other Comprehensive Income	Fair Value through other Profit & Loss	Amortised Cost	Carrying value
<b>Financial asset</b>					
Investments	3	-	199.12	2,008.63	2,207.76
Trade receivables	7	-	-	25,259.40	25,259.40
Cash and cash equivalents	8	-	-	110.07	110.07
Other Bank balance	9	-	-	2,246.21	2,246.21
Loans	10	-	-	20.46	20.46
Others financial assets	4	-	-	344.45	344.45
<b>Total</b>		<b>-</b>	<b>199.12</b>	<b>29,989.23</b>	<b>30,188.35</b>
<b>Financial liabilities</b>					
Borrowings	15	-	-	10,048.71	10,048.71
Lease Liabilities	16	-	-	1,527.68	1,527.68
Trade payables	20	-	-	17,622.07	17,622.07
Other financial liabilities	17	-	-	6,504.42	6,504.42
<b>Total</b>		<b>-</b>	<b>-</b>	<b>35,702.88</b>	<b>35,702.88</b>

Particulars	Refer note	As at March 31, 2023			
		Fair Value through other Comprehensive Income	Fair Value through other Profit & Loss	Amortised Cost	Carrying value
<b>Financial asset</b>					
Investments	3	-	210.79	2,112.24	2,323.03
Trade receivables	7	-	-	5,796.73	5,796.73
Cash and cash equivalents	8	-	-	50.72	50.72
Other Bank balance	9	-	-	1,284.83	1,284.83
Loans	10	-	-	11.02	11.02
Others financial assets	4	-	-	67.08	67.08
<b>Total</b>		<b>-</b>	<b>210.79</b>	<b>9,322.61</b>	<b>9,533.40</b>
<b>Financial liabilities</b>					
Borrowings	15	-	-	4,027.28	4,027.28
Lease Liabilities	16	-	-	-	840.19
Trade payables	20	-	-	9,407.23	9,407.23
Other financial liabilities	17	-	-	3,213.33	3,213.33
<b>Total</b>		<b>-</b>	<b>-</b>	<b>16,647.84</b>	<b>17,488.03</b>

# Notes to Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

## B) Financial Instrument measured at amortised cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

## C) Fair Value hierarchy

### Quantitative disclosures fair value measurement hierarchy for financial assets and financial liabilities

Particulars	As at March 31, 2024			
	Quoted market prices (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
<b>Assets</b>				
Investment in Shares and Mutual Fund	199.12	-	-	199.12
<b>Total</b>	<b>199.12</b>	<b>-</b>	<b>-</b>	<b>199.12</b>

Particulars	As at March 31, 2023			
	Quoted market prices (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
<b>Assets</b>				
Investment in Shares and Mutual Fund	210.79	-	-	210.79
<b>Total</b>	<b>210.79</b>	<b>-</b>	<b>-</b>	<b>210.79</b>

## D) Financial risk objective and policies

The Company's principal financial liabilities, comprise loans and borrowings and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations/projects. The Company's principal financial assets include loans, security and other deposits trade and lease receivables, and cash and cash equivalents that derive directly from its operations.

In the ordinary course of business, the Company is mainly exposed to interest rate risk, credit risk and liquidity risk.

The Company's risk management activities are subject to the management, direction and control of Chief Financial Officer under the framework of Risk Management Policy for Currency and Interest rate risk as approved by the Board of Directors of the Company. The Company's central treasury team ensures appropriate financial risk governance framework for the Company through appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken.

### (i) Interest rate risk

The Company is exposed to changes in market interest rates due to financing, investing and cash management

activities. Currently the Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short-term debt obligations with fixed interest rates. As at March 31, 2024, all the borrowings are at floating rate of interest.

### (ii) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables and other financial assets), including deposits with banks and other financial instruments.

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive evaluation and individual credit limits are defined in accordance with this assessment.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on historical data.

# Notes to Consolidated Financial Statements (Contd.)

## For the year ended March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Company's policy.

### (iii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Company has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. The Company also has adequate credit facilities agreed with banks to ensure that there is sufficient cash to meet all its normal operating commitments in a timely and cost-effective manner.

### Maturity profile of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date:

Contractual maturities of financial liabilities as at March 31, 2024	Refer Note	On demand	Within 1 year	Over 1 year Within 3 years	Over 3 year Within 5 years	Over 5 year	Total
Borrowings	15	-	1,511.70	8,537.01	-	-	10,048.71
Other financial liabilities	14	-	5,589.18	915.25	-	-	6,504.42
Trade and other payables	20	-	16,635.60	787.19	199.28	-	17,622.07
<b>Total</b>		<b>-</b>	<b>23,736.47</b>	<b>10,239.44</b>	<b>99.83</b>	<b>-</b>	<b>34,175.20</b>

Contractual maturities of financial liabilities as at March 31, 2023	Refer Note	On demand	Within 1 year	Over 1 year Within 3 years	Over 3 year Within 5 years	Over 5 year	Total
Borrowings	15	-	742.82	3,284.46	-	-	4,027.28
Other financial liabilities	14	-	2,375.65	837.68	-	-	3,213.33
Trade and other payables	20	-	9,053.11	254.28	99.83	-	9,407.23
<b>Total</b>		<b>-</b>	<b>12,171.58</b>	<b>4,376.42</b>	<b>99.83</b>	<b>-</b>	<b>16,647.84</b>

## E) Capital management

For the purposes of the Company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Company's capital management is to maximize shareholder value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using gearing ratio, which is net debt (total debt less cash and cash equivalents) divided by total capital plus net debt.

Particulars	Refer note	March 31, 2024	March 31, 2023
Total Borrowings	15	10,048.71	4,027.28
<b>Less:</b> Cash and bank balance	8	110.07	50.72
<b>Less:</b> Bank balance other than cash and cash equivalents	9	2,246.21	1,284.83
Net Debt (A)		7,692.42	2,691.73
Total Equity (B)	11, 12	18,443.41	12,740.30
<b>Total Equity and net debt (C = A + B)</b>		<b>26,135.83</b>	<b>15,432.03</b>
Gearing ratio		29.43%	17.44%

# Notes to Consolidated Financial Statements (Contd.)

**For the year ended March 31, 2024**

(All amounts are in ₹ Lakhs, unless otherwise stated)

## NOTE 30: DISCLOSURES FOR EMPLOYEE BENEFITS

The Company has recognised, in the Statement of Profit and Loss for the current year, an amount of 32.61 Lakhs (previous year 18.76 Lakhs) as expenses under the following defined contribution plan.

Particulars	March 31, 2024	March 31, 2023
<b>Contribution to</b>		
Provident Fund	32.61	18.76
Superannuation Fund	-	-
<b>Total</b>	<b>32.61</b>	<b>18.76</b>

The Company has a defined gratuity plan which is unfunded. Under the plan every employee who has completed at least five year of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

The following tables summaries the component of the net benefits expense recognised in the statement of profit and loss account and amounts recognized in the balance sheet for the respective plan.

### a) Changes in present value of the defined benefit obligation are as follows:

Particulars	March 31, 2024	March 31, 2023
Present value of the defined benefit obligation at the beginning of the year	64.82	51.91
Current service cost	14.94	19.13
Past Service Cost	-	-
Interest cost	4.81	-
Re-measurement (or Actuarial) (gain)/loss arising from:		
- change in demographic assumptions	-	-
- change in demographic assumptions	-	-
- change in financial assumptions	1.48	(1.75)
- experience variance	17.58	8.31
Benefits paid	(5.32)	(12.78)
Acquisition Adjustment	-	-
<b>Present value of the defined benefit obligation at the end of the year</b>	<b>98.31</b>	<b>64.82</b>

### b) Changes in fair value of plan assets are as follows:

Particulars	March 31, 2024	March 31, 2023
Fair value of plan assets at the beginning of the year	-	-
Investment income	-	-
Contributions by employer	-	-
Benefits paid	-	-
Return on plan assets, excluding amount recognised in net interest expense	-	-
Fair value of plan assets at the end of the year	-	-



# Notes to Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

## c) Net asset/(liability) recognised in the balance sheet

Particulars	March 31, 2024	March 31, 2023
Present value of the defined benefit obligation at the end of the year	98.31	64.82
Fair value of plan assets at the end of the year	-	-
Amount recognised in the balance sheet	(98.31)	(64.82)
<b>Net (liability)/asset - Current</b>	<b>(20.52)</b>	<b>(16.81)</b>
<b>Net (liability)/asset - Non-current</b>	<b>(77.79)</b>	<b>(48.01)</b>

## d) Expense recognised in the statement of profit and loss for the year

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current service cost	14.94	19.13
Interest cost on benefit obligation	4.81	-
Total Expense	19.75	19.13
<b>Less: Capitalised</b>	<b>-</b>	<b>-</b>
<b>Total Expense included in employee benefits expense</b>	<b>19.75</b>	<b>19.13</b>

## e) Recognised in the other comprehensive income for the year

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Actuarial (gain)/losses arising from	-	-
- change in demographic assumptions	-	-
- change in demographic assumptions	-	-
- change in financial assumptions	1.48	(1.75)
- experience variance	17.58	8.31
Return on plan assets, excluding amount recognised in net interest expense	-	-
<b>Recognised in comprehensive income</b>	<b>19.06</b>	<b>6.56</b>

## f) Maturity profile of Defined Benefit Obligation

Particulars	March 31, 2024	March 31, 2023
Weighted average duration (based on discounted cashflows)	8 years	8 years

Expected Cash flows over the next (Value on undiscounted basis)	March 31, 2024	March 31, 2023
1 year	20.51	16.57
2 to 5 years	30.13	16.83
6 to 10 years	37.30	22.45
More than 10 years	108.76	48.51

# Notes to Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

**g) Quantitative sensitivity analysis for significant assumption is as below:**

**Increase/(decrease) on present value of defined benefits obligation at the end of the year**

Particulars	March 31, 2024		March 31, 2023	
	Discount rate			
Assumptions				
Sensitivity level	1% Increase	1% Decrease	1% Increase	1% Decrease
Impact on defined benefit obligations	(6.38)	7.42	(3.90)	4.54

Particulars	March 31, 2024		March 31, 2023	
	Salary Growth rate			
Assumptions				
Sensitivity level	1% Increase	1% Decrease	1% Increase	1% Decrease
Impact on defined benefit obligations	6.95	(6.20)	4.39	(3.09)

Particulars	March 31, 2024		March 31, 2023	
	Attrition rate			
Assumptions				
Sensitivity level	1% Increase of attrition rate	1% Decrease of attrition rate	1% Increase of attrition rate	1% Decrease of attrition rate
Impact on defined benefit obligations	(0.86)	0.88	(0.45)	0.49

Particulars	March 31, 2024		March 31, 2023	
	Mortality rate			
Assumptions				
Sensitivity level	10% Increase of mortality rates	10% Decrease of mortality rates	10% Increase of mortality rates	10% Decrease of mortality rates
Impact on defined benefit obligations	-	-	-	-

\* Figures being nullified on conversion to in Lakhs.

## Sensitivity Analysis Method

The sensitivity analysis 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.

**h) The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:**

Particulars	March 31, 2024	March 31, 2023
Investments with insurer	0%	0%

The Company expects to contribute ₹ Nil to gratuity fund in the next year. ( Previous year ₹ Nil) as the scheme is managed on non-funded basis.

# Notes to Consolidated Financial Statements (Contd.)

**For the year ended March 31, 2024**

(All amounts are in ₹ Lakhs, unless otherwise stated)

## i) The principle assumptions used in determining gratuity obligations are as follows:

Particulars	March 31, 2024	March 31, 2023
Discount rate	7.41%	6.90%
Expected rate of return on plan assets	0.00%	0.00%
Rate of escalation in salary (per annum)	8.00%	8.00%
Mortality	As per mortality from India Assured Lives Mortality (2012-14)	As per mortality from India Assured Lives Mortality (2012-14)
Attrition rate	10.00%	10.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled. There has been significant change in expected rate of return on assets due to change in the market scenario.

## j) Amounts for the current and previous years are as follows:

Particulars	March 31, 2024	March 31, 2023
Defined benefit obligation	98.31	64.82
Plan assets	-	-
<b>Surplus/(deficit)</b>	<b>(98.31)</b>	<b>(64.82)</b>
Experience adjustments on plan liabilities (gain)/loss	17.58	8.31
Experience adjustments on plan assets gain/(loss)	-	-

## NOTE 31: DETAILS OF DUES TO MICRO ENTERPRISES AND SMALL ENTERPRISES AS DEFINED UNDER MSMED ACT, 2006

Information required to be furnished as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and Schedule III of the Companies Act, 2013 for the year ended March 31, 2024.

Sr. No.	Particulars	Year ended March 31, 2024	Year ended March 31, 2023
1	Principal amount and interest due thereon remaining unpaid to any supplier as at the end of each accounting year.		
	Principal	-	3,990.03
	Interest	Nil	Nil
2	The amount of interest paid by the buyer in terms of Section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
3	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil
4	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
5	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act 2006.	Nil	Nil

# Notes to Consolidated Financial Statements (Contd.)

## For the year ended March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

The Company has not accounted interest on outstanding Balances of MSME vendors as on March 31, 2024 as the Company is of opinion that no outstanding MSME vendor would file a case under MSME Act, 2006 and would demand a interest on outstanding amount since outstanding date.

### NOTE 32: EVENT OCCURRED AFTER THE BALANCE SHEET DATE

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of April 22, 2024, there were no subsequent events to be recognised or reported that are not already disclosed.

The Board of Directors have proposed dividend after the balance sheet date which are subject to approval by the shareholders at the annual general meeting. Refer Note 12 for details.

### NOTE 33: IND AS 116 - "LEASES"

The Company has recognized lease liability measured at the present value of the remaining lease payments, and right-of-use (ROU) asset at an amount equal to lease liability.

The Company majorly is having Corporate Office, Plots and Plants on Long-term Lease.

#### Amount recognized in the Balance Sheet

Right-of-use assets	As at March 31, 2024	As at March 31, 2023
Corporate Office, Plant & Plot	1,493.19	802.72
<b>Total Right-of-use assets</b>	<b>1,493.19</b>	<b>802.72</b>

#### Movement of lease liability

Right-of-use assets	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	840.20	591.26
Addition of lease liabilities	756.22	282.36
Termination of lease liabilities	-	-
Interest accrued	90.52	45.44
Payment of lease liabilities	(159.25)	(78.87)
<b>Balance at the end of the year</b>	<b>1,527.68</b>	<b>840.20</b>

Lease Liabilities	As at March 31, 2024	As at March 31, 2023
Non-Current	1,360.81	760.25
Current	166.87	79.94
<b>Total Lease Liabilities (Discounted)</b>	<b>1,527.68</b>	<b>840.19</b>

#### Amount recognized in statement of profit and loss

Lease Liabilities	As at March 31, 2024	As at March 31, 2023
Depreciation expense on right-of-use asset	65.76	30.87
Interest expense (included in finance costs)	90.52	45.44
<b>Charge to statement of profit and loss</b>	<b>156.28</b>	<b>76.31</b>

# Notes to Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

## Amount recognized in statement of cash flow

Lease Liabilities	As at March 31, 2024	As at March 31, 2023
Interest component	89.85	45.44
Lease component	142.53	45.44
<b>Total cash outflow for leases</b>	<b>232.37</b>	<b>90.88</b>

## NOTE 34: RATIOS TO BE DISCLOSED

Particulars	Items included in numerator and denominator	Ratio as at March 31, 2024	Ratio as at March 31, 2023	Variations (in %)	Comments if Variance is more than 25%
(a) Current Ratio	Current Assets (including Bank Deposits having maturity of more than 1 year)/ Current Liabilities	1.38	1.22	13.11	
(b) Debt-Equity Ratio	Net Debt/Total Equity	0.54	0.32	72.36	Note-1
(c) Debt Service Coverage Ratio	Earnings before Interest, Depreciation, Tax and Foreign Exchange Loss or (Gain) (net)/ (Interest + Finance charges + Repayment of long-term debt made during the period (net of refinance))	4.53	1.49	(13.17)	
(d) Return on Equity Ratio	Net Profit after Taxes Average Shareholder's Equity	31.62	34.46	(8.25)	
(e) Inventory turnover ratio	Cost of Good Sold Average Stock	3.16	3.33	(5.19)	
(f) Trade Receivables turnover ratio	Revenue from operations Average Trade Receivables	3.05	11.03	(74.70)	Note-2
(g) Trade payables turnover ratio	Operating expenses + Other expenses Average Trade Payables	2.66	2.83	(6.13)	
(h) Net capital turnover ratio	Revenue from Operations Net Working capital	4.01	20.37	(72.64)	Note-3
(i) Net profit ratio	Profit after Tax Total Income	12.33	10.03	22.96	
(j) Return on Capital employed	Earnings before Interest, Tax and Foreign Exchange Loss or (Gain) (net)/ Average Capital Employed (Shareholders Fund+Long Term Borrowing+ Current Maturities of Borrowings+Short term borrowings)	27.43	32.40	(15.35)	
(k) Return on investment	Income Generated from Investments Time Weighted average Investments	31.62	34.46	(8.25)	

# Notes to Consolidated Financial Statements (Contd.)

**For the year ended March 31, 2024**

(All amounts are in ₹ Lakhs, unless otherwise stated)

## Notes:

1. Debt Equity Ratio has significantly increased due to 50% of the loan pertaining to the 10MW IPP plant being availed during the current year.
2. The Quarter 4 reflected larger sales considering that execution of certain major orders commenced during Q4.
3. The Quarter 4 reflected larger sales resulting into higher working capital thereby lower capital turnover.

## NOTE 35: CONTINGENT LIABILITIES

The Company has no pending litigations which comprises of claims against the Company by employees and pertaining to proceedings pending with various direct tax, indirect tax and other authorities except the followings:

1. Public Interest Litigation No. 85 of 2016 at High Court of Gujarat;
2. Public Interest Litigation No. 241 of 2018 at High Court of Gujarat;
3. Special Civil Application No. 9120 of 2017 at High Court of Gujarat;
4. Special Civil Application No. 6303 of 2020 at High Court of Gujarat;
5. Special Civil Application No. 1050 of 2020 at High Court of Gujarat;
6. Special Civil Application No. 17093 of 2018 at High Court of Gujarat;
7. Special Civil Application No. 6832 of 2020 at High Court of Gujarat;
8. Public Interest Litigation No. 13 of 2023 at High Court of Gujarat;
9. Public Interest Litigation No. 88 of 2023 at High Court of Gujarat;
10. Assessment proceedings with Assessment Unit, Income tax department for AY 2019-20 amounting to ₹252.32 Lakhs under Section 147 read with Section 144B of the income tax act, 1961.

The Company has reviewed all its pending litigations and proceedings and has not provided as Contingent liabilities in its Consolidated financial statements.

The Company does not expect the outcome of these proceedings to have a material adverse effect on its Consolidated financial statements. Hence, no provision has been made by the Company against this litigation in books of account.

The Company has not given any Bank Guarantees in respect of Contingent liabilities.

## NOTE 36: SEGEMENT REPORTING

The group has disclosed business segment as the primary segment. Segments have been identified taking into account the nature of product, the differing risks and returns, the organization structure and internal reporting system. The group has identified geographical segments as secondary reportable segments.

The Group's operations predominantly relate to providing services of Infrastructure development of Wind park, Operation & Maintenance services of Wind Park and Manufacturing, Generation & Distribution of Power.

Segment revenue, segment results, segment assets and segment liabilities include the respective amounts identifiable to each of the segments. Wherever Inter-segment transfers have been carried out the same has been carried out at mutually agreed prices which are at arm's length price.

The accounting principles consistently used in the preparation of the financial statements are also consistently applied to record income and expenditure in individual segments.

These are as set out in the note on significant accounting policies.

## Notes to segmental results:

There are certain fixed assets used in Group's business, liabilities contracted and certain common expenses incurred by the Group have not been identified to any of the reportable the nature of these assets, liabilities and expenses are such that they can be used interchangeably between the segments. The group believes that it is currently not practical to provide segment disclosure, except as disclosed above, relating to total assets, liabilities and expenses having interchangeable use between segments, since a meaningful segregation of the available data is not feasible and hence kept in unallocated items.

# Notes to Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

## Disclosure of primary business segments:

Particulars	Year ended	
	31-03-2024 (Audited)	31-03-2023 (Audited)
<b>01. Segment Revenue</b>		
Net Sales/income from each segment		
(i) Revenue from Infrastructure Development	45,069.39	42,392.81
(ii) Revenue from Sale of Power	1,808.65	989.87
(iii) Revenue from Operation & Maintenance Services	416.90	399.57
<b>Total Segment Revenue</b>	<b>47,294.94</b>	<b>43,782.25</b>
<b>Less:</b> Inter Segment Revenue	-	-
<b>Revenue From Operation</b>	<b>47,294.94</b>	<b>43,782.25</b>
<b>02. Segment Results</b>		
Profit/Loss before tax and interest from each segment		
(i) Revenue from Infrastructure Development	8,128.58	6,244.59
(ii) Revenue from Sale of Power	778.84	571.95
(iii) Revenue from Operation & Maintenance Services	92.77	221.38
<b>Total Profit before tax</b>	<b>9,000.19</b>	<b>7,037.92</b>
<b>Add/Less:</b>		
(i) Finance Cost	1,263.55	540.68
(ii) Other Unallowable Expenditure net off unallowable income	-	-
<b>Profit Before Tax</b>	<b>7,736.64</b>	<b>6,497.24</b>
<b>03. Segment Assets</b>		
(i) Revenue from Infrastructure Development	52,041.84	25,167.96
(ii) Revenue from Sale of Power	9,781.60	8,924.26
(iii) Revenue from Operation & Maintenance Services	754.46	470.21
<b>Total Segment Assets</b>	<b>62,577.90</b>	<b>34,562.43</b>
Unallowable Assets	-	-
<b>Net Segment Assets</b>	<b>62,577.90</b>	<b>34,562.43</b>
<b>04. Segment Liabilities</b>		
(i) Revenue from Infrastructure Development	38,299.65	20,225.30
(ii) Revenue from Sale of Power	5,313.63	1,526.43
(iii) Revenue from Operation & Maintenance Services	521.21	70.4
<b>Total Segment Liabilities</b>	<b>44,134.49</b>	<b>21,822.13</b>
Unallowable Liabilities	-	-
<b>Net Segment Liabilities</b>	<b>44,134.49</b>	<b>21,822.13</b>
<b>05. Capital Employed</b>		
(i) Revenue from Infrastructure Development	13,742.19	4,942.66
(ii) Revenue from Sale of Power	4,467.97	7,397.83
(iii) Revenue from Operation & Maintenance Services	233.25	399.81
(iv) Unallocated	-	-

# Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

## NOTE 37. ADDITIONAL DISCLOSURE REQUIRED FOR SUBSIDIARIES AND JOINT VENTURES FINANCIAL INFORMATION CONSIDERED IN THESE CONSOLIDATED FINANCIAL STATEMENTS:

As at March 31, 2024

Sr. No.	Name of entity in the Group	Net asset i.e. total assets minus total liabilities		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 comprehensive income	Amount	
1	K.P. Energy limited	92.1%	18,134.19	98.80%	5,864.71	65.23%	(6.11)	98.85%	5,858.61	
<b>Subsidiary companies:</b>										
2	Belampur Power Infra LLP	0.06%	12.59	0.00%	(0.03)	0.00%	-	0.00%	(0.03)	
3	Hajjpir Renewable Energy LLP	0.16%	32.38	0.00%	(0.03)	0.00%	-	0.00%	(0.03)	
4	Mahuva Power Infra LLP	1.21%	238.31	0.02%	1.02	0.00%	-	0.02%	1.02	
5	Manar Power Infra LLP	0.08%	15.49	-0.01%	(0.59)	0.00%	-	-0.01%	(0.59)	
6	Miyani Power Infra LLP	0.18%	34.73	0.00%	(0.03)	0.00%	-	0.00%	(0.03)	
7	Vanki Renewable Energy LLP	0.16%	31.89	0.00%	(0.03)	0.00%	-	0.00%	(0.03)	
8	Evergreen Mahuva Windfarm Pvt. Ltd.	2.82%	555.61	0.00%	(0.12)	0.00%	-	0.00%	(0.12)	
9	HGV DTL Projects Transmission Pvt. Ltd.	0.00%	0.44	0.00%	(0.21)	0.00%	-	0.00%	(0.21)	
10	KP Energy Mahua Windfarms Pvt. Ltd.	0.38%	75.46	0.00%	(0.18)	0.00%	-	0.00%	(0.18)	
11	Ungarn Renewable Energy Pvt. Ltd.	0.15%	29.04	0.00%	(0.17)	0.00%	-	0.00%	(0.17)	
12	Wind Farm Developers Pvt. Ltd.	0.32%	62.48	0.00%	(0.20)	0.00%	-	0.00%	(0.20)	
13	K P Energy OMS Ltd	2.38%	468.24	1.21%	71.69	34.77%	(3.25)	1.15%	68.44	
<b>Total</b>		<b>100.00%</b>	<b>19,690.86</b>	<b>100.00%</b>	<b>5,935.83</b>	<b>100.00%</b>	<b>(9.36)</b>	<b>100.00%</b>	<b>5,926.47</b>	
	Adjustment arising out of consolidation		(1,247.45)		(103.63)		-		(103.62)	
<b>Total</b>			<b>18,443.41</b>		<b>5,832.21</b>		<b>(9.36)</b>		<b>5,822.85</b>	





# Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

## As at March 31, 2023

Sr. No.	Name of entity in the Group	Net asset i.e. total assets minus total liabilities		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	
1	K.P. Energy limited	89.4%	12,395.32	97.27%	4,381.60	100.00%	(4.65)	97.27%	4,376.95	
<b>Subsidiary companies:</b>										
2	Belampur Power Infra LLP	0.09%	12.60	0.00%	(0.11)	0.00%	-	0.00%	(0.11)	
3	Hajjpir Renewable Energy LLP	0.23%	32.38	0.00%	(0.04)	0.00%	-	0.00%	(0.04)	
4	Mahuva Power Infra LLP	1.78%	247.41	-0.59%	(26.39)	0.00%	-	-0.59%	(26.39)	
5	Manar Power Infra LLP	0.01%	1.50	0.00%	(0.05)	0.00%	-	0.00%	(0.05)	
6	Miyani Power Infra LLP	0.12%	17.23	-0.02%	(1.06)	0.00%	-	-0.02%	(1.06)	
7	Vanki Renewable Energy LLP	0.23%	31.90	-0.29%	(13.11)	0.00%	-	-0.29%	(13.11)	
8	Evergreen Mahuva Windfarm Pvt. Ltd.	4.01%	555.73	-0.01%	(0.58)	0.00%	-	-0.01%	(0.58)	
9	HGV DTL Projects Transmission Pvt. Ltd.	0.00%	0.65	0.00%	(0.16)	0.00%	-	0.00%	(0.16)	
10	KP Energy Mahua Windfarms Pvt. Ltd.	0.55%	75.64	0.00%	(0.18)	0.00%	-	0.00%	(0.18)	
11	Ungarn Renewable Energy Pvt. Ltd.	0.21%	29.20	0.00%	(0.15)	0.00%	-	0.00%	(0.15)	
12	Wind Farm Developers Pvt. Ltd.	0.45%	62.69	0.00%	(0.22)	0.00%	-	0.00%	(0.22)	
13	K P Energy OMS Ltd	2.88%	399.81	3.66%	164.81	0.00%	-	3.66%	164.81	
<b>Total</b>		<b>100.00%</b>	<b>13,862.06</b>	<b>100.00%</b>	<b>4,504.36</b>	<b>100.00%</b>	<b>(4.65)</b>	<b>100.00%</b>	<b>4,499.71</b>	
	Adjustment arising out of consolidation		(1,121.76)		(113.54)		-		(113.54)	
<b>Total</b>			<b>12,740.30</b>		<b>4,390.82</b>		<b>(4.65)</b>		<b>4,386.17</b>	

# Notes to Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

## NOTE 38: RELATED PARTY DISCLOSURES

Particulars	Nature of relationship
KP Sor-urja Limited	Entity in which KMP is having controlling interest
KP Human Development Foundation	Entity in which KMP is having controlling interest
KPI Green Energy Limited	Entity in which KMP is having controlling interest
KP Green Engineering Limited (Formerly known as KP Buildcon Private Limited)	Entity in which KMP is having controlling interest
Kpark Sunbeat Private Limited	Entity in which KMP is having controlling interest
KPgenix Sunray Private Limited	Entity in which KMP is having controlling interest
Quyosh Energia Private Limited	Entity in which KMP is having controlling interest
Sun Drops Energia Private Limited	Entity in which KMP is having controlling interest
Bharuchi Vahora Patel Surat Federation	Entity in which KMP is having controlling interest
KPEV Charging Private Limited	Entity in which KMP is having controlling interest
World Bharuchi Vahora Federation	Entity in which KMP is having controlling interest
KPIG Renewables Private Limited	Entity in which KMP is having controlling interest
KPI Green OMS Private Limited.	Entity in which KMP is having controlling interest
KPSun Krag Private Limited	Entity in which KMP is having controlling interest
KPZon Energia Private Limited	Entity in which KMP is having controlling interest
Solwaves Energia Private Limited	Entity in which KMP is having controlling interest
KPIG Energia Private Limited	Entity in which KMP is having controlling interest
Faaiz Money Changer Private Limited	Entity in which KMP is having controlling interest
KPF Green Hydrogen And Ammonia Technology Private Limited	Entity in which KMP is having controlling interest
Renewable Minds LLP	Entity in which KMP is having controlling interest
Haveliwala & Sons	Entity in which KMP is having controlling interest
Varistry Venture Consultancy LLP	Entity in which KMP is having controlling interest
Skylinar 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
Chooseme Venture Consultancy LLP	Entity in which KMP is having controlling interest
Azran Venture Consultancy LLP	Entity in which KMP is having controlling interest

### List of Key Managerial Personnel

Farukbhai Gulambhai Patel	Managing Director
Affan Faruk Patel	Whole-Time Director
Amitkumar Subhashchandra Khandelwal	Whole-Time Director (appointed w.e.f. 07/11/2023)
Shabana Virender Bajari	Chief Financial Officer (appointed w.e.f. 08/11/2023)
Pravinkumar Singh	Chief Financial Officer (resigned w.e.f. 07/11/2023)
Karmit Haribhadrabhai Sheth	Company Secretary

# Notes to Consolidated Financial Statements (Contd.)

**For the year ended March 31, 2024**

(All amounts are in ₹ Lakhs, unless otherwise stated)

## List of Relative of Key Managerial Personnel

Pinaben Haribhadrabhai Sheth

Neha Pravin Singh

The details of amounts stated due to or due from related parties are stated in Lakhs as at March 31, 2024 and March 31, 2023:

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Trade Receivables</b>		
KPI Green Energy Limited (Formerly known as K.P.I. Global Infrastructure Limited)	10,425.62	1,404.91
Sundrops Energia Private Limited	487.17	-
	<b>10,912.79</b>	<b>1,404.91</b>
<b>Other Liabilities</b>		
Farukbhai Gulambhai Patel	70.68	3.22
Affan faruk Patel	3.71	1.72
Pravinkumar Singh	-	0.71
Karmit Haribhadrabhai Sheth	0.44	0.95
Pinaben Haribhadrabhai Sheth	0.50	0.35
Shabana Virender Bajari	1.23	-
	<b>76.55</b>	<b>6.95</b>
<b>Security Deposit</b>		
Sundrops Energia Private Limited	250.00	-
	<b>250.00</b>	<b>-</b>
<b>Other Liabilities (Net of Asset)</b>		
Neethimani Karunamoorthy	(0.21)	0.29
Arvindkumar Tribhovandas Patadia	(0.09)	0.59
Venu Birappa	(0.24)	0.43
Rajendra Kundanlal Desai	(0.06)	0.10
Bhupendra Vadilal Shah	0.18	0.28
Afzal Harunbhai Malkani	0.07	-
Dukhabandhu Rath	0.05	-
Bhadrabala Dhimantraï Joshi	0.29	0.41
Vendhan Ganesan Mudaliar	-	0.18
<b>Total</b>	<b>(0.02)</b>	<b>2.27</b>

<b>TRADE PAYABLES</b>	As at March 31, 2024	As at March 31, 2023
KPI Green Energy Limited (Formerly known as K.P.I. Global Infrastructure Limited)	76.90	-
KP Green Engineering Limited (Formerly known as KP Buildcon Private Limited)	1,020.39	53.96
KPIG Energia Private Limited	341.53	-
<b>Total</b>	<b>1,438.82</b>	<b>53.96</b>

# Notes to Consolidated Financial Statements (Contd.)

For the year ended March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

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:

<b>RENT DEPOSIT</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
Faruk Gulambhai Patel	200.00	-
<b>SECURITY DEPOSIT</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
Sundrops Energia Private Limited	250.00	-
<b>LOANS TAKEN</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
Loan Taken - KPIG Energia Pvt. Ltd.	709.00	-
Loan Given - KPIG Energia Pvt. Ltd.	400.00	-
<b>REVENUE TRANSACTIONS</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
<b>PURCHASES OF GOODS OR SERVICES</b>		
KP Green Engineering Private Limited (Formerly known as KP Buildcon Private Limited)	2,001.52	866.48
KPI Green Energy Limited (Formerly known as K.P.I. Global Infrastructure Limited)	70.51	0.88
KPIG Energia Private Limited	655.39	-
	<b>2,727.41</b>	<b>867.36</b>
<b>SALE OF GOODS OR SERVICES</b>		
KPI Green Energy Limited (Formerly known as K.P.I. Global Infrastructure Limited)	14,315.27	1,954.15
KP Green Engineering Private Limited (Formerly known as KP Buildcon Private Limited)	12.80	-
Sundrops Energia Private Limited	421.53	-
	<b>14,749.60</b>	<b>1,954.15</b>
<b>INTEREST EXPENSE (NET OFF)</b>		
KPIG Energia Private Limited	0.31	-
	<b>0.31</b>	
<b>ROYALTY EXPENSE</b>		
Farukbhai Gulambhai Patel	979.52	-
	<b>979.52</b>	
<b>DONATION</b>		
KP Human Development Foundation	66.20	32.50
	<b>66.20</b>	<b>32.50</b>
<b>REIMBURSEMENT OF EXPENSES</b>		
KPI Green Energy Limited (Formerly known as K.P.I. Global Infrastructure Limited)	17.89	5.68
	<b>17.89</b>	<b>5.68</b>
<b>LEASE RENT</b>		
Haveliwala & Sons	6.45	-
	<b>6.45</b>	

# Notes to Consolidated Financial Statements (Contd.)

## For the year ended March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

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: (Contd.)

<b>SITTING FEES</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
Bhadrabala Dhimant Joshi	0.33	0.45
Bhupendra Vadilal Shah	0.20	0.28
Neethimani Karunamoorthy	0.23	0.33
Arvindkumar Tribhovandas Patadia	0.53	0.65
Venu Birappa	0.43	0.48
Rajendra Kundanlal Desai	0.30	0.10
Afzal Harunbhai Malkani	0.08	-
Dukhabandhu Rath	0.05	-
Vendhan Ganesan Mudaliar	-	0.18
	<b>2.13</b>	<b>2.45</b>

<b>Mangerial Remuneration</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
<b>KMP</b>		
Farukbhai Gulambhai Patel	246.22	80.87
Affan Faruk Patel	64.64	31.09
Pravinkumar Singh	5.42	8.10
Karmit Haribhadrabhai Sheth	16.36	13.01
Amitkumar Subhashchandra Khandelwal	9.60	-
Shabana Virender Bajari	12.72	-
	<b>354.97</b>	<b>133.07</b>
<b>PROFESSIONAL FEES</b>		
Neethimani Karunamoorthy	11.80	11.00
Arvindkumar Tribhovandas Patadia	12.01	12.12
Venu Birappa	25.62	12.00
Rajendra Kundanlal Desai	6.13	-
Dukhabandhu Rath	2.34	-
	<b>57.89</b>	<b>35.12</b>
<b>RELATIVE OF KMP</b>		
Neha Pravin Singh	4.74	2.85
Pinaben Haribhadrabhai Sheth	4.95	2.10

# Notes to Consolidated Financial Statements (Contd.)

## For the year ended March 31, 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

**NOTE 39:** The Company has defined process to take full back-up of books of account maintained electronically on daily basis and it maintains the daily log of such back-up for cyclic period of 1 week.

**NOTE 40:** The Company has used accounting software for maintaining its books of account 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 software. Further, there are no instance of audit trail feature being tampered with.

**NOTE 41:** The previous year's figures have been re-grouped/re-classified wherever required to confirm to current year's classification.

As per our report of even date

**For, MAAK and Associates**  
Chartered Accountants  
Firm Registration No: 135024W

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

**CA Marmik Shah**  
Partner  
Membership No: 133926

**Farukbhai Gulambhai Patel**  
Managing Director  
DIN: 00414045

**Affan Faruk Patel**  
Whole-Time Director  
DIN: 08576337

**Place:** Ahmedabad  
**Date:** 22/04/2024  
**UDIN:** 24133926BKCJOJ2689

**Karmit Haribhadrabhai Sheth**  
Company Secretary

**Shabana Virender Bajari**  
Chief Financial Officer

**Place:** Surat  
**Date:** 22/04/2024





## **KP ENERGY LIMITED**

### **OFFICE ADDRESS:**

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CIN: L40100GJ2010PLC059169