KALPATARU PROJECTS INTERNATIONAL LIMITED
(Formerly Kalpataru Power Transmission Limited)

Synergized to Accelerate Sustainable Growth

Integrated
Annual Report 2022-23

NEW IDEN

Over the past four decades, we have established ourselves as one of the most valuable brands in the EPC sector. Following the strategic amalgamation of JMC Projects (India) Limited, we have emerged as one of India's large listed diversified engineering and construction companies with an extensive global presence, along the six high-growth businesses.

We are happy to share that

Kalpataru Power Transmission Ltd.

now known as

Kalpataru Projects International Limited.

Our new identity truly reflects our well-diversified EPC business, global presence and still imbibes the values and legacy associated with it.

Power Transmission & Distribution

Buildings & Factories

Water

Railways

Oil & Gas

Urban Infra

The name of the company was changed from Kalpataru Power Transmission Limited to Kalpataru Projects International Limited effective May 22nd 2023. At various places in the Integrated Annual Report 2022-23 we shall be addressing the entity as "the company", "KPIL". We shall also be referring "KPTL" at some places since the statutory reports were approved prior to the name change.

JMC Projects (India) Ltd, since amalgamated shall herein after be referred as "JMC"

TITY

As we move forward with renewed optimism, our new identity **will continue to unify our visibility on well-diversified EPC businesses with an increasing portfolio of global projects,** and echo our commitment to create significant value for all our stakeholders.

Inside the report

Corporate Overview

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You can also find this report online on:

www.kalpatarupower.com

Scan above QR code to see this report online

Investor Information

Market Capitalisation as at 31 March, 2023	₹ 8,692 Crores
CIN	L40100GJ1981PLC004281
BSE Code	522287
NSE Symbol	KPIL
Bloomberg Code	KPIL:IN
AGM Date	17 July, 2023

Disclaimer: This document contains statements about expected future events and financials of Kalpataru Projects International Limited (Formerly Kalpataru Power Transmission Limited), which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements may not prove to be accurate Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward- looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.

We are delighted to introduce Kalpataru Projects International Limited (Formerly Kalpataru Power Transmission Limited) Integrated Annual Report, which aims to offer transparency and meaningful information to our stakeholders as part of our synergy to accelerate sustainable growth. This report presents a comprehensive overview of our financial and non-financial achievements during the fiscal year 2022-23 (FY23).

Our Integrated Reports' main goal is to explain our value generation process to all stakeholders in a transparent manner. This report provides objective and comparable information on financially and non-financially significant matters The objective is to provide thorough and clear communication of our dedication to value creation and advancing sustainability.

About The Report

Kalpataru Projects International Limited (Formerly Kalpataru Power Transmission Limited), herein referred to as the "organization" or company" or "we" or "us" or "our," is pleased to announce the release of its Integrated Report for the fiscal year 2022-23. This report has been developed in accordance with the guidelines provided by the International Integrated Framework, prescribed by the International Integrated Reporting Council (now known as the Value Reporting Foundation).

Approach to reporting

Integrated Reports typically aim at providing a comprehensive and holistic view of an organization's performance and value creation, incorporating both financial and non-financial information. This can include information on a company's strategy, governance, environmental and social impact, risks, and opportunities, and more.

This Integrated Report aims to transparently convey KPIL's value creation story to all its stakeholders. This report discloses the Company's objectives and matters that are materially important for both financial and non-financial matters, as well as the strategy and action plan for a sustainable and inclusive development.

Report Content

Reporting period	FY2023 (April 1, 2022 - March 31, 2023)
Reporting cycle	Annual

Reporting Frameworks and Guidelines

The Integrated Report of FY 2022-23 has been developed in line with the following :

- Global Reporting Initiative Standards, 2021
- Business Responsibility and Sustainability Reporting (BRSR) based on the National Guidelines for Responsible Business Conduct (NGRBC)
- United Nations Sustainable Development Goals (UN SDGs)
- United Nations Global Compact (UNGC)
- Companies Act, 2013
- Indian Accounting Standards, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Queries regarding the Report

Your valuable input is critical to the ongoing improvement of our reporting journey. Please share your thoughts with https://kalpatarupower.com/

Synergized to Accelerate Sustainable Growth

At Kalpataru Projects International Limited (Formerly Kalpataru Power Transmission Limited), our ability to stay ahead of the competition is grounded in sustainable synergies realised by the Group. Our aptitude for adopting new-age processes, extensive reliance on advanced technology and efficient capital allocation strategies make headroom for sustained profitable growth.

We realise it is these synergies that empower us to overcome challenges and remain on track to chase our vision of becoming one of the leading EPC organisations in the world. Moreover, the combined strength of KPIL and JMC has now unlocked greater opportunities to step up the scale of our operations and undertake large and complex projects and strengthen our presence in the international arena.

Our engineering expertise forms the backbone of our success and one of the key drivers of accelerated growth. Along with an acute understanding of changing market dynamics and customer expectations, we have evolved our operating methods to deliver process efficiencies and a continued track record of superior execution. It has not only allowed us to make better decisions but enabled us to stay focused on creating long-term value for our stakeholders including clients, lenders, shareholders as well as communities.

Above all, we understand that business growth cannot thrive in isolation. It provides us the impetus to indulge in sustainable practices, encompassing the core pillars of 'People, Planet and Performance' to consistently focus on issues that matters the most. We deeply acknowledge our responsibility to lay the foundation for a viable future with targeted interventions that are designed to benefit communities and broaden the way for sustainable growth.

About Kalpataru Projects International Limited

Kalpataru Projects International Limited (Formerly Kalpataru Power Transmission Limited), a part of the Kalpataru Group, is one of India's largest listed, diversified engineering and construction companies engaged in Power Transmission & Distribution (T&D), Buildings & Factories (B&F), Water Supply & Irrigation, Railways, Oil & Gas Pipelines and Urban Infra (Flyovers, Metro Rail, Highways and Airports).

Since our inception in 1981, we continue to create sustainable value for diverse stakeholders through our cutting-edge Engineering, Procurement and Construction (EPC) solutions, making us one of the largest global players with footprint across 70 countries. Leveraging the potential of well-diversified and high-growth businesses, we have globally executed orders worth over USD 14 billion, for T&D, B&F, Water, Railways, Urban infra and Oil & Gas industries. Currently, we are executing more than 250 projects in over 30 countries. Our presence in Europe and South America has been further strengthened by the acquisition of Linjemontage, Sweden and Fasttel, Brazil.

Over the years, we have developed technologically fortified operations that boast the use of cutting-edge processes and advanced design and testing facilities, ensuring the strength and quality of our projects.

At KPIL, we continue to prioritise the key pillars of quality, environment and occupational health and safety to fulfil our commitment towards our 7,800+ employees, clients as well as other stakeholders.

As of March 31st, 2023, our company maintains a strong order book amounting to USD 5.6 billion, accompanied by consolidated revenue of USD 2 billion.

Vision

Kalpataru Projects International Limited (Formerly Kalpataru Power Transmission Limited) aspires to become the leading global player across all its businesses and is committed to achieving this goal by upholding its core values.

Values

At the heart of everything we do are the six KPIL values that guide our decisions and behaviours. We are proud to live by our values and expect the same from everyone who works with or for KPIL.

70
Global Footprint

$2 bn
Revenue

$5.6 bn
Order Book

7,800+
Employees Worldwide

Experience of Over
4 Decades

AA/Stable
Credit Rating

Well Diversified & High Growth Businesses

Operations Backed by Latest Technology Solutions

Improving ESG / Sustainability Ranking

Data for financial year ended 31 March 2023
at consolidated level USD$ = ₹ 82.2169

Group companies

Linjemontage I Grastorp AB

Incorporated in 1993, the Company offers power supply solutions and services for electricity networks up to 400 kV. It operates in three core business areas: substations, transmission and local networks and electricity network services. Kalpataru Power Transmission Sweden AB (KPTS), a wholly-owned subsidiary of Kalpataru Projects International Limited (Formerly Kalpataru Power Transmission Limited) holds 100% stake in the Company, which has a presence in Sweden and Norway.

Fasttel Engenharia S.A.

Fasttel Engenharia S.A. was incorporated in 1988 and is headquartered in Curitiba, Brazil. The Company's primary business areas include the EPC of substations, transmission lines and power distribution services. Fasttel has a presence in more than 20 states across Brazil, having built over 2,000 km of transmission line and 50 substations for various voltage ranges up to 750 kV. KPIL holds a 51% stake in Fasttel Engenharia S.A. through its wholly-owned subsidiary, Kalpataru Power Do Brasil Participacoes Ltda.

Shree Shubham Logistics Limited

Shree Shubham Logistics Limited (SSL) is a major player in agri-logistics, focusing on the post-harvest value chain for agri-commodities. Its integrated business model includes diverse activities such as warehousing, procurement, primary processing, trading, collateral management, funding facilitation, testing, certification and pest management. SSL operates warehouses through a hub-and-spoke model across Rajasthan, Gujarat, Madhya Pradesh and Maharashtra.

KPIL Journey – Key Milestones

1981-1987

- Acquired H T Power Structure Pvt. Ltd. at Gandhinagar
- Breakthrough Project- 400 kV S/C Indore - Asoj line project for Powergrid

1991-1995

- Awarded first 500 kV contract
- Becomes a Publicly listed company
- Awarded first 800 kV contract - Physical expense contract for Towers

1996-1999

- Gained the foothold and recognition from Power Utilities and Overseas Turnkey Contractors such as ABB, Sumitomo, Cegelec, Downer etc
- First Milestone of ₹ 100 Crores revenue achieved
- Export Excellence Award by Government of India
- R&D centre (Tower Testing) commissioned at Gandhinagar, capable of testing towers upto 800 kV

2001-2003

- First International EPC projects in Algeria and Turkey - Received 1st overseas Turnkey Contract – 380 kV in Turkey
- Setup of Biomass Plant of 7.8 MW capacity at Padampur, Rajasthan

2004

- Diversification into Oil & Gas Pipelines Projects
- Completion of third overseas 132 KV project for Zesco, Zambia ahead of contractual schedule in a record period of 8 months
- Domestic turnkey projects exceeding ₹ 160 Crores, including those from RRVPNL and WBSEB, followed by over 20 projects valued above ₹ 1500 Crores from Powergrid

2005

- Acquisition of controlling stake in JMC Projects (India) Limited
- Completion of over 900 kms of 400 KV D/C for Rihand project of Powergrid, ahead of contractual schedule
- Commissioning of Export Oriented Unit (EOU) at Gandhinagar

2007

- Acquisition of Shree Shubham Logistics
- Forayed into the Civil Infrastructure business
- Ranked as the fastest growing Mid-Cap company of India, Business Today
- Inauguration of Kalpa Vriksha Learning Centre at Gandhinagar

2008-2009

- Production capacity increased to 108000 MTS p.a at Gandhinagar, one of the largest tower fabrication facilities at single location in the World.
- Revenues crossed ₹ 1,000 Crores

2010

- Diversification into Railway Business
- BOOT/ PPP business started with Jhajjar asset
- Largest EPC contract of USD 250 million awarded in Kuwait
- Tower production capacity increased by 24,000 MT's to 132,000 MT's
- First tower order received by USA

2011-2013

- Entered into 3 new countries for Turnkey Contracts – CIS (Ukraine), Democratic Republic of the Congo & Tanzania
- Commenced with Domestic sub-station business
- The first intra state transmission DBFOT* (Development of a 400 kV/220 kV transmission system for the evacuation of electricity from the 2 x 660 MW thermal power plant at Jhajjar, Haryana) project.
- Set up green-field, state-of-the-art tower manufacturing plant at Raipur, Chhattisgarh having total production capacity of 55,000 Mts

2015-2016

- Diversification into Water Business
- Entry into West Africa, Senegal – EXIM funded
- All four road BOOT projects operational, and large BOOT Wins in 2015 and 2017 – Alipurduar and Kohima

2018

- Global footprint in 50 + countries
- Large Railways order in Bangladesh; Started manufacturing Railway structures

2019-2021

- Acquired 85% equity stake in Linjemontoge I Grastrorp AB
- Landmark T&D Project Win of ₹ 3,200 Crores in Chile
- Acquired Controlling Stake in Fasttel Brazil

2022-2023

- Awarded the contract of Integrated Airport Development of Maldives Hanimaadhoo International Airport from the Government of Maldives
- First international social housing project at Maldives
- Order book size of over USD 5.6 billion (as on 31st March, 2023)
- Announced and completed strategic amalgamation of JMC with KPIL
- The Company selected as one of the preferred proponents to deliver the Humelink Transmission Project in Australia
- Global footprint in 70 countries
- Name changed to Kalpataru Projects International Limited (KPIL)

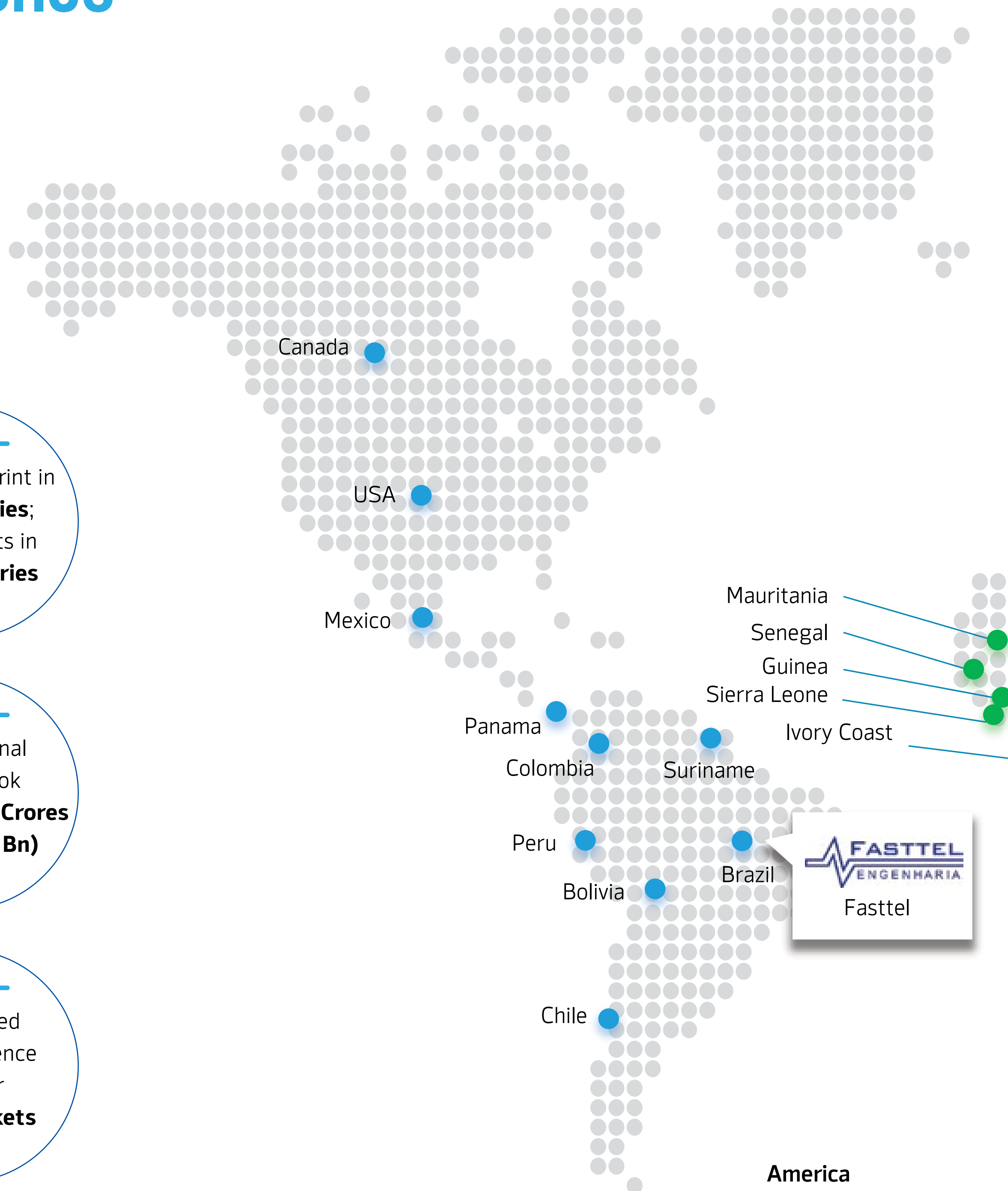
*DBFOT: Design, Build, Finance, Operate and Transfer

Geographic presence

Global Footprint in **70 Countries**; Live projects in **30+ countries**

International Order Book of **~₹ 18,400 Crores (~US$ 2.3 Bn)**

Established Local presence in major **EPC- markets**

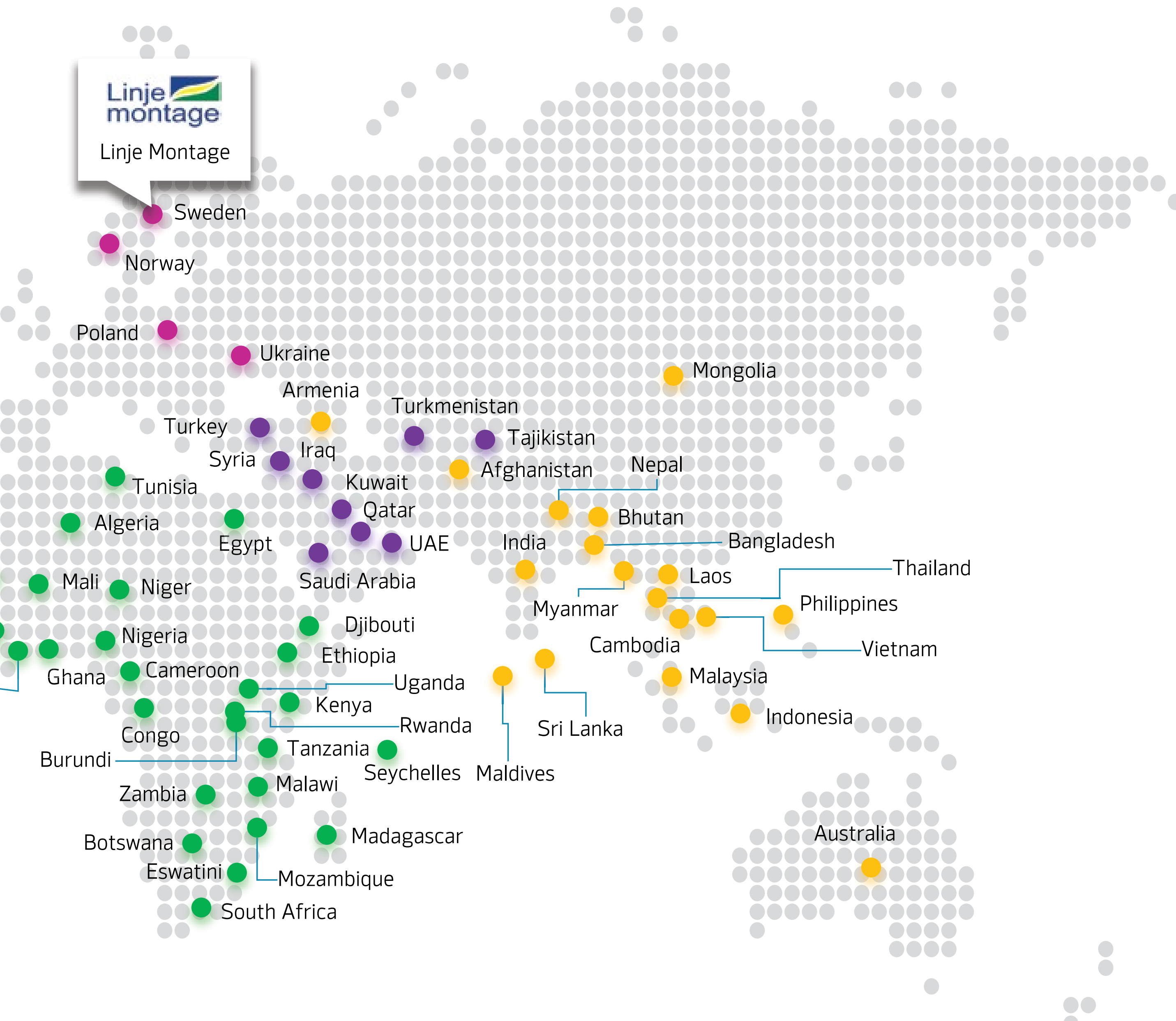


America

10

Countries

This map is a generalised illustration only for the ease of the reader to understand the locations, and it is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features/states do not necessarily reflect the actual position. The Company or any of its directors, officers or employees, cannot be held responsible for any misuse or misinterpretation of any information or design thereof. The Company does not warrant or represent any kind of connection to its accuracy or completeness.



Africa	Middle East	Asia Pacific	Europe
29	9	18	4
Countries	Countries	Countries	Countries

Fostering Sustainable Growth through Collaboration

We believe great businesses disrupt by changing the existing paradigm. The recent amalgamation of JMC Projects (India) Limited (JMC) with our Company has led to the creation of India's one of the largest, listed and diversified engineering and construction company.

The strategic culmination of both entities keeps us well on track to explore opportunities in new geographies, further strengthen our presence across the world and set higher standards of operational excellence and timely project execution.

The synergies attained through the merger will empower us to undertake a diverse array of infrastructure and engineering projects spanning power transmission and distribution, buildings and factories, water, railways, oil and gas and urban infrastructure. The engineering expertise of the combined entity is expected to bring to the fore innovative solutions that will play an integral role in building a future-ready organisation.

Benefits of synergy

Strategic

- Build a stronger portfolio to bid for complex projects and deliver sustainable growth opportunities
- Capital allocation to high RoCE businesses to accomplish our vision of being a leading EPC organisation
- Optimised management bandwidth to offer new avenues of growth

Productivity

- Cross-functional collaboration to enhance productivity
- Strengthening of internal controls, compliances and governance structure
- Integration of Banking, IT & HR initiatives

Operations and cost of financing

- Synchronised business development to scale international presence in segments beyond T&D and road projects
- Adoption of automation, advanced technology and best practices
- Cost optimisation, primarily driven by centralised procurement, efficient mobilisation of resources
- Potential cost savings due to the stronger balance sheet of the combined entity

With India's robust capex cycle and the ongoing global energy transition, the timing of the merger is ideal.

With size, scale, and productivity benefits, the merger is expected to increase the combined entity's footprint across all growth areas.

The stronger balance sheet of the combined entity will act as an enabler for future growth, locally and globally. With robust execution capabilities, strong financial profile and diversified business mix of the combined entity, we look forward to an exciting phase of sustained growth.

Chairman's message

> The strategic amalgamation of JMC with KPIL has resulted in the creation of one of India's largest listed diversified Engineering and Construction companies. Today, KPIL is amongst India's top listed EPC companies with footprint across 70 countries.

Chairman
Mofatraj P. Munot

Dear Shareholders,

As we embark on our 29th year of value creation for our stakeholders, I am pleased to showcase the progress and growth that your organisation has achieved.

The financial year 2022-23 was marred by worldwide economic uncertainty. The war in Ukraine triggered a geopolitical crisis that exacted a heavy toll on global economic activity. It exacerbated the global supply chain disruptions, further increasing an already elevated inflation rate. Soaring commodity and logistic costs as well as currency fluctuations during the year somewhat impacted our execution and financial performance.

Nevertheless, we delivered strong consolidated revenue growth of 11%, driven by robust execution across both domestic and international projects. Despite consistent cost pressures and an unpredictable external environment, we were able to deliver industry-leading EBITDA margins in excess of 9%. The performance clearly underpins the strength of our resilient business model which can withhold macro volatility and uncertainty.

For us, our people and their well-being are one of our top priorities. We made significant efforts this year by focusing on aspects such as work-life balance, training, global learning opportunities, and retention programmes. Whilst high attrition has emerged as a common phenomenon in the EPC industry and in business in general, we continue to actively engage with employees, understanding their aspirations, needs, and concerns. We have acted and modified policies, practices and development discussions based on continuous feedback.

Synergized to accelerate

The strategic amalgamation of JMC Projects (India) Ltd (JMC) with KPIL has resulted in the creation of one of India's largest listed diversified Engineering and Construction companies. Today, KPIL is amongst India's top listed EPC companies with footprint across 70 countries.

The merged entity will be able to bid for large-size and more complex projects involving the combined expertise. The strategic merger will strengthen your Company's position in high-growth and better margin markets, accelerate top-line growth, strengthen operating EBITDA margins, and improve earnings stability given the diversified business model, which should result in superior value creation for the stakeholders.

We have gone ahead with a new name for the merged entity — 'Kalpataru Projects International Limited'. I believe the new name truly reflects our well-diversified EPC business, global presence and still imbibes the values and legacy associated with it.

Impressive performance

Despite the challenges pertaining to the volatility in commodity prices and freight rates, elevated inflation, and high people attrition, the financial year 2022-23 saw a record order inflow of ₹ 25,241 Crores, which resulted in an all-time high order book of close to ₹ 45,918 Crores. Your Company was able to secure several marquee orders and large order wins in international T&D, B&F and Water businesses. Additionally, there is an L1 position of around ₹ 4,000 Crores.

Your Company has delivered Standalone top-line growth of 16% in FY23. The growth has been led by robust execution in B&F, Water and Urban Infra business and a healthy order book in the domestic and international businesses. Focus on profitable projects, productivity improvement and project closures resulted in core EBITDA of ₹1,278 Crores implying 18% yoy growth and an industry-leading EBITDA margin of 8.9%.

The Company achieved a consolidated revenue growth of 11% to reach ₹16,361 Crores, with an EBITDA margin of 9.1%. The profit after tax amounted to ₹435 Crores, representing a margin of 2.7%. Standalone net debt increased by ₹ 625 Crores to reach ₹ 1,680 Crores, mainly due to a Capex of over ₹500 Crores for executing the current order book and investing in capabilities for sustainable growth. The consolidated net debt stood at ₹ 2,581 Crores. Through improved working capital management, we successfully reduced working capital days to below 100 days in FY23, resulting in a net working capital to sales ratio of 27%. With a strong balance sheet and a positive outlook for future growth, the Board of Directors proposed a dividend of ₹7 per share. Over the last decade, an average dividend payout ratio was approximately 18%, reflecting the strong commitment to provide returns to the shareholders.

Talking about our individual businesses, in the T&D business, the revenue remained subdued, largely on account of a lower backlog at the start of the financial year. However, with the improved tendering activity and business development efforts, we have secured projects worth over ₹ 10,000 Crores. We have a strong tender pipeline of over ₹ 50,000 Crores in next 20-24 months in India. In the International market, we have robust visibility with a tender pipleline of over USD 4 billion especially in focused markets in Africa, Latin America, Asia and Middle East. I am pleased to share that your Company is selected as a preferred EPC partner by a major power utility in Australia for executing a large-size EPC project for renewable integration. This is a significant achievement for us and demonstrates our capability to manage and execute such large-size complex projects at the global level. Today we are proud to spread our wings from Chile in the far west to Australia in the far east.

The B&F business achieved a remarkable 25% revenue growth, driven by strong execution and a robust order book. In FY23, our order intake reached ₹ 3,755 Crores, contributing to an order book of ₹8,547 Crores. With a focus on enhancing our market position, we

Chairman's message

> The financial year 2022-23 saw a record order inflow of ₹ 25,241 Crores, which resulted in an all-time high order book of close to ₹ 45,918 Crores. Additionally, there is an L1 position of around ₹ 4,000 Crores.

secured repeat orders from our valued existing clients and expanded our client base to include new institutional clients. Our strategic efforts are directed towards strengthening our presence in sectors such as data centres, institutional buildings, and processing plants. By consistently scaling up our expansion plans and capacity building in the B&F and international civil infrastructure sectors, we aim to gain a significant competitive advantage in key markets and businesses for the future.

The Water business continues to be a solid growth trajectory as revenue grew 54% YoY to reach ₹2,622 Crores in FY23. We have secured orders worth ₹ 7,553 Crores and have an order book of ₹ 12,476 Crores in FY23. We are consistently investing in strengthening our capabilities to improve our competitive position to execute large-size projects. Our presence covers the entire value chain of the water sector, including water intake, treatment, storage, supply, distribution, operation, and maintenance.

We are now undertaking specialised projects such as irrigation and river linking projects to address various water management needs of today. The water division has a skilled execution team, with more than 90% of technical staff having deep expertise and knowledge in the relevant industry.

In the Railways business, revenue grew by 4% YoY to reach ₹1,652 Crores. We continue to adopt a prudent approach and remain selective in bidding given the higher competitive intensity. During FY23, we have secured orders worth ₹ 1,557 Crores and the addition of two large size metro electrification projects. We are increasingly looking to strengthen our business in areas like metro electrification, Signalling & Telecommunications (S&T), Regional Rapid Transit System (RRTS) and High-Speed Rail.

The Oil & Gas business reported revenue of ₹985 Crores for FY23. Business visibility remains good in India and international markets. We have received qualifications to bid in seven countries and we expect to expand our international reach in the Oil & Gas business.

The urban infra business grew by 23% YoY to ₹403 Crores on the back of the execution on new projects secured during FY23. We are improving our capabilities to secure projects in metro rail, elevated roads, public spaces, airports and so on. We have also successfully commenced the execution of the Maldives integrated airport development project. In the coming year, we expect our urban infrastructure business to meaningfully contribute to our growth.

Transforming with the eyes of tomorrow

We are optimistic as we enter the new financial year with a strong order book and a robust tender pipeline across our key markets. Both domestic and international markets present significant growth opportunities for all our businesses, which is a remarkable shift. The government and private sector investments in water, infrastructure, airports, buildings, manufacturing, and railways are driving remarkable growth and capital expenditure. With agility and a focus on consistent and profitable growth, we will continue to manage our business while prioritising the resolution of non-core assets.

Our projections for FY24 include standalone revenue growth exceeding 30%, achieving the PBT margin in the range of 4.5-5%, ensuring the finance cost as a percentage of sales to be in the range of 2%, and achieve a ROCE of 18-20%. With favorable tender activity and a consolidated target of ₹ 26,000 Crores or more in order book for FY24, we have a substantial growth runway. However, we remain vigilant regarding uncertainties such as geopolitics, inflation, commodity, and currency volatility. To navigate these challenges, we are strengthening our risk management, diversifying our business mix, and enhancing our execution capabilities.

The merger-related synergies and our other strategic interventions will aid in 2025 vision of achieving a revenue of USD$3+ billion an order book of US$6+ billion, with an ROCE of 20%+.

The Company has doubled its global reach to over 70 countries in the past five years, with significant growth seen in developed economies. We focused on expanding into newer geographies to drive profitable growth, and our strategy has been successful. In the long run, our focus will be on further augmenting our engineering capability and expanding to newer geographies and high-margin segments so that our overall profitability remains robust.

Tech for a better future

We foster a technology-first approach throughout our organization, transcending levels and functions. This culture enables us to achieve our strategic objectives in operational excellence and sustainability. By investing in advanced IT infrastructure and digital tools, we have reduced project delivery timeframes, enhanced responsiveness to urgent events, and maintained our focus on value creation.

Growing sustainably, thriving responsibly

Since its inception, KPIL has believed that a corporation has a larger role to play beyond generating wealth. It serves as an integral part of the social system, addressing environmental and societal needs. As one of the few EPC companies in India, we generate approximately 15 MW of green power and extensively utilise biofuel, solar, and wind energy in our daily operations. To create a dense green forest, we have implemented the Miyawaki technique, planting 9000 saplings at a project site in Lalitpur. Our commitment to reducing carbon footprint and practicing sustainability aligns with our journey towards achieving Net Zero carbon. Our Company's governance principles revolve around transparency, accountability, responsibility, compliance, ethics, and trust. Upholding these values, which have been our hallmark for over four decades, is our priority. Our vision is to become the world's leading EPC organization, delivering sustainable solutions through continuous innovation. Through our initiatives in healthcare, education, animal welfare, environment, and community development, we continue to positively impact the lives of hundreds of thousands, aiming for sustainable and inclusive development.

Our Kalpataru parivar

I strongly believe that our people are our biggest asset — our invaluable pillar of strength. Our employees embrace the Company values and contribute as much to the fabric of our organisation as they do to our success. Our 'people-first' culture recognises and celebrates performance across the board.

I take this opportunity to thank our Kalpataru Parivar for their unstinted loyalty and dedication. I look forward to your continued support in our journey towards reaching higher levels of excellence.

> "The merger-related synergies and our other strategic interventions will aid in realising our 2025 vision of achieving a revenue of US$3+ billion an order book of US$6+ billion, an ROCE of 20%+."

I would like to express my gratitude to all our stakeholders for their unwavering confidence and conviction. I am thankful to the Board for their strong oversight and continuous mentoring. We are committed to continuing our exciting journey of growth with the support of our employees, shareholders, bankers and governments. We will continue to be an active contributor to building a better world, and explore new opportunities that shall contribute to the growth of our business and our nation.

Regards,

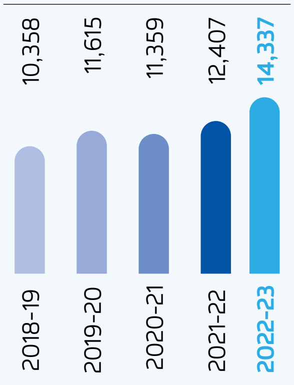
Mofatraj P. Munot

Chairman

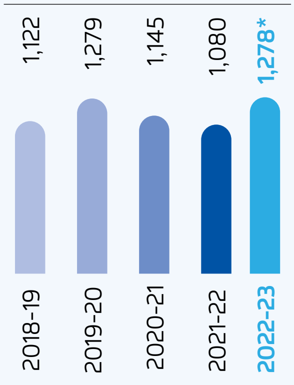
Financial highlights

Standalone[1]

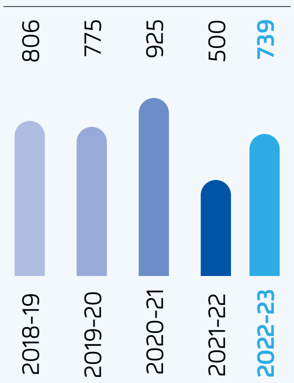
Revenue
(in ₹ Crores)



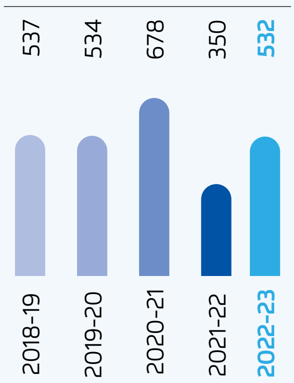
Core EBITDA
(in ₹ Crores)



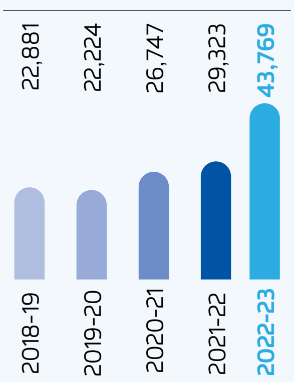
PBT
(in ₹ Crores)



PAT
(in ₹ Crores)

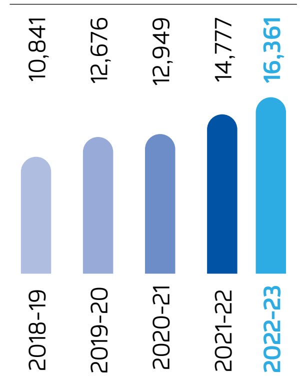


Standalone Order Book
(in ₹ Crores)

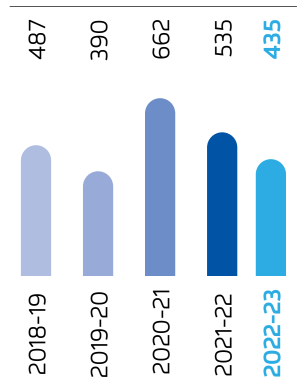


Consolidated

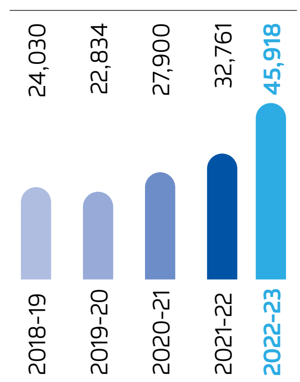
Revenue
(in ₹ Crores)



PAT
(in ₹ Crores)



Consolidated Order Book
(in ₹ Crores)



Note: *The amount of ₹109 Crores shown as an exceptional item with respect of an award obtained by an erst while power transmission subsidiary and is contractually receivable by the Company has been considered in EBITDA

[1]Consequent to Amalgamation of JMC Projects (India) Limited with the Company, previous years' numbers have been restated to make it comparable

(in ₹ Crore) USD Mn[1]

Particulars	2018-19#	2019-20#	2020-21#	2021-22#	2022-23#	2022-23#
Standalone#						
Production in MTs*	168,634	173,094	156,214	148,253	122,594	
Gross Revenue	10,358	11,615	11,359	12,407	14,337	1,744
Sales Growth (%)	21.4%	12.1%	-2.2%	9.2%	15.6%	15.6%
International Revenue	2,834	2,938	2,903	2,911	3,790	461
Total Expenditure (excluding depreciation and finance cost and Expected credit loss provision for loans and advances given to joint venture / others)	9,253	10,346	10,215	11,327	13,167	1,602
Operating Profit (Profit before tax, depreciation, Interest, other income and Expected credit loss provision for loans and advances given to joint venture / others and including exceptional items)	1,122	1,303	1,313	1,144	1,224	149
Other Income	69	78	91	98	112	14
Finance Cost	214	291	222	244	294	36
Profit before Tax(PBT) after exceptional items	806	775	925	500	739	90
Depreciation	164	228	257	272	295	36
Profit before Interest & Tax (PBIT) after exceptional items	1,020	1,066	1,147	743	1,033	126
Profit before Tax & before exceptional items	806	751	757	436	685	83
Exceptional items- gain	0	24	168	64	54	7
Provision for Taxation (incl. Deferred Tax)	269	240	247	149	207	25
Profit after Tax (PAT)	537	534	678	350	532	65
Other Comprehensive Income (net of tax)	25	-41	5	36	-47	-6
Equity Share Capital	31	31	30	30	32	4
Net Worth	3,772	4,199	4,574	4,937	5,320	647
Long-Term Borrowings (excluding interest free loans from entities other than bank and financial institutions)	981	1,063	1,005	1,021	1,065	130
Short-Term Borrowings	422	1,109	884	1,145	1,636	199
Total Borrowings (excluding interest free loans from entities other than bank and financial institutions)	1,403	2,173	1,890	2,166	2,701	328
Borrowings (Net of Cash and Bank balances)	1,128	1,705	1,288	1,054	1,680	204
Net Debt to Equity Ratio	0.28:1	0.38:1	0.28:1	0.21:1	0.32:1	0.32:1
Return on Equity (%)	14.2%	12.7%	14.8%	7.1%	10.0%	10.0%
Return on Capital Employed (%)**	21.7%	19.7%	19.5%	12.5%	15.9%	15.9%
Book Value per Equity Share (₹/USD)	232.2	258.5	281.6	303.9	327.5	4.0
Earnings per Equity Share (₹/USD)	33.0	32.9	41.8	21.6	32.7	0.4
Operating Profit (%)	10.8	11.2	11.6	9.2	8.5	8.5
Profit before Tax (%)	7.8	6.7	8.1	4.0	5.2	5.2
Profit after Tax (%)	5.2	4.6	6.0	2.8	3.7	3.7
Order Book at year end	22,881	22,224	26,747	29,323	43,769	5,324
Consolidated						
Gross Revenue	10,841	12,676	12,949	14,777	16,361	1,990
Profit before Interest & Tax (PBIT) (Normal)	1,162	1,169	1,381	1,093	1,108	135
Profit after Tax (PAT)	487	390	662	535	435	53
Other Comprehensive Income (net of tax)	8	-34	44	34	-42	-5
Earnings per Equity Share (₹/USD)	30	25	44	36	29	0
Consolidated Order Book at year end	24,030	22,834	27,900	32,761	45,918	5,585
Net Worth (Excl rev reserve, attributable to owners)	3,120	3,358	3,739	4,279	4,721	574
Return on Equity (%)	15.6%	11.6%	17.9%	12.6%	9.2%	9.2%
Borrowings (Net of Cash and Bank balances)	3,281	3,536	2,304	1,902	2,581	314
Return on Capital Employed (%)**	19.2%	17.6%	21.5%	17.9%	16.4%	16.4%

Consequent to Amalgamation of JMC Projects (India) Limited with the Company, previous years' numbers have been restated to make it comparable

* The quantity includes production, on jobwork basis and purchased from/got processed from third parties

** Based on average capital employed

[1] USD$ = ₹ 82.2169

Our businesses

Transmission & Distribution

36%

Design | Testing | Manufacturing | Fabrication | Erection | Substation

B & F – Building & Factories

19%

Residential building | Institutional building | Commercial building | Data centre | Factories

Water

27%

Water supply | Storage & distribution | Irrigation | Intake & treatment | House water connection

Oil & Gas

4%

Process Pipeline | Cross Country Pipeline | Processing facilities | Refineries & Fertilizers Plants

Railways

8%

Track Laying | Overhead Electrification | Signaling & Telecom | Bridges | Stations

Urban Infra

6%

Roads & Highways | Flyovers | Metro Rails | Stations | Airports

₹45,918 cr

Order Book

Power Transmission and Distribution (T&D)

Overview

We have earned a reputation as a leading integrated solution provider for transmission lines and substations in both domestic and international markets. With the substantial capability for projects up to 1,200 kV, we continue to demonstrate significant expertise in this domain. Our comprehensive range of services covering the entire project lifecycle, from design and engineering to manufacturing, testing, installation and commissioning, provides us with end-to-end capabilities to deliver large-scale turnkey projects for transmission and distribution.

At KPIL, we have deep expertise in executing high-voltage direct current (HVDC) transmission system projects and have a proven record of flawless execution and strong partnerships with marquee clients across the globe. As one of the leading manufacturers of transmission towers, KPIL has two state-of-the-art plants in India with an installed capacity of 2,40,000 MT, equipped with in-house galvanising and painting facilities. KPIL has effectively expanded its high voltage substation business and established a strong presence in both Air Insulated Substation (AIS) and Gas Insulated Substation (GIS) markets, both within their home country and internationally.

30+ countries

Ongoing transmission and substation projects

2,40,000 metric tonnes annually

Tower structure fabrication capacity

30,000+ KM

Transmission contracts completed across the globe (Since inception)

100+

In-house design engineers

Tested over

524 towers

for domestics and international clients (Since inception)

To ensure quality and efficiency, we manage our entire manufacturing process and inventory through automated ERP and barcoding solutions. Additionally, we offer our customers diverse products, including Indian and international material grades, backed by our in-house quality and material testing laboratories.

Landmark Projects

Transmission Lines

750 kV S/C **353** Km
Transmission Line in Ukraine

500 kV HVDC **200** Km
Transmission Line from Tajikistan Border to Afghanistan

500 kV **256** Km
Transmission Line in Egypt

400 kV S/C **112** Km
Transmission Line in South Africa

500 kV D/C **167** Km
Transmission Line in Thailand

765 kV D/C **190** Km
Transmission Line in Uttar Pradesh, India

s/c: single circuit / HVDC: high-voltage direct current / D/C: double circuit

Substation

220/132 kV
Substation in Botswana

225/30 kV
Substation in Senegal

220/30 kV
Substation in Burundi

765 kV
Air-insulated substation (AIS)
400 kV
Gas insulated substation (GIS)
Substation projects in Gujarat

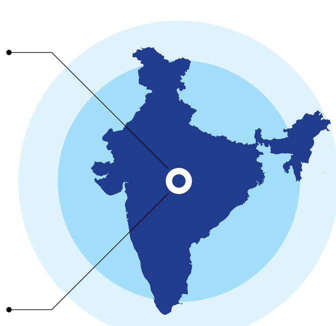
Upto **500** kV
Substation works in Brazil

400/130 kV
Substation works in Sweden

FY23 Key Statistics

Transmission & Distribution (Domestic)

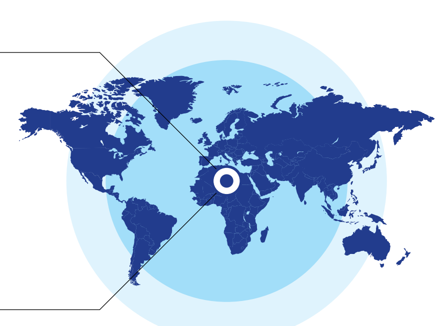
1,982
Towers erected in 2022-23 (In Nos.)



1,746 CKM
Stringing done in 2022-23 (Circuit Kms)

Transmission & Distribution (International)

979
Towers erected in 2022-23 (Nos.)



663 CKM
Stringing done in 2022-23 (Circuit Kms.)

Key Projects

Domestic project

400 kV DC transmission lines for Karnataka Power Transmission Corporation (Kalaburagi, Karnataka)

Project highlights

With this project, we achieved great results with its efficient and innovative approach. It effectively implemented a modified stub setting method, improving productivity and minimising delays. Despite challenging weather conditions, including heavy monsoons and high rainfall, work proceeded without interruptions. We actively involved the local community, gaining their support and cooperation. Significant progress was made in constructing transmission lines, with foundation and tower testing completed quickly. Tower supply and erection were finished ahead of schedule, and stringing activities began as planned.

International project

Construction of two 225kV single circuit transmission lines in Cameroon

Project highlights

Through this project, we effectively addressed the difficulties posed by a prolonged monsoon season, working within a narrow four-month dry period. We implemented an efficient pre-cast foundation method for the transmission line to ensure construction quality. It showcased remarkable logistical expertise by safely navigating challenging hilly terrain and delivering heavy equipment, including three power transformers, to a hilltop 1,700 meters above sea level. This project received recognition from the Honourable Minister of Water Resources and Energy in Cameroon for its achievements.

Project

298 km

Approximate length of line

986

Number of Towers

2

New substation construction

Water

Overview

We provide best in class EPC solutions for a wide range of water-related projects across India, Sri Lanka and Maldives. It benefits more than 15 million people worldwide and provides house service connections to more than 7.5 lakh homes.

We undertake projects related to supply and distribution, waste management, irrigation and operation and maintenance. Our EPC solutions cover the entire spectrum of water infrastructure development, from project design to implementation and management. We are consistently investing in strengthening our capabilities in order to improve our competitive position to execute large size projects.

Strong Project Management Capability with

In-house

Design, Engineeting execution and O&M teams

2,20,000+

Water meter connections (Since inception)

15+ million beneficiaries

Lives impacted (Since inception)

19,000+ kms

Water pipe network laid (Since inception)

Our extensive reach spans across India and we remain steadfast in our commitment to deliver sustainable and innovative solutions for water management, showcasing our unwavering focus on environmental conservation and resource management.

Landmark Projects

Multi-Villages **30.50 MLD (millions of liter per day)** capacity surface water supply scheme, Bhagalpur, Total length – **792 kms**

River Linking Project | **360 MLD of water** | **1300+ mm** Dia MS Pipe | Gravity main | Length – **65+ kms**

Construction of water and sewerage facilities including RTP and Admin Buildings across **34 islands** in the Republic of Maldives

30 MLD at Khargone & **50 MLD** at Burhanpur, Urban Water Supply Schemes, Madhya Pradesh

24 MLD Lahchura Water Supply Scheme in Uttar Pradesh under Jal Jeevan Mission of Central Govt.

Narmada – Jhabua – Petalawad – Thandala – Sardarpur Irrigation Schemes in Madhya Pradesh

FY23 key statistics

15,203
Pipeline laid (Kms)

4,43,695
Water connections done (Nos.)

Key Project

International project

Design & Build for Construction of Water and Sewerage Facilities in 10 Islands of Maldives

Project highlights

The project encompassed the development of various components, including a 78-kilometre water distribution network, a 53-kilometre sewerage pipeline, and a 16-kilometre sea outfall HDPE pipe. Additionally, the project involved the construction of eight Reverse Osmosis (RO) plants and administrative buildings. Furthermore, 23 Rapid Sand Filtration (RSF) tanks were implemented as part of the project. These elements collectively aimed to enhance water supply and wastewater management infrastructure, enabling efficient water distribution and effective treatment processes. All 10 Islands are at distant location with range varying from 56 to 128 Km from Male Sea port. Lot of underground utilities encountered during pipe laying works. Very high water table impacted gravity sewerage pipe line works. KPIL was one of the few companies to deploy Horizontal Directional Drilling Machine to lay sea outfall lines.

Buildings and Factories

Overview

KPIL provides top-tier engineering, design, procurement and construction services to our real estate and manufacturing clients. We take pride in our impressive portfolio of current and completed projects, having collaborated with renowned industry leaders to deliver projects within the automotive, FMCG, textile and power sectors, as well as building projects that span residential, IT and commercial, hospitals and institutional domains. With our exceptional team of professionals and cutting-edge technology, we guarantee comprehensive and seamless service, from conception to completion of all our projects.

2,700+
Experienced professionals

75+
Ongoing projects in India

Pan-India
Achieved qualifications to execute works

Landmark Projects

- **Vellore Institution Of Technology,** Tamil Nadu
- **Rural Electrification Corporation World Headquarter Building,** Gurgaon, Haryana.
- **State of The Art Building - Office Complex for Supreme Court of India** - Delhi
- **EPC facilities for Grain Oriented Electro Steel at** Aurangabad Industrial City, Maharashtra
- **RMZ RecoWorld,** Bengaluru
- **RMZ Azure**
- **Prestige Falcon City,** Bengaluru
- **Development of Multi Tenanted Building (MTB5)** – ASCENDAS, Bengaluru
- **Prestige Falcon Mall,** Bengaluru
- **Indian Institute of Technology** - Tirupati

FY23 key statistics

14
Residential projects completed

8
Commercial projects completed

185 **Lakh Sqft**
area built

1 Rural Electrification Corporation World Headquarter | 2 Asian Heart Institute, Mumbai | 3 BCUP, Bengaluru |
4 HDFC bank, Kolkata | 5 Vellore Institute of Technology

Key Project

IIT Tirupati , Institutional Project near Tirupati

Project highlights

The project encompass the construction of the permanent campus of IIT, Tirupati. This involved the development of academic buildings, including an administrative block and lecture hall complex, as well as residential buildings encompassing hostel rooms, faculty and staff residences, and sports facilities. The integrated campus seamlessly integrated civil and MEP (mechanical, electrical, plumbing) works, providing plug-and-play infrastructure.Despite challenging terrain, the project successfully executed a 10-kilometre bituminous road within the campus, incorporating all necessary services along its length. In addition, the project achieved a smooth execution of fair finish walls in academic buildings, semi-furnished apartments, and hostel student rooms, ensuring high-quality outcomes in these areas.

Railways

Overview

We cater to various requirements of conventional railway lines, high-speed rails and metro rails. At KPIL, we are engaged in building railway infrastructure, including railway electrification, traction substations, track laying, earthwork, bridges, buildings, stations, workshops, signalling and telecommunications. Our proficiency in handling high-calibre projects enables us to fulfil the requirements of different types of railway projects and ensures the highest standards of quality.

700+

Personnel in railway project management and execution

19%

KPIL's contribution to Indian Railway's electrification in FY23

7,000 + km

Executed railway and Electrification works over (Since inception)

20+

Ongoing projects in India and Bangladesh

At KPIL, we are committed to expanding our expertise in emerging areas such as high-speed trains, dedicated rail corridors and rapid rail transport systems, among others. Our focus on innovation, technology and sustainability enables us to offer customised solutions that help to deliver excellent quality projects within agreed timelines and budgets.

FY23 key statistics

1,234 Route kilometer

1,667 Track kilometer

Electrification done in 2022-23 (RKM/TKM)

Total

144+ km

Railway track projects commissioned during FY23

133 km

in Indian Railways

11 km

in Bangladesh Railways

Tracks commissioned in 2022-23 (KM)

Landmark Projects

Umdanagar
Mahbubnagar Doubling (Telangana)

Palanpur
Samakhiali Railway Electrification (Gujarat)

Madurai
Tuticorin Doubling Project

Delhi Metro
Electrification work

Antri-Jhansi 3rd Line

Garhwa Road
Barwadih 3rd Line (Jharkhand)

Daliganj
Kasganj Railway Electrification

Bangalore Metro Rail

Key Project

Gauge conversion of Katosan Road to Bechraji (first ever EPC project for any division of Indian Railways)

Project highlights

We achieved notable milestones, including the construction of three major bridges and three Road Under Bridges (RUBs), despite facing difficulties with high groundwater levels. Collaborative efforts with the local administration were instrumental in resolving local issues, ensuring the project's smooth progress. Timely approval of designs significantly enhanced project efficiency. The project implemented cost-efficient methods to adhere to the budget, while also exploring value engineering and optimal designs in advance to ensure favourable outcomes. Effective waste management measures, such as conducting e-auctions for scrap materials, minimised waste and generated additional value.

Urban Infrastructure

Overview

We are one of the leading companies offering EPC, design and build services for heavy civil and urban infrastructure projects worldwide. Driven by technology, the latest fleet of equipment and a team of professionals at the helm, we possess capabilities to undertake construction for various infrastructure sectors including Elevated Metro, Elevated Corridors, Flyovers, Special Bridges, Tunnels (for Metro Rail, Railway and Roadways), Highways and Airports for multi-laterally funded projects. We are currently executing projects across the country and have a strong presence globally.

2,500+ km

Highways delivered (Since inception)

22 + km

Flyovers delivered (Since inception)

Executing projects throughout

India, Ghana, Ethiopia and **Maldives**

Landmark Projects

Santacruz Airport Junction Flyover
Mumbai

National Highway 45-B Lane Extension
Tamil Nadu

Pune National Highway NH-4
Panvel, Navi Mumbai

Delhi Metro
Civil and architectural work

Chennai Bus Terminal

FY23 key statistics

28 KM

Length of Highway and Roads completed (Kms)

14 KM

Length of elevated flyover completed (Kms)

Key Project

Madurai Chettikulam Flyover (MCFO)

The 7.3 km long stretch will save travel time between Madurai and Chettikulam by half an hour. Landscaping and beautification of four ponds undertaken along the stretch of the flyover and facilities like children's play area and footpaths developed.

Number of Pier

256

Number of spans erected

255

Project highlights

We achieved several significant milestones and accomplishments. Managing a substantial number of utility lines, including high tension (HT) and low tension (LT) lines, along the project alignment was successfully executed. Addressing concerns related to the shifting of HT lines and erecting segments near them was safely managed. The transportation and erection of 2,477 segments and 124 I-girders demonstrated efficient execution. Despite heavy traffic, the project operated three Launching Girders concurrently, showcasing effective project management. Notably, the project includes the longest four-lane flyovers in Tamil Nadu, spanning 7.3 kilometres, which were inaugurated by the Honorable Prime Minister of India. The implementation of an Advanced Traffic Management System contributed to smooth traffic flow. Moreover, the project enhanced the aesthetic appeal by beautifying four lakes along the alignment and constructing play areas and gazebos.

Oil and Gas

Overview

We remain committed to delivering high-quality projects encompassing cross-country pipelines, processing facilities, refineries and fertiliser plants. Our expertise in design and engineering, civil, electrical, mechanical, procurement, construction management, testing and commissioning allows us to offer end-to-end services spanning the entire project lifecycle.

22
Ongoing projects in India

Qualified to execute EPC work in the
Middle East, Africa and Asia

8,000+ km
of pipelines along with associated works (Since inception)

400+ Intermediate stations
Pumping stations, Pigging stations, Block value stations etc (Since inception)

Our expertise allows us to execute large-scale projects and we have established ourselves as a trusted partner for leading oil and gas companies in India. We take pride in adhering to the best Health, Safety and Environment (HSE) practices and quality standards to ensure the safety of our employees, stakeholders and the environment.

Landmark Projects

Ennor – Trichy Pipeline Project – IOCL – Tamilnadu

Mangla Intrafield Pipeline Project – Vedanta - Rajasthan

Mehsana Bathinda Pipeline Project Spread IV – GIGL - Rajasthan

OSGE – ADNOC – Abu Dhabi

Paradip Haldia Durgapur Pipeline – Augementation Project – IOCL – West Bengal, Jarkhand and Bihar

FY23 key statistics

614 km

Pipeline laid in 2022-23 (Kms)

257

Horizontal Directional Drilling (HDD) in 2022-23 (Nos.)

Key Project

344 KM (approx.) cross country product pipeline from Paradip pump station to IOCL PHBPL pump station

Project highlights

We successfully tackled challenges related to the non-availability of approach roads and waterlogged areas caused by frequent rains and cyclones. Innovative approaches were implemented to overcome these obstacles, including the utilisation of street-smart Chhakara for transporting resources to inaccessible work locations. The floating method was also employed to shift line pipes via canals. As a result, the project achieved the timely completion of the Haldi River Horizontal HDD Crossing, spanning 1,588 meters, and successfully carried out a total of 10.8 kilometres of HDD crossings.

Biomass

Overview

At KPIL, biomass power plants are essential for not only creating jobs in rural areas, but also reducing KPIL's environmental footprint by turning waste into clean energy. This helps us provide reliable electricity to people living in rural areas.

We set up a biomass plant at Padampur in the Ganganagar district of Rajasthan in 2003. This plant uses agricultural crop residues and forestry waste (biomass) as inputs and generates 7.8 MW of power. In 2006, we set up another biomass plant in the Tonk District of Rajasthan with an 8 MW capacity. This plant also uses agricultural crop residues and forestry waste (biomass) as inputs.

Since then, both plants have so far generated 182 Crores units at 80% PLF, consumed 25 lakh MT of biomass and generated revenue of ₹ 1,014 Crores.

Both of these plants have the logistics infrastructure needed to collect approximately 1,80,000 MT of biomass every year. We have paid ₹ 518 Crores so far to the farmers of both plant areas for biomass purchase, providing them with additional income.

KPIL is one of the top companies globally to get registered with UNFCCC (United Nations Framework Convention on Climate Change) in 2005 and has benefited from CERs (Certified Emission Reduction) generated from its Ganganagar plant for 10 years. The project later achieved Gold Standard Certification in 2012. The second biomass plant at Tonk achieved Gold Standard Certification in 2009.

The Gold Standard is the only premium quality standard for carbon emission reduction projects with added sustainable development benefits and guaranteed environmental integrity. The Gold Standard label distinguishes projects and emissions under the Clean Development Mechanism, joint implementation and voluntary offset markets.

Growth Drivers in Sync with Global and Domestic Trends

Transition to clean energy - A boon for power transmission and distribution business

According to the International energy agency, global renewable energy is projected to account for 61% of total energy generation by 2030, compared to 29% in 2020.

- Our T&D business is at the forefront of providing innovative solutions for the transmission and distribution of clean energy, ensuring that communities around the world have access to reliable and sustainable energy sources. Recently our selection as a preferred EPC partner by a major utility in Australia for a significant renewable integration project underscores our crucial role in assisting the country in achieving its net-zero emissions goal and benefiting local communities.
- Internationally, the business visibility remains strong due to the growing adoption of renewable energy and the need for grid integration and upgrades. Our focus markets include India, Africa, MENA (Middle East and North Africa), and Latin America. In the next 10-12 months, we have the opportunity to bid on over $4 billion worth of projects in these international markets.
- The Ministry of Power has recently taken a significant step towards reaching the goal of installing 500 GW of renewable electricity capacity by 2030. To ensure the successful integration of power from renewable sources by 2030, it is necessary to establish a strong transmission system in advance. This is because wind and solar projects have a shorter development time compared to the associated transmission infrastructure.
- Additionally, the domestic T&D business outlook remains positive with a healthy tender visibility of ₹ 50,000 Crores from TBCB - Tariff Based Competitive Bidding and SEB's - State Electricity Board.
- The T&D business order book, including our international subsidiaries, has reached a record high of approximately ₹ 16,500 Crores.

Clean Water for All – Jal Jeevan Mission

- We are fully aligned with the government's objective of providing clean drinking water to every household. The budget allocation for the Jal Jeevan Mission (JJM) in FY 2024 has increased by 27%, amounting to approximately ₹70,000 Crores.
- Currently, we are executing over 30 projects across 6 states in India, with a substantial order size close to ₹ 12,500 Crores.
- Our water projects in India, Sri Lanka, and the Maldives benefit millions of people daily. We are consistently investing in strengthening our capabilities to improve our competitive position to execute large size projects.

Growth Drivers in Sync with Global and Domestic Trends

Growth of Urbanisation and Mobility:

Our Buildings & Factories, Railways, Urban infrastructure businesses are playing a key role in fuelling this development.

Buildings & Factories

- Repeat order wins, with an order book of ~₹ 8,500 Crores
- Commercial and Residential launches to remain healthy on the back of vibrant IT, Tech sector and the rising count of global captives, despite global slowdown and rising interest rates
- Leveraging capabilities in international markets –Maldives Housing project
- We continue to improve our market standing by securing new clients and improving our presence in areas like data centres, institutional buildings, processing plants etc.

Railways

- A record allocation of ₹ 2.4 lakh Crores in the recent Union Budget
- We continue to adopt a prudent approach and remain selective in bidding given the higher competitive intensity
- Strengthen presence in technology enabled areas like metro electrification, signalling & telecom, sub-station, high speed rail, ballast-less track etc.

Urban Infrastructure

- 8 lakh Crore opportunity in the elevated metro, tunnel flyover, and high-speed rail sectors over the next five years
- Currently executing projects in India, Ethiopia, Ghana and Maldives
- Commenced execution of an airport project in Maldives
- We are improving our capabilities to secure projects in metro rail, elevated roads, public spaces, airports etc.

Sustainability focused:

Our B&F division has constructed state-of-the-art green buildings in South India, such as the Brigade Techgarden Commercial Project and the Multi-storied Commercial Building called 'Prestige Hilton Hotel' in Bangalore city. Additionally, we have increased the usage of renewable energy to reduce our carbon footprint in the following ways:

- Installing solar panels to offset our consumption of non-renewable energy and reduce carbon emissions.
- By using solar power, we have reduced our reliance on conventional electricity from the grid and minimized the usage of fuel in diesel generators (DG sets).

  These solar panel installations have been carried out in various locations, including site stores, project offices, and worker camps across multiple business sectors such as water, infrastructure, buildings and factories, and oil and gas. In total, we have installed solar panels with a capacity of 284kW across 33 project sites spanning multiple businesses. As part of our efforts to reduce our carbon footprint, we have enhanced our solar initiative by replacing all the existing lights, such as CFL and SV lamps, with energy-efficient LED lights. This switch to LED lights helps us reduce energy consumption and further minimize our impact on the environment.

  Our future plan includes installing 830kW of solar panels in FY 23-24, using renewable energy instead of conventional power. The panels have a lifespan of 25 years and will be transferred to other projects once the current project is completed.
- One of the few EPC companies in India to generate approx. 327 MW of green power daily and we take pride in using biofuel, solar panels, wind energy in our day-to-day operations.
- Renewable power generation though Biomass based plant: Consistently generating 1,19,000 MWh power annually - thereby avoiding more than 1,00,000 tons of CO2 emission (annually)
- Renewable power generation through Solar and Wind: We have generated 13,285 MWh power through Solar and Wind Units which comprises of 23.2% of our electrical consumption (annually).

Digital Transformation

- We have implemented innovative technology solutions to enhance various aspects of our operations. One such example is the use of Face-recognition and GIS technology to accurately record worker attendance. This advanced system allows us to track the attendance of over 13,000 workers, ensuring efficient and reliable attendance management.
- In addition, we have embraced the power of IoT (Internet of Things) and analytics through a dedicated platform. By installing GPS and Fuel Monitoring Sensors in more than 2,500 equipment across multiple business units, we can effectively monitor the utilization of plant and machinery. This technology provides real-time insights into equipment usage and fuel consumption, enabling us to make informed decisions and optimise resource allocation. Furthermore, we have also introduced fuel catalysts in fuel-intensive equipment, significantly reducing fuel consumption and minimizing our environmental impact.
- To enhance our surveying capabilities, we have developed a cutting-edge 3D Cloud Platform. This platform enables us to efficiently manage and utilize information-rich survey data, which is captured through conventional methods or drones. By leveraging this technology, we can streamline data processing, improve accuracy, and enhance decision-making across various projects.

These technological advancements highlight our commitment to leveraging innovation for improved efficiency, productivity, and sustainability in our operations.

Board of Directors

Mr. Mofatraj P. Munot

Non-Executive Chairman

Mr. Parag M. Munot

Director

Mr. Manish Mohnot

Managing Director and Chief Executive Officer

Mr. Shailendra Kumar Tripathi

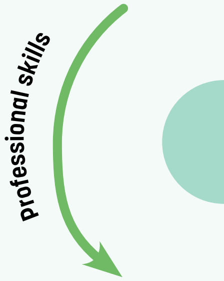
Deputy Managing Director

Mr. Sanjay Dalmia

Executive Director

Diverse Experience and Skills

- Law
- Accounting
- Secretarial
- Civil Engineering
- Business Management
- Commerce
- Economics
- Entrepreneurship



- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Corporate Social Responsibility Committee
- Stakeholders Relationship Committee
- Risk Management Committee

Mr. Sajjanraj Mehta

Independent Director

Mr. Vimal Bhandari

Independent Director

Mr. Narayan K. Seshadri

Independent Director

Ms. Anjali Seth

Independent Director

Dr. Shailendra Raj Mehta

Independent Director

Sector specific skills

- Finance
- Power
- Infrastructure
- Textiles
- Mining
- Taxation
- Corporate Law
- Real estate
- Oil and gas

50%

Independent directors

35 years +

Average experience of the Board

Board of Directors

Mr. Mofatraj P. Munot

Non-Executive Chairman

- Founded the Kalpataru Group in 1969
- Has been the guiding force behind the Group's stellar success

He is the founder of the Kalpataru Group of Companies and a first-generation entrepreneur with a vision to create defining infrastructure landmarks contributing to the larger cause of nation building. Starting with Real Estate, he has piloted the group's interests to Power Transmission and Infrastructure EPC, Civil Contracting, Property and Facility Management, and, Logistics and Warehousing Services, successfully leading Kalpataru to new avenues, within India and globally. Under his leadership and strategic direction, the group has grown to become more than USD$ 2 billion infrastructure conglomerate with a footprint spanning over 70 different nations along with establishing local presence in Europe and Latin America, qualitatively impacting the lives of thousands of employees and their families, several partners and millions of citizens in the communities served by its products, services and interventions. The Kalpataru Foundation and The Munot Foundation, of which he is a trustee, serves several initiatives across the country, in the areas of education, healthcare and skilling, reaching out to society's least privileged.

Mr. Parag M. Munot

Promoter Director

- Managing Director of Kalpataru Ltd.
- Significant role in strategic growth and planning for KPIL and Group companies

He is the Managing Director of Kalpataru Limited, the flagship real estate arm of the Group. He is responsible for the Group's real estate and property development business. At Group level, he provides strategic support and drives new business initiatives. He is a graduate in Commerce and holds an MBA from Carnegie Mellon University, USA.

Mr. Manish Mohnot

Managing Director (MD) and Chief Executive Officer (CEO)

- CA, ICWA, Advanced Management Programme from Harvard Business School
- 25+ years of experience in Corporate Strategy Planning, M&A

Mr. Manish Mohnot has more than 27 years of experience in areas related to Energy, Infrastructure & Public Private Partnership (PPP) Sector. Under his leadership, KPIL has spearheaded various growth and transformation initiatives to build a more focused and stronger globally diversified EPC business. With his astute understanding of global business environment, and ability to motivate team to surpass expectations, KPIL is at the forefront to drive multi-fold rise in business to become a leading global Infrastructure EPC company with dominant presence in power transmission and distribution, civil construction, urban mobility, water and oil & gas segment.

Mr. Mohnot also holds key positions in various industry associations and Chaired CII Transmission Line Committee. Mr. Mohnot is a qualified Chartered Accountant, Cost Accountant and has done advanced management program from Harvard University (U.S). Prior to joining KPIL in 2006, he has worked with as a Director in KPMG's business consulting practice advising leading Indian corporates.

Mr. Shailendra Kumar Tripathi

Deputy MD

- BE (Civil).
- 35+ years of experience in Project Management, Operations, Business Development and Planning

Mr. Shailendra Kumar Tripathi is a Civil Engineer from Government Engineering College, Jabalpur, Madhya Pradesh. Since passing out in 1984, he has worked in major Infrastructure companies like JMC, Gammon India, Larsen & Toubro Limited and Oriental Structural Engineers Private Limited. He has over three decades of experience in the field of project planning and execution of large-size infrastructure projects involving roads and airports. His technical, strategic decisions and leadership skills coupled with his sound financial and business sense have helped him in securing and successfully implementing many projects in the Public Private Partnership model.

Mr. Sanjay Dalmia

Executive Director

- CA, CS, Advanced Management Program from Harvard Business School
- 35+ years of experience

Mr. Sanjay Dalmia has over three decades of experience in areas related to power, infrastructure, textiles, mining and business development. He has earlier worked in diverse geographies such as the Far East, Africa, C.I.S. and the Middle East and has experience working with multicultural people. He is a qualified Chartered Accountant and Company Secretary. He has also done the Senior Executive Leadership Programme at Harvard University, U.S.

Mr. Sajjanraj Mehta

Independent Director

- Renowned Professional with 40+ years of experience advising large corporates in Corporate Law, FEMA, Accounting, Taxation etc.

Mr. Sajjanraj Mehta is a renowned senior professional and expert in the field of Accounting, Tax and Corporate Law. He has over four decades of experience and serves as a consultant in the field of Foreign Exchange, Taxation and Corporate laws to renowned companies. He is a Chartered Accountant by profession and has an independent consultancy firm.

Mr. Vimal Bhandari

Independent Director

- 30+ years of experience in Banking & Financial Services.
- Advisor & Independent Director on large Indian listed Companies.

Mr. Vimal Bhandari has over 30 years of experience in the financial services industry. Presently he is associated as the Executive Vice Chairman and CEO of Arka Fincap Limited (formerly known as Kirloskar Capital Limited), a Non-Banking Finance Company engaged in providing debt capital to Indian corporates and real estate developers. He is an Independent Director in many Indian companies. For six years, till April 2017, he was the Managing Director and CEO of IndoStar Capital Finance Limited. He is a Commerce Graduate from Mumbai University and a Chartered Accountant by qualification.

Mr. Narayan K. Seshadri

Independent Director

- 40+ years of consulting experience in Business Strategy & Finance.
- Advisor & Independent Director on prominent Indian listed Companies

He has over 40 years of consulting experience in the field of finance, accounts, tax and business strategy. He is a transformative leader, with a wide understanding of emerging technologies, regulations and preferences. He focuses on business transformation, enabling companies to continually address challenges arising from economic, regulatory and technological changes. With experience across different sectors and countries, many enterprises he has counselled are now multibillion dollar businesses which continue to grow. He was KPMG India's Managing Partner heading Business Advisory practice. He is the founder of Tranzmute Capital & Management Private Limited, which provides new ideas, management and capital to first generation entrepreneurs and family businesses. He is also on the Board of many prominent Indian companies. He is a Science Graduate and a Chartered Accountant.

Ms. Anjali Seth

Independent Director

- LLB
- 30+ years of advising companies in legal matters, M&A, private equity, governance, statutory & compliance

Ms. Anjali Seth has over three decades of experience in advising top banks, financial institutions and corporates on a range of matters including M&A, PE Investments, industrial and employee relations, corporate governance, real estate negotiation, legal matters, statutory issues and litigations. She has been associated in various positions with International Finance Corporation, ANZ Grindlays Bank, Standard Chartered Bank, Emaar Properties (UAE) and Swadhaar FinServe Limited. She holds a bachelor's degree in Law.

Dr. Shailendra Raj Mehta

Independent Director

- M.Phil from Balliol College, Oxford, and PhD from Harvard Business School.
- Distinguished Economist & Professor

Dr. Mehta has done his Bachelor's and Master's degrees from Delhi University, M.Phil from Balliol College, Oxford, and Ph.D. from Harvard. He is currently the President, Director and Distinguished Professor for Innovation and Entrepreneurship at MICA, Ahmedabad. After a sixteen year stint at Purdue University, he returned to India in 2006-07 to head the collaboration between Duke CE (Duke University's Corporate Education Arm) and IIM-Ahmedabad as its head for India, West Asia and the Middle East and simultaneously as Visiting Professor of Business Policy at IIM-Ahmedabad. He has done extensive research in the areas of Entrepreneurship, Industrial Organisation, Information Economics and Experimental Economics.

Experienced and Dynamic Key Management

Corporate

Mr. Manish Mohnot
MD & CEO

Mr. S K Tripathi
Deputy MD

Mr. Sanjay Dalmia
Executive Director

Mr. Amit Uplenchwar
Director - Strategy Business Group

Mr. K K Jain
Director (Integrity) and Chief Ethics Officer

Mr. Ram Patodia
Chief Financial Officer

Mr. M A Baraiya
Chief Human Resource Officer

Mr. G L Gupta
Chief Procurement Officer

Mr. N Neelakanteswaran
Head of Central PMO

Mr. Lalit Tiwari
Head of EHS & Sustainability

Ms. Shweta Girotra
Company Secretary

Mr. Saugata Basu
Chief Digital and Information Officer

Business Heads

Mr. Gyan Prakash
Oil & Gas

Mr. Rajeev Dalela
T&D India & SAARC

Mr. D N Reddy
Building & Factories

Mr. Hitendra Pooniwala
T&D International

Mr. Om Prakash Pandey
Water Supply and Irrigation

Mr. Ramesh Bhootra
BD International (BD, Tower Sales & Subsidiaries)

Mr. N K Kaushal
BD International (T&D)

Mr. G M Shanthakumar
Buildings & Factories (South India)

Mr. Afzal Khan
Urban Infrastructure

Mr. Subramanian Sadasivam
Buildings & Factories (North, East & West India)

Mr. Rajesh Kanade
Civil International

Mr. Jitendra Kumar Jain
Railways

Mr. Kumaradevan Srinivasan
Manufacturing Plants

Awards and Recognition

CII award

Operational Excellence through Digital Transformation – **2022 award for Project SPARK**

Most Innovative Practice

Excellence Award

Gold Award

A case study on **"Proto Inspection of Transmission Towers"**

Gold Award

A case study on **"5S Implementation in Construction Store Area"**

Gold Award

In Lean QC competition: **"Process improvement through Lean --> offline bending module "**

Raipur Plant Won in CCQC-22 Organized by QCFI Bhilai chapter

Gold Award

In QC category competition: **"CNC Stamping Defect Reduction by 7 QC tools"**

Raipur Plant Won in CCQC-22 Organized by QCFI Bhilai chapter

Gold Award

Case study on **"Cost Optimization of Cable Trenches in Substation"**

Excellence Awards at QCFI Bangalore Chapter Convention on Quality Concepts - BCQCC 2022

Gold Award

A case study on **"Elimination of critical gaps in the construction of overhead power transmission line"**

Excellence Awards at QCFI Kolkata Chapter Annual Convention

Silver Award

In Lean QC competition: **"Process improvement through Lean --> offline bending module "**

Excellence Awards at QCFI Kolkata Chapter Annual Convention

Awards and Recognition

Technology Excellence Award

“BEST DIGITAL TRANSFORMATION PROJECT”
- Manufacturing

Quantic India

Technology Excellence Award

“TOP 10 TECHNOLOGY LEADERS UNDER 50”
- Mr. Ashok Kumar

Quantic India

Gold Award

Manufacturing division, Gandhinagar

Quality Circle Forum of India (QCFI) – Surat Chapter

Shrestha Suraxa Purashkar 2021

Manufacturing division, Gandhinagar bagged the prestigious award with a certificate of recognition **from NSCI**

Bronze Award

Transmission Line Project won **CII – SR EHS Excellence Award**

Special Award

“Best **Presentation**: **Holding the Gains”** in CII National Competition

Vishwakarma Award 2022

18 Supervisors got felicitated by Construction Industry Development Council **(CIDC)**

Gold Award

Raipur plant has received **for Manufacturing excellence** from Hansei Kaizen

Achievement in Electrification in Railways Award

Railway Division has received this prestigious award at Rail **Analysis Innovation and Excellent Summit 2022**

'International British Safety Council Award', 'National Safety Council of India Award' & Confederation of Indian Industry (CII) Safety Excellence Award

British Safety Council award

WO-393, 132KV OHL WORKS BETWEEN HATTA PSHPP (HATAPSHP) & 132KV SUBSTATION AND WARSAN (WRSN) 400/132KV SUBSTATION, Dubai Project Site

Merit category

British Safety Council award

Labzone Bengaluru Life science park.

Merit category

British Safety Council award

DLF-3 Down Town Chennai.

Merit category

British Safety Council award

Maldives Social Housing

Merit category

NSCI Safety Awards

IIT Tirupati - Stage 1 Project

3rd Level Award: SURAKSHA PURASKAR (Bronze Trophy)

NSCI Safety Awards

DLF-Economically Weaker Section Delhi (DEWD Site) Project

4th Level Award: PRASHANSA PATRA

CII (Confederation of Indian Industry)

Andhra Pradesh industrial Safety Excellence Award

IIT Tirupati Phase I, Chennai

Silver Trophy and Certificate

Introduction to the IR Capitals

Financial capital refers to the monetary resources, including funds and assets, that are accessible to a business for use in operations, investments, in order to pursue business opportunities.

Financial Capital

pg. 62-69

Intellectual Capital refers to the resources and intangible assets that help people, organizations, and other entities gain knowledge, innovate, and have a competitive advantage.

Intellectual Capital

pg. 80-85

Manufactured Capital refers to the physical infrastructure, tools, and other human-made possessions that are used in business operations and other economic endeavours.

Manufactured Capital

pg. 70-79

Social and Relationship Capital

pg. 96-105

Social and Relationship Capital refers to the intangible assets and networks created by social interactions, relationships, and teamwork within a community or organization.

Human Capital

pg. 86-95

Human Capital refers to the skills, knowledge,expertise, experience and capacities of the individuals within a workforce or population.

Natural Capital

pg. 106-112

Natural Capital is the pool of assets such as natural resources and ecosystems, and environmental assets that benefit both people and the environment in different ways.

Our Value Creation Model

Input

Financial Capital
(On a Standalone basis as of 31st March 23)

- Total Equity of ₹ **5,320**
- Long term debt: ₹ **1,299** Crores
- Short term debt: ₹ **1,636** Crores

Intellectual Capital

- **2,500+** equipment installed with GPS and Fuel-Monitoring Sensors
- Significant amount spent on R&D
- IT systems & processes
- Design & Engineering Capabilities

Manufactured Capital

- **250+** live projects across 6 high-growth businesses
- Tower Structure Fabrication capacity of **2,40,000 MT** annually
- ₹ **25,241 Crores** of order inflow in FY23
- ₹ **660 Crores** gross block additions

Natural Capital

- **80,593 tCO_2e** GHG Emissions (Scope 1 & Scope 2)
- **972,692 GJ** Energy Consumption
- **2,961,163 KL** Water Consumption

Human Capital

- No of employees (Permanent): **7,838**
- Temporary employees: **15,048**
- HR policies focusing on work-life balance, training, global learning opportunities & retention programs

Social & Relationship Capital

- ₹ **8.87 Crores** CSR spend
- **15,000+** Vendor partners

Input

Vision

To be the foremost global player in all the businesses we operate in and we will achieve this by adhering to our values.

Our Values

- Pride
- Customer centricity
- Respect
- Business ethics
- Team work
- Quality

KPIL is amongst the leading Engineering, Procurement, and Construction (EPC) companies with proven experience and expertise spanning over four decades. The Company is executing marquee projects with comprehensive capabilities that delivers complete solutions covering design, testing, fabrication, erection and construction of transmission lines, building & factories, water supply & irrigation, oil and gas infrastructure, railways projects and urban infrastructure. The Company offers a strong advantage by combining various capabilities such as research, engineering, project management, construction, and manufacturing. This integrated approach ensures that clients receive the highest value for their projects.

Value we Create

- Power Transmission & Distribution
- Buildings & Factories
- Water
- Railways
- Oil & Gas Pipelines
- Urban Infrastructure

Output	Outcome	UNSDGs
Standalone Financials • ₹ **14,337 Crores** of Revenue (16% yoy growth) • ₹ **532 Crores** of PAT • **15.9%** ROCE(Based on average capital employed) • Dividend : ₹ **7** per equity share	• **Strong financial statement post merger** • **Increased geographical reach** • **Optimizing cost**	8 Decent work and economic growth; 9 Industry, innovation and infrastructure; 13 Climate action
• 3D Cloud Platform • Facial Recognition Technology • IoT & Analytics Platform • Digitization in sustainable sourcing	• **Digitized technology** • **Revised tower design** • **Increased productivity**	9 Industry, innovation and infrastructure; 12 Responsible consumption and production
• **T&D: 2,961** Towers erected; **2,409** CKM of stringing done • **B&F: 18.5** Million sq. ft.of Area built; **20+** residential & commercial projects completed • **Water: 15,203** km pipeline laid; **4,43,695** water connections done • **Oil & gas: 614** km gas pipeline commissioned; **257** nos Horizontal directional Drilling done • **Railways: 1,234** RKM railway electrification executed • **Urban Infra: 28** km of highway and roads completed; **14** km of elevated flyover completed	• **Resource efficiency** • **Effective project management**	8 Decent work and economic growth; 9 Industry, innovation and infrastructure; 12 Responsible consumption and production
• **5.6 tCO_2E/₹ Crore** GHG Emissions intensity, reduction of **5.1%** YoY • **67.8 GJ/₹ Crore** Energy Intensity • **207 KL/₹ Crore** Water Intensity, reduction of **8.4%** YoY	• **Reduced environmental footprint**	7 Affordable and clean energy; 12 Responsible consumption and production; 13 Climate action; 15 Life on land
• **83%** Employee satisfaction score in engagement survey • **1,17,240** Employee training hours • **840+** Training programs organized • **10,500+** Courses completed on Learning Management System • **0.08** Lost Time Injury frequency rate (LTIFR)	• **Diversity and inclusion** • **Satisfied employees** • **Leadership development**	3 Good health and well-being; 5 Gender equality; 8 Decent work and economic growth; 10 Reduced inequalities
• **49,000+** Beneficiaries for Healthcare • **30,000+** Children and youth benefited through education and skilling • **9,000+** Saplings plantation • ESG consideration for supply chain	• **Community development** • **Educational facilities** • **Environment protection** • **Sustainable supply chain**	5 Gender equality; 6 Clean water and sanitation; 7 Affordable and clean energy; 12 Responsible consumption and production; 14 Life below water; 15 Life on land; 17 Partnerships for the goals

Our Approach Towards Responsible Business

Stakeholder Engagement

Stakeholder engagement is of utmost importance as it enables us to foster mutually beneficial relationships with the individuals and groups that have a stake or interest in our operations. By actively involving stakeholders in decision-making processes, we gain valuable insights, diverse perspectives, and a deeper understanding of the needs and expectations of the stakeholders. Our organization offers a platform for stakeholders to openly communicate their concerns and aspirations, prioritizing transparency, and accessibility. Through fostering collaboration, we not only strengthen our relationships but also gain valuable insights into the diverse needs and perspectives of those we serve. Furthermore, by actively engaging stakeholders in our decision-making processes, we ensure that our actions align with their Interests, leading to sustainable growth for both our organization and the communities we impact. With these concerted efforts, our objective is to cultivate trust, foster innovation and create enduring positive outcomes that benefit all stakeholders involved.

Stakeholder Group	Employees	Investors
Engagement Methods	• Engagement Surveys • Newsletters & Notices • Training and Development initiatives • Town-halls, get-togethers, cultural events	• Quarterly Earnings Calls, Investor Conferences, Company Website, Investor Presentations, Press Releases and Annual Reports • Communication of financial results via prominent newspapers • Information pertaining to Dividends, Notices and AGM communicated via e-mail
Material Matters	• Employee engagement • Employee capability development • Career progression • Reward and Recognition • Fair remuneration • Effective performance management and recognition • Diverse, inclusive, and enabling work culture • Work-life balance	• Financial Performance • Ethical, Anti-Bribery & Anti-Corruption practices • Risk Modelling • Protection of Rights of all stakeholders • Robust Strategy for long-term value creation
Impact on Capitals		

Customers	Suppliers	Communities	Lenders and Banks	Government and Regulatory Authorities
• Client Meetings • Periodic Project Review Meetings • Performance Reports	• Site visits and inspection • Supplier's visits • Regular interactions	• Community projects • Employee volunteerism • Awareness workshops • Direct and mediated interactions	• Meetings and correspondence • Submission of project reports and presentations • Timely submission of financial reports/ quarterly reports and stock statements • Regular updates through calls/ meetings	• Industry Association • presentations • Responding to Government circulated whitepapers • Forums • Statutory Filings & Disclosures
• Product pricing • Innovation and IT deployment • Customer privacy and data protection • Customer service and claim settlement • Ethical, Anti-Bribery & Anti-Corruption practices • Customised solutions	• Ethical, Anti-Bribery & Anti-Corruption practices • Transparency • On-time settlement of invoices • Fair registration and procurement process • Sustained business opportunities	• Transparency • Advancing sustainability • Ethical, Anti-Bribery & Anti-Corruption practices • Contribution to community welfare • Healthier and safer societies	• Ethical, Anti-Bribery & Anti-Corruption practices • Corporate Governance • Transparency • Disclosures • Regulatory Compliance and Fair Business Practices	• Disclosures • Corporate governance • Adequacy of solvency • Fair and transparent reporting • Timely compliances • Statutory and legal compliance • Support for government policy

Materiality Assessment

We recognize the need to undertake meaningful initiatives to address the issues of our stakeholders. One way to address such issues is by identifying key material topics through an effective materiality assessment. We followed a systematic process during materiality assessment that entailed engagement with Internal and external stakeholders, including supply chain partners, industry groups, NGOs, local community organizations, investors, regulators, and research institutes. In addition, we also conducted a desk review of the guidelines issued by global and national standards such as BRSR, GRI, SASB, DJSI, etc. In addition to conducting primary research, this exercise involved gathering information through secondary research methods. We delved into studying the Company's suppliers and peer companies to gain a comprehensive understanding of their operations and practices. Furthermore, we sought feedback from our business unit leaders regarding our company's material issues, aiming to gather valuable insights and perspectives from key stakeholders within the organization.

By incorporating the components, the material issues for the Company were identified. However, post the strategic amalgamation of JMC with KPIL, the material topics were revisited and reviewed through interaction with leaders of each department of both companies. The topics identified were found to be common to both companies.

Environment

- Water management
- Efficient Energy management
- Waste management and circularity
- Biodiversity and Land Rehabilitation
- Climate Strategy and Emission
- Sustainable Portfolio

Governance

- Corporate Governance
- Data Privacy and Security
- ESG integration in Risk Management
- Brand Management and Communication
- Reporting and Assurance
- R&D and Digitalisation
- Resilient Business and Long- Term Profitability

Social

- Human Rights and Labour Relations
- Human Capital Development
- Occupational Health & Safety
- Diversity, Inclusion and Equal Opportunity
- Customer Centricity
- Corporate Citizenship
- Stakeholder Engagement
- Sustainable Supply Chain

Material Issues

Double Materiality

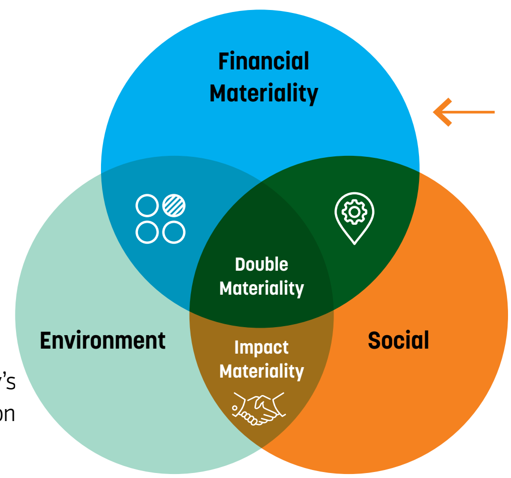
The Company has extended the approach and conducted double materiality of the material issues identified. The concept of double materiality refers to the Impact of Materiality (environment and social) and Financial Materiality as defined by European Sustainability Reporting Standards and Global Reporting Standards and the need to assess the interconnectivity of both aspects. The double materiality approach encompasses a rationale that evaluates how material topics impact not only the future cash flows of the company but also the environmental and social conditions of the world across short, medium, and long-term time frames. To determine the significance of each focus area, we considered factors such as the nature of activities, business relationships, stakeholder engagement, customer centricity and resource utilization. This comprehensive analysis helps identify the reasoning behind prioritizing specific topics. By assigning scores to each topic based on their rationale for financial, environmental, and social impact, we developed a double materiality matrix. Based on the scoring system, topics are categorized into high, medium, and low priority levels.

This approach allows us to recognize the interconnectedness between financial performance, environmental sustainability, and social responsibility. It helps us focus on the areas that have the most significant influence on the company's long-term success, while also considering the broader impact on the environment and society. By taking this comprehensive approach, we can effectively address key material issues and work towards a more sustainable and responsible business strategy.

Double Materiality Approach

Company →

Impact of Company's business activities on environmental and social conditions



← Company

Impact of climate conditions on the Company's future case flows

Double Materiality Matrix

Low	Medium	High
Diversity, Inclusion and Equal Opportunity	Efficient Energy management	Water management
Corporate Citizenship	Waste management and circularity	Biodiversity and Land Rehabilitation
Stakeholder Engagement	Human Rights and Labour Relations	Climate Strategy and emission
Data privacy and security	Human Capital Development	Sustainable Portfolio
Brand Management and communication	Customer Centricity	Occupational Health & Safety
	Sustainable supply chain	Reporting and Assurance
	Corporate Governance	R&D and Digitalization
	ESG integration in risk management	Resilient Business and Long- Term Profitability

Environment: Water management; Biodiversity and Land Rehabilitation; Climate Strategy and emission; Sustainable Portfolio; Efficient Energy management; Waste management and circularity

Social: Occupational Health & Safety; Human Rights and Labour Relations; Human Capital Development; Customer Centricity; Sustainable supply chain; Diversity, Inclusion and Equal Opportunity; Corporate Citizenship; Stakeholder Engagement

Governance: Reporting and Assurance; R&D and Digitalization; Resilient Business and Long- Term Profitability; Corporate Governance; ESG integration in risk management; Data privacy and security; Brand Management and communication

Our ESG Approach

Our ESG Governance, Risk and Opportunities

Our business operations are guided by ESG values, which prioritize the use of environment friendly and sustainable technologies, socially responsible practices, and a strong governance framework. By adopting these values, we have gained credibility among our customers, investors, employees, and other stakeholders, resulting in long-term returns. It is crucial that we establish a suitable atmosphere for both businesses and communities. Our approach to conducting business is guided by our commitment to responsible practices that prioritize the well-being of society, the environment, and all stakeholders. Our goal is to increase shareholder value while also making positive contributions to the world around us.

ESG Risk Management

The Company has developed an advanced risk management framework that enables the systematic identification, assessment, and effective mitigation of risks. The Company proactively tracks, manages, and reports on the key risks and uncertainties that have the potential to impact its ability to achieve strategic objectives. This is achieved through a combination of standardized operating procedures (SOPs), a well-defined organizational structure, robust management systems, a comprehensive code of conduct, and aligned policies and values. These elements collectively provide guidance on how to handle risks within the organization. Additionally, we have implemented a specialized framework specifically dedicated to evaluating and mitigating the risks associated with bribery. This framework outlines the key measures in place to mitigate such risks and ensure compliance with anti-bribery regulations. By adopting these comprehensive risk management practices, we strive to enhance its resilience, protect its stakeholders, and uphold the highest standards of ethical conduct.

Material issues identified as risks

Biodiversity and land rehabilitation

Capitals Impacted

Natural Capital

Climate strategy and emission

Capitals Impacted

Natural Capital

Sustainable services / Sustainable portfolio

Capitals Impacted

Manufactured Capital

Occupational health & safety

Capitals Impacted

Human Capital

Data privacy and security

Capitals Impacted

Intellectual Capital

Note: For more information regarding the ESG risks please refer to Section A question no. 24 of BRSR

The risk management framework provides management with a comprehensive understanding of the risk landscape, allowing them to evaluate specific risks and potential impacts on the company. It serves as a guide for determining the appropriate strategies to manage these risks, reducing overall exposure. The framework also facilitates ongoing monitoring and ensures that the management of risks is effective, while providing the necessary intervention for improvement when needed. The Company maintains transparency by periodically reporting these risk management activities to the Risk Management Committee, ensuring accountability, and facilitating informed decision-making.

ESG Strategy and Policies

The importance of an Environmental, Social, and Governance (ESG) strategy lies in its ability to drive sustainable and responsible business practices. By integrating ESG factors into decision-making processes, we aim to mitigate risks, identify new opportunities, and enhance long-term value creation. It enables us to proactively address issues such as climate change, resource scarcity, human rights, diversity, and ethical governance. Adopting an ESG strategy not only aligns our businesses with regulatory requirements but also helps us build trust with stakeholders, attract investment, foster innovation, and contribute to a more sustainable and equitable future.

Sustainability Vision

To be the world's leading EPCM organization delivering sustainable solutions through continuous innovation.

Sustainability Mission

Integrating Ethical Sustainability today for a brighter tomorrow.

We have formulated an ESG strategy that specifies the key focus areas and targets towards its growth in the sustainability journey. The Company's ESG strategy is built on the 3 vital pillars of:

1. Creating a Positive Impact
2. Performing Responsibly
3. Engaging with Stakeholder

The identification of pillars in the growth strategy serves as a crucial framework to determine the most significant areas of focus and guide specific actions and goals. In the case of KPIL, these pillars have been established through a materiality assessment, which entails assessing the relative importance of various factors to the company and its stakeholders. This assessment, combined with key inputs from management, ensures that the chosen pillars align with the company's strategic objectives and the expectations of its stakeholders. By having these pillars in place, we can prioritize resources, investments, and initiatives in a targeted manner, enabling them to pursue growth opportunities that are most relevant and impactful to the organization and its stakeholders.

Creating Positive Impact	Engaging with Stakeholders	Performing Responsibly
Carbon Emission	Health and Safety	Responsible Business Practice
Water Stewardship	Human Capital Management	Responsible Portfolio
Waste Management	Local Community Engagement	Responsible Souricng

Our ESG Approach

ESG Policies

At KPIL, we recognise the need for its governance structure to adapt alongside the evolving nature of its business and client base. Our Company is dedicated to continually improving its governance processes and policies, aiming to uphold the highest standards of corporate behaviour. By leveraging the ESG policies, our Company strengthens the underlying foundation of the organization, as it remains steadfast in its commitment to fundamental principles and strategies. This includes conducting business ethically and prioritizing sustainability as core values.

The following policies are in place at KPIL:

Environment Policies	Social Policies	Governance Policies
EHS Policy	Anti-Bribery Anti-Corruption Policy	Policy for Material Subsidiaries
	Anti-Sexual Harassment Policy	Policy For Preservation of Document & Archival Policy
	Code of Conduct for Directors & Senior Management	Policy on Directors Appointment
	Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders	Policy on Remuneration for the Directors, KMP and other Employees
	Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information	Related Party Transactions Policy
	CSR Policy	Policy on Criteria for appointment of Independent Directors
	Grievance Redressal Policy	Third party due diligence Policy
	HR - Policies and Practices	Directors' Familiarisation Programme
	Kalpataru Code of Conduct	Dividend Distribution Policy
	Medical Coverage Policy	
	Whistle blower Policy	

KPIL's Corporate Code of Conduct and related policies are available on the KPIL website https://kalpatarupower.com/policies-guidelines/

During the reporting year, there were no instances of significant fines being imposed on us or instances of non-compliance with the rules pertaining to the effects of products and services on health and safety, marketing communications related to products, and product information disclosure and labelling.

Key sustainability highlights

23.8%
Share of Renewable Energy

8.4%
Reduction in Water Intensity*

1,09,500 KL
Rainwater harvested

5.1%
Reduction in GHG emissions intensity*

49,000+
Health care beneficiaries

50%
Independent Directors on the Board

*Note: Intensity measured is per ₹ Crore of revenue

Financial Capital

Our emphasis on establishing a strong financial base allows us to enhance performance and venture into various areas, attract strategic investments for expanding economic value and promote comprehensive and inclusive growth by creating valuable opportunities for all stakeholders.

Aligning with the UN SDGs

8 DECENT WORK AND ECONOMIC GROWTH
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
13 CLIMATE ACTION

Material Issues

Resilient Business and Long-Term Profitability

What does Financial Capital mean for KPIL?

The Company aims to utilize its financial capital effectively and efficiently to create stakeholder value. This involves making strategic investments, managing financial resources wisely, and capitalizing on opportunities in the market to ensure sustainable growth and profitability while maintaining the highest standards of ethical conduct.

How does Financial Capital support KPIL's Vision?

We have strengthened our capabilities by expanding civil business in international markets, adding large-size orders in T&D in India and international markets, and venturing into newer areas like airports, solar EPC, data centres, etc., Capex spent for the year ~₹ 500 Crores. These investments and initiatives are steps in the right direction to transform KPIL and aide in creating value for stakeholders.

Key Highlights: FY 2022-23

Standalone

Annual Revenue	EBITDA* margin	PBT*margin	PAT
16% ↑ YoY	8.9%	5.6%	Margin of 3.7%
₹ 14,337 Crores	₹ 1,278 Crores	₹ 801 Crores	₹ 532 Crores

Consolidated

Annual Revenue	EBITDA* margin	PBT*margin	PAT
11% ↑ YoY	9.1%	4.0%	Margin of 2.7%
₹ 16,361 Crores	₹ 1,481 Crores	₹ 662 Crores	₹ 435 Crores

*EBITDA and PBT Margin includes the amount of ₹109 Crores shown as an exceptional item with respect of an award obtained by an erstwhile power transmission subsidiary and is contractually receivable by the Company

Strategic amalgamation of JMC Projects (India) ltd. with KPIL completed

The Board of Directors of Kalpataru Projects International Limited (Formerly Kalpataru Power Transmission Limited) and JMC Projects (India)Ltd. (JMC) in their respective meetings held on 19th February, 2022, approved the scheme of amalgamation which inter alia provides for the merger of JMC with KPIL. The swap ratio being 1 share of KPIL in lieu of 4 shares of JMC.

The key rationale of the merger are:

1) Capability to bid for large-size and complex projects in the core business,increase geographical footprint by leveraging KPIL's existing global footprint.
2) Benefit from operational and cost synergies arising from the scale and size of the combined business
3) Efficient use of management bandwidth and a stronger balance sheet of the combined entity provides a larger capital base to pursue growth in the core business.

The merger was completed during the year with the scheme getting approval from NCLT on 21st December 2022 and the scheme made effective on 4th January 2023.

Financial Capital

Process of JMC & KPIL Merger Timeline

19th Feb 2022 — The Board of directors approved the Scheme of Amalgamation of JMC Projects (India) Limited with the KPIL

31th May 2022 — Received no objection letter from SEBI and stock exchanges

6th Sep 2022 —
- Shareholders meeting for seeking approval on the Scheme of Amalgamation
- Scheme of Amalgamation approved with requisite majority

7th Sep 2022 — Results of the resolution for the Scheme declared on 7th September 2022

21st Dec 2022 — NCLT approval on the scheme of Amalgamation

4th Jan 2023 — Scheme of Amalgamation effective from 4th Jan'23

11th Jan 2023 — Record date

1st Feb 2023 — Listing of additional shares of KPIL

Total share count

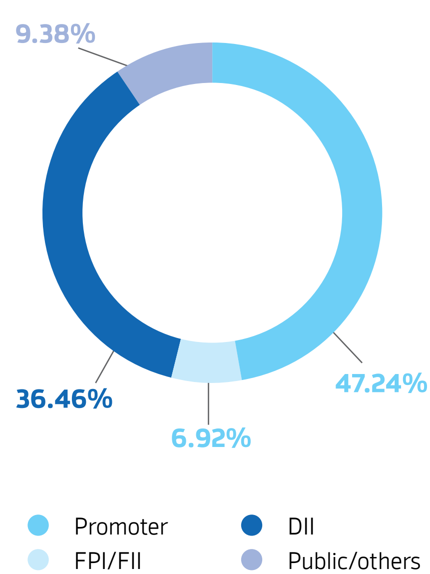
16.2 Crores

shares

Pursuant to the Scheme, JMC's shareholders (other than KPIL) were allotted one share of KPIL for every four shares held by them in JMC. Upon filing of Hon'ble NCLT's order with the Registrar of the Companies Ahmedabad on 4th January, 2023, the Scheme of Amalgamation became effective. The record date for the allotment of shares was 11th January 2023. The newly issued shares were listed on 1st February 2023.

The scheme of amalgamation was completed within a period of 11 months.

Shareholding as on 31st March, 2023



Internal systems and processes were transitioned smoothly for the uninterrupted operations of the combined merged entity. A new organization structure was announced, and human resource policies were formulated for the combined entity. The scheme of amalgamation was completed within a period of 11 months. The completion of this strategic initiative has led to the creation of one of India's largest listed diversified engineering and construction companies with a global presence and combined order visibility of nearly ₹ 50,000 Crores.

Listing Ceremony at NSE on 1st February 2023

Combined Entity - Six high growth business with global footprint

JMC's merger with KPIL has established us as one of India's largest companies in the EPC and civil contracting sector, with a presence in 70 countries worldwide and an expanded portfolio to support various stages of the EPC business. The combined entity has helped us grow our offerings to include buildings and factories, water, and urban infrastructure in addition to its existing Power Transmission and Distribution, Railways, and Oil & Gas services.

Power Transmission & Distribution

Buildings & Factories

Water

Oil & Gas Pipelines

Railways

Urban Infrastructure

Financial Capital

Strong balance sheet:

Ratings

	CRISIL (An S&P Global Company)	CARE	India Ratings & Research (A Fitch Group Company)
Long Term facliities	AA/Stable	AA/Stable	AA/Stable
Short Term facliities	A1	A1+	A1+

Strong Liquidity

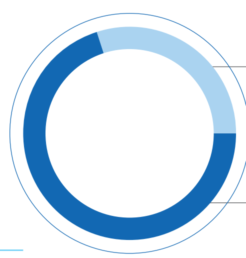
Cash and bank balance

₹ 1,225 Crores

Debt mix

Gross Debt of

₹ 3,805 Crores



Long term

₹ 1,337 Crores

Short term

₹ 2,468 Crores

Net debt to equity of

0.55x

Note: Debt and related ratios are on consolidated basis

Benefits of the Merger - Visible & being realized in phased manner

Strategic benefits:

- Enhanced capability to strategically establish a portfolio in crucial businesses, facilitating diversified and sustainable growth
- Prioritizing capital allocation to businesses with high Return on Capital Employed (RoCE), ensuring optimal utilization and maximizing returns
- By optimizing management bandwidth, we have streamlined resources and focused on key areas, improving overall efficiency and effectiveness

Operations and cost of financing benefits:

- We have started achieving cost optimization through centralized procurement, efficient mobilization of resources and reducing unnecessary expenses
- The business development efforts are synchronized across multiple lines of business, ensuring a coordinated approach to identifying and capturing opportunities
- The stronger balance sheet of the combined entity offers the potential for savings in finance costs, leading to improved financial efficiency

Productivity benefits:

- Focused on strengthening internal controls and compliances, ensuring robust mechanisms are in place to safeguard against risks and promote adherence to regulations
- The integration of banking, IT, and HR initiatives allow for synergies and streamlines processes, fostering greater efficiency and alignment across these critical areas
- Cross-functional collaboration is being encouraged, leading to improved productivity as teams work together seamlessly, leveraging their collective expertise and perspectives

Economic value generated and distributed

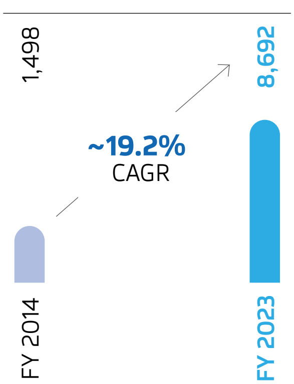
Over the last 40 years, KPIL has created immense value for all shareholders. The Company has established an excellent reputation for providing high-quality services and innovative solutions, which has helped the company to build strong relationships with clients.

Our company has reported a net profit of ₹435 Crores on the consolidated level and ₹ 532 Crores on the standalone level. Our company has a consistent track record of rewarding its shareholders with strong dividend.

The Board has recommended a dividend of ₹ 7 per share, subject to the approval of shareholders for FY2022-23. Our Company has a track record of uninterrupted dividend payments over the last ten years. The average dividend pay out during this period stood at ~18%. The market capitalization of the company increased from ₹ 1,498 Crores in FY2013-14 to ₹ 8,692 Crores in FY2022-23, growing at a CAGR of ~19.2%.

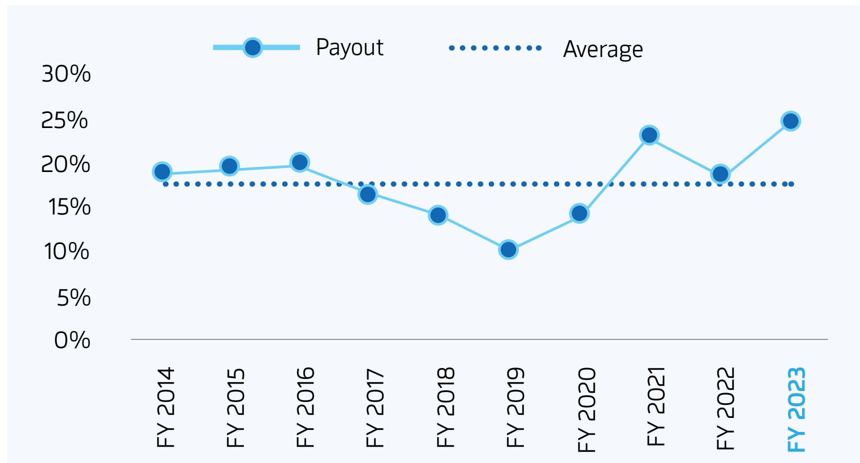
Market Cap

(in ₹ Crore)
(As of 31st March 2023)



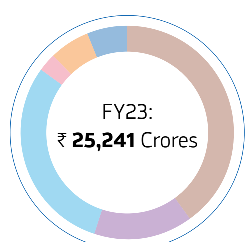
Average dividend pay-out of

~18%



Consolidated Order Inflow & Order Book (As of 31st March, 2023)

Order Inflow



40%
T&D*
₹ 10,179 Crores

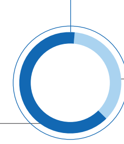
15%
B&F
₹ 3,755 Crores

30%
Water
₹ 7,553 Crores

3%
Oil & Gas
₹ 726 Crores

6%
Railways
₹ 1,557 Crores

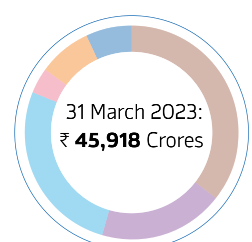
6%
Urban Infra
₹ 1,471 Crores



64%
Domestic

36%
International

Order Book



36%
T&D*
₹ 16,479 Crores

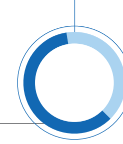
19%
B&F
₹ 8,547 Crores

27%
Water
₹ 12,476 Crores

4%
Oil & Gas
₹ 1,666 Crores

8%
Railways
₹ 3,747 Crores

6%
Urban Infra
₹ 3,002 Crores



60%
Domestic

40%
International

Financial Capital

Strategic priorities - Aligned to strengthen core EPC business

- Strengthening position in diversified EPC businesses by improving scale and firming up capabilities
- Accelerating revenue prospects in key markets by expanding global reach and establishing local presence
- Addressing challenges related to non-core assets with agility – Focused efforts for divestment of Road BOOT assets and Shree Shubham Logistics.
- Continue to drive productivity gains through expediting project closures, technology / digital supported execution and improving working capital
- Accelerating initiatives in areas related to ESG/ Sustainability to build a purpose-led organisation

FY24 Outlook and Vision 2025

FY24 Guidance Standalone

Revenue growth

30%+

Order inflows

₹ 26,000+ Crores

PBT margin

4.5-5%

ROCE

18-20%

Finance cost as % of sales

~2%

Vision 2025

Revenue

USD$ 3 billion

(~₹ 25,000 Crores)

Order book

USD$ 6 billion

(~₹ 50,000 Crores)

Improving ROCE

20%+

Improving

ESG/ Sustainability Ranking

Way Forward

The Company is committed to generating sustainable value for its stakeholders by following a disciplined capital framework and making efficient use of its resources. As it moves into the next phase of expansion, the Company will leverage its strong cash flow and strong financial position. Additionally, the focus remains on the speedy resolution of non-core assets. We expect standalone revenue growth in excess of 30% for FY 2024 and PBT margin in the range of 4.5-5%. In the long run, the focus will be on further augmenting our engineering capability and expanding to newer geographies and high-margin segments so that our overall profitability remains robust

Manufactured Capital

Creating value for all our stakeholders by establishing a strong business model through efficient operational procedures, valuable assets, and reliable IT systems.

Aligning with UN SDGs

8 DECENT WORK AND ECONOMIC GROWTH
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Material Issues

- Sustainable Portfolio
- Brand Management and Communication
- Resilient Business and Long-Term Profitability

What Manufactured Capital Means to KPIL?

Our history as one of India's large listed diversified engineering and construction companies, with more than four decades of expertise, enables us to provide a distinct competitive advantage to our clients.

How Manufactured Capital Supports KPIL's Vision?

Our combined entity will continue to unify our visibility of well-diversified EPC businesses with an increasing portfolio of global projects. Our focus is on developing and constructing assets that not only benefit our business but also contribute to the development and economic upliftment of the communities where we operate.

Management Approach

With an established footprint in 70 countries, our industry-leading EPC and construction projects have been recognised globally for exemplifying delivery excellence and bringing quality assets to customers. We have established ourselves as a major diversified engineering and construction company listed on a large scale. With a significant global footprint, our operations encompass various businesses, covering a wide range of services. These initiatives highlight the strength and resilience of our diverse business model, strengthening our identity with a broad spectrum of capabilities in rapidly growing sectors and markets.

The synergies created by the merger of JMC with the Company will expand the breadth and depth of our capabilities and competencies significantly. This will offer us a competitive edge to take on a wide range of engineering and infrastructure projects involving power transmission and distribution, buildings and factories, water, railways, oil and gas, and urban infrastructure.

As a leading player in various services, we consistently evaluate and enhance the agility, responsiveness, and scalability of our business processes and value chain. All our EPC projects are certified by ISO 9001:2008 standards. A cutting-edge digital backbone helps us run our operations without disruptions. It also allows us to deploy the latest technology advancements to improve the quality of our offerings and strengthen our supply chain management.

Key Highlights: FY 2022-23

USD 5.6 Bn
of Order Book

USD 3+ Bn
Order Inflows

250+
Ongoing Projects

2
State-of-the-art factories in Gandhinagar (Gujarat) and Raipur (Chhattisgarh) with a total production capacity of
2,40,000 MT
per annum

1
Test bed near Gandhinagar for tower prototype testing with a capacity of up to
1200 KV
of single circuit tower

2
Biomass-based power plants with a capacity to generate
15.8 MW
and collect
200,000 MT
of biomass input

Established global footprint in
70
countries

1,44,000
MT capacity
Raipur plant is India's largest manufacturing plant

Manufactured Capital

The impact of the merger of JMC with KPIL: Strengthening our Manufactured Capital

The merger of JMC with KPIL led to the formation of one of India's largest publicly listed diversified engineering and construction companies with combined order visibility of almost USD 5.6 billion. Our order book has grown substantially, drawing on the merger's potential. With offerings in the well-diversified fields of power T&D, buildings & factories (B&F), water, railways, oil & gas, and urban infrastructure, the combined business will have a sizable presence and projects in India and 70 other countries.

The combined entity strengthens our core EPC and construction business and our competitive edge by opening new opportunities backed by a strong track record of execution excellence, experienced people, and well-established processes. It positions us strongly to leverage the opportunities created by growing global and national spending on energy transition and civil infrastructure development. Our strategic focus is on tapping projects that require a combination of civil, electrical, and mechanical expertise, design, and construction.

Our business structure post-merger

Power Transmission & Distribution
- Design
- Testing
- Manufacturing
- Fabrication
- Substation

Buildings & Factories
- Residential
- Institutional
- Commercial
- Data Centre
- Factories
- Hospitals

Water
- Water Supply
- Storage and Distribution
- Irrigation
- Intake and treatment
- House water connection
- Operation & Maintenance

Oil & Gas
- Process pipeline
- Cross country pipeline
- Processing facilities
- Refineries and fertilizer plant

Railways
- Track Laying
- Overhead Electrification
- Signaling and Telecom
- Bridges
- Stations

Urban Infrastructure
- Roads and highways
- Flyovers
- Metro Rails
- Stations
- Airports

Quality Management

Our quality management framework is periodically reviewed and updated to stay current and relevant with our growing business, customer, and regulatory needs. An agile Manufacturing Excellence Model takes forward our initiatives for continuous improvement, including Quality Circle (CFT Projects), Six Sigma interventions, and more. Some of our quality improvement initiatives for the reporting year are outlined below:

Practicing systematic JIPM (Japan Institute of Plant Maintenance) approach under the TPM (Total Productive Maintenance) initiative.

Initiated vendor development and sustenance for self-certification, along with periodic internal process audits.

Adopted online inspection modes with customers.

Well-established shop floor management practice with regular internal audits.

Robust rewards and recognition programme to motivate employees to lead with best practices.

Our Businesses

India is moving towards better urbanization, infrastructure development, and power generation. Globally, countries are making rapid strides to strengthen their power sector infrastructure to broaden access and transition to green energy. Together, these developments open new opportunities for all our businesses in India and worldwide.

Manufactured Capital

Power Transmission and Distribution (T&D)

Our broad range of service includes design, engineering, manufacture, testing, installation, and commissioning for transmission lines and substations.

2,961

Towers erected in FY 2022-23 (International and Domestic)

2,409 Circuit Kms

Stringing done in FY 2022-23 (International and Domestic)

Market Opportunities and Organisational Readiness

The business outlook appears highly promising due to the increased focus on renewables and the establishment of new transmission and distribution infrastructure in both domestic and international markets. Additionally, the proposed investment of ₹ 20,700 crores for the integration of 13GW of renewable energy in Ladakh contributes significantly to the vast business potential. Moreover, we see a substantial tender pipeline of over ₹ 50,000 crores in India over the next 20-24 months as an opportunity. In international markets, we enjoy strong visibility with a tender pipeline exceeding USD 4 billion, particularly in targeted regions such as Africa, Latin America, Asia, and the Middle East.

Developing Australia's Humelink (East) Transmission Line Project

Being one of the largest EPC companies in T&D, we leave no stone unturned to deliver quality to our domestic and international clients. With the same endeavour, KPIL has been selected along with Acciona Construction Australia Pvt Ltd and Genus Plus Group Ltd as the Preferred Proponent to deliver Transgrid's HumeLink (East) transmission line project in Australia.

This project will play a key role in helping Australia achieve its Net Zero emissions goals powered by cleaner energy. We will utilize our strong EPC capabilities, particularly our global project delivery, design, and engineering expertise, to successfully construct and deliver this ground-breaking project in Australia.

Buildings and Factories (B&F)

We offer EPC services for the design and construction of residential, commercial, and institutional buildings, hospitals as well as factories and industrial projects.

185 lakh sq. ft.

Of area built in FY 2022-23

22

Residential and Commercial properties completed in FY 2022-23

75+

Ongoing projects in India

Market Opportunities and Organisational Readiness

India's commercial real estate sector is experiencing hyperactivity due to the rapid growth of the IT, e-commerce and manufacturing industries and the spread of data centres which opens up significant opportunities for the B&F business. We enjoy a strong market position due to repeat orders from prominent developers and new business from institutional clients. We made a bold entry into the pre-cast technology segment, highlighted by the successful completion of a hybrid pre-cast building in Bangalore. This significant milestone showcases our expertise and strengthens our position in the industry. We are expanding our international presence to explore infrastructure projects in sectors such as social housing, hospitals, and government offices, broadening our reach and diversifying our portfolio.

Motorised Shade System

At our B&F site, we have implemented a motorised shade system to block direct sunlight from entering the cabins. The specially designed cloth used in the shades efficiently absorbs heat while allowing natural light to pass through. This improves the energy consumption with efficient insulation and light control.

Furthermore, we have incorporated a solar adaptive device that intelligently operates the curtains based on the sun's position. This device selectively closes the shades in specific zones while keeping others open to maximize natural light penetration.

A device to track the sun's movements is installed on the terrace and connected to the solar adaptive device. It sends commands to the shade controllers, ensuring optimal shading based on the sun's position. This system reduced the overall heat entering the building by 5 to 7%. This, in turn, led to a decrease in the cooling requirements and generated energy savings.

Manufactured Capital

Water

Our EPC solutions cover the entire spectrum of water infrastructure development, from project design to implementation and management. We specialize in water infrastructure projects, including water network development, water treatment plants, desalination, irrigation, and water linking projects.

15,203 Kms

of Pipeline laid in FY 2022-23

4,43,695 (Nos)

Water Connections done in FY 2022-23

19,000+ kms

Water pipe network laid (Since inception)

15+ million

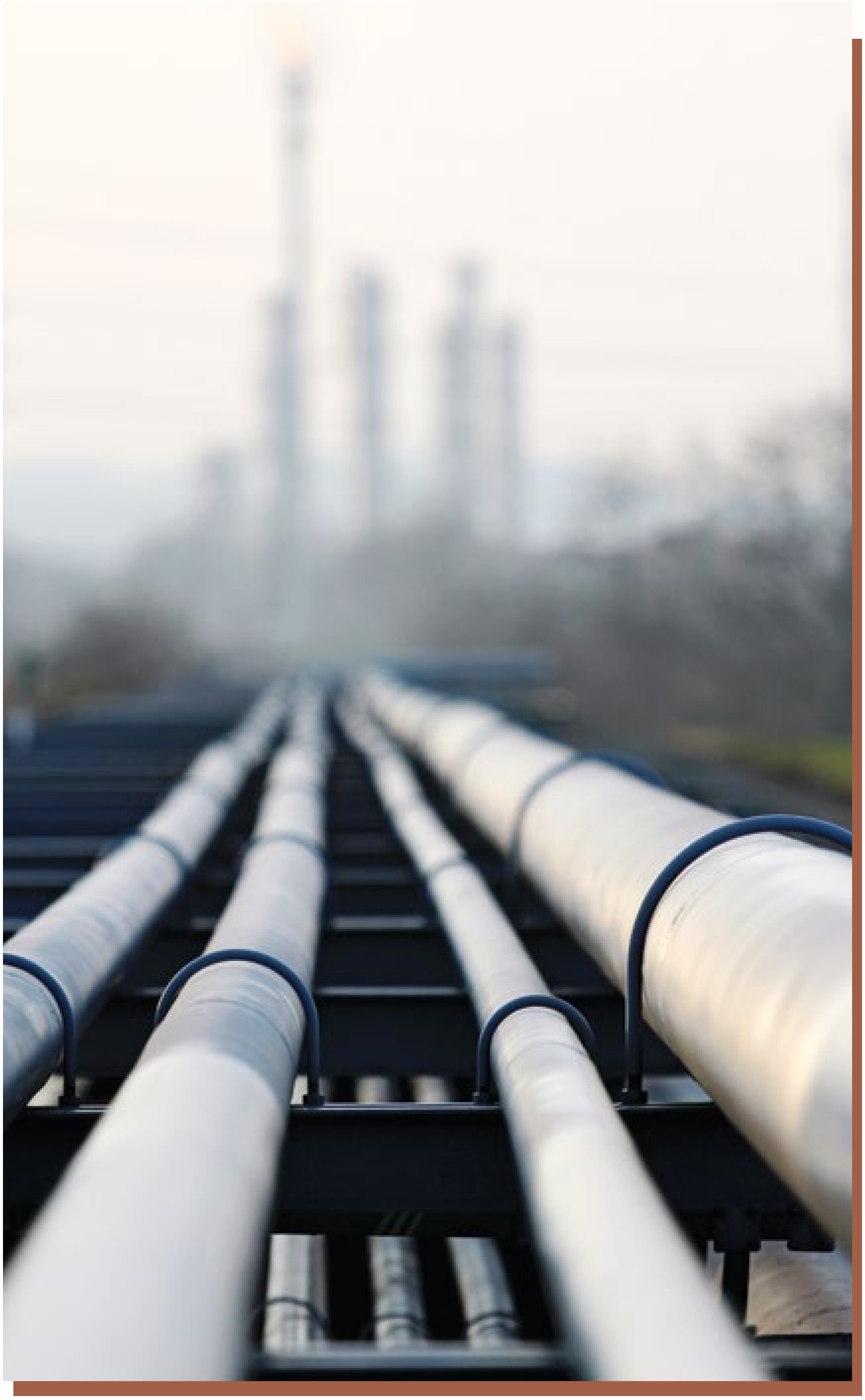
Beneficiaries' lives impacted (Since inception)

Market Opportunities and Organisational Readiness

The Indian Union Budget 2023 has earmarked ₹70,000 Crores for the Jal Jeevan Mission (JJM), a 27% increase, reflecting the government's strong commitment to providing clean and accessible water to all. We are executing projects across six states in India. We are continuously enhancing our capabilities and bidding for large-scale projects in the domestic and international markets. Our order book currently stands at a record high of ₹ 12,000+ Crores.

Oil and Gas Pipelines

Our services includes cross-country oil and gas pipelines, processing facilities, refineries and fertiliser plants.



614 km

Of pipelines laid in FY 2022-23

257

Horizontal Directional Drilling in FY 2022-23

22

Ongoing projects in India

400+

Intermediate, pumping, pigging, and block value stations

(Since Inception)

Market Opportunities and Organisational Readiness

We are actively involved in several bids, taking advantage of a multi-year upcycle in various markets. Globally and in India, we have a robust tender pipeline of over USD 3 billion, scheduled for the next 8 to 9 months. We have received qualifications to bid in 6-7 countries and we expect to expand our international reach in the Oil & Gas business.

Manufactured Capital

Railways

We offer building railway infrastructure, which encompasses a wide range of services such as railway electrification, track laying, earthwork, traction substations, bridges, buildings, stations, workshops, signalling, and telecommunications.

Nearly
19%
Contribution to Electrification of Indian Railways in FY 22-23

20+
Ongoing projects in India and overseas

1,234 RKM/ 1,667 TKM
Electrification done in FY 2022-23

Market Opportunities and Organisational Readiness

India has allocated ₹2.4 lakh Crores for expanding and upgrading the railway network in the country. This significant investment opens new growth avenues for KPIL and improves order visibility in the sector. We are increasingly looking to strengthen our business in areas like metro electrification, signalling and telecom, RRTS, and High-Speed Rail. We are also pursuing global opportunities in railway infrastructure development.

Urban Infrastructure

We offer design and construction services that cover a wide range of sectors, including elevated metro, elevated corridors, flyovers, special bridges, tunnels (for metro rail, railway, and roadways), highways, and airports projects.

28 km
Of highways and roads completed in FY 2022-23

14 km
Of elevated flyovers completed in FY 2022-23

2,500+ km
Highways delivered
(Since Inception)

Market Opportunities and Organisational Readiness

India's large and vibrant market is expanding the demand for urban infrastructure driven by the growing presence of IT, e-commerce, etc. KPIL is geared to tap these growing opportunities leveraging our engineering capabilities, experience, and technology leadership. We are improving our capabilities to secure projects in metro rail, elevated roads, public spaces, airports etc.

Globally, we have commenced the execution of an airport project in Maldives and continue to work on infrastructure projects in Ethiopia, Ghana, and Maldives.

Renewable Power Generation from Biomass

KPIL's biomass power plants play a crucial role in promoting sustainable and inclusive development across India. These plants not only generate rural employment but also contribute to a greener environment by converting waste materials into clean energy. We established our first biomass plant in Padampur in the Ganganagar district of Rajasthan in 2003. This plant utilises agricultural waste and crop residues as inputs to generate 7.8 MW of power. Another biomass plant, with a capacity of 8 MW, was set up in the Tonk District of Rajasthan in 2006. Both plants are equipped with logistics infrastructure to collect approximately 200,000 MTs of biomass inputs annually.

We were one of the first companies to register with UNFCCC in 2003. The Ganganagar plant generated CERs (Certified Emission Reductions) for 10 years and achieved Gold Standard Certification in 2012. The Tonk plant achieved Gold Standard Certification in 2009, further establishing KPIL's commitment to sustainable development.

182 Crore

Units generated

25 lakh MT

Of biomass consumed

15.8 MV

Generation capacity of the 2 biomass plants

Way Forward

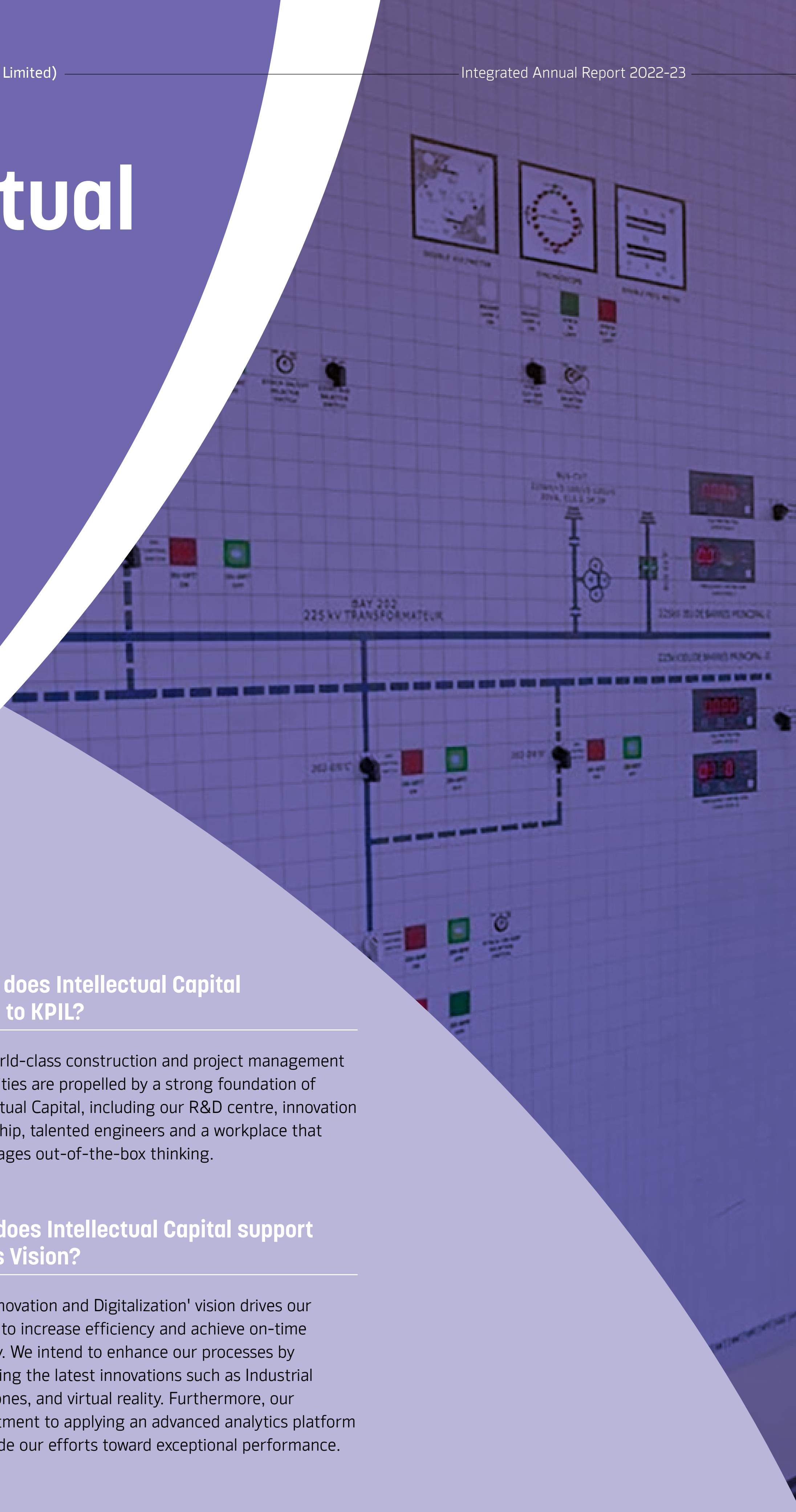
Given the macroeconomic volatility, we have a growth strategy which involves investing in technology, tools, and capabilities to adapt to the dynamically changing external environment and customer needs. We aim to strengthen our market position by further diversifying our business and fortifying our manufacturing, design, engineering, construction, and project management capabilities. The merger also reinforces our market position in high-growth EPC businesses and places us favourably to leverage on the global push for infrastructure development and fast-paced adoption of clean and green energy.

We are optimistic as both domestic and international markets present significant growth opportunities for all our businesses. The government and private sector investments in water, infrastructure, airports, buildings, manufacturing, and railways are driving remarkable growth and capital expenditure. By investing in advanced IT infrastructure and digital tools, we have reduced project delivery timeframes, enhanced responsiveness to urgent events, and maintained our focus on value creation.

Going forward, our focus will be on further augmenting our engineering capability and expanding to newer geographies and high-margin businesses so that our overall profitability remains robust.

Intellectual Capital

Creating value for all our stakeholders by adopting advanced technology solutions, investing in R&D capabilities, and deepening our innovation culture.



Aligning with the UN SDGs

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Material Issues

- Data Privacy and Security
- Innovation and Technology

What does Intellectual Capital mean to KPIL?

Our world-class construction and project management capabilities are propelled by a strong foundation of Intellectual Capital, including our R&D centre, innovation leadership, talented engineers and a workplace that encourages out-of-the-box thinking.

How does Intellectual Capital support KPIL's Vision?

Our 'Innovation and Digitalization' vision drives our efforts to increase efficiency and achieve on-time delivery. We intend to enhance our processes by leveraging the latest innovations such as Industrial IoT, drones, and virtual reality. Furthermore, our commitment to applying an advanced analytics platform will guide our efforts toward exceptional performance.

Management Approach

The strategic amalgamation of JMC with KPIL heightens our acknowledgement of the importance of technology and innovation in ensuring productivity and sustainable growth. Together, we are accelerating our efforts to grow business and deepen sustainability into our actions through automation, digitalisation and increased focus on R&D.

We continue to keep our unwavering commitment towards providing excellent services. Our design specialists and engineers, who have unmatched experience in successfully delivering complex EPC projects around the world, lead the charge for upholding high quality delivery. We continue to prioritize skill development and investment in research and development to stay up-to-date with industry and market advancements. This gives us the ability to keep on offering superior, safe, and outstanding services. We are rapidly embracing digitalization by implementing technologies that enable real-time monitoring of our operations. These technologies also provide visual infographics that aid efficient monitoring and diligent management of processes across all our locations and Businesses.

Key Highlights: FY 2022-23

2500+

Equipment installed with GPS and monitoring sensors

Face Recognition and GIS Technology

Installed for resource monitoring

Intellectual Capital

Adopting Automation and Digitisation to Enhance Efficient Monitoring

3D Cloud Platform for Managing Survey Data

Conducting surveys is critical across our project lifecycle, from the pre-bidding to the handover stages. These surveys provide essential data for understanding terrains, designing routes, and estimating cut and fill volumes. In order to address the challenge of cross-sharing of data between projects and businesses, the Company has started using drones for surveying and developed a 3D Cloud-based platform to manage and utilise the survey data captured through conventional methods and drones. The platform hosts a central online repository of survey data for all business units. It includes user-friendly search features and retrieval capabilities based on location, type of survey data, and chainage information. The web-based application also provides seamless and secure access to data with role-based access control for teams and departments.

Facial Recognition Technology To Improve Attendance and Productivity

One of the major challenges faced by infrastructure development projects, especially linear ones, is tracking worker attendance at the actual work location. These projects run for hundreds of kilometres, making tracking worker attendance at specific locations difficult. We established a mobile-based worker attendance system, to overcome these challenges using face recognition and Geographic Information System (GIS) technology. This technology ensures attendance can be recorded only at the designated Geofence (work location) allocated to the worker for project route, site offices, stores, etc.

The new automated attendance system has significantly improved worker attendance and availability at the actual work location. Integrating the attendance data with the worker payroll system has eliminated the need for manual efforts to compile attendance records. Overall, this solution enhanced the productivity of the teams considerably across projects. Currently, the attendance of more than 13,000 workers is being tracked using this technology.

Intellectual Capital

IoT & Analytics Platform for Monitoring P&M

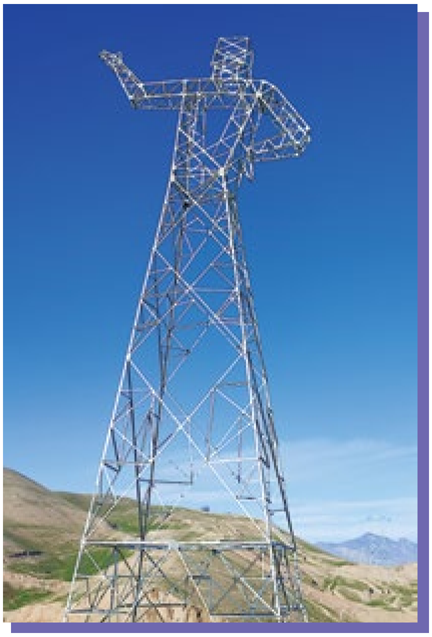
We implemented an innovative IoT and Analytics based solution for monitoring the performance of plant and machinery (P&M).

We have installed Global Positioning System(GPS) and fuel monitoring sensors in more than 2500 equipment across multiple BUs to effectively monitor P&M and fuel utilisation. A customised analytics dashboard helped monitor P&M performance centrally, including utilisation and fuel cost. An Radio Frequency Identification (RFID) -based fuel management system was implemented to ensure refuelling was done only in designated RFID-authenticated equipment, with accurate refill quantity and time. Catalysts were installed in fuel-intensive equipment to reduce consumption. A GPS-based vehicle tracking system was implemented to validate the distance travelled claimed by site-vehicle vendors. The solution not only improved operational efficiencies but also reduced consumption of fossil fuels, GHG emission and our carbon footprint.

Impact

- **Utilisation :** Improved by 8-10%
- **Fuel Consumption:** Reduced by 3-4%
- **Fuel Pilferage and Low Refill Cases:** Significantly reduced

Re-envisioning Tower Design



KPIL undertook an innovative initiative of designing and erecting a human-shaped 66 KV transmission tower in Tajikistan.

To optimise space requirements, KPIL re-designed a 225 KV D/C transmission tower at Guinea

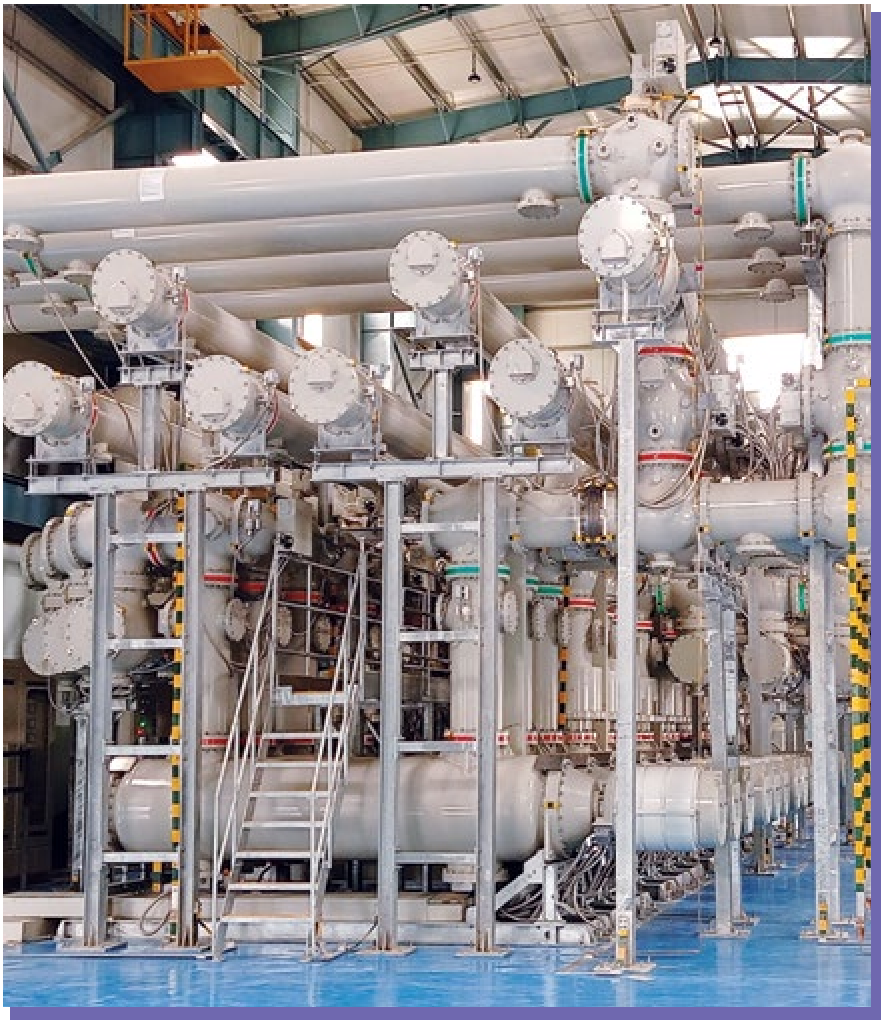
Digitization in sustainable sourcing

We have implemented an e-procurement platform that digitizes our entire procurement process, including RFQs, negotiation, approval, and issuance of purchase orders. This digital platform enables faster procurement cycles, eliminates redundant processes, and coordination with suppliers, and expands our pool of vendors.

To enhance control, cost savings, and confidentiality in sensitive procurement activities like bids and pricing, we have developed an in-house e-auction facility. This facility enables us to conduct both reverse and forward auctions.

We have implemented Material Data Management (MDM) practices to standardize material and service codes across our organization. This standardization enhances data quality, provides better visibility of spend, and enables future advancements in digital transformation such as Robotic Process Automation (RPA), Internet of Things (IoT), and Artificial Intelligence-Machine Learning (AI-ML).

Overall, these initiatives strengthen our procurement capabilities, optimize efficiency, and pave the way for advanced digital transformations, empowering us to deliver sustainable and innovative solutions to all stakeholders.



Way Forward

As we take firm strides to make our mark in new markets and segments powered by the strategic amalgamation of JMC with KPIL, we stay focused on widening the scope of automation, digitisation and R&D activities to enhance the efficiency and sustainability of our operations. We aim to develop a clearly defined roadmap for digital transformation that will strengthen our central monitoring mechanisms with real-time data inputs, consolidated interactive dashboards and data analytics to garner insights and improve decision-making processes.

Human Capital

We collaborate with businesses to drive strategic goals and foster a culture of continuous learning. Our aim is to create a value-based, people-oriented organization that prioritizes excellence, empowers, and engages employees, and cultivates competitive synergies of competencies to sustain performance and promote recognition.

Aligning with the UN SDGs

- 3 GOOD HEALTH AND WELL-BEING
- 5 GENDER EQUALITY
- 8 DECENT WORK AND ECONOMIC GROWTH
- 10 REDUCED INEQUALITIES

Material Issues

- Diversity, Inclusion, and Equal Opportunity
- Human Capital Development
- Occupational Health & Safety
- Human Rights and Labour Relations

What does Human Capital mean to KPIL?

We are aware that human capital management is crucial for our long-term growth, and we aim at nurturing our talent at every stage of their career. The dedication and commitment of our skilled workforce has contributed to our reputation as a prominent player in the EPC industry and we wish to be mindful of it in every decision we take.

How does Human Capital support KPIL's Vision?

To create a competitive advantage for all stakeholders through agile and effective people management.

Management Approach

A strong organisational culture, strategic objectives, and long-term goals are all centred around providing comprehensive support and care for our people, enabling them to thrive in their professional journeys and maintain a sense of well-being. Driven by a shared commitment to service and genuine concern, every employee at KPIL is inspired to go the extra mile, not only in fulfilling their individual responsibilities but also in creating social value and leaving a positive impact on the world.

Key Highlights: FY 2022-23

83% employee

satisfaction score in Employee Satisfaction Survey

840+

Training programs organized during FY22-23

12 new courses

introduced on LMS

The impact of the JMC - KPIL merger on our human capital

As we embark on an exciting journey to establish a robust Human resource framework, we recognise the invaluable contributions of our employees of the combined identity. As an integrated entity, we will further strengthen our efforts to build the right capabilities and provide our people with the right opportunities to succeed. Our integrated structure will align resources, foster growth, and encourage cross-functional collaboration while opening doors to diverse career opportunities. Moreover, we are committed to enhance talent management practices, providing extensive learning opportunities, and nurturing long-term career growth for our dedicated workforce.

We have defined four culture tenets that will guide our future success:

Ownership Mindset: Take responsibility for outcomes and make the decisions to successfully achieve them.

Operational Excellence: Ensure customer expectations are met by consistent and continual improvements.

Capabilities of the Future: Sustain current capabilities and focus on developing future capabilities.

People Excellence: Enable positive experience for all the touchpoints of an employee

Human Capital

Diversity, Inclusion, and Equal Opportunity

We are an equal-opportunity employer and hire based on merit regardless of gender, caste, creed, religion, or other characteristics. Our work culture is built on the principles of collaboration, respect, and fairness, ensuring that every employee feels valued and can contribute their unique perspectives and talents.

We have taken specific initiatives to attract, retain, and develop members of underrepresented groups by understanding and addressing their needs. One of our important initiatives in this regard is focusing on employing differently abled individuals. Our workforce comprises eleven individuals who receive dedicated care, support, and attention to facilitate their success in their respective roles.

Furthermore, we are making concerted efforts to increase the representation of women in our overall workforce, which currently stands at 3.6 %. At present, we have five women holding senior leadership positions. Our goal in the coming years is to increase the representation of women in senior leadership positions. We are committed to empowering women to exceed their full potential and not just meet it. We are taking various initiatives to prepare them for higher roles, including cross-functional exposure and grooming programs. For all levels such as Senior Management, Mid Management and Junior Management we have gender pay ratio of 1:1.

Company Pyramid and Age Diversity

Management Level	Total Employees	Age Group					
		<30 years		30-50 years		>50 years	
		Male	Female	Male	Female	Male	Female
Leadership & Senior Management level	325	-	-	173	4	147	1
Middle Management	611	1	-	453	19	137	1
Junior Management	2,525	188	14	2,103	58	158	4

Trend in Hiring over the past few years

Particulars	2019-20	2020-21	2021-22	2022-23
Total new hires	763	278	429	2,527
% Of employees hired through internal job posting	29%	35%	39%	37%

Human Capital Development

At KPIL, we believe in the concept of lifelong learning. We aim to develop people capabilities by making the process of learning seamless through accessibility and connectivity. We offer learning of all types including functional, technical, management, leadership, etc.

To foster the continuous growth and success of KPIL, the skilling, upskilling, and reskilling of our staff and executives are of utmost importance. In alignment with this commitment, we are delighted to announce the establishment of a dedicated skill development centre. This center will focus on enhancing capabilities through on-the-job trainings, certification programs, and other relevant initiatives in the skilling domain.

1,17,240
Total training hours

₹ 3,172
Average amount spent per employee on training and development

10,500+ courses
completed on Learning Management system

Leadership Development

Leadership Development has been one of the prime areas of focus for us, moving forward. Our learning and Organisation Development team thus ensures institution and effective execution of numerous capability development initiatives for employees across all grades.

We aim to identify and nurture individuals who demonstrate exceptional leadership capabilities and potential to reach key roles within the organisation through a 3-level approach to leadership development.

Human Capital

1

ELEVATE:

Early Leadership Excellence, Visioning and Talent Engagement Programme

The 9-month journey is tailored for high-potential and performing employees across entry to mid-management levels.

It aims to help employees transition from:

- Leading self to Leading Others
- Leading others to Leading Managers

The programme is facilitated in collaboration with Development Dimension International (DDI) and Right Management. It involves a combination of classroom sessions at regular intervals.

Employee Participation

52

Employees

2

LEAP:

Leadership Excellence and Purpose

This programme is a 9-month journey developed for high-potential employees across mid to senior-management levels.

It aims to help employees transition from:

- Leading Managers to Leading Functions
- Leading Functions to Leading Business

The programme is facilitated in collaboration with Jombay. It brings together classroom, peer, and self-paced virtual learning through the iDEV app offered by Jombay.

Employee Participation

42

Employees

1

SLDP:

Senior Leadership Development Program

Designed in partnership with the Indian Institute of Management, Ahmedabad for Senior Leaders, the programme enhances key competencies amongst high-potential leaders.

This programme focuses on

- Strategic Orientation
- Relationship Building
- Trust Building and Change
- People and External Stakeholder Management.

The on-campus sessions aim at helping leaders gain insight into critical leadership and managerial capabilities under expert faculty.

Employee Participation

35

Employees

Technical Training

We try to utilise the latest technology in not just creating great infrastructure but also in all the internal interventions. We have adopted a three-pronged approach to facilitate skilling of our teams; (i) through on-the-job practical skills training, (ii) Custom designed LMS based technical training modules which enable post training assessment and (iii) by way of external certification and training of our teams for highly critical technical skills. All the three modes are highly immersive and provide an interactive learning experience to employees.

Functional Training

One of the key competencies that we continuously aim to develop amongst our teams is project management. We aim to bring in a shift from construction management to project management across our teams and to develop a pool of talent ready for current and future leadership roles in project execution. To ensure this, we are facilitating two comprehensive programs specifically designed to equip them with the necessary tools and knowledge to effectively navigate various challenges and complexities that may arise during project execution.

Project management certification in partnership with S P Jain school of global management. This training series covers areas crucial for project success, including design thinking, critical thinking, leading a project through crisis, budget and cost management, and contracts and claims management. The module covers key areas of project management like (a) strategy, SWOT, project charter, stakeholder management and risk management, (b) project scoping and scheduling, resource management and negotiation, (c) project communication, conflict resolution and managing and leading teams along with group action learning projects. This year, a total of 29 participants have successfully completed the certification program, and in the past, we have certified three batches.

For the understanding of larger audience, we facilitate a six-part virtual series on project management which helps them understand the in and out of the key function of the value chain of the Company. The virtual series led by a PMP certified faculty focuses on six key areas: a) project management, (b) risk management, (c) cost management, (d) project schedule management, (e) project schedule management, (f) stakeholder management and (g) communication management around 500 employees have been covered under the series so far.

In addition to Project Management as a competency, we regularly facilitate training for other functional teams for key areas to ensure their effectiveness in their roles. Such programs range from contracts and claims management, stores and inventory management, procurement, finance, accounts, and taxation related training etc. to name a few.

Employee Engagement Programmes

At KPIL, apart from the continuous engagement initiatives like summer camps for the kids of our employees, festivities, annual days, etc., we aim at focusing on the wellness and togetherness of our employees, as we believe that we are Kalp-Parivar. We are thus constantly re-evaluating our existing policies to ensure the employees' best interest. In line with the same, here is a list of forward-looking policies that we practice/ have added this year:

Flexible Working Hours

- We have flexible working hours and leave policy internally available for the employees that outlines guidelines and eligibility requirements for leaves and flexible working arrangements

Parental Leaves and Sabbatical

- We have defined forward looking policies like paternity leave and sabbatical to ensure that the employees are supported during the highs and lows of their lives

Well-being and learning focus

- We prioritise the well-being of employees by annual health check-ups, first aid and CPR trainings, etc. and have also revised our medical insurance policy to with increased sum limits for many grade
- We have also recently included a higher education policy in line with our lifelong learning mindset.

Human Capital

Support and Communication for the merger

A merger is a unique and critical phase not just for the organisation but also our employees and we acknowledge that. To ensure that our employees are aligned and at ease during this process, we have partnered with an external expert to develop and implement a strong and sustained multi-modal communication strategy.

Apart from the regular mail communication on changes from all the leaders' desks, conducting of change workshops at multiple locations was one important part of this strategy wherein employees were informed about the new structure, policies, changes, etc. in detail and were given a chance to ask any queries. The workshops have helped strengthen the faith of employees in the newer, stronger entity that has emerged out of the merger.

Occupational Health & Safety (OHS)

The EHS-way of life

- Comprehensive polices and sops
- Linkage of EHS KRA at all level
- Detailed EHS Risk assessments
- Empowerment letter to BU/RO/ site from MD/ EHS head
- Integrations of EHS in planning & designing stage of every new project
- KPIL TOLL FREE number (1800 833 7979) for convenient reporting of unsafe act/conditions

Monitoring & Measurements

Monitoring:

- Daily project wise EHS data collation and review.
- Monthly Rapid Quantitive EHS assessment of each site
- Quarterly: Team Assessments and EHS updates to chairman/ board of director

Measurement:

- Detailed dashboard with Company level consolidates view and site level issues drill down.
- 3 layer cross entity audits

Training & Development

- Detailed training during induction
- Regular workshops and on the job training for contractors and project mangers
- Behavioural based safety cultural transformation
- Emergency Drill
- Safety Passport
- EHS Awards and Disciplinary Policy unsafe act/conditions

In-Depth Incident investigation

- Fast track incident call tree
- WHY WHY Analysis
- Knowledge Management system: Sharing of lessons learnt from incidents to prevent Recurrence

We uphold the highest health and safety standards across our operations through a structured approach. Our employees' active engagement and participation play a key role in helping us progress towards our goal of **Zero Harm**.

We have implemented Occupational Health and Safety Management system, certified as per ISO:45001:2018 Standard. All business units have a systematic activity conducted for identification of potential risks originating from occupational activities at periodic intervals. The risks are categorised based on frequency and severity.

The risks which are rated high in terms of severity, are considered critical and actions are taken to minimise/eliminate the risks. In certain cases, irrespective of lower probability of any risk if they are perceived critical, actions are taken to mitigate them.

All workers are provided with appropriate awareness trainings at all stages including identification of hazardous activities, risk associated and the consequence of such activities. Appropriate communication channels are provided to workers report any work-related hazards such as daily meetings, weekly safety committee with the head of the department and project leadership teams. Furthermore, monthly safety committee meetings are conducted to enable workers discuss any issues pertaining to health and safety.

As part of our commitment to environmental, social, and governance (ESG) practices, we have established quantitative health and safety targets. These targets are designed to create a safe working ecosystem for our employees, safeguarding their wellbeing and ensuring a secure work environment.

Particulars	2019-20	2020-21	2021-22	2022-23
LTIFR	0.183	0.112	0.16	0.078
Lost Time Incidents	28	22	32	16
First Aid Cases	3,710	2,901	3,290	3,443

Human Capital

In FY2022-23, the Company encouraged its employees and contractors to practice & integrate the EHS for prevention and mitigation of incidents, with a focused approach on the following areas:

EHS Initiatives:

Process Driven approach:

- Effective & constant Daily Safety reporting from all sites
- Corporate EHS Operational control procedure for Safe work system, its complete step by step operational guideline with safe work practices
- Reporting and in-depth incident investigation guideline
- EHS reward & recognition policy to encourage & appreciate performance of employees
- EHS enforcement & work stoppage guideline for work stoppage notice during any activities that may cause high potential incident
- EHS Journal – to handle the emergency crisis and also to establish collaborative effort towards positive EHS culture and spread the awareness across the organization

Robust EHS Review Mechanism

- Formation of EHS steering committee at business/ site levels
- 3 layer EHS audit to understand the common challenges & expectations on existing systems
- EHS Walk round of Project site by BU head/project site line management team around the sites to resolve the EHS issues
- Fortnightly EHS review with BU/RO EHS head
- Fire Safety audits across buildings
- Customer feedback form for measuring the satisfaction level for EHS standard

Engineering control Mechanism

- Provision and use of safety measures for fall control at transmission tower during erection activities
- Use of right personal protective equipment (PPE)-during work near in live lines
- TPI of lifting tools and tackles at sites
- Provision of CCT Camera system at tower location to monitor safe work practices

EHS Training

- State-of-the-art learning centre for aspirants in order to convert their knowledge into actual work practice
- Site based safety park for live demonstration
- Provision of EHS LMS module on different topics for effective learning
- Virtual Reality Simulation used for trainings
- EHS induction movie of live working practices & safety training modules

  Different Trainings conducted:

  - Weekly EHS webinar for all level of employees
  - Job specific training
  - Leadership EHS workshop
  - Induction & refresher training

Human Rights

The company upholds the utmost propriety and high standards of adherence to all applicable laws. We maintain the highest standard of corporate citizenship and governance, complying with all laws and legislation.

We treat everyone who works for the company fairly and without discrimination. Employees, agency staff, vendors, suppliers, and workers engaged by contractors are entitled to work in an environment and under conditions that respect their rights and dignity. We strongly appreciate diversity in all forms, achieving gender parity is a priority for us.

Way Forward

Following the merger of JMC with KPIL, the integrated entity is redefining its future by cementing its human resource framework aiming to attract and retain the best talent and nurture the next generation of leaders. The company remains committed to creating opportunities to enhance the diversity in its workforce.

Social and Relationship Capital

Strengthening our operations by creating value for our stakeholders through positive social impact

Aligning with the UN SDGs

Material Issues

- Community engagement
- Customer Satisfaction
- Supply Chain Sustainability
- Traceability
- Sourcing responsibly
- Vendor management and development

What Social Capital means to KPIL?

We acknowledge our duty to the society and environment. We aim to enhance the urban landscape and the well-being of residents and workers in our projects. Our goal is to prioritize fostering enduring and trustworthy connections with our customers, partners, community members, and other stakeholders. We aspire to achieve a significant impact, as we believe in making tomorrow even better than today.

How Social Capital supports KPIL's vision?

Our CSR activities demonstrate a commitment to making a positive difference in the world beyond financial profitability. By integrating social and environmental considerations into our operations, we contribute to the betterment of society while also reaping long-term benefits for our stakeholders and the planet.

Management Approach

As a socially responsible corporate, we have deeply integrated the goals of long-term social impact and systemic changes, the well-being of our partners, and customer delight into our strategic framework. We recognize the multifaceted challenges faced by communities in India. To drive lasting social impact and systemic change, we have established the Kalpataru Foundation and the Kalpataru Welfare Trust. Through these entities, we identify and address key areas of need, such as Healthcare, Education, Environment, and Community development. By collaborating with stakeholders and leveraging partnerships we aim to uplift marginalized communities, empower youth, and bridge gaps in access to essential resources. We have been implementing a range of developmental programs to serve the communities around our manufacturing units/plants and remote project sites and address some of these imbalances. With a focus on long-term solutions and a belief in collective action, KPIL strives to create a positive and equitable society in India.

From the FY22-23 budget, the Company spent ₹ 8.87 Crores for CSR initiatives towards healthcare, education and skilling, animal welfare & environment and need-based rural interventions.

Key Highlights: FY 2022-23

~49,000+

beneficiaries covered under healthcare initiatives

₹ 8.87 Crore

Spent on CSR initiatives

Corporate Social Responsibility (CSR)

KPIL's long-term vision focuses on empowering marginalized and vulnerable communities with a view to enable them to improve their quality of lives. Our CSR efforts foster transformative change through innovative and sustainable solutions. We partner with all segments of society across various geographies to create opportunities for catalyzying community well-being. The essence of the Kalpataru Spirit is deeply ingrained in our core values as we strive to maximize social impact for those in need.

Social and Relationship Capital

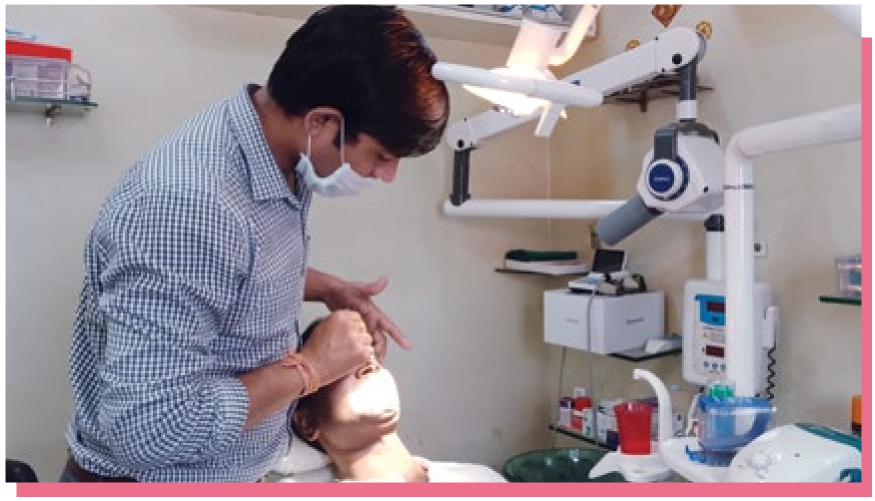
Healthcare

Project Name – Kalpa Arogya Seva (KARE) & Swasthya Abhiyan

Key Highlights: FY 2022-23

49,000+

beneficiaries from marginalized and vulnerable communities



The healthcare interventions implemented under the project primarily concentrated on delivering a comprehensive range of healthcare services, encompassing preventive, promotive, and curative aspects. These interventions were aimed to address the health needs of the target population by focusing on proactive measures to prevent illnesses, promote health and well-being, and provide curative treatments when necessary. The intervention includes running of subsidised dispensaries, Kalpa Seval Aarogya Kendra (KSAK) in Gandhinagar & Khorpa village near Raipur. Both the dispensaries are well equipped with medical equipment like X-Ray machine, dentails set-up, etc and witnessed more than 30,000 needy population. A 24 hour run MRI centre is an extended arm of the KSAK Gandhinagar. This MRI centre completed 1 year in 2022 and saw a considerable impact in the community with more than 8,500 annual scans conducted. The patients benefitted from the MRI centre were from the low income strata of society.

600

beneficiaries were provided cataract surgery

36,019

communities served by Kalpa Seva Aarogya Kendra (KSAK)

Our community healthcare interventions expanded its outreach to ~2,600 in rural areas by partnering with the Parkinson's Disease and Movement Disorder Society to raise awareness and provide training on healthy aging and Parkinsons disease. More than 600 cataract surgeries were conducted through Vision Foundation of India & company also provided support towards early diagnosis of cancer in 30 pediatric cases through Tata Memorical centre.

The Company also enhanced the healthcare infrastructure by way of providing medical equipment like X-Ray machine, Sonography machine, etc. to charitable & government run health centres. Rural healthcare infrastructure was strengthened by way of constructing a sub-health centre in village in Maharashtra that will help cater to the needs of villagers within an 8-10 km radius.

Education and Skilling

Project Name – Kalpa Vidhya Kalpa Kaushal, Shiksha Abhiyan & Unnati Abhiyan

Key Highlights: FY 2022-23

30,000+

children and youth benefitted

Education

KPIL believes that quality education is a fundamental need for every child. The focus of our Education initiatives is to provide equitable access to children from lesser privileged backgrounds and marginalized communities. The projects are aligned to the National Education Policy (2020) and focuses on creating a holistic educational and safe infrastructure to children that will provide an impetus to join and sustain through their schooling years.

Infrastructure support like refurbishment of toilet blocks, construction of separate sanitation facilities for girls, providing clean drinking water through donation of water purifiers & coolers, installation of solar panels, providing safe commute options through donation of school bus, setting up of Digital Smart classrooms & Mini Science Centres etc. were provided to schools in rural & semi-urban areas across gepgraphies. Some of these solutions are helping transform the traditional 'rote' based education system to more interactive, innovative ways of learning amongst children while focusing on interactive pedagogy of teaching by the reachers.

Social and Relationship Capital

Every year, Company focuses on developing educational infrastructure for children and/or youth with special needs. This year, refurbishment and construction of educational-cum-residential facilities in Jalgaon and Gandhinagar was undertaken that will benefit more than 400 beneficiaries, including deaf & mute children, physically challenged youth, etc.

Providing holistic educational infrastructure in Government School, Rajasthan

Research has shown that quality education, coupled with a safe and secure infrastructure, plays a crucial role in encouraging children to enroll in schools. The recent implementation of National Education Policy(NEP) 2020 underscores the importance of providing schools with decent infrastructure to ensure a high-quality physical environment. At KPIL, we are committed to creating quality and safe infrastructure for students to develop effective learning environments and inspire them to excel academically.

We undertook extensive construction and refurbishment at a Government School in Rajasthan in the year FY 2020-21. The school serves children from socially and economically disadvantaged communities. While the school had 450 students in FY 2020-21, many needy children were on a waiting list due to limited space in classrooms. To accommodate more students while providing an academically driven environment, multiple interventions were like construction, refurbishment, etc. were undertaken. The construction work completed in FY 2022-23. The interventions incudes 5 additional classrooms, upgrading sanitation facilities for both boys & girls, refurbishment of infrastructure facilities and provision for mid-day meals and setting up of smart classes and computer labs. The upgraded facilities have influenced enrolments to go up from 450 students in FY 2020-21 to 750 students in FY 2022-23.

Skilling

Aligned with the Skill India Mission of Government of India, KPIL's skilling project focuses on providing industry-specific training in technical trades such as Fitter, Rigger, Welder, Electrician, etc. With a view to provide innovative approach to skilling, Simulation-based Welding Lab was set up in two Government-run Industrial Training Institutes. This initiative will directly benefit 90 students learning technical trade, by offering extended Reality (XR) based training that will enable real-time evaluation and practice of welding technique. By practicing in the virtual set up, students can gain proficiency before working on actual sites, resulting in reduced consumable usage and minimized fumes.

420+

beneficiaries covered under Skill development

Animal Welfare and Environment

Project Name – SAVe our environment save OUR animals("SAVIOUR") & Paryavaran Abhiyan

20,000+

animals benefitted

Animal Welfare

KPIL undertook various animal welfare initiatives in the year. The Company collaborated with NGOs to support animal welfare initiatives, including the construction of shelters and animal hospitals, as well as providing medicines and medical aid to distressed animals. Over 20,000 animals benefitted through these relief activities. Additionally, we extended our support to a research project on Aquaculture, that is aiming to improve the welfare conditions for farmed fish. During disease outbreaks like Argulus and Red disease, KPIL's emergency relief efforts saved the lives of over 30 lakh fishes. These initiatives reflect KPIL's commitment to animal welfare and making a positive impact in the field.

Social and Relationship Capital

Environment

KPIL believes in providing sustainable water management and equitable access to communities thereby ensuring a healthy and prosperous society. In rural Maharashtra, we implemented a sustainable drinking water and livelihood project. In the first phase of the project, we have focused on enhancing the capabilities of farmers from four villages and conducted comprehensive needs assessment covering a population of 10,006 villagers. As part of the initiative, a Line Farm Pond was constructed in a village in Igatpuri that will capture the rain water and provide water storage capacity to benefit over 1,000 villagers.

1,000 villagers

benefited from water storage capacity

According to leading scientists and the United Nations, the Earth has less than a decade to prevent a catastrophic impact from climate change, with deforestation occurring at an alarming rate. However, there is a solution to rapidly restore lost green cover in a sustainable and long-lasting manner. Recognizing this urgent need, Kalpataru Foundation initiated a creation of dense forestation project in Sidhwaha, Lalitpur, Uttar Pradesh as part of the environmental initiative.

Plantation through the Miyawaki technique under Paryavaran Abhiyan

Utilizing the Miyawaki technique, a total of 9,000 saplings representing 71 different species were densely planted across a 4,000 square meter area. To ensure the use of renewable energy, a solar pump was installed for watering the plants. This project aims to create a self-sustaining forest within three years while addressing various ecological services such as carbon sequestration, soil stabilization, water and air filtration, and regulation of water flow. The planted trees will also provide shade, absorb air pollutants, enhance green spaces, create habitats for wildlife, regulate stormwater, and promote human well-being.

The Miyawaki method of forestation has demonstrated exceptional growth and survival rates compared to other afforestation techniques. This project emphasizes the preservation of local flora and fauna, maintaining biodiversity, and actively contributing to climate change mitigation and environmental revitalization. Additionally, the project aligns with the Indian government's Green India Mission and National Action Plan for Climate Change, which focus on protecting, restoring, and expanding India's forest cover in response to climate change through plantation activities in both forest and non-forest areas.

Need-Based Community Development

Project Name – Kalpa Gramodaya & Unnati Abhiyan

KPIL believes in developing communities in and around the geographies that we work in with an aim to bring a positive impact leading while improving the overall quality of life. KPIL supported various initiatives like digging of borewells, providing for solar chimney and supported infrastructure refurbishment for residential homes for orphan, blind and elderly beneficiaries. WaSH facility was refurbished in schools in the semi-urban and rural areas near our Project sites. Under the project, a community library was set up in Khorpa village near our Raipur Plant. The library will be used by villagers that will including children, women, the elderly, and youth. More than 4000 villagers will from Khorpa and other villages in the vicinity will utilise the facility.

~4,800

benefited through multiple community interventions

Responsible Value Chain

KPIL is deeply invested in scaling the capabilities and prosperity of our value chain partners, including suppliers, contractors, and their employees, as we grow our business and footprint. Fostering their holistic development will help us run our business seamlessly and meet customer demands efficiently. We have a well-defined Supplier Code of Conduct that outlines the expected behaviors of our suppliers and other value chain partners aligned with our Group Values. The Code covers anti-bribery and HSE requirements. As part of the onboarding process, all new suppliers must sign a declaration agreeing to follow this Code of Conduct and adhere to our anti-bribery and anti-corruption standards.

Sustainable Sourcing

As part of our ESG strategy, we have established a responsive, resilient, and responsible supply chain that powers our business. The consolidation of requirements, coordination with the planning team to reduce material wastage, optimization of inventory, maximizing equipment efficiency, and managing the life cycle cost of procured items are ways we enhance the sustainability of our sourcing processes. These measures are reinforced across the supply chain processes, from requirement gathering, vendor development, RFQ management, value engineering, and awarding of the order to successful order execution.

As a part of the vendor onboarding process, we conduct a comprehensive assessment of suppliers to determine their social, environmental & ethical performance and ensure 100% coverage of all partners. We ensure our partners adhere to responsible sourcing norms related to emissions, safety, human rights, and ethics, apart from the economic considerations as part of the sourcing procedure. Conformance to labor principles and related laws are mandatory qualification requirement for all supplies and services. Our major suppliers have obtained national and international certifications for environmental management systems. Periodic vendor evaluations help us monitor and ensure supplier compliance across the lifecycle of our operations.

ESG Considerations in Vendor Selection

While a significant portion of our sourcing is done through large and reputable vendors, we also engage with local and small producers around our work sites for various project and plant-specific materials. These include MS Black Annealed Wire, wooden boxes and pallets, plasma machine consumables, bolt nuts, hardware fittings, earth wire, etc. We stringently assess all materials sourced and conduct regular audits to ensure sustenance and quality consistency.

Local Sourcing

To stimulate economic growth in local communities around our project sites:

- Encourages local and small vendors to participate in the procurement bidding process
- Hire local labour and contractors and their equipment as needed by the project
- Help MSME vendors with quality and process improvements, as per KPIL QC standards, to minimize rejections
- Guide MSMEs on technology upgrades and productivity enhancement initiatives

Repeat purchases, rate contract finalization, visits to supplier sites, review meetings to discuss product specifications, and prompt payments all assist local and small vendors in developing capacity and capability. As part of our efforts to boost small and medium businesses, we also create opportunities for small fabricators to work inside the plant under the supervision of our engineers.

Governing structure - Redefined

Several new sub-functions/positions have been created within the group procurement department to align with the group's overall strategy. These include the committees formed for different activities.

Social and Relationship Capital

Group ARC & Vendor Development Team: The team focuses on expanding the scope of Approved Vendor Lists (ARCs)

Centralisation of Logistics Team: The logistics team has been centralized to enhance efficiency and coordination in group logistics operations.

Centralised Scrap Disposal Committee: A dedicated committee has been established to oversee the disposal of scrap materials at the group level.

Cross-Functional Procurement Committee: A culture of cross- functional collaboration has been fostered by establishing a Procurement Committee.

These strategic initiatives aim to enhance operational efficiency, optimize procurement processes, and streamline decision-making, ultimately contributing to the organization's overall success.

Way Forward

KPIL is dedicated to serving the community and stakeholders with a strong vision and utmost effort. In order to enhance community initiatives and create greater value, we will evaluate the impact of our CSR programs using global frameworks. This approach ensures transparency, and accountability, and allows us to create better value for society. We are committed to supporting education and skill development programs to empower individuals. We will continue to contribute to environmental stewardship and actively undertake initiatives to minimize its environmental impact. Our suppliers are critical to our operations, and we plan to incorporate ESG considerations into supplier assessments before and after onboarding. We aim to strengthen our supplier network by conducting regular audits and implementing a robust compliance mechanism. We also prioritize customer satisfaction and aim to provide them with an excellent experience. As we move forward, our objective is to generate a positive and enduring influence on the communities where we operate, all while adhering to our fundamental values and vision, and maintaining a steadfast commitment to responsible and ethical business practices that contribute to social advancement and environmental well-being.

Natural Capital

Promoting responsible consumption of resources while consistently providing exceptional services and reducing our environmental impact.

Aligning with the UN SDGs

7 AFFORDABLE AND CLEAN ENERGY
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION
15 LIFE ON LAND

Material Issues

- Efficient Energy Management
- Climate Strategy and Emission
- Water Management
- Waste Management and Circularity
- Biodiversity and Land Rehabilitation

What does Natural Capital mean for KPIL?

Natural resources are crucial to our operations, and therefore, we consider natural capital as a key factor in our decision-making process. It helps us assess our sustainability initiatives, identify areas for improvement, and understand any risks associated with our business. By leveraging this information, we can develop effective strategies to mitigate those risks and ensure responsible resource management.

How does Natural Capital support KPIL's Vision?

Our sustainable business practices catalyse positive environmental impact across our operations. We are installing solar panels and wind power units to increase the usage of renewable energy. Rainwater harvesting systems are being set up across our plants and community areas. Through efficient waste management processes and the application of circular economy principles, we are taking efforts to responsibly recycle and reuse construction and demolition waste whenever possible.

Management Approach

Our long-term growth strategy focuses on enhancing the resource efficiency of our operations and implementing initiatives to minimise our carbon footprint. We set clear benchmarks, implement proactive control measures, and closely monitor our progress in reducing the environmental impact of our activities. Our environmental management strategy is integrated into our operational processes, policies, and governance systems, improving our ability to identify and address climate-related risks and opportunities.

An Environment Management System certified under ISO 14001:2015 governs our business processes and systems. Regular environmental audits are conducted at our sites through third-party entities following the rules and regulations of the Pollution Control Board. The audit results are thoroughly evaluated to ensure compliance and maintain a high level of environmental performance. In addition, we have established an environmental risk management system that identifies and monitors significant risks arising from our business activities across various sectors. Our goal is to go beyond mere compliance and proactively contribute to the preservation and protection of the environment.

Key Highlights: FY2022-23

5.1%
Reduction in GHG emissions intensity*

23.8%
Share of renewable energy

1,09,500 KL
Rainwater harvested

8.4%
Reduction in water intensity

20,434 MT
Material recycled

3
Manufacturing plants achieved
Zero Liquid discharge (ZLD)

***Note:** *Intensity measured is per ₹ Crore of revenue*

Energy Management

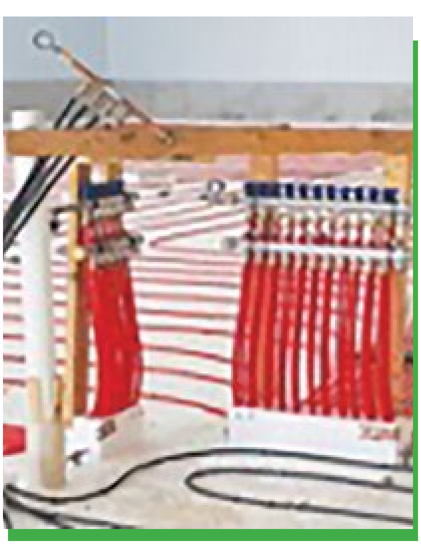
As an EPC company, the cost of energy constitutes a considerable portion of our overall operating expenses. Therefore, implementing efficient energy management practices provides various advantages, including the identification of energy-saving opportunities, optimization of energy usage, and reducing energy wastage. These practices present opportunities to achieve significant cost savings in the long run while enhancing our operational efficiency. To this end, we conducted an energy audit at our tower manufacturing plants. The findings helped us identify areas of improvement, such as replacing DC drives with AC ones, upgrading traditional lighting systems to LED fixtures, implementing energy-efficient compressors and motors etc.

Natural Capital

Radiant Cooling System

We introduced radiant cooling systems in one of our processes at our B&F site at Gurgaon and it has revolutionised passive cooling by significantly reducing energy consumption in HVAC systems. By installing a PE-X pipe (Polyethylene cross link pipe) on the slab over a 9,500 sqm area, we achieved passive cooling with a capacity of 75 W/Sqm. This system fulfils 60% of the building's cooling requirements while reducing power consumption by 20%. Additionally, the slabs' slow rate of heat transfer ensures longer cooling periods.

Implementing the radiant system has reduced the building's operational capacity to 750Tr, instead of the 900Tr required by a traditional HVAC system. As a result, the connected load witnessed a significant drop of 150Tr, bringing it down to 528 KW. The new system has saved us over 13 Lakh KWH of energy to date.

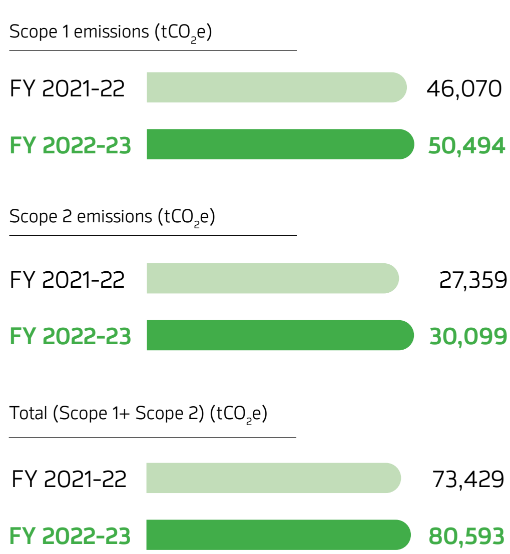


Climate Strategy and Emission Management

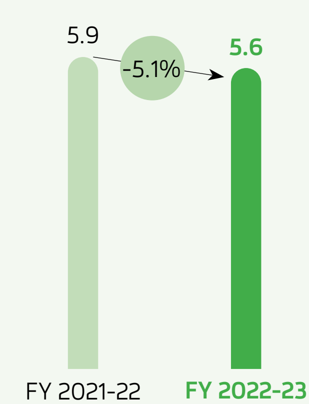
Greenhouse gas (GHG) emissions pose significant physical and transition risks for businesses, making it crucial to identify and manage them effectively. Additionally, acting on climate change presents opportunities to innovate, gain a competitive advantage, and attract environmentally conscious customers and investors. Climate Change is equally vital when considering the perspectives of stakeholders such as customers, employees, and regulators. The sustainability of our operations is increasingly prioritized to meet the expectations and demands of our stakeholders. We have implemented robust processes to identify, assess, and manage climate-related risks and opportunities systematically integrated into our Enterprise Risk Management (ERM) framework. The ERM covers all types and sources of risks and opportunities and presents a holistic view of the company's risk profile.

Currently, we measure and report our Scope 1 and 2 emissions. Our Scope 1 emissions primarily stem from the consumption of fuels, including fossil fuels and coolants, at all our sites and manufacturing plants. On the other hand, our scope 2 emissions are generated from the purchased electricity we obtain from various electricity supply utilities such as state electricity boards, transmission companies, and distribution companies. These utilities employ different methods to produce electricity. In addition, we have identified and mapped certain emission sources for our Scope 3 emissions that occur across the value chain and are in the process of calculating the impact of these sources. These assessments help us identify and evaluate potential environmental impacts associated with project execution and operations. Moreover, we conduct environmental impact assessments during the project selection process, prior to the commencement of execution to understand the environmental impact of our operations.

GHG emission



GHG emission Intensity *



*Intensity – Measured refers to tCO_2e per ₹ Crore of revenue

Note: The emission factors used for calculating GHG emissions have been obtained from the National GHG programme and data from the Central Electricity Authority of India to account for the emissions associated with electricity usage.

The Company is actively monitoring and working towards reducing its GHG emissions and have been steadily increasing the proportion of renewables in our energy mix. By generating solar power from rooftop PV solar cells and wind mills, we have increased the share of renewable energy to 23.8% of our overall electricity usage.

Biomass-based power generation

15.8 MW

power generation capacity

Solar panels

1.7 MW

power generation capacity

Wind Mill

1,162 MWh

power generated

Natural Capital

Solar Power Units

The Company is installing solar power panels across relevant/ economically viable projects to cater to energy needs in site stores, project office, guesthouses, etc. These efforts are mainly driven at our Gandhinagar and Raipur plants and selected project sites. The total installed capacity at our plants stands at 1.7 MW. Through our efforts, we have not only contributed to a more environmentally friendly energy mix by harnessing solar power, but also demonstrated the effectiveness and feasibility of solar technology. Further, the Company has identified projects and initiated process to install additional solar panels across various sites.

1.35 MW

Solar power panels installed at Raipur plant

Biomass-based power generation

Our biomass power plants, operational for over a decade, exemplify our commitment to sustainability. Located in the Rajasthan state of India, these two plants have collectively generated 1,19,130 MWh of power annually, resulting in the avoidance of over 100,000 tons of CO2 emissions per year. The distinctive feature of these plants is that they utilise crop residue as the primary input for power generation. With a combined capacity of 15.8 MW (7.8 MW and 8 MW), these plants demonstrate the effective benefits of a circular economy by utilising agricultural waste to produce green renewable energy.

Biomass based power generation plant at Padampur (Rajasthan)

Climate Change Initiatives

Use of electric vehicles

As part of a pilot initiative, we have implemented the use of electric motorcycles at selected sites, replacing traditional petrol-based vehicles. The initial results have been promising, and we aim to expand the adoption of electric motorcycles on a larger scale to promote sustainable transportation across our operations.

3% Reduction

Fossil fuel consumption

100% Tracking

of vehicle movement for fuel and efficiency

Green Buildings

We understand the significance of conducting a Life Cycle Assessment when assessing the environmental impact of any product or service. Our buildings are built following the standards established by the Indian Green Building Council (IGBC) and the United States Green Building Council (LEED). We use a range of sustainable construction practices for the buildings and factories we build and the civil works we undertake.

Water management

8.4%

Reduction in water intensity

3

Manufacturing plants

Zero Liquid Discharge (ZLD)

compliant

76,538 KL

Water Recycled

Water management holds immense importance for us as we realise the pressing issue of water scarcity exacerbated by climate change. As a result, promoting sustainable practices has become a top priority. We are actively implementing various water conservation measures, including the adoption of recycling, and reusing techniques. These steps are part of our concrete efforts to contribute to help conserve water.

We have installed Sewage Treatment Plant (STP) with a capacity of 1,250 KLD and an Effluent Treatment Plant (ETP) for neutralising diluted acid, a by-product of the manufacturing process, at our manufacturing facilities and biomass plants. The recycled water from the STP and ETP is used for gardening, washing rooms, ash quenching, and dust suppression.

Zero Liquid Discharge: Three of our manufacturing plants have implemented Zero Liquid Discharge systems, and 1 plant discharges treated water into the government-approved water stream.

We have developed artificial ponds along with several Rainwater Harvesting (RWH) structures like tubes and pits to conserve rainwater across our plants. Overall, 109,500 KL of rainwater was harvested during the reporting year, with 40,000 KL in the Tirupati site alone.

Surface water approach

Our strategic direction encourages the use of surface water over groundwater withdrawal when working on customer sites for civil construction, electrification, and pipelines under EPC contracts. Furthermore, our power generation units have been operating solely on surface water for several decades.

Waste Management

Waste management plans are an integral part of our project design process. This ensures that waste reduction, recycling, and reuse considerations are incorporated from the initial stages.

Thousands of farmer families benefit from our biomass plants which deploy sustainable waste management practices and use crop residue as inputs. This has enabled the farming community around the plant to dispose of agricultural waste in an affordable and environmentally friendly manner. It has also reduced air pollution by removing the need for farmers to burn unused crop residue.

We have set specific targets for waste reduction, recycling, or reuse for most of our projects. Our contractors are incentivized to recover and recycle building materials by allowing them to retain revenues and savings from materials recovery.

Waste segregation practices are implemented at most of our sites. This enables proper sorting and segregation of different types of waste, facilitating recycling and appropriate disposal. We actively engage in buying from or selling to recycled products producers regularly. Zinc ash and dross are by-products of the galvanising process and are sold to secondary processors, who recycle and reuse them.

Natural Capital

To deepen a culture of responsible waste management, we undertake measures to heighten awareness and understanding of regulations, techniques, and best practices across our employees and contractors through training and ongoing communications.

Biodiversity and Land Rehabilitation

Tree Plantation

We have planted 31,018 saplings throughout numerous sites this fiscal year. Our entire organisation participated actively and contributed by planting trees in our production facilities, office locations, site locations, client properties, and community places. Our efforts resulted in nurturing about 1,30,000 trees.

Wildlife Conservation

As a responsible organisation, we recognise the significance of biodiversity in preserving harmony among people, wildlife, and the environment. Our EHS officers undertake a special drive to educate school children on biodiversity, environmental management, and sustainable practices.

Caring for Birds

Our power plants have implemented a unique initiative to support bird population as part of our ongoing efforts to contribute to the environment. We have hung approximately 2,000 water pots on trees in the Sawai Madhopur District of Rajasthan, India, for birds to drink water. These water pots provide a consistent source of water for birds all year, including during the hot summer months.

Our Environmental Policies and Commitments

A well-defined policy is required to successfully implement a reliable and robust Environmental Management System (EMS). Our Company has developed an Environmental, Occupational Health, and Safety, Sustainability Policy that outlines:

- Specific roles and responsibilities of teams within the Company for implementing the environmental management policy effectively
- Compliance with all applicable environmental laws and regulations
- Evaluation of performance against the set targets
- Actively engaging with the internal and external stakeholders to raise awareness of the EHS policy and the environmental impact of the company's operations through various training programmes

Way Forward

Our aim is to judiciously use natural resources while actively working towards increasing the proportion of renewable energy in our overall energy consumption. We are also dedicated to educating and informing our stakeholders about environmental concerns and implementing projects that focus on conservation and rejuvenation. Through these endeavours, we aspire to ensure a brighter future for all.

MANAGEMENT DISCUSSION AND ANALYSIS

Economy overview

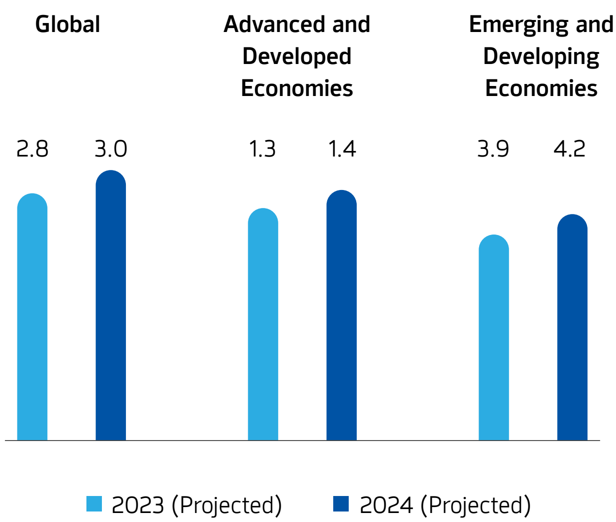
Global economy overview

Over the course of the past year, the global economy has experienced numerous challenges in the form of geopolitical tensions to rising volatility and inflation. Alongside, the consequences of a sudden surge in COVID-19 cases in China also impacted growth projections. However, the recent opening of the borders has created a conducive environment for a faster-than-expected recovery.

As per the latest estimates by the International Monetary Fund, the global GDP growth rate is 3.4% in CY22 showing resilience towards the recessionary fears.[1] On account of these headwinds, supply chain disruptions were also rampant. Moreover, due to geopolitical conflicts, crude oil prices soared, global trade was impacted and inflationary pressures worsened. To rein in inflation, Central Banks across the world, including the US Federal Reserve, responded with synchronised rate hikes.

[1] World Economic Outlook. April 2023

GDP growth projection
(%)



Source: As per IMF World Economic Outlook, April 2023 data

Outlook

According to the latest IMF projections, global growth is estimated to slow down to 2.8% in CY23, before rebounding to 3.0% in CY24. Due to a surge in inflation and the energy crisis following Russia's invasion of Ukraine, the global economy continued to be burdened by macroeconomic headwinds. However, resilient economic growth was noticed owing to strong labour markets, increased investments in businesses and robust household consumption. Inflation too appears to have cooled down in many countries, mostly on account of tight monetary policies.

> According to the IMF, India and China are anticipated to contribute more than 50% of the world's GDP growth in CY23.

Indian economy overview

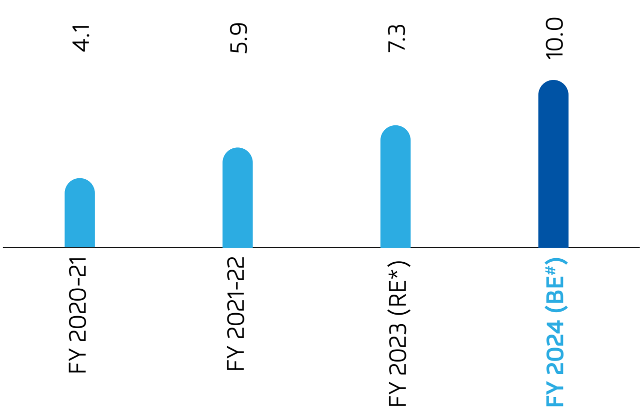
The Indian economy continues to be one of the fastest growing major economies in the world, outpacing major emerging and developing economies, including China. According to the first advance estimates by the National Statistical Office (NSO), India's economy witnessed a growth rate of 7.2% in FY23. While headwinds in the form of geopolitical developments and inflation remained, the Indian economy demonstrated remarkable resilience. Supported by robust domestic demand and positive investment activity, a broad based expansion has been witnessed. Besides, increased government spending for infrastructure and construction has further added impetus to economic activity.

During the year, the Central Government's thrust on capital expenditure resulted in 63.4% growth in spending on roads, railways, and defence. It not only facilitated broad-based growth by facilitating private sector capital formation but, was also reflected in robust performances from the manufacturing industry.

> The Indian economy has nearly 'recouped' what was lost, 'renewed' what had paused, and 're-energised' what had slowed during the pandemic and since the geopolitical tensions in the West.

3rd largest
In terms of purchasing power parity

Increasing Capital Expendture of Union Government
(in ₹ lakh Crore)



*RE - Revised Estimates
#BE - Budgeted Estimates

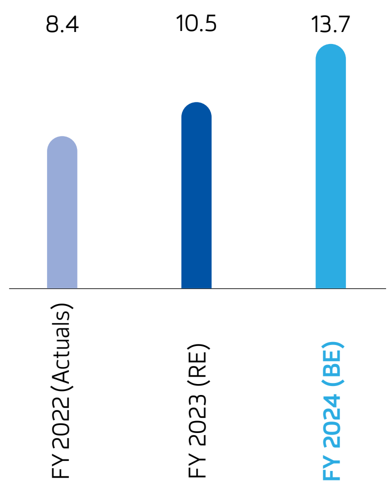
Source: Press information bureau, February 2023

Outlook

According to the International Monetary Fund (IMF), in FY23, the Indian economy became the world's 3rd largest economy in terms of purchasing power parity. According to the recent monetary policy report by the RBI, it has been projected to achieve a growth rate of 6.5% in FY24. With a pick-up in economic activity and a conducive demand environment, an encouraging momentum has been noticed. Besides, continued growth in GST collections, growing railway freight, air traffic and encouraging PMI data have rekindled hopes of an economic rebound. Moreover, manufacturing activity continues to grow steadily.

On the back of overall macroeconomic stability and favourable conditions for economic growth, India is estimated to be the fastest-growing major economy. It is expected that India's GDP will touch USD 26 trillion in terms of the exchange market by 2047.

Effective Capital Expenditure
(in ₹ lakh Crore)



Source: Press information bureau, February 2023

The Government of India has increased the annual budget by 7.5% to ₹45 lakh Crore. Allocation for capital investment has also increased to ₹10 lakh Crore, up by 33.40% from the previous year. It is expected to result in a gradual upswing in economic activity and drive the growth of the Indian economy. To further improve last mile connectivity, the government plans to launch the Pradhan Mantri Particularly Vulnerable Tribal Group (PVTG) mission. It has also identified 100 transport infrastructure projects to enable end-to-end connectivity for ports, steel, coal and fertiliser sectors.

The Production Linked Incentive (PLI) scheme implemented by the Indian government has emerged as a crucial policy tool to drive the growth of the private sector and bolster the country's economic outlook. With a focus on creating large-scale companies and enhancing competitiveness, the government has set a five-year target in terms of productivity and efficiency.

Designed to promote manufacturing and reduce dependence on imports, the PLI scheme offers fiscal incentives to domestic companies that invest in production capacity and technological advancements. The Union Budget 2023-24 has allocated ₹8,083 Crore for various PLI schemes. The amount is a three-fold jump from the revised budget estimate of ₹2,616 Crore for these schemes in FY23.

The Indian economy, continues to tread ahead with cautious optimism and remains well on track to rebound and revive in the days ahead.

Industry overview

Global power transmission and distribution industry

The year 2022 was full of perils and promises for the electric power sector. During the year, electricity consumption continued to rise as the pandemic recovery progressed. The costs also spiked, largely due to natural gas prices more than doubling due to global shortages, exacerbated by rising geopolitical tensions. Coal prices also rose as demand surged for alternatives to gas. Renewable energy prices followed suit due to supply chain disruptions, inflation, and rising interest rates. Despite these challenges, new technologies and supportive policies have opened new opportunities and helped the industry achieve its goals.[2]

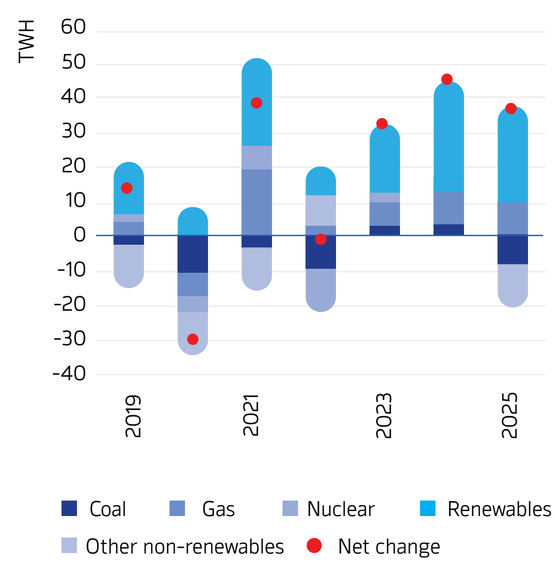
Regional focus

Africa

In 2022, the electricity demand grew by 1.5%, down from 5.7% in 2021, due to geopolitical developments in the West and production capacity constraints in South Africa. Natural gas-fired output remained stable at 42%, while coal and nuclear power supply declined due to supply shortages, and oil-fired generation increased by 24%. Renewable supply during the same period increased by 2%.

Renewables lead race in terms of generation increases, followed natural gas

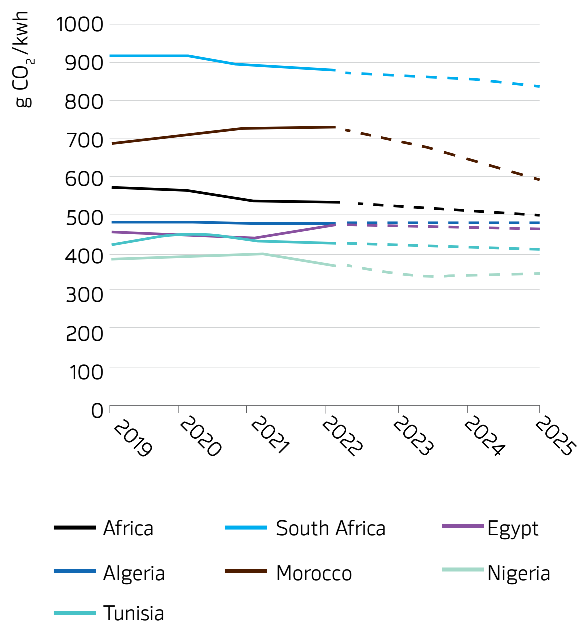
Year-on year change in electricity generation, Africa, 2019-2025



Notes: Other non-renewables including oil, waste and other non-renewable energy sources. The CO_2 intensity is calculated as total CO_2 emissions divided by total generation.

[2] Deloitte, 2023 power & utilities industry outlook

Development of average CO_2 intensity, Africa, 2019-2025



Source: Electricity market report 2023, IEA

The power sector in Africa is expected to see demand growth in the coming years with average regional growth of 4.5% in 2024 and 2025. The majority of incremental generation is expected to come from renewable sources, with natural gas being the largest source of electricity generation. Coal-fired generation output is also expected to remain stable but, is anticipated to decline in overall share.

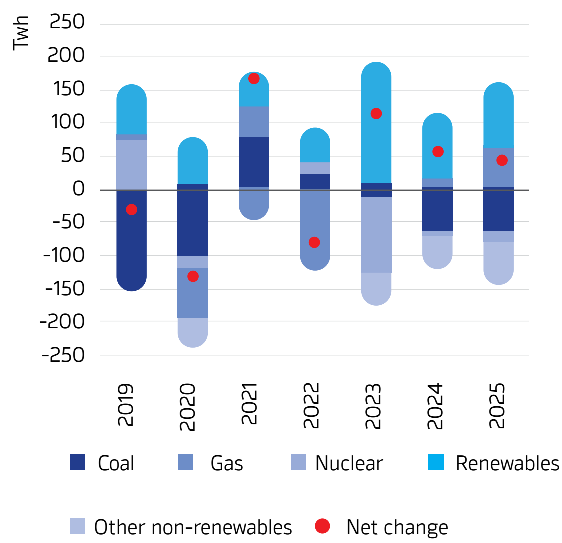
The changes in electricity generation, such as the decline in coal and nuclear power and the increase in renewable and gas-fired generation, have significant implications for power transmission and distribution. As the majority of incremental generation is expected to come from renewable sources, this will require a significant expansion of transmission and distribution infrastructure to ensure that the electricity generated is transported efficiently to meet the growing demand. Additionally, the shift towards renewable energy sources will require a more flexible and decentralised power grid to integrate the variable output of renewable sources. New technologies and investments in smart grids, energy storage systems and grid modernisation to ensure that the power system remains reliable and resilient.

Europe

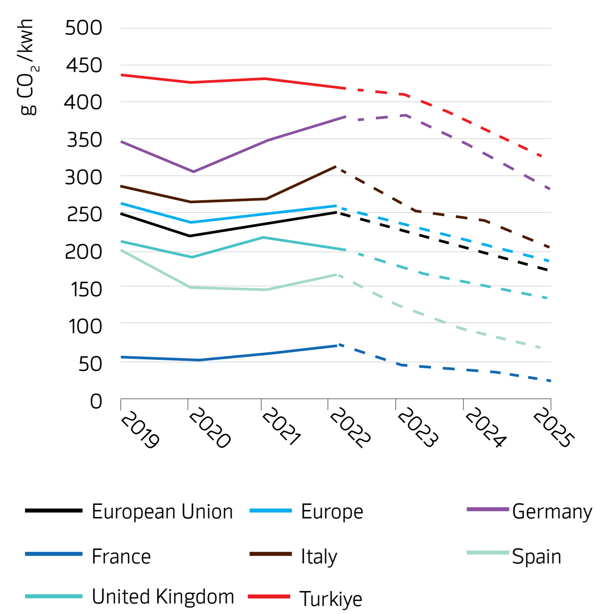
The energy crisis triggered by geopolitical tensions in Europe resulted in a decline in electricity consumption, within the European Union, by 3.5% in 2022. However, it is expected to rebound slightly from 2023, with an average annual growth rate of 1.4%. The crisis led to a shift in policy, with the European Commission publishing its REPowerEU plan to hasten the clean energy transition and create a temporary framework for accelerating the deployment of renewables. Short-term measures were also implemented to fulfil these objectives. The share of renewables in the overall power generation mix is expected to increase significantly in the EU, leading to a decline in fossil fuel-fired generation. It is also expected to minimise CO_2 emissions by 28% by 2025, in comparison to levels achieved in 2022.

Following two years of increase, CO_2 intensity starts to decline again from 2023

Year-on year change in electricity generation, European Union, 2019-2025



Development of average CO_2 intensity, Europe, 2019-2025



Note: Other non-renewables includes oil, waste and other non-renewable energy sources.

Source: Electricity market report 2023, IEA

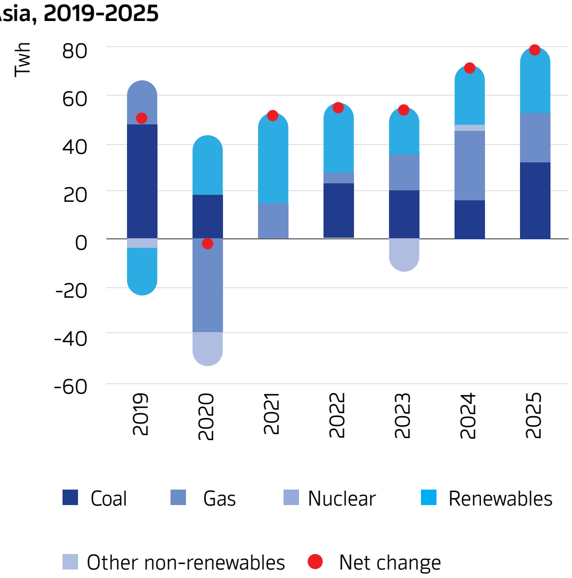
The recent energy crisis in Europe has highlighted the importance of electricity security, affordability and decarbonisation. To fulfil these objectives, the new legislative framework is expected to be enforced to ensure energy security in the future. It is essential to shift towards a higher share of renewable energy, and increase electrification while ensuring affordable prices and adequate energy supplies and storage capacity.[3]

In line with the commitment to a cleaner and more sustainable energy system, the expansion and interoperability of electricity transmission and distribution networks is critical. By increasing the capacity and reach of these networks, renewable energy sources such as wind, solar, and hydropower can be harnessed and distributed to consumers more effectively. Moreover, a focus on energy efficiency measures within the transmission and distribution system can provide significant benefits for both consumers and network providers.

Southeast Asia

Electricity demand in Southeast Asia grew by 5.5% in 2022 due to the economic recovery in the region, followed by the reopening of borders for international tourism. Coal, gas and renewable energy constitute the major sources of power generation in the region. While the share of coal-fired generation is expected to decrease slightly, the absolute generation from coal is set to increase every year at an average of 4%, till 2025, led by capacity additions in Indonesia and Vietnam.

Year-on year change in electricity generation, in Southeast Asia, 2019-2025



Note: Other non-renewable includes oil, waste and other non-renewable energy sources.

Source: Electricity market report 2023, IEA

Renewable energy is expected to meet about a third of the additional demand growth, with the share of renewables in the generation mix rising slightly below 28% in 2025. Despite this increase, the emission intensity of the region will be among the highest globally at 585 g CO2/kWh. Several countries in the region have set carbon neutral or net zero targets and aim to accelerate renewable energy capacity deployment, targeting the addition of 50 GW of solar and wind capacity by 2030 and over 250 GW by 2050.

The increase in electricity demand and the shift towards renewable energy sources in Southeast Asia will require significant investment in power transmission and distribution infrastructure to ensure reliable and efficient delivery of electricity to consumers. The addition of renewable energy capacity, which is often located in remote areas, will require the development of new transmission infrastructure to connect these sources to the grid. Furthermore, the integration of intermittent renewable sources such as solar and wind into the existing grid requires the deployment of advanced technologies for power system management and grid stability.

Latin America

Latin America has the potential to become a global leader in renewable energy due to its abundance of wind and solar power potential. Brazil, Chile, Colombia, and Mexico lead the region in operating utility-scale solar and wind farms, with a combined capacity of over 57 GW. Brazil, Chile, and Colombia continue to increase their renewable energy development.

Latin America has announced a significant amount of utility-scale solar and wind capacity, in pre-construction, or under construction projects, totalling over 319 GW of power. If all the projects are realised, the region's large-scale solar and wind power capacity could increase by over 460% by 2030 compared to the current capacity of 69 GW.[4]

High solar irradiance and offshore wind development potential of most countries in the region bolster its ability to produce renewable energy. The leaders in utility-scale solar and wind attribute their success to established energy auctions, private investment, the economic potential of green hydrogen exports, decreasing installation costs, and policy responses to climate change. However, Mexico's progress has been hindered by recent regulations proposed by the CRE that exclude net-metering compensation for medium-voltage distributed generation projects, making it less profitable for players to sell energy back to the grid. This will likely delay the payback period and create uncertainty, leading to a slowdown in new distributed generation installations.

Mexico, the region as a whole has the potential to meet its net-zero targets by 2030 with its existing and planned renewable energy projects.

[3]European Parliement Research Service – Report on Reforming the EU electricity market

[4]Americas Market Intelligence

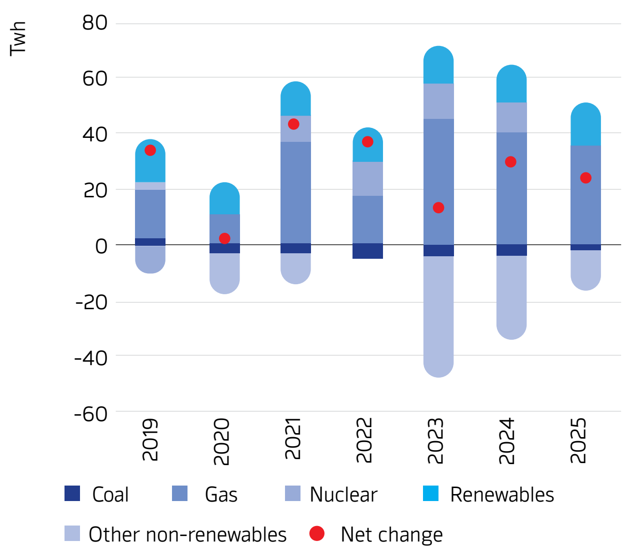
As these economies increase their utility-scale solar and wind power generation, there is a need for an efficient and reliable transmission and distribution infrastructure to transport the electricity from the generation sites to the consumers. The success of renewable energy projects is also affected by policies related to compensation for distributed generation projects, such as net metering. Without fair compensation for selling excess energy back to the grid, the profitability and viability of distributed generation installations are negatively impacted, which can slow down the growth of renewable energy in the region.

Middle East and North Africa (MENA)

Electricity consumption in the Middle East grew by 2.6% in 2022, driven by population growth, rising demand for cooling and water desalination, and energy-intensive industries. This demand is expected to continue at a slightly reduced rate in the 2023-2025 forecast period, supported by surging GDP growth and higher public spending by the region's leading oil and gas exporters. Several projects to enhance regional interconnections, including a 150 MW line from Jordan to Iraq, a 3 GW interconnection between Saudi Arabia and Egypt, and a 1.8 GW direct link between Iraq and the GCC grid, are progressing. CO2 emissions from power generation in the region is expected to decrease by 7% in 2025, compared to 2022, due to the declining share of coal and oil in the total energy mix and an increasing shift towards nuclear and renewable sources of energy.

Annual emissions from power generation in 2022 increased marginally by approximately 0.7%. This slight uptick was mostly due to higher emissions from gas powered sources. However, it was counterbalanced by decreasing emissions from both coal and oil-fired power generation.

Year-on year change in electricity generation, Middle East, 2019-2025



Note: Other non-renewables include oil, waste and other non-renewable energy sources.

Source: Electricity market report 2023, IEA

The region's electricity consumption is expected to increase in the forecast period of 2023-2025. It will be primarily supported by surging GDP and higher public spending by the region's leading oil and gas exporters, amid the current levels of high energy prices. Power generation emissions are predicted to drop by 2% from 2022 to 2025, reaching around 710 Mt CO2. Significant decrease in emission is also expected in the UAE, Israel, and Saudi Arabia due to the growth of renewables, coal phase-out, and reduction in oil-fired generation.

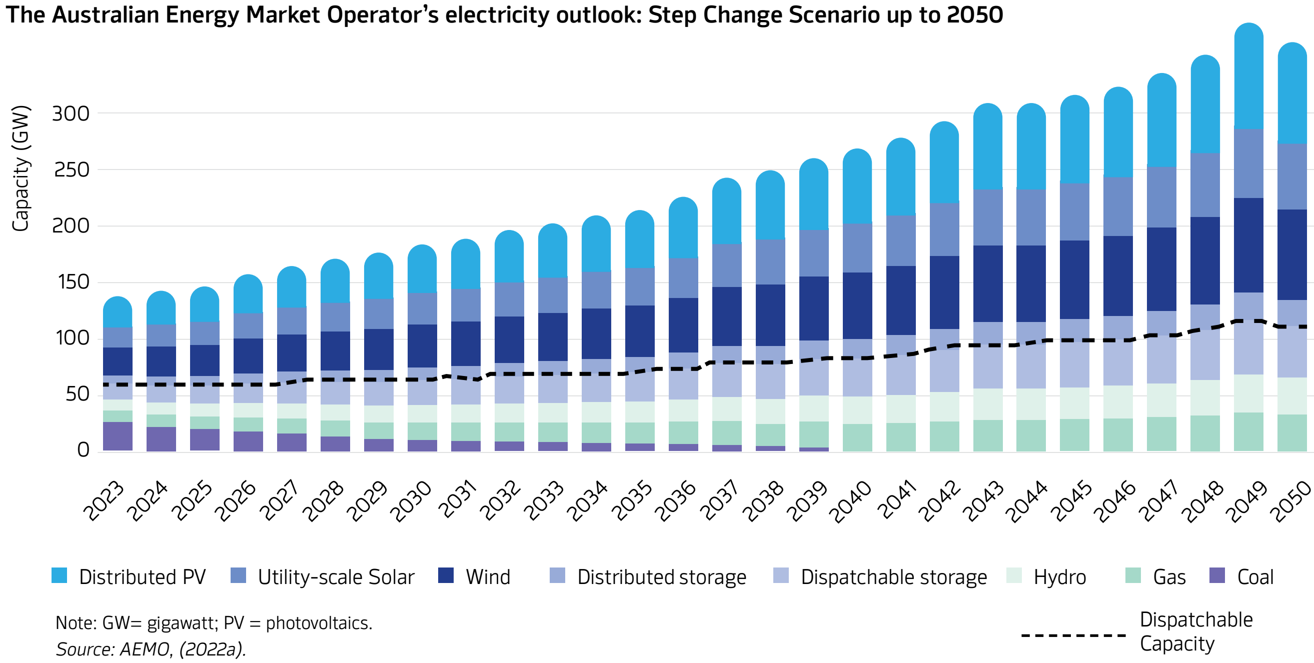
The increasing demand for electricity in the Middle East and the shift towards nuclear and renewable sources of energy highlight the importance of efficient and reliable power transmission and distribution systems.

Australia

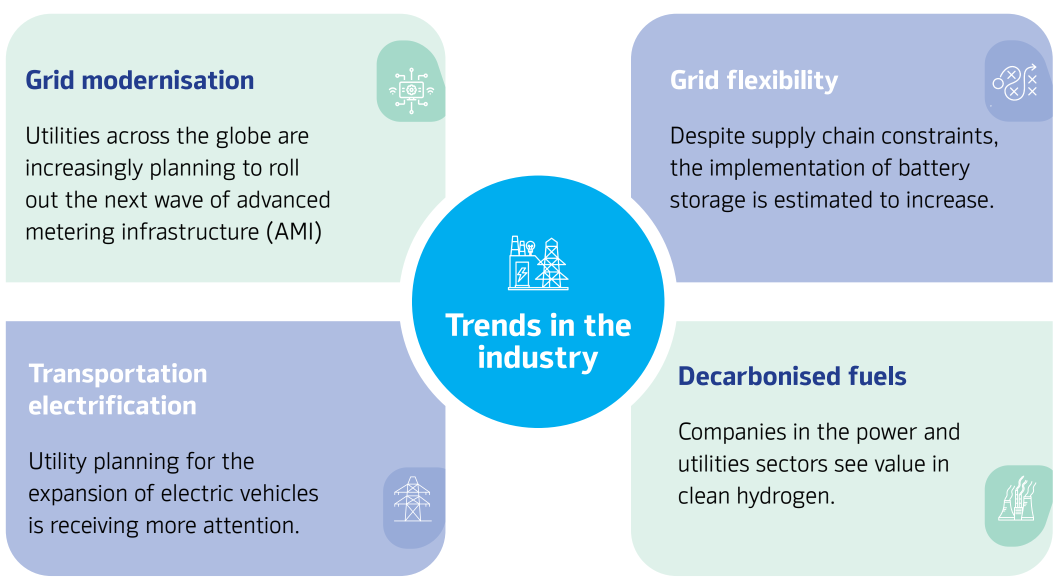
Australia Energy Market Operator (AEMO) has published in their 2022 Integrated System Plan (ISP), which outlines the investment needed to shore up the future of the National Electricity Market (NEM) during the next 30 years. As part of its call for action, AEMO states more than $12.7 billion of investment in new transmission lines should soon begin to ensure electricity supply is secure during the next decade. The report also recommends speeding up five key transmission projects in NSW, Victoria and Tasmania – HumeLink, VNI West, Marinus Link, Sydney Ring and New England REZ Transmission Link. It will provide valuable insurance against coal-fired power stations closing sooner than currently planned. AEMO expects 60 per cent of the eastern seaboard's coal fleet will exit the electricity grid by 2030, with the last remaining plant to be closed by 2042. The ISP also estimates Australia's eastern states will need at least 10,000 km of new transmission lines to link up a nine-fold expansion of wind and solar farm capacity by 2050.

The 2022 ISP states Australia's energy transformation based on an 'optimal development path' of essential transmission investment that will efficiently enable low-cost renewable energy to replace exiting coal generation. These transmission projects are forecast to deliver A$28 billion in net market benefits, returning 2.2 times their cost of A$12.7 billion, which represents just seven per cent of the total generation, storage and network investment in the NEM.

The Australian Energy Market Operator's electricity outlook: Step Change Scenario up to 2050



Note: GW= gigawatt; PV = photovoltaics.
Source: AEMO, (2022a).



Source: Deloitte, 2023 power and utilities industry outlook

Outlook

A disrupted supply chain, rising costs and severe weather conditions are expected to affect the power sector in 2023. However, innovation and investment in the sector, buoyed by recent legislation, are anticipated to help the sector fulfil its mission of providing secure, reliable, clean and affordable electricity. Power and utility companies will likely lean further into evolving technologies and new business models. As the clean energy transition progresses, opportunities are likely to emerge in the sector. To accelerate the energy transition, the sector is looking forward to partnerships for accessing resources, technologies and assets in related industries such as oil and gas, manufacturing, automotive, technology, mining and real estate.

Currently, the majority of the energy generated as electricity, which accounts for 62%, is derived from fossil fuels. However, in order to mitigate the effects of climate change and move towards a more sustainable future, it is necessary to drastically reduce this percentage to almost zero [5]

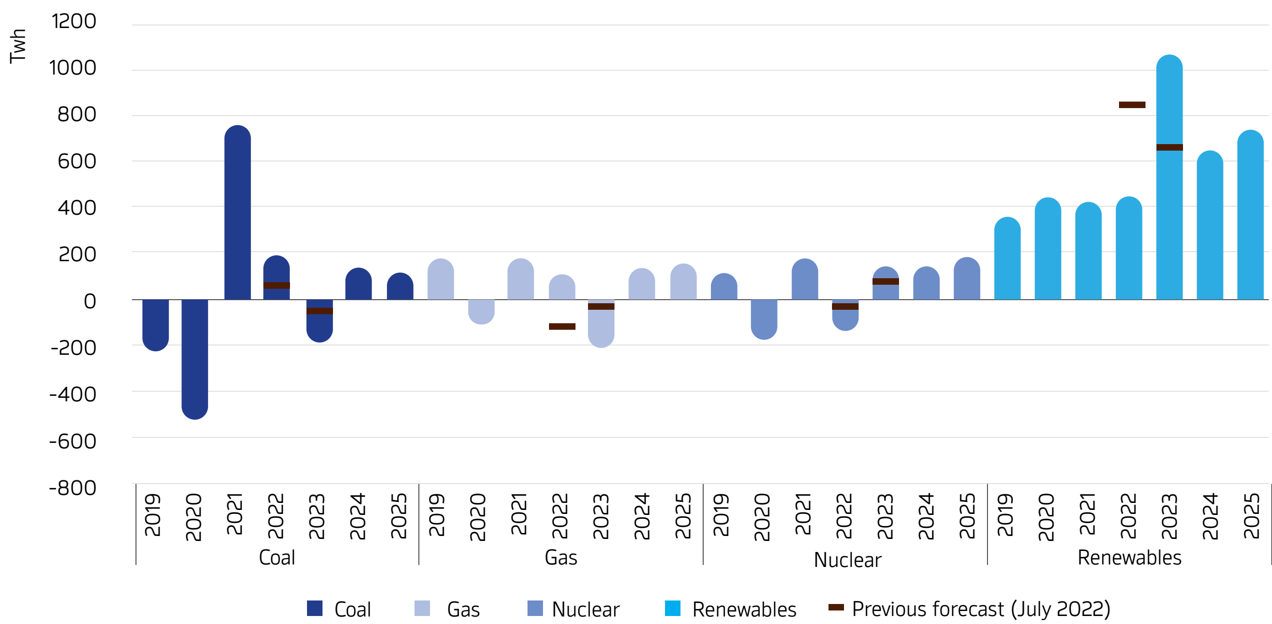
35%

Of global power will be met from renewable capacity by 2025

According to the International Energy Agency (IEA), by 2025, the share of power generated from renewable sources will reach one-third of the total global electricity output. This signals a huge move towards clean and long-term energy sources. Despite facing some setbacks due to geopolitical tensions and trade-related uncertainties, the growth of solar energy capacity is expected to persist over the coming years. In fact, it is anticipated that the world's solar power generation will exceed one terawatt by 2023, reflecting a significant milestone in the expansion of renewable energy technologies.[6]

Renewables growth dampens fossil fuel-fired generation from 2023 to 2025

Year-on-year global change in electricity generation by source, 2019-2025



Source: Electricity market report 2023, IEA

Renewables will make up 35% of the power generation mix by 2025, up from 29%, leading to a drop in coal and gas-fired generation and a plateau in global CO2 emissions. China and the EU is expected to lead the way with increased government spending on renewables. Nuclear output is also likely to grow by 3.6% annually, mainly in France and Asia.

Indian power transmission and distribution industry

India is considered to be the third largest producer of renewable energy in the world. The country gets nearly 40% of its installed electricity capacity from non-fossil fuel resources. The push for green energy has reduced the emission intensity of GDP by 24%. This poses a big challenge for the power grid sector, as it is increasingly powered by a renewable source of energy. The Government has allowed 100% FDI in the power sector, which has boosted FDI inflow in this sector.[7]

The Government of India launched the reform-based and results-linked revamped distribution sector scheme with the objective of improving the quality and reliability of power supply to consumers through a financially sustainable and operationally efficient distribution sector.

The Revamped Distribution Sector Scheme (RDSS) was developed in collaboration with several Ministries and Distribution companies (DISCOMs) through a consultative process. The scheme has an outlay of ₹3,03,758 Crore and estimated Gross Budgetary Support from the Central Government of ₹97,631 Crore. The aim is to eliminate the gap between the cost of electricity and the price at which it is supplied by 2024-25.[8]

[5] Economist Report – The ultimate supply chain
[6] BDO report: 2023: The near future of renewables
[7] Ministry of Power – National Electricity plan
[8] Ministry of Power – Reforms in Power sector

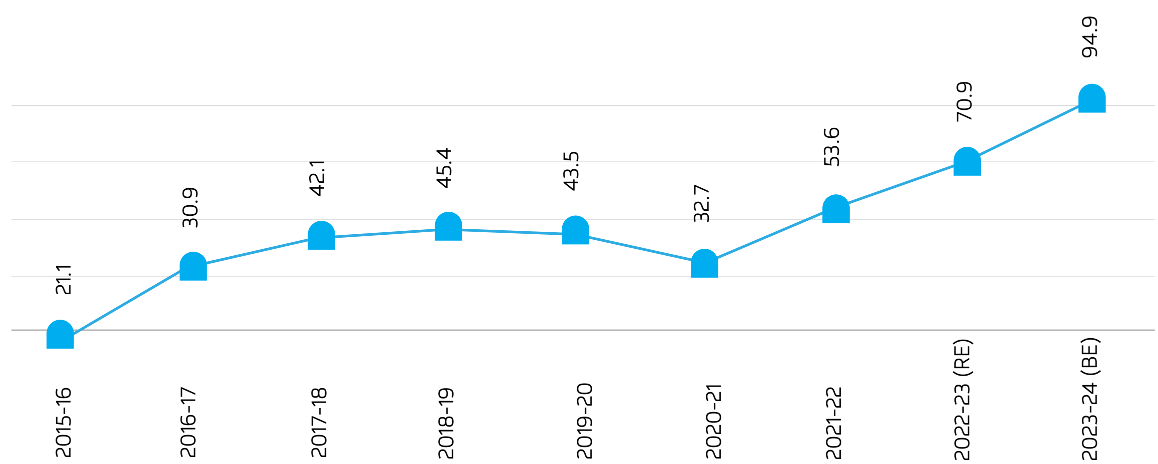
The Indian government has taken significant steps to accelerate the transition towards a green energy-powered economy. It has, therefore, permitted 100% FDI for renewable energy projects, waived ISTS charges for solar and wind power projects commissioned by June 2025, and set a trajectory for RPO up to 2030. Additionally, schemes like PM-KUSUM, Solar Rooftop Phase II, and CPSU Scheme Phase II have been launched. Transmission lines and sub-station capacity are also being expanded under the Green Energy Corridor Scheme. The government has also introduced standards for solar PV systems, established a Project Development Cell, and issued bidding guidelines for tariff-based competitive procurement of power from solar and wind projects. These efforts will help attract investments, ensure timely payment to RE generators, and integrate 500 GW of renewable energy capacity by 2030.

The Indian government plans to invest ₹20,700 Crore, including ₹8,300 Crore in central support, to construct a 900 km inter-state transmission system for evacuating 13 GW of renewable energy from Ladakh. The green energy corridor will stretch from Pang in Ladakh to Kaithal in Haryana and will evacuate power from a planned 10 GW RE park in Leh and 4 GW power from wind energy systems in the union territory.[9]

4.5X Increase in Expenditure on Energy in last 9 Years

Expenditure on Energy

(in ₹ thousand Crore)



Source: Union Budget, 2023-24

Outlook

The sector is experiencing significant transformations in terms of demand growth, energy mix, and market operations. The government's many projects and schemes aim to ensure consistent access to adequate power at all times, while simultaneously advancing the clean energy transition by reducing reliance on fossil fuels and ushering in a shift towards more eco-friendly, renewable energy sources.

India has set a target of installing 500 GW of non-fossil fuel-based electricity capacity by 2030, with the aim of generating cleaner fuel comprising 50% of the total installed capacity. To achieve this ambitious goal, the Ministry of Power has constituted a high-level committee to plan the required transmission system for integrating over 500 GW of renewable energy capacity by 2030, with a projected investment of approximately ₹2.44 lakh Crore. The plan includes the creation of additional transmission systems for High Voltage Direct Current Transmission corridors, 765 kV ac lines, 400 kV lines, and 220 kV cable, as well as offshore wind evacuation and battery energy storage capacity. According to MoP, this comprehensive plan is projected to provide investment opportunities for both Renewable Energy Developers as well as Transmission Service Providers, making India one of the most attractive destinations for investment in Renewable Energy.

It is being further developed to attract more FDI in the upcoming fiscal years. The government has also planned the addition of approximately 16,673 MW of hydroelectric capacity, which is expected to be commissioned by 2030. Strong demand, supportive policies, and a growing emphasis on infrastructure by the government are expected to boost future investments in the sector.

500 GW

renewable energy capacity by 2030 According to Ministry of Power

[9]Ministry of New and Renewable Energy

Construction and infrastructure industry

Infrastructure development has been an integral part of the government's plans and policies due to its importance in steering the Indian economy towards the $5 trillion mark.

Residential and commercial buildings

In 2022, the residential sector experienced strong demand in the form of decade-high sales of 215,000 homes in top seven cities. Sales increased by 68% YoY with more than 50,000 units sold in each quarter despite rising mortgage rates, property prices, and global headwinds. It further demonstrated the industry's prominence as one of India's fastest-growing industries. Despite challenges, consumer sentiment remained positive, and the residential market has set unprecedented benchmarks.[10]

The year 2022 saw the highest number of new residential units launched in India in over a decade, as a total of 247,000 units entered the market. The positive momentum was driven by strong sales and favourable economic conditions, prompting developers in the top seven cities of India to launch a flurry of new residential projects. Compared to the previous year, there was a remarkable 81% year-on-year increase in the number of new launches in 2022. As of Q4 2022, unsold inventory in the seven major cities of India rose by 1.8% Q-o-Q due to new launches surpassing sales, with Mumbai, Bengaluru, and Hyderabad contributing 63% to the unsold stock, but the years to sell (YTS) declined from 3.1 years in Q3 2022 to 2.9 years in Q4 2022, reflecting strong sales growth.[11]

[10]NBM&CW Infra Construction & equipment magazine

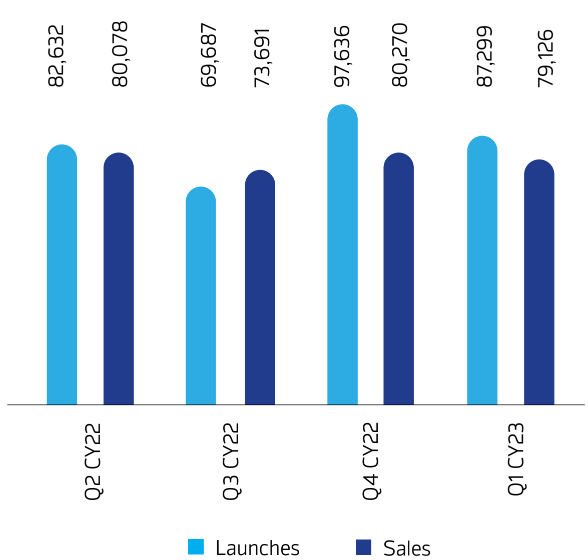
[11]JLL Residential Market Update Q4 2022

While office markets across the globe have been struggling with a slowdown in economic activity due to inflation and the threat of recession, India's economy has remained stable and has even emerged as the fastest growing major economy in the world. This stability is reflected in the relatively steady occupier activity observed in the Indian office market, with a modest 5% YoY growth seen in the 1.05 million square metres (11.3 million square feet) of area transacted during Q1 2023.

Bengaluru was the most active market during the quarter, accounting for 31% of the total area transacted with a transacted volume of 0.33 million square metres (3.5 million square feet). Meanwhile, Mumbai saw a substantial 132% YoY growth in occupier activity during Q1 2023, backed by big-ticket leases signed by flex space, BFSI, education, and e-commerce occupiers. The three largest markets - Bengaluru, Mumbai, and NCR - accounted for 73% of the area transacted and experienced positive YoY growth. Flex spaces remained popular, constituting 29% of the transacted space during Q1 2023, with Bengaluru being the most active market for flex space operators, accounting for 50% of the total space transacted by the sector. The Other Services sector companies were the most active, while Information Technology and BFSI sectors each accounted for 16% of occupier activity.

During Q1 2023, 0.46 million square metres (4.6 million square feet) of office space was completed, with the NCR accounting for 45% of the office space delivered during the quarter. The only other market that saw a significant amount of office space, 0.12 million square metres (1.3 million square feet), being made available was Bengaluru. However, the limited deliveries during the period helped keep vacancy levels across the eight markets at a healthy 16.4% compared to 17.3% a year ago as per Knight Frank Office and Residential market report.

Number of units in the top 8 cities



Source: Knight Frank Residential Report April 2023

A positive outlook is projected for this segment in the upcoming years as it is backed by favourable government policies and good economic growth.

Outlook

Post-pandemic, developers are adjusting their strategies to meet changing homebuyer preferences and product metrics, emphasising efficiency, customer-oriented projects, sustainable and green buildings, and health and well-being aspects. In addition to affordable and mid-segment homes, demand from the premium segment is also rising, with established developers launching projects in prime locations. Furthermore, there is a growing demand for larger homes with quality amenities.

The real estate market has shown a slight softening due to macroeconomic headwinds, causing delayed decision-making by businesses. However, India's office market is expected to remain robust, driven by various segments such as flex, healthcare-life sciences, GCCs, and manufacturing or industrial, along with its leadership position in the global tech ecosystem. The office demand is expected to remain similar to 2022 and around 58-60 million square feet of supply is lined up for the next 12 months. The global headwinds may stifle demand in the short term and may lengthen decision-making times by customers. Going forward, real estate planning will focus on talent mobility, healthy workplaces, and employee value proposition.[12]

Urban infrastructure

The government has demonstrated a strong commitment to fostering infrastructure development, particularly in urban areas, as a means to drive economic growth and employment. Evidencing this commitment, there has been a substantial increase in capital investment outlay for three consecutive years, with the current year's outlay reaching ₹ 10 lakh Crore, equivalent to an estimated 3.3% of GDP. To further incentivise investment in infrastructure and encourage complementary policy measures, the government has extended the 50-year interest-free loan to state governments, with a significantly enhanced outlay. Additionally, the establishment of an Urban Infrastructure Development Fund (UIDF) through the utilisation of priority sector lending shortfall, managed by the National Housing Bank, is expected to enable public agencies to create urban infrastructure in Tier 2 and Tier 3 cities. States are being encouraged to leverage resources from the grants of the 15th Finance Commission and existing schemes while adopting appropriate user charges to access the UIDF.

[12] JLL – Q4 FY22 Office market update

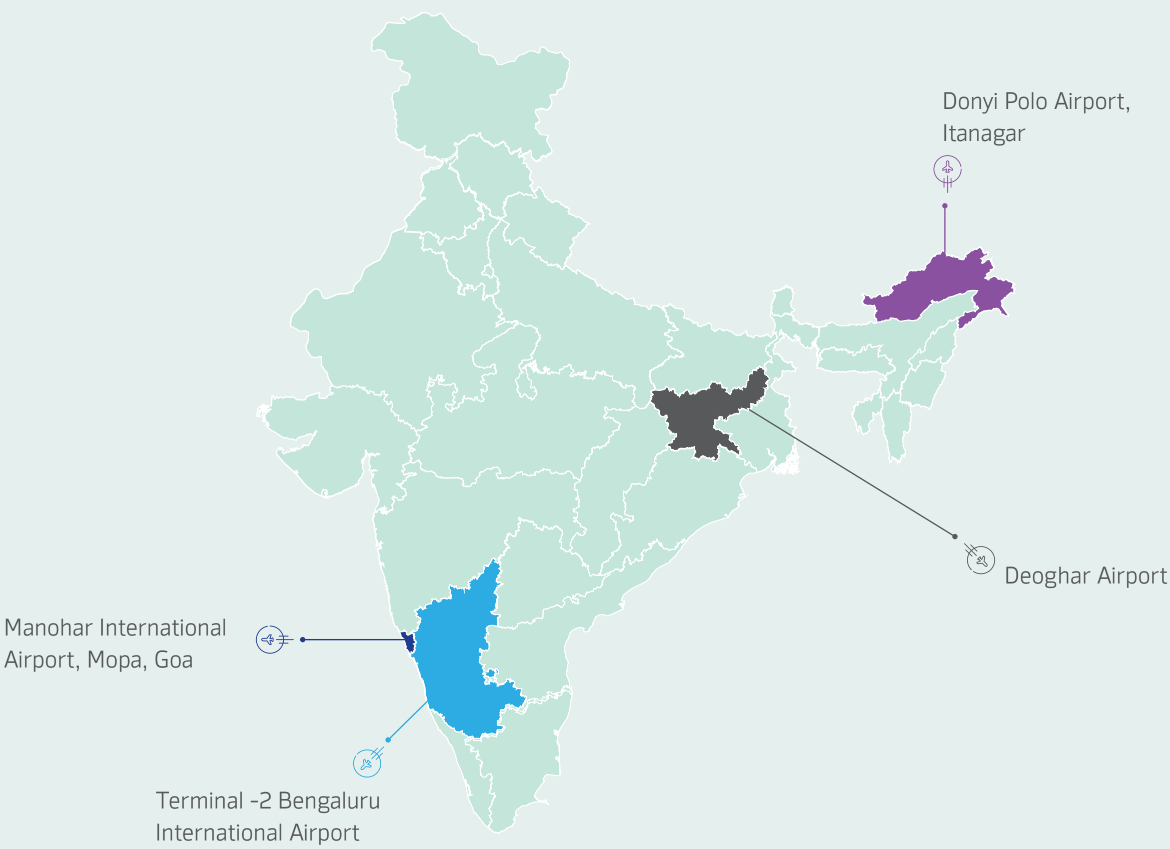
Airports

In 2022, the total number of airports in India has increased to 147 from 74 in 2014. As per Ministry of Civil Aviation, over the past 8 years, the Airport Authority of India (AAI) has invested over ₹ 20,000 Crores in the Civil Aviation industry through capital expenditures. As per a recent report by Invest India, India is set to become the world's third-largest aviation market by the end of FY24. The number of airports constructed within the last few years has doubled and as per the Ministry of Aviation, nearly 100 new airports are to be constructed in the upcoming five years.

3rd
Largest aviation market

100
Airports by 2024

Inauguration of various greenfield airports/terminals



Note: The above map is for illustrative purpose and it is not intended to be used for reference purpose.

Metro

Rapid urbanization in India has accelerated the requirement of the urban rail system for public transportation. In past two decades, indian cities have added more than 800 km of operational metro rail network and India now has the fifth largest metro rail network in the world. India plans to have 5,000 km of operational network by the time it celebrates its 100th year of independence.

Metro Rail has undergone significant transformations over the past few years. The Indian government has recognised the importance of public transportation and has invested heavily in this sector. This has resulted in the development of state-of-the-art metro systems with modern technologies like driverless trains, automatic fare collection systems, and advanced signalling systems. Metros have not only eased traffic congestion in cities but, have also contributed significantly to reducing air pollution. The present length of the metro rail in India is also planned to double by the end of FY25. In the Union Budget for FY24, the Indian government has designated a total of ₹19,518 Crores for all metro projects across the country.[13]

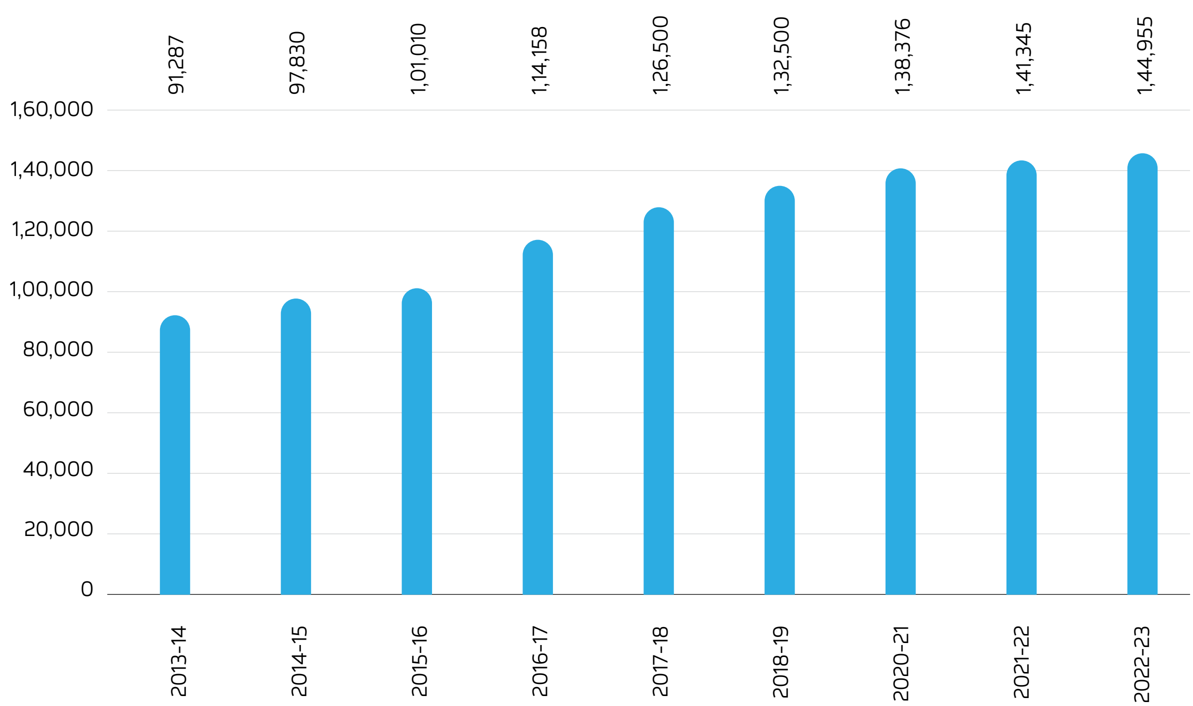
Most of the metro rail systems in India are being operated and maintained by public sector entities called metro rail corporations. Traditionally, the O&M (operation & maintenance) of metro rail systems is carried out by metro rail corporations in house and only certain activities limited to facility management and allied services are outsourced to private sector. However, with increasingly these corporations are outsourcing a significant part of O&M activities to private sector with many of them already in the process of outsourcing some of their core O&M functions to them. Opportunities for private sector will continue to grow for shorter length metro rail projects such as those in Tier II cities.

Roads and national highways

India has the second-largest road network in the world, spanning a total of 6.3 million kilometres (kms). This road network transports 64.5% of all goods in the country and 90% of India's total passenger traffic uses road network to commute. Road transportation has gradually increased over the years with improvement in connectivity between cities, towns and villages in the country.

Highway construction in India increased at 17.00% CAGR between FY16-FY21. Despite pandemic and lockdown, India has constructed 10,457 km of highways in FY22. Under the Union Budget 2023-24, the Government of India has allocated ₹ 2.7 lakh Crore (US$ 33 billion) to the Ministry of Road Transport and Highways. In FY23 (until December), the Ministry of Road Transport and Highways constructed national highways extending 6,318 kms.

National Highways
(in KM)



Source: Annual Report, 2022-23 MoRTH

18.97 km

National highways constructed per day

[13]Article in Economic Times

The Government of India has allocated ₹ 111 lakh Crore (US$ 1.4 trillion) under the National Infrastructure Pipeline for FY 2019-25. The roads sector is likely to account for 18% capital expenditure over FY 2019-25.

The National Highways have a total length of 1,44,955 km, which in totality serve as the arterial network of the country. The road network in India is approximately 63.32 lakh km, making it the second-largest road network in the world As per the Ministry of Road Transport and Highways (MoRTH), the ministry has constructed 5,774 km of National Highways up to December 2022-23. The allocation for the Ministry of Road Transport and Highways in the union budget has increased by 36% with around ₹2.7 lakh Crore for FY24. It is expected to support the increased road project execution target of 14,500 kilometres against 12,000 km in FY23.

Various projects under the initiative of connecting the last mile are expected to increase the lengths of roads and national highways. [14]

Bharatmala Pariyojna

The Ministry of Road Transport and Highways, Government of India has initiated 55 port connectivity projects to improve last-mile connectivity to all major and non-major ports in the country. Out of these, 8 projects have been completed, 14 are being implemented, 13 are under the bidding process and 20 are yet to be awarded. Upon completion, 45 maritime ports will have National Highways or 4 Lane+ connectivity.

Capex: Driver of growth & jobs

Outlook

The Government has made infrastructure development a top priority, and it is expected to play a key role in achieving its goal of building a $5 trillion economy by 2025. According to the latest report by the Department of Economic Affairs (DEA), in order to achieve its $5 trillion GDP plan by 2025 and to maintain its rapid growth, the Government needs to invest $4.5 trillion in infrastructure development through 2030. According to the Ministry of Road Transport and Highways, India is building roads at a record rate and the country's national highway network will expand by 37% in the next two years.

The positive prospects of the Indian infrastructure and construction sector in the coming decade are due to the government's initiatives and future projects such as the National Infrastructure Pipeline (NIP) and Smart Cities Mission are expected to create a significant market for construction equipment manufacturers and developers. Additionally, the growing demand for environmentally friendly materials and sustainable technologies, coupled with a focus on creating sustainable structures such as the Energy Conservation Building Code (ECBC) and Leadership in Energy and Environmental Design (LEED) certifications, is likely to be a key driver of growth in this sector.

Increase in capital investment outlay by

33% **to ₹ 10 lakh Crore**

Increased in Capex amount to

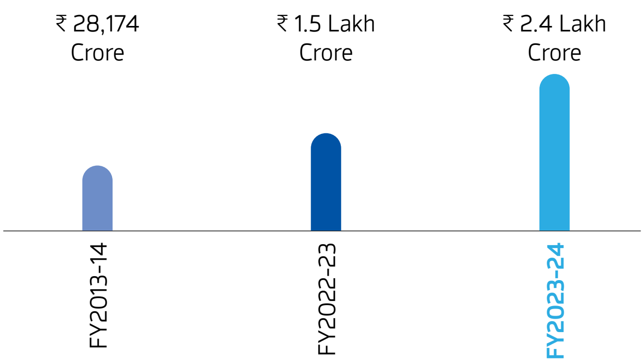
3.3% **of GDP**

Railway Sector

The Indian Railways is the largest rail network in Asia and the world's second-largest entity under a single management. India has the fourth-largest railway system in the world, behind only US, Russia and China.

Budget allocation for the Indian Railway

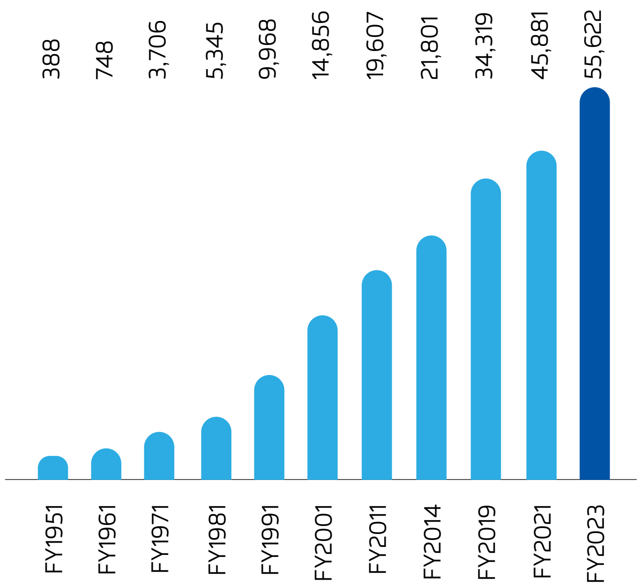
Highest-ever total outlay for indian railways



Source: Minister of Railways, Government of India

[14]ICRA Report

Railway electrification
(in KM)



Source: Ministry of Railway, Government of India

The Indian Railways is making rapid progress towards achieving its goal of 100% electrification and becoming the largest green railway network in the world. According to Ministry of Railways during FY23, the railways achieved electrification of 6,542 route kilometres (RKMs), which is the highest in the history of the Indian Railways. As per Ministry of Railways, Haryana, Odisha and other railway divisions have achieved 100% electrification of their existing Broad-Gauge Rail Networks. The Broad-Gauge network in Haryana spans 1,701 route kilometres and has benefitted from reduced line haul costs, increased hauling and sectional capacities, reduced operating and maintenance costs of electric locomotives, and a more energy-efficient and eco-friendly mode of transportation as per Ministry of Railways. With its impressive progress, the Indian Railways is well on track to achieve its vision of being a sustainable and eco-friendly transportation system.

Indian Railways is developing and creating technology in areas such as signaling and telecommunication with 15,000 kms being converted into automatic signaling and 37,000 kms to be fitted with 'KAVACH', the domestically developed Train Collision Avoidance System

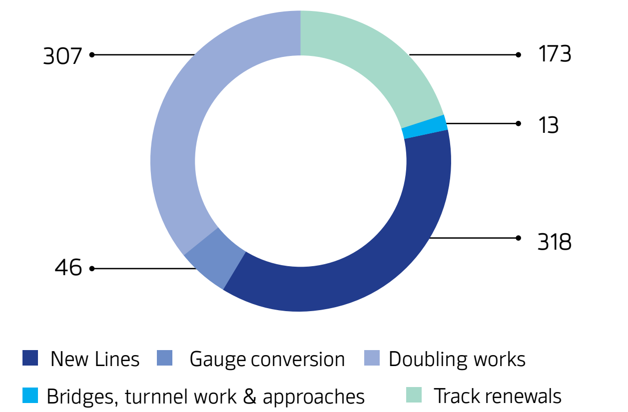
Government Budget for Railways FY23-24

In the Union Budget 2023-24, the Ministry of Railways received an allocation of ₹ 2.41 trillion.

Of the total allocation in 2023-24, ₹ 376 billion has been allocated to rolling stock and ₹ 42 billion to signalling and tele communication.

On the infrastructure expansion front, ₹ 318 billion has been allocated to new lines, ₹ 46 billion to gauge conversion, ₹ 307 billion to doubling works, ₹ 173 billion to track renewals, and ₹ 13 billion to bridges, tunnel works and approaches. Moreover, the government has proposed the manufacturing of 35 hydrogen fuel-based trains, 4,500 newly designed automobile carrier coaches with side entry, 5,000 Linke Hofmann Busch (LHB) coaches and 58,000 wagons. It is expected that hydrogen trains will entail an investment of ₹ 800 million per train and ground infrastructure of ₹ 700 million per route on various heritage/hill routes

FY 23-24 Railways Budget Allocation
(in ₹ Billion)



Source: Union Budget 2023-24

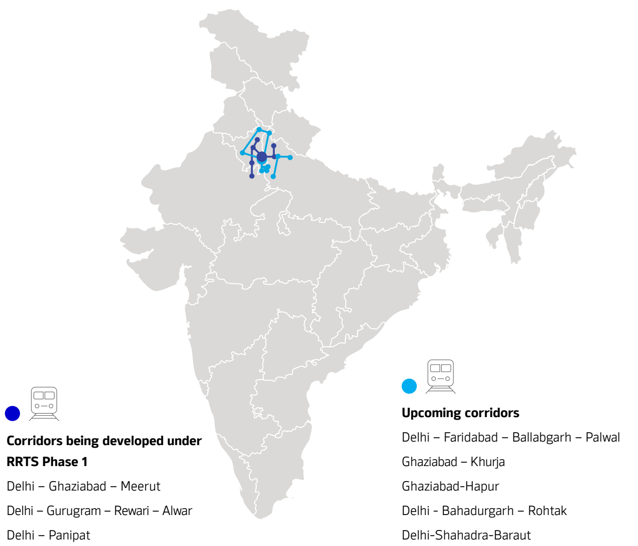
Semi-Speed and High-Speed Rail

> 15+ Vande Bharat Express operational
> 400 Trains in the next 3 years

The Vande Bharat Express is an indigenously built semi-high-speed train under the make-in-India initiative. It is also allowing the country to move ahead towards its self-reliance policy. This has reduced the journey time by 25% to 50% on the routes where it is currently operational. As per Ministry of Railways, the Government of India is also developing the Vande Bharat Express 2.0 with further enhancement. The government is expected to operate 35 Vande Bharat Express by 15 August 2023

Regional Rapid Transit System (RRTS)

According to NCRTC , Regional Rapid Transit System (RRTS) is a high-speed rail-based mass transit system that connects multiple cities or regions within a country. It is designed to provide fast, safe, reliable, and comfortable commuting options for people travelling between different regions. The National Capital Region Transport Corporation (NCRTC) will receive ₹ 3,596 Crore for the country's first Regional Rapid Transit System (RRTS) project.



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Signalling and Telecommunication

The Indian Railways has implemented Automatic Block Signalling (ABS) as a cost-effective solution to increase line capacity on high density routes. During FY23, the railways upgraded 530 kilometres with automatic signalling, which is a 143.12% increase from the previous year's figure of 218 kilometres as per Ministry of Railways. This achievement marks the highest number of automatic signalling upgrades in the history of the Indian Railways. The Ministry of Railways has recently allowed private players to install towers on land owned by the Indian Railways and extend their telecommunication services.

During the year the Indian Railway has undertaken the following initiatives

Centre of Excellence for Modern Signalling: The government has established the 'Centre of Excellence' for modern signalling at Secunderabad. It is aimed at providing expertise and technical inputs through competence building, research, design, and standardisation. Standard typical circuits for Electronic Interlocking Version 2.0 has been issued for use in all future installations up to 100 routes to improve efficiency in signal design and circuit approvals.

Intermediate Block Signalling: The provision of Intermediate Block Signalling (IBS) has been useful in enhancing line capacity without extra recurring revenue expenditure. It has been provided in more than 67 block sections in FY23, totalling over 700 block sections.

Signal Design Automation Tool for Electronic Interlocking (SigDATE): The introduction of SigDATE, an automatic Route Control Chart generating system, is expected to expedite infrastructural works and improve efficiency in signal design.

Outlook

The allocation of ₹ 2.40 lakh Crore in the budget for the Indian Railways is significant not only because it is the largest-ever, but also due to its implications for enhancing connectivity, facilitating the mobility of people and goods, generating employment, fostering development, and promoting the transition to a net-zero economy. Indian Railways has prepared a National Rail Plan (NRP) to create a 'future-ready' railway system by 2030.

The National Rail Plan's target of increasing the share of freight traffic by rail, from 27% to 45%, by 2030 is being pursued through the construction of Dedicated Freight Corridors (DFCs) and various strategies implemented by Indian Railways. Additionally, policies like the Gati Shakti Multi-Modal Cargo Terminal and schemes like the Automobile Freight Train Operator are attracting private investment in developing cargo terminals and special wagons. These measures will make rail transportation more competitive and increase the market share of railways in the freight segment.

Water infrastructure

Water Vision 2047

According to the latest updates from the Central Pollution Control Board, the country treats less than 50 % of the waste water generated. Bridging the gap between recycling and reusing treated wastewater, as well as adopting new technologies is the need of the hour.

According to Ministry of State for Jal Shakti, by 2047, with comprehensive water management practices and new technologies, India could ensure access to water from an improved source, free of contamination and available when needed, to all households across India. Meanwhile, to improve water re-use rates and reduce aquifer pollution, it could aim to increase the share of wastewater treated from 25–30 percent currently to 90–100 percent which is in line with global best practice.

India could also reduce its non-revenue water rate, including water leaks and unbilled water, from about 30–35 % in 2021 to around 10–15 % by 2047, in line with Asia's highly efficient water systems.

According to India Infrastructure Research, over 700 mld of industrial desalination capacity is expected to come up. Of this, around 370 mld is expected to be added in Gujarat, followed by Andhra Pradesh (194 mld), Tamil Nadu (102 mld), Karnataka (30 mld), Odisha (20 mld) and Maharashtra (10 mld). For desalination plant, around ₹ 50 billion worth of investment is anticipated to be required.

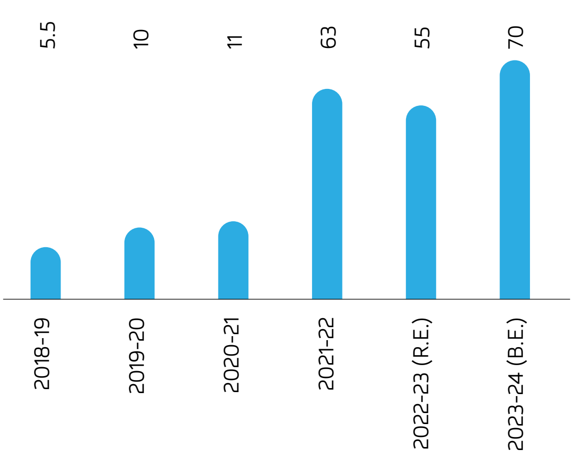
In terms of technology, RO-based plants of over 17 mld SWRO-based plants of 10 mld and other technology-based plants (such as membrane technology and hybrid technology) of around 10 mld are anticipated to be set up

About Jal Jeevan Mission

The Jal Jeevan Mission (JJM) is being implemented under the State Water and Sanitation Mission, which is already functional, and different sources, including rainwater harvesting, have been tapped. It was announced in August 2019. JJM envisages supply of 55 litres of water per person per day to every rural household through Functional Household Tap Connections (FHTC) by 2024. It is under the Ministry of Jal Shakti.

Jal Jeevan Mission: Over 12X increase in outlay since FY 2018-19

(in ₹ thousand Crores)



Source: Press Information Bureau of India

“Jal Jeevan Mission achieves 60% coverage milestone”

11.66+ Crore

Rural households have tap connections

Over 58 Crore

People now have access to clean drinking water through taps at home

Government Initiatives

Jal Jeevan Mission

The Jal Jeevan Mission aims to provide safe drinking water to all rural households in India by 2024, with a focus on individual household tap connections and source sustainability measures such as greywater management, water conservation, and rainwater harvesting. The mission will prioritise community involvement and education through Information, Education, and Communication (IEC) initiatives to promote a collective commitment to water management.

Namami Gange Programme

The Namami Gange Programme, the flagship scheme of the central government, is at an inflection point where all the groundwork that has been done in the past few years has now accelerated the government's efforts. There has been measurable progress in terms of reduction in pollution in the river Ganga and its rejuvenation

The larger vision of government is now to improve the overall ecosystem of the Ganga basin. In terms of the number of projects and sewage treatment capacity, the Ministry of Jal Shakti plans to commission a significantly larger proportion of the work and this trend is expected to continue

Atal Mission for rejuvenation and urban transformation

Phase 2 of AMRUT aims to provide tap water connections and universal coverage of seepage services to households, among other services, with the support of central funding. This will be achieved through sustainable ways like recharge and re use of waste water, rain water harvesting and water conservation

Interlinking of Rivers

The mission of this programme is to ensure greater equity in the distribution of water by enhancing the availability of water in drought prone and rain-fed area. Under National Perspective Plan, 30 nos of links have been identified covering 14 links under Himalayan Rivers Component and 16 links under Peninsular Rivers Component for inter basin transfer of water based on field surveys and investigation and detailed studies

Oil and gas

The oil and gas sector in India is one of the most significant businesses in the nation, accounting for approximately 30% of the country's entire energy mix and serving as a vital economic engine. Technology has long been an important component of the oil and gas business. The length of India's gas pipeline infrastructure increased to 22,000 km in FY23.

The demand for oil will continue to rise in the coming years, largely driven by the recovery of the global economy and the reopening of various industries that have been impacted by Covid-related restrictions.[15]

IEA projected India's oil demand to rise from 4.7 million barrels per day (bpd) in 2021 to 6.7 million bpd by 2030 and 7.4 million bpd by 2040

Consumption of natural gas in India is expected to grow by 25 billion cubic metres (BCM), registering an average annual growth of 9% until 2024. Natural gas, 50-60% less polluting than coal, will work as the transition fuel that can get India to its ambitious goal of net-zero emissions by 2070, when the nation aspires to be fully powered by renewable energy. By February 2026, India will invest ₹3 lakh Crore, or $40 billion, to expand gas infrastructure — pipelines, port-based LNG (liquefied natural gas) regasification terminals, city gas distribution (CGD) networks and gas exploration projects.

Central government's Petroleum Planning & Analysis Cell says demand for gas is set to more than double to 380 million metric standard cubic metres per day (mmscmd) by FY30. Industry is expected to account for 40% of this growth.

Notable trends in the oil and gas sector

Coal Bed Methane (CBM) : CBM policy was designed to be liberal and investor-friendly. The first commercial production of CBM was initiated in July 2007 at about 72,000 cubic metres per day. Production in July 2022 stood at 58.78 MMSCM.

Gas hydrates and bio-fuels: The Government initiated the National Gas Hydrate Programme (NGHP), a consortium of national E & P companies and research institutions, to map gas hydrates for use as an alternate source of energy.

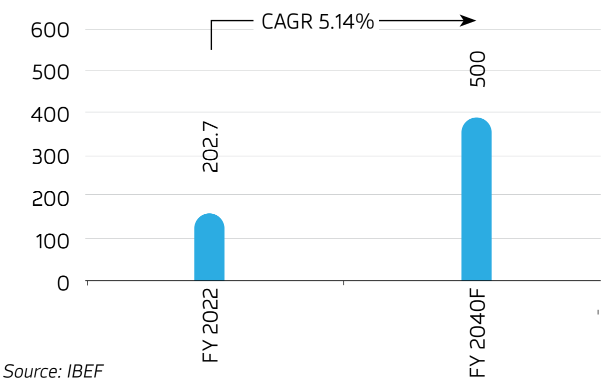
Bio-fuels (bio-ethanol and bio-diesel) are alternate sources of energy from domestic renewable resources. These have lower emissions compared to petroleum or diesel.

Growth Drivers

Rising Demand

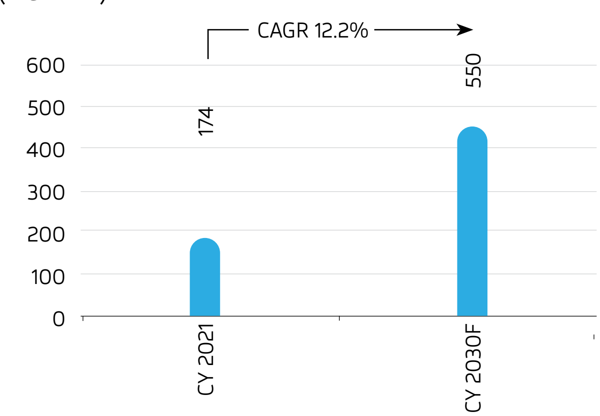
- Energy demand of India is anticipated to grow faster than the energy demand of all major economies on the back of robust economic growth.
- Consequently, India's energy demand as a percentage of global energy demand is expected to rise to 11% in 2040 from 6% in 2017.
- Crude oil consumption is expected to grow at a CAGR of 5.14% to 500 million tonnes by FY40 from 202.7 million tonnes in FY22.
- Natural Gas consumption is forecast to increase at a CAGR of 12.2% to 550 MCMPD by 2030 from 174 MCMPD in 2021.
- Diesel demand in India is expected to double to 163 million tonnes by 2029-30.
- India's oil consumption is forecast to rise from 4.05 MBPD in FY22 to 7.2 MBPD in 2030 and 9.2 MBPD in 2050.

Crude oil consumption and forecast
(MT)



Source: IBEF

Natural gas consumption and forecast
(MCMPD*)



Source: BP Statistical Review of World Energy 2019, BP Energy Outlook 2019 and IBEF
**MCMPD - Million Cubic Metres Per Day*

FDI investments in petroleum and gas in India

- FDI inflows in India's petroleum and natural gas sector stood at US$ 7.99 billion between April 2000-June 2022
- India has invited global firms to invest in its strategic petroleum reserves (SPRs) owing to the country's rising energy consumption. India's share in global energy consumption is set to rise from 7% to 12% in 2050.

[15]IEA Oil Market Report

Outlook

According to the International Energy Agency (IEA), global oil demand is expected to increase by 1.9 million barrels per day (mb/d) in 2023, reaching a new record of 101.7 mb/d. This increase in demand is largely driven by China, which is expected to contribute nearly half of the overall increase after lifting its Covid-related restrictions. The primary source of this growth in demand is jet fuel, which is expected to increase by 840 kb/d.

To combat rising oil costs, the Indian government plans to commercialise 50% of its strategic petroleum reserves (SPR) in order to earn revenue and build more storage tanks. In the next five to six years, the length of India's gas pipeline system is predicted to rise to 35,000 km.[16]

By February 2026, India will invest ₹3 lakh Crore, or $40 billion, to expand gas infrastructure — pipelines, port-based LNG (liquefied natural gas) regasification terminals, city gas distribution (CGD) networks and gas exploration projects to meet net-zero emission goal by 2070

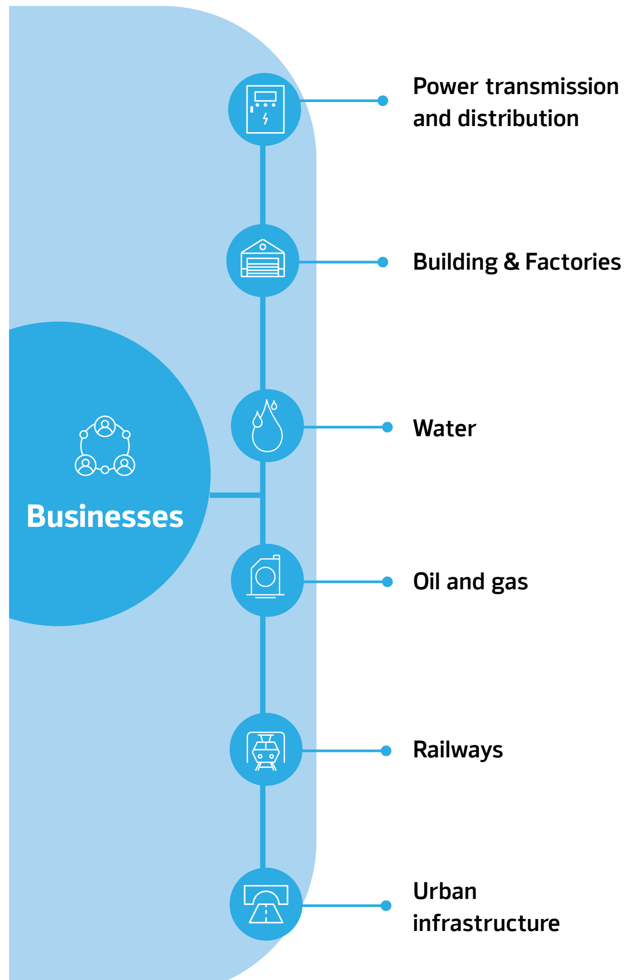
Company overview

70

Global Footprint

Founded in 1981, Kalpataru Power Transmission Limited (KPTL) is one of the leading Engineering, Procurement and Construction (EPC) companies.

The Company offers comprehensive solutions encompassing design, testing, fabrication, erection and construction of transmission lines, power substations, oil and gas infrastructure, railway projects, civil contracting services for Buildings & Factories, Airports, Water Infrastructure, Highways and Metro construction on a turnkey basis and solar EPC projects. The Company is also present in the agri commodity warehousing sector through its subsidiary Shree Shubham Logistics Limited. The Company has extended its local reach in the European market through its strategic acquisition of Linjemontage Grastorp AB in Sweden in 2019 and Latin America through the acquisition of Fasttel Engenharia SA in Brazil in 2021.



Financial highlights

Standalone & Consolidated Key figures:

(₹ Crores)

Particulars	Standalone			Consolidated		
	FY2021-22	FY2022-23	% Change	FY2021-22	FY2022-23	% Change
Revenue	12,407	14,337	15.6%	14,777	16,361	10.7%
Core EBITDA*	1,080	1,278	18.4%	1264	1,481	17.1%
Core EBITDA Margin(%)*	8.7%	8.9%		8.6%	9.1%	
PAT	350	532	51.8%	535	435	-18.7%
PAT Margin(%)	2.8%	3.7%		3.6%	2.7%	

*Core EBITDA includes the amount of ₹109 Crores shown as an exceptional item with respect of an award obtained by an erstwhile power transmission subsidiary and is contractually receivable by the Company.

[16]Invest India- National Investment Promotion & Facilitation Agency

The Key Financial Ratios are given below

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations 2018, the Company is required to provide details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations

Financial Ratios	Standalone		Consolidated	
	FY2022-23	FY2021-22	FY2022-23	FY2021-22
Debtor's Turnover (No. of Days)	120	135	114	123
Inventory Turnover (No. of Days)	57	56	61	61
Interest Service Coverage Ratio	3.8	3.5	2.8	3.2
Current Ratio	1.3	1.5	1.3	1.4
Debt Equity Ratio	0.6	0.5	0.8	0.9
Operating Profit Margin (%)	8.1	6.9	8.4	7.9
Net Profit Margin (%)	3.7	2.8	2.7	3.6

At standalone level increase in Net Profit Ratio has been on account of better margin in projects. At consolidated level, decrease in Net Profit is mainly due to increased input costs in subsidiary companies.

Strong all-round performance in FY 2022-23

In FY2022-23, the company witnessed a standalone revenue growth of 16% driven by strong execution and a healthy order book position. Productivity improvement and project closures contributed to improved profitability. There was strong traction in the international business as the company expanded its Transmission & Distribution (T&D), Civil, and Oil & Gas businesses and forayed into new geographies. Notably, it recorded the highest-ever annual order inflow of over ₹25,000 Crores, resulting in an all-time high order book. The company's capital expenditure (CAPEX) was around ₹500 Crores during FY 2022-23. Furthermore, the scheme of amalgamation of JMC Projects (India) Limited with KPTL was successfully completed in January 2023, leading to the creation of one of India's large listed diversified engineering and construction company with a global presence and well diversified business mix with order book of about ₹ 46,000 Crores.

Operational highlights

Manufacturing updates

During FY2022-23, production (including outsourced) and dispatches of transmission line towers/structures were 122,594 MT and 118,258 MT respectively, as compared 148,253 MT and 152,580 MT in 2021-22.

Order book

For the FY2022-23, on a consolidated basis, the company has received new orders of approximately ₹ 25,241 Crores. The aggregate value of orders on hand is ₹ 45,918 Crores.

Geographical updates

Geographically, the consolidated revenue of the company can be divided into two different segments – domestic and international. Revenue from the domestic business was ₹ 10,917 Crores (67%) and the international business recorded revenue of ₹5,444 Crores (33%) in 2022-23 on consolidated level. During the FY2022-23, the company expanded its presence by entering three new countries—Seychelles, Madagascar, and Ghana—bringing the global footprints to a total of 70 countries.

Business - Wise Performance

Consolidated Business Revenue

(₹ Crores)

Businesses	FY22	FY23	Growth
T&D	6,446	6,038	-6%
B&F	3,313	4,136	25%
Water	1,704	2,622	54%
Oil & Gas	915	985	8%
Railways	1,589	1,652	4%
Urban Infra	328	403	23%
Total Core business	**14,295**	**15,836**	**11%**
Others & Inter-company eliminations	482	525	9%
Total Consolidated Revenue	**14,777**	**16,361**	**11%**

Power Transmission and Distribution (T&D)

T&D has been the flagship business of the Company and with the present scenario of global transition towards clean energy, the company has significant opportunity to design and deliver grid infrastructure upgrades that can integrate renewable energy sources.

During FY23 the Company has secured numerous orders of transmission line and substation in international and domestic markets totalling approx. ₹ 10,000 Crores (incl. subsidiaries). The T&D business order book including the international subsidiaries is at a record high of around ₹16,500 Crores. In FY2022-23, the company completed 663 circuit km of stringing of transmission towers at various locations internationally and domestically completed 1,746 circuit km of stringing.

T&D business revenues was at ₹ 6,038 Crores in FY2022-23, lower by 6% on account of lower revenue booking in the international subsidiaries. During the year, Company has strengthened its position in existing and new geographies by securing various high-value projects. The Company has also been selected as a preferred EPC partner by a major utility in Australia for executing a large-size EPC project for renewable integration. This is a significant achievement for KPTL which demonstrates the capability to manage and execute such large-size complex projects at the global level. In India, the Company secured orders from Power Grid Corporation Limited (PGCIL), State Electricity Boards (SEBs) and private clients

Looking ahead, the Company has a huge tender pipeline of over ₹ 50,000 Crores for next 20-24 months in India. In the International market, company has strong visibility with a tender pipeline of over USD 4 billion concentrated in markets of Africa, Latin America, Asia and Middle East.

Buildings & Factories

B&F business of the company is into residential and commercial construction services and has established a significant presence in southern India. The Company has maintained its leading market position with repeat orders from large existing clients and added new institutional clients. For the year FY2022-23, the company has delivered remarkable growth of 25% YoY, reaching ₹ 4,136 Crores on account of strong execution and a robust order book. The company has secured orders of ₹ 3,755 Crores in FY2022-23 and has an orderbook of ~₹ 8,500 Crores as of 31st March, 2023. In line with the strategy to broaden the civil business to international markets, the Company has successfully secured its second B&F project in an overseas market in Africa this year.

The Company is continuously enhancing its market position by acquiring new clients and expanding its presence in key sectors such as data centers, institutional buildings, and industrial processing plants.

Water

Water business of the company encompasses the entire value chain of the water sector including water intake, treatment, storage, supply, distribution, operation, and maintenance. Other services includes irrigation and river linking to cater to water management needs. In FY2022-23, the company's water business revenue grew by 54% year-on-year at ₹ 2,622 Crores on the back strong order growth and execution. The Company has successfully obtained orders worth ~ ₹ 7,500 Crores and currently has an order book of ~ ₹ 12,500 Crores as of 31st March, 2023. Large order wins are from Madhya Pradesh, Uttar Pradesh, Odisha and Jharkhand. To enhance its competitiveness and effectively handle larger projects, the company is consistently investing in strengthening its capabilities. The Company is executing projects in six states across India. The prospects of water division remained vibrant given 27% increased allocation totalling to ~ ₹70,000 Crores in the Union Budget 2023 towards the Jal Jeevan Mission (JJM).

Oil & Gas

The Company is one of well-established player in oil & gas pipeline business in India covering cross country oil & gas pipelines, processing facilities, refineries and fertilizer plants. The Oil & Gas business recorded a revenue of ₹ 985 Crores and secured overs of ₹726 Crores in FY2022-23. The order book as of 31st March, 2023 stood at ₹ 1,666 Crores. The Company has obtained qualifications to participate in bidding processes in seven countries, which indicates the ability of company to expand in the international markets. The business has a positive outlook in both the domestic and international markets. Strong market opportunity with estimated investment of US$150bn over the next 5 years by international companies.

Railways

One of the leading EPC contractor in railways infrastructure space and cater to turnkey solutions for conventional rail line, high speed rail and metro rail. The Railways business witnessed a 4% YoY growth, with revenue reaching ₹1,652 Crores. In FY2022-23, company successfully secured orders worth ₹1,557 Crores, including two significant metro electrification projects. The business has an order book of ₹ 3,747 Crores as of 31st March, 2023. The company maintains a cautious approach and is selective in choosing bids given intense competition. Railways segment in collaboration with B&F division have ventured into area of station development during the year FY2022-23. The company is actively focusing on enhancing presence in key areas such as metro electrification, signalling and telecommunications (S&T), Regional Rapid Transit System (RRTS), and High-Speed Rail. In addition to the domestic business, the company is exploring opportunities in the International markets.

Urban Infra

In the urban infra business, company offers EPC services for design and construction of highways, bridges & flyovers, metro rail corridors stations, transit terminals & hubs. The urban infrastructure business witnessed a 23% year-on-year growth, amounting to ₹ 403 Crores, primarily due to the successful execution of newly secured projects in FY2022-23. The company secured orders worth of ₹ 1,471 Crores and has an order book of ₹3,002 Crores as of 31st March, 2023. The Company has also successfully commenced the execution of the Maldives integrated airport development project in FY23. The company also forayed into new geographies of Ghana and Maldives. The Company is actively enhancing its capabilities to secure projects in various sectors, including metro rail, elevated roads, public spaces, and airports.

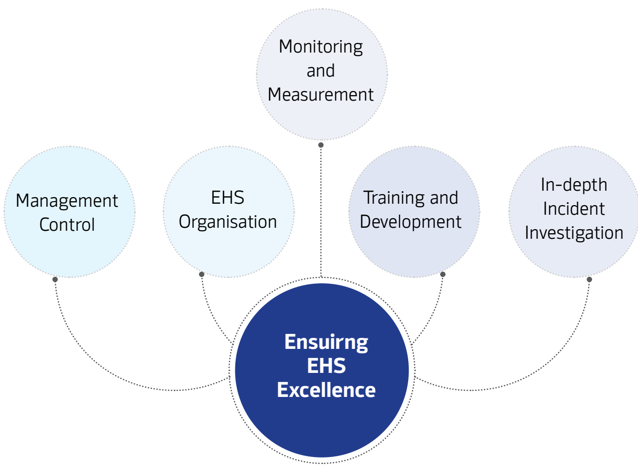
Environment, health and safety

The company has established a company-wide practice of reinforcing and maintaining the highest level of EHS standards with a dedicated approach and strong demonstrative commitment.

The Company is committed to promote a safe working environment by incorporating the international EHS practices into its business operations with proactive EHS monitoring for the prevention of OSH injuries & illness to protect its employees, contractors, visitors and others in and around the projects.

The Company has set the benchmark of its EOHS performance through adopting the best practices with commitment to comply with the applicable statutory obligations and law of the land.

The Company has been consistently encouraging its employees to practice & integrate EHS in all levels of employees in the organization and motivate them to adopt it in to their business operations with aim to achieve the organizational goal of 'ZERO harm' by successful implementation and adherence of well-defined safe work procedures.



During FY23, the Company inculcated safety drives and delegated safety ownership to line management, employees and contractors for prevention and mitigation of incidents, with a focused approach on the following areas:

Process driven approach

KPTL follows a process-driven approach to maintain the highest EHS standards across its sites. It has established various guidelines and procedures, including daily safety reporting, an excellent corporate EHS operational control procedure for incident reporting & investigation guideline to identify and effectively control the root causes of incidents. It also uses an EHS dashboard to monitor performance at the site level, EHS enforcement i.e. work stoppage guidelines whenever essential and identifies most safety conscious employees for Safety rewards and recognition, regularly. Additionally, KPTL empowered all BU and Site EHS heads with duties and responsibilities applicable to their projects. Company has developed and implemented visitor safety guidelines, disciplinary policy to maintain & sustain the work place discipline, increase the productivity and promote a positive EHS culture in the organization.

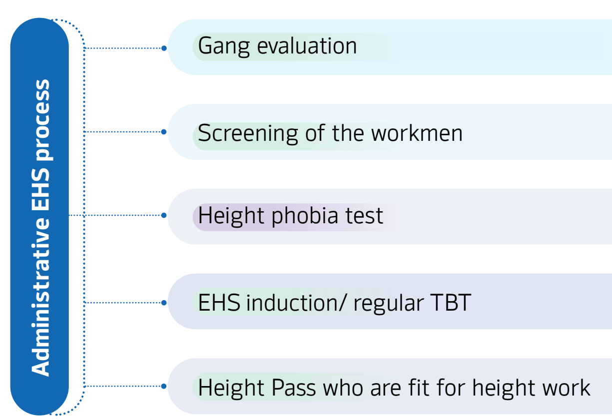
Robust EHS Review Mechanism

The Company has established strong EHS review mechanism at site, BU and corporate level. The Company conducts a quantitative rapid EHS performance assessment of the Project site for monitoring and measuring EHS performance. EHS Audits are conducted at three levels ie site, BU and Corporate to analyse the common challenges and deviations. Depending upon the findings, requires resources and supports are ensured to sites to enhance their EHS implementation program and raise the EHS standards within target dates.

It has formulated an EHS steering committee at BU / RO / Site level to enable a robust and effective EHS review mechanism. The committee fortnightly reviews with BU / RO EHS head the status of initiatives / ongoing EHS performance.

Engineering control mechanism

- **Innovative fall protection mechanism** through vertical and horizontal lifelines, fall arrest System.
- Effective control on injury and fall protection through provision of guarding and railing mechanism in work equipment and elevated work zones.
- Provision and use of fall arresting **safety nets** as passive fall control measures during the erection of transmission tower
- Provision of **CCTV Camera System** at tower location to monitor safe work practices.
- **TPI** of lifting tools and tackles at the site
- **Trench box installation** to protect people while working in and around the trenches.
- Implementation of **Snake Guard Stic**k for project sites.
- **Helmet Mounted Induction Tester** and voltage detector during work near live lines.



EHS training tools

All applicable EHS trainings are scheduled and conducted at EHS training/induction centre as per training calendars. Required resources including experienced trainers, training modules, audio presentations/ safety video, toolbox talks, meetings are provided for effective EHS trainings for employees, contractors and visitors.

EHS LMS module on different topics to ensure effective delivery, tracking and assessment of learning modules. Virtual reality modules on different topics are developed to help learners gain hands-on experience. EHS Induction movie with live working practices are shown to learn the safety practices, effectively. Besides, CCTV cameras are installed to track the adherence of safe work practices in real-time. Weekly EHS Webinar sessions are also held for all employees.

Human resource

KPTL recognises its employees as the driving force behind its success. Its HR department is dedicated to provide its people the tools, resources, and support necessary for thriving in a competitive environment. Through various initiatives, it fosters a culture of continuous learning and development and promotes diversity and inclusion. Its efforts to attract, retain, and develop top talent have enabled the Company to build a strong talent pipeline that fuels growth and success.

Learning and development

The Company has made it a priority to cultivate a work environment that values continuous learning and personal growth. It recognises the importance of investing in the development of its human resources and has therefore taken steps to enhance the frequency and quality of learning and development initiatives available to them. To achieve this objective, the Company has developed a comprehensive Learning and Organisational Development (L&OD) framework that focuses on four key strategic areas. These areas are:

Professional development opportunities

The Company prioritises employee development by providing functional and technical skill-based programmes. It believes in the professional growth of its employees and ensures it through external skill and competency development programmes. Its approach includes on-the-job skill development, certification programmes, and a monsoon training drive to encourage curiosity and self-development.

Interventional development opportunities

The Company offers various programmes to enhance specific competencies and skills across all levels. It includes self-paced learning modules, certification courses, and on-the-job skills development. Subject matter experts provide training on people development, strategic thinking, project management, and lean management. It also focuses on evaluation of employee skills to ensure learning retention. Additionally, high-potential individuals are offered project management certification through SP Jain Global School to further strengthen the Company's talent pool.

Transformational development opportunities

To build a strong talent pipeline, the Company facilitates the Talent Development and Review Council. This council enables leadership to engage in conversations with employees about their aspirations, potential, and career paths. Employees are encouraged to reflect on their approach, goals, and leadership style, and build development plans accordingly.

Aspirational development opportunities

Long term leadership development opportunities for early leaders (ELEVATE), future leaders (LEAP) and leadership role holders (LDP-IIM) with a focus on building long term impactful competencies and leadership capabilities along with Action Learning to derive practicable outcomes of learning and group mentoring /coaching. Executive coaching opportunities are available to senior leaders to help them grow in business and functional leadership roles.

Training Sessions for Employees & workers

The company facilitates mandatory training like Anti Bribery Anti Corruption(ABAC), PoSH, KCoC, HR Policy related training, Behavioural Competency Framework and Organizational Values etc. through the in person and virtual modes through the following programs for employees and on roll workers:

Swagat Orientation and Induction Program: The program is held virtually once in every two months through which the Company ensures that all the newly joined employees gain insight into corporate policies, gain an understanding of all the businesses and interact with senior HR Leadership.

Virtual Sessions on Policies: For a greater understand and clarity on organizational policies like HR Policies, KCoC, PoSH, Behavioural Competency Framework and ABAC, virtual programs are facilitated to reach a wider audience locally and at international locations. Mandatory policies are also available to employees in the form of LMS Courses with yearly recertification for ABAC and one in two years certification for KCoC and POSH.

Monsoon Training Drive: Taking advantage of the monsoon season, the Monsoon Training Drive is facilitated by the L&OD team, business HR teams, Quality and EHS Teams. Training on organization policies and guidelines are facilitated by the SMEs. Programs are facilitated at project sites to ensure that a larger audience is reached in person.

Rewards & Recognition

The Company understands that our talent is at the core of our organization's growth and success. The company as one integrated Kalpataru Parivar are committed to value and recognize its hard work and dedication through multiple rewards and recognition initiatives.

One such way the company continuously live this value of employee recognition is by sending congratulatory letters to not only the employees but also the family members of those employees who have been promoted, displaying our ideology of Kalpataru -Parivar, to express their remarkable support, contribution, and continuous trust in the company.

The Company also recognizes its loyal employees through long service awards for their continuous commitment to the company. In addition, the company has also recognized employees through "Exceeding Everest" awards, which acknowledges employees who have made significant contributions to the various cost, systems, or process improvement initiatives.

The Company ensures a human centered employee focused approach for such recognitions through an R&R week where these, and many other awards are presented to their employees by their respective leaders. The Company firmly believes that these initiatives are essential in creating a positive and supportive work environment, and it will continue to prioritize these for its high performing and loyal talent in the years to come.

Overall with an objective of recognition does not stop, this year 15% of employees have been recognized throughout the year.

Diversity and inclusion

The Gender Diversity percentage increased from 3.25% to 4% this year. Significant efforts were made to increase diversity by recruiting women in key positions and empowering them to reach their full potential. Women were groomed for future roles and given cross-functional exposure to reap the benefits of gender diversity.

Corporate social responsibility (CSR)

KPTL is committed to becoming a socially responsible corporate citizen and to make a positive difference in the lives of communities and society as a whole. To do this, it has established structured approach towards implementing need-based social interventions through its CSR activities.

Kalpataru Foundation and Kalpataru Welfare Trust (CSR implementing organisations of KPTL)

The Company's CSR activities are not limited to developing the communities around its plant locations, but also extend to various sites in remote locations across the country, leaving positive social footprints behind. Its focus areas for CSR include healthcare, education, skilling/livelihood, disaster relief, and animal welfare, environment and need-based rural interventions across various geographies.

Healthcare Initiative

Kalpa Arogya Seva (Project KARE) and Swasthya Abhiyan

Healthcare interventions under the project focuses on providing preventive, promotive and curative healthcare services. The subsidised dispensary, Kalpa Seva Aarogya Kendra (KSAK) continued to provide specialised health services while expanding the outreach to villages near Gandhinagar, Gujarat and Raipur, Chhattisgarh. This centre provided subsidised MRI scan facilities to 8,615 patients in FY22-23, the maximum number of scans in a month reaching a high of 903 scans. These beneficiaries were provided consultations, medicines and other pathology tests at subsidised rate. Both the centres are complementing the government run health facilities in the area.

36,019 **Beneficiaries**

from marginalised and vulnerable communities

KPTL supported the Rashtriya Netra Yagna project of Vision Foundation of India towards their mission of reducing avoidable blindness. The loss of sight most often results in social exclusion, making visually challenged persons vulnerable to abuse and destitution. The quality of eye care and medical technology available today is not reaching the needy communities in remote locations of the country. KPTL identified these remote locations near the Project sites and supported cataract surgeries for people from the marginalised background.

600

Persons underwent cataract surgeries

KPTL continued to expand its outreach towards creating awareness through training of stakeholders like caregivers and running healthy aging program on Parkinson's disease. The project is being run in partnership with Parkinson Disease and Movement Disorder Society, a Mumbai based NGO. Understanding the dearth of intervention and awareness on Parkinson disease near the villages of our Raipur Plant, KPTL extended the project outreach to these rural areas. The interventions focused on creating awareness and conducting sessions on healthy aging across Thane district in Maharashtra and Raipur district in Chhattisgarh. 125 Organisations, 2669 beneficiaries from marginalised communities and 132 senior citizens benefitted from this project.

2,801

Beneficiaries & elderly benefitted through outreach programme

The community health care interventions also focused on providing initial support for diagnosis for cancer in 30 paediatric cases, individual medical support to needy beneficiaries, donating wheelchairs to PwDs who belong to low income strata of society.

KPTL also focused on augmenting healthcare facilities for the marginalised communities around our Plant locations and project sites. Support was provided to set up X-Ray facility, Sonography machine and other medical equipment, etc. were donated to charitable hospitals and government run health centres. A Community Sub-health centre was constructed in a village in rural Maharashtra. This centre will work as a spoke reaching out to villages in 8-10km radius.

Water, Sanitation & Hygiene (WaSH) is a pre-requisite to human health and well-being. Understanding this crucial problem, KPTL undertook construction of public toilets in areas that witnessed high footfall. This will ensure usage of the toilet facility and promote healthy practices like hand wash, etc. As a part of menstrual health management project, sanitary napkin making machines has been set up in a school and rural community. This project will work towards providing sanitary napkins to young girls and women in rural area and small towns.

49,000+

Beneficiaries covered under Healthcare

Education Initiative

Kalpa Vidhya Kalpa Kaushal, Shiksha Abhiyan and Unnati Abhiyan

In a developing nation like India, quality education is an essential need for every child. With over 250 million school-going children, education has become a top priority for both individuals and the government. The National Education Policy 2020 (NEP 2020) was introduced to ensure equitable access to education for all children, especially those from marginalised communities.

Aligned with the NEP, KPTL's CSR activities are focused on creating safe and holistic educational infrastructure for children in remote areas. The goal is to provide an impetus for them to join and sustain their schooling years. To ensure that children from the marginalised communities have equal access to education, KPTL supported the refurbishment and construction of the Government Senior Secondary High school in Rajasthan.

The work began in FY21 and was completed in FY23. Additional classrooms, sanitation facilities, Mid-day meal shades, separate dishwashing and handwash stations, kitchen renovation, Anganwadi, were constructed and computer Lab, Mini Science Centre, Digital Smart classrooms were set up. As a result, enrolment in these schools has gone up from 450 students to 750 students.

With a focus on providing 21st-century skills and breaking the digital divide in schools, KPTL initiated the setting up of Digital Smart Classrooms and Mini Science centres across schools in semi-urban and rural areas of India. Through "Digital Smart Classrooms," students are taught interactively, benefiting schools with skewed teacher-student ratios the most. The setup of Mini Science centers across 12 schools has helped inculcate basic concepts of Science & Technology (Science, Technology, Engineering & Mathematics) at a very early age among the children in these schools. Consequently, we will see a strong inclination of students opting for Science & Technology as a further study. The adoption of these projects by schools is helping transform the traditional 'rote' based educations system and moving towards more interactive, innovative ways of learning amongst children as well as focusing on interactive pedagogy of teaching. Various schools benefitted through interventions like construction of sanitation facilities, donation of water purifiers, donation of school bus, installation of solar panels, providing computer and refurbishing of classrooms, etc. across locations. This included schools of children with special needs.

41

Digital Smart Classrooms

12

Mini Science Centres

30,000+

Students & teachers benefited from Education interventions

This year, KPTL also supported the Har Ghar Tiranga Campaign run by Govt of India near our office and Plant locations. More than 40000 flags were distributed to individuals in the community.

40,000+

Indian national flag distributed

The skilling project is aligned with the Skill India Mission of the Government of India and focuses on providing employability linked, industry-specific training in trades like Fitter, Rigger, Welder, Electrician, Plumbing, etc. More than 420 youth from economically backward background benefitted through various training interventions including National Apprenticeship Promotion Scheme (NAPS).

420+

Youth trained in employability linked skills

As a part of enhancing the infrastructure in the skill training ecosystem, efforts have been made by KPTL to set up innovative Simulation-based Welding Lab in 2 Government run Industrial Training Institute (ITI), benefitting 90 students directly. The extended Reality (XR) based training will help students learn the nuance of welding like positioning, distance, etc. which will be evaluated on a real time basis. The students can practice as much as possible before moving to actual site, thereby ensuring lees usage of consumables and lesser fumes during the process. Nearby ITI are being encouraged to send their students to utilise the facility so that youth can reap maximum benefit.

90+

Youth across two Govt. run ITI will benefit

Animal Welfare and Environment

SAVe Our Environment Save OUR Animals ("SAVIOUR") and Paryavaran Abhiyan

The Company supported initiatives in the area of animal welfare by partnering with NGOs working towards construction of shelter, animal hospital, providing medicines, and medical aid to animals in distress ,benefitting more than 20,000 animals. Research project on Aquaculture was also supported by the Company that is making efforts to bring concrete welfare changes to the condition under which fishes are farmed. Through the emergency relief provided during the disease outbreak like Argulus, Red disease, etc., more than 30 lakh lives of fishes were saved.

~20,000+

Animals in distress

Under the environmental initiative, considerable growth is seen of the 9000 saplings planted last year through the Miyawaki technique. The plantation is successfully moving towards being a fully grown self-sustaining forest thereby enhancing the flora and fauna of the area.

9,000+

Saplings planted

Sustainable drinking water and livelihood project was implemented in rural Maharashtra. The project in Phase I built the capacity of farmers from 4 villages, conducted need assessment covering a population of 10,006 villagers and constructed One Line Farm Pond in Padali Deshmukh village that will benefit more than 1000 villagers. This line farm pond will support farmers to store the rainwater and utilise it towards cultivation of crops.

Community Development

Kalpa Gramodaya

The Company has assisted in establishing a community library in Khorpa village, which is located near its Raipur Plant. The library will serve various members of the community, including children, women, elderly, and youth by providing access to motivational books. The population at Khorpa which is over 4,000 villagers will benefit from the project.

In addition, the Company has also constructed WaSH facilities in five schools located in West Bengal. These facilities consist of separate dishwashing and hand-wash areas, as well as water purifiers to ensure access to safe drinking water. The improved infrastructure has had a positive impact on the health and hygiene of school-going children in the area.

The project is also focused on need based interventions like digging of borewells, providing for solar chimney and supported infrastructure refurbishment for residential homes for orphan, blind and elderly beneficiaries.

4,800+

Beneficiaries

Risk management

The Company is primarily engaged in executing large and complex EPC projects in domestic and international markets. Hence, it is exposed to a variety of risks locally and globally. The Company has a risk management committee that identifies internal and external risks that are unique to the Company including financial, operational, sectoral, sustainability (including ESG-related risk), informational, cyber security and other threats. The committee is responsible for monitoring and directing the application of the risk management policy. This includes assessing the effectiveness of risk management processes and systems for risk reduction, as well as methods and procedures for internal control of identified risks. Additionally, it ensures that the right procedures, systems and methodologies are in place to identify and evaluate risks related to the Company's operations. The risk management committee aids the Board in the risk management process by identifying and assessing any changes in risk exposure, reviewing risk control measures and approving remedial actions wherever appropriate.

The enterprise – wide risks for the Company and their mitigation measures are summarised below:

Health, safety & environment (HSE)

The company's business is subject to extensive health, safety and environmental laws, regulations and standards. With the changing requirements and stakeholder expectations, it could result in increased cost or litigation or threaten the viability of operations.

Mitigation

HSE is significant for a company being an EPC player. It is important to comply with international and local regulations and standards, protecting the people, communities and the environment from harm, and the business operations from interruptions. Policies and standards are in place to mitigate and minimise any HSE related occurrences. Safety norms are issued and continue to be issued to reduce the risk level in high-risk areas. Systematic monitoring, a review mechanism and process of compliance reporting are in place.

Loss of Biodiversity

Loss to biodiversity is one of the risks that is continuously being stressed upon. Our natural habitats are being exploited leading to endangering of various species of flora and fauna. Some of these activities can have irreversible consequences on our planet. Loss of biodiversity can impact the projects significantly since it can attract stringent regulatory policies that can even lead to disruption in business operation.

Mitigation

To deal with these issues, the company is in process to set framework for biodiversity management and follow the process of screening the area and operations that would be carried before starting a project. The company would undertake projects sustaining the biodiversity of the surrounding area and location.

Solid Waste Management

Proper disposal of waste from operations is essential for environment protection and safety. Some of the waste are stored in secured area where substantial area of land is required. Land availability is becoming difficult and storage of waste has its own risk as well.

Mitigation

The operations of company are guided by 3R principle: reduce, reuse and recycle to manage hazardous and non-hazardous waste. Company has set up processes to recycle and manage proper disposal of waste. Regular meetings and monitoring carried out to manage waste disposal mechanism. The company ensures that statutory criteria for waste management are met and follow the circular economy principle.

Operational Risk

The Company operates in the EPC industry and is exposed to a variety of operational risks that could result in unanticipated delays in project execution and unplanned interruptions of operational operations, negatively affecting the Company's top and bottom lines.

Mitigation

To reduce the risk involved with projects, the Company has established policies and procedures. To enable timely execution and optimum value generation for all stakeholders, projects are analysed within the operational risk spectrum using best practices.

Cyber security risk

The Company is undergoing digital transformation and thus, cybersecurity has become a key concern for the continuity of business.

Mitigation

Cybersecurity practices are being implemented under the guidance of the Risk Management Committee of the Company. These practices are grouped into people, process and technology control areas under the company-wide Cyber Security Assurance Framework.

Employee awareness of cybersecurity is being enhanced through initiatives such as online cybersecurity awareness campaigns on phishing and e-mail security. Network devices, server operating systems and hardware are upgraded periodically.

The Company also actively monitors security logs to detect any malicious attempts and takes the necessary measures to mitigate the risk. Adequate data safety is ensured during its creation, storage, transit and retrieval.

Client Counterparty Risk

This risk pertains to the counterparty will default on its contractual obligations resulting in financial loss to the Company.

Mitigation

The Company's major customers include government bodies and public sector undertakings. Majority of the International projects are funded by the multilateral agencies.

For private customers, the Company evaluates the creditworthiness based on publicly available financial information and the Company's historical experiences. The Company's exposure to its counterparties are continuously reviewed and monitored and appropriate measures are adopted based on the outcome of analysis.

Concentration Risk

Client relationships play integral part for EPC service companies. Our business has a history of client retention and continue to derive a significant proportion of revenue from repeat business built on successful execution of prior orders. The company has projects spread across different geographies and regions for each business segments. For certain projects, the client remains same with presence in different geographies.

Mitigation

The Company is exposed to the risk of revenue concentration with top customers. Focused efforts are taken to expand the client base and geographies. Over the years, our geographical presence in 40 countries from FY2013 has increased to 70 countries in FY2023. The company is penetrating to different regions where there are opportunities on account of infrastructure development and grid integration and upgradation. The Company engages periodically with external experts and government authorities to assess potential impacts of geopolitical situation on the projects, supply chain logistics and commodity prices. The business development teams are constantly scouting new clients and also undertake risk assessment before finalizing of the projects. In terms of any old clients, they review and assess their credit profile and payment terms.

Geopolitical and Regulatory Risk

The Company operates in numerous geographies and faces risks on account of protectionist policies, political dynamics, trade barriers, sanctions, and geopolitical conflicts.

With operations in multiple geographies, the Company is exposed to global compliance risks related to various statutes, laws and regulations.

Mitigation

The Company frequently analyses international sanctions and funding to cover its exposure in the local markets. It also develops appropriate mitigation methods that address the viability of operating in the country and strategic sourcing possibilities. The Company takes steps to adhere to all laws. It also monitors the changes and ensures compliance therewith is taken care of by the internal teams within the Company. The Company also retains the services of subject matter experts and legal counsel with expertise in particular nations to provide guidance on legal issues and compliance.

Financial Risk

Interest rate risk, exchange rate risk and liquidity risk are the three major financial risks. Exchange rates and interest rate fluctuations impact the Company's finances and profitability.

The company faces project delays and adverse contractual payment terms leading to increased working capital requirements.

Mitigation

The Company uses a variety of fund-raising products with a range of maturities to manage interest rate risks in a dynamic manner. It uses a mix of its domestic and international order books scattered across several locations as a technique for reducing currency risk. In order to reduce the exposure to foreign exchange-related risk, it also uses currency-forward contracts.

The Company has access to well diversified sources of liquidity through various consortium banking arrangements and institutions. Beyond this the company relies on access to trade finance and capital markets. It also continuously examines its liquidity levels, as well as the state of the economy and capital markets.

The Company also deploys specific cashflow management strategies and processes to monitor and review regularly and takes corrective actions, as may be required to manage the working capital.

People risk

The need to maintain employee relations, attract and retain talent, and create an engaged set of employees has become important in an environment where talent is becoming scarce.

Mitigation

The Company actively engages with the workforce on a regular basis to learn about their requirements, objectives and any potential problems. Based on ongoing employee feedback, policies, practices, remuneration and developmental interactions are adjusted.

It employs a methodical hiring process to attract the best candidates in the industry. To cultivate future leaders within the organization, the Company offers periodic training and mentoring, grooming and provides growth opportunities.

Commodity Price Variation and Currency Fluctuations

The Company deals with a variety of commodities, including cement, insulators, steel, zinc, copper, aluminium and zinc. Commodities are a significant part of the direct cost incurred by the Company for its business activities including fabrication of towers and erection of the transmission lines and substation. Due to factors such as supply-demand mismatch, competition, production levels and taxation, they may have varying prices and supplies.

If input costs increase without adequate hedging measures, fixed pricing contracts may adversely impact the Company's profits.

Also, with businesses spread across various nations, unfavourable currency fluctuations can affect the Company's financials.

Mitigation

As a part of broader Risk Management Policy, the Company has a dedicated framework to manage commodity risk. The Company's business is significantly dependent on availability, cost and quality of raw materials and fuels for the construction and development of projects undertaken. The Company currently manages such risk through the price escalation clause in some of the Contracts whereby the fluctuation in the input cost is passed on to the Client. In case of firm price contracts, the Company enters into a Commodity Forward Contract to hedge its price risk or pass on back-to-back firm price contract to its vendor/contractor. The Company addresses the risk of fluctuation in commodities which cannot be hedged by building adequate contingencies based on market trends.

Internal control

The Company maintains adequate internal controls, appropriate to the nature and size of the business, and commensurate with the scale and complexity of its operations. The Company has implemented robust policies and procedures, which inter alia, ensure integrity in conducting its business, safeguarding of its assets, timely preparation of reliable financial information, accuracy and completeness in maintaining accounting records and prevention and detection of frauds and errors. At the heart of the processes is the extensive use of technology. This ensures robustness and integrity of financial reporting and internal controls, allows optimal use and protection of assets, facilitates accurate and timely compilation of financial statements and management reports and ensures compliance with statutory laws, regulations and company policies. It has continued its efforts to align all its processes and controls with global best practices.

The Company has aligned its internal controls with the requirements of Companies Act, 2013. The statutory auditors of the Company have issued an attestation report on the Company's internal control over financial reporting (as defined in section 143 of the Companies Act, 2013). The Board of Directors and management at all levels of the Company demonstrate through their directives, actions and behaviors the importance of integrity and ethical values to support the functioning of the system of internal control. The same is demonstrated through various means including, but not limited to Code of Conduct together with the Whistle Blower Policy and Anti Bribery & Anti Corruption Policy for raising concerns about unethical behavior, improper practice, any misconduct, any violation of legal or regulatory requirements, actual or suspected fraud by any official of the Company without fear of punishment or unfair treatment, appraising Senior Management and the Audit Committee of the Board periodically on the internal processes of the Company with respect to Internal Controls, Statutory Compliances and Assurance etc.

The Company has Group Assurance department besides external firm acting as an independent internal auditors that reviews internal controls and operating systems and procedures. A dedicated Legal Compliance division ensures that the Company conducts its businesses with high standards of legal, statutory and regulatory compliances. The Audit Committee of the Board reviews the annual internal audit plan prepared by the Group Assurance department, covering core business operations, corporate departments as well as support functions. Corporate Audit Services conducts independent internal audits and the significant audit observations are presented to the Audit Committee every quarter along with update on implementation of recommended remedial measures and agreed actions by the management. The effectiveness of internal controls were tested during the year by the Statutory Auditors as well as by the external audit firm and no reportable material weaknesses either in their design or operations were observed. The evaluation included documentation review, enquiries, testing and other procedures considered to be appropriate in the circumstances. The Company also has an institutionalized mechanism of dealing with complaints of sexual harassment through a formal committee constituted in line with the Company's Policy on the 'Anti Sexual Harassment policy'.

Cautionary statement

This report comprises the facts and figures along with assumptions, strategy, goal, and intentions of the Company which may be "forward-looking". The Company's actual results and performance may differ considerably from those presented herein. The Company's performance is dependent upon global and national economic conditions, the price of commodities, business risk, changes in the Government's rules and regulations and so on.

Board's Report

DEAR MEMBERS,

Your Directors are pleased to present the **42nd ANNUAL REPORT** of **Kalpataru Power Transmission Limited** ("the Company") together with the Audited Financial Statements (standalone and consolidated) for the financial year ended March 31, 2023.

FINANCIAL HIGHLIGHTS

(₹ in Crores)

Particulars	Consolidated		Standalone	
	2022-23	2021-22	2022-23	2021-22
Revenue from Operations	16,361.44	14,777.38	14,336.82	12,407.14
Profit before Depreciation and Amortization expenses, Tax and Exceptional items	942.49	882.15	979.33	707.53
Less: Depreciation and amortization expenses	391.75	350.78	294.75	271.95
Profit before Tax and Exceptional Items	**550.74**	**531.37**	**684.58**	**435.58**
Exceptional items	90.78	184.93	54.10	63.94
Share of Profit / (Loss) from Joint Venture	-	(19.89)	-	-
Tax Expense	206.50	161.35	206.73	149.14
Profit for the period	**435.02**	**535.06**	**531.95**	**350.38**
Other Comprehensive Income (net of tax)				
Items that will be reclassified subsequently to Profit or Loss	(57.16)	43.39	(48.70)	35.31
Items that will not be reclassified subsequently to Profit or Loss	1.49	0.53	1.58	0.55
Total Comprehensive Income for the period	**379.35**	**578.98**	**484.83**	**386.24**
Other Equity – Opening balance	**4,248.79**	**3,708.72**	**4,907.32**	**4,547.22**
Add: Profit for the period	440.75*	540.30*	531.95	350.38
Less: Dividends	(96.77)	(34.45)	(102.20)	(26.13)
Less: Issue of Equity Shares		-	(2.71)	-
Add / Less: Other Comprehensive income for the year net of tax	(42.34)	34.22	(47.12)	35.85
Add / Less: Acquisition of non-controlling interest	137.70	-	-	-
Other Equity – Closing balance	**4,688.13**	**4,248.79**	**5,287.24**	**4,907.32**

* Profit for the year attributable to Owners of the Company

Note: Consequent to Amalgamation of JMC Projects (India) Limited with the Company, the Financial Statements for the previous financial year 2021-22 has been restated in accordance with the applicable accounting standard.

OPERATIONAL HIGHLIGHTS

During Financial Year 2022-23, the Standalone revenue of your Company increased by about 15.55% to ₹ 14,336.82 Crores as against ₹ 12,407.14 Crores in the previous financial year. Total revenue outside India was ₹ 3,789.66 Crores or approx. 26.43% of revenues.

The Standalone net profit for the year increased by 51.82% to ₹ 531.95 Crores as against ₹ 350.38 Crores in the previous financial year mainly on account of higher revenue, operational efficiencies, productivity improvement and timely project closures and claims.

Your Company has a standalone order book of more than ₹ 45,900 Crores (including Linjemontage I Grastorp AB and Fasttel Engenharia S.A.) excluding fairly placed bids. Your Company has received Orders in excess of ₹ 25,200 Crores (including orders received by Linjemontage I Grastorp AB and Fasttel Engenharia S.A.) in the current financial year 2022-23.

The consolidated revenue of your Company increased by about 10.72% to ₹ 16,361.44 Crores as against ₹ 14,777.38 Crores in the previous financial year.

The consolidated net profit for the year decreased by about 18.70% to ₹ 435.02 Crores as against ₹ 535.06 Crores in the previous financial year mainly on account of increased input costs in subsidiary companies.

Your Company has secured highest ever order book, spread across multiple business areas, enabling sustainable and diversified growth. Your Company has achieved the following milestones for its various businesses during the year under review.

Transmission & Distribution:

(i) Supplied 1,18,258 MTs of Transmission Line Towers

(ii) Completed / commissioned over 1,200 km of Transmission Lines

(iii) Over 2,400 circuit km stringing done

Buildings and Factories:

(i) Secured first-ever Airport project on EPC basis

(ii) Completed marquee projects such as IIT Tirupati (greenfield campus spread over 200 acres), Prestige Falcon Mall (largest in South Bengaluru), Bagmane Helium Commercial Project in less than 12 months (G+12 structure)

(iii) Completed Industrial EPC Project for a steel plant and shipyard

Water Supply and Irrigation:

(i) Over 4 Lakh house connections of treated drinking water provided across cities and villages in Odisha, Bihar, MP and UP

(ii) Over 100 Overhead Water Tanks constructed across States for providing treated drinking water supply

(iii) Multiple projects under execution under Jal Jeevan Mission with portfolio of around 25 Lakh house connections

Railway:

(i) Commissioned over 1,200 route km of Railway Electrification

(ii) Commissioned over 100 route km of new Railway Track

(iii) Secured Indore Metro and Bhopal Metro Projects

Oil and Gas:

(i) Over 250 km hydro-testing of pipelines completed across multiple States

Urban Infra:

(i) Completed Tamil Nadu's longest Elevated Corridor (> 7 km) in Madurai for NHAI

(ii) Secured Elevated Corridor project (> 5 km) in Kanpur from UP Metro

AMALGAMATION OF JMC PROJECTS (INDIA) LIMITED WITH THE COMPANY

The Board of Directors of your Company and its subsidiary JMC Projects (India) Ltd. (JMC) at their respective meetings held on February 19, 2022 had approved the scheme of amalgamation of JMC with the Company and their respective shareholders pursuant to Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (the Scheme).

The amalgamation was approved so as to bring synergies amongst two leading organizations with unique sets of capabilities and complementary businesses in the attractive EPC markets.

As per the Scheme, all the assets, liabilities, employees etc. of JMC shall vest on the Company with effect from the Appointed Date i.e. April 01, 2022 and in consideration of such amalgamation, the Company issued 1 (one) equity share of ₹ 2/- each for every 4 (four) equity shares of ₹ 2/- each of JMC to the eligible shareholders of JMC.

In accordance with the order dated August 03, 2022 passed by the Hon'ble National Company Law Tribunal (NCLT), Ahmedabad bench, your Company convened meeting of equity shareholders on September 06, 2022 through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") in compliance with the applicable provisions of the Companies Act, 2013 and the Listing Regulations, to consider and approve Scheme of Amalgamation of JMC with the Company and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013. The said Resolution was passed with requisite majority.

During the year under review, the Scheme of Amalgamation was approved by the Hon'ble National Company Law Tribunal, Ahmedabad Bench vide its order dated December 21, 2022 and the Scheme became effective from January 04, 2023 consequent upon the filing of the order with the Registrar of Companies, Gujarat. Upon effectiveness of the Scheme, all the assets, liabilities, employees etc. of JMC have been transferred and vested on the Company with effect from the Appointed Date i.e. April 01, 2022.

The effect of the Scheme has been given in the Audited Financial Statements of the Company for FY 2022-23 and accordingly as required under Indian Accounting Standards, the Financial Statements for the previous financial year 2021-22 has been restated to make it comparable.

CAPITAL STRUCTURE

As per the terms of the Scheme, your Company had issued and allotted 1,35,36,944 equity shares each of ₹ 2/- to the eligible shareholders of JMC on January 16, 2023. The said allotted equity shares are listed and admitted for trading in BSE Limited and National Stock Exchange of India Limited on and from February 01, 2023.

Consequent to the above issuance, the paid-up equity share capital of the Company stood at ₹ 32,48,92,304/- divided into 16,24,46,152 equity shares each of ₹ 2/- as at March 31, 2023.

CHANGE OF NAME

The Board of Directors of the Company on April 10, 2023, approved a proposal for change in the name of the Company from the existing name 'Kalpataru Power Transmission Limited' to 'Kalpataru Projects International Limited'. The Company is in process of seeking the approval of the members on the aforesaid change of name of the Company. Such change of name will be made effective once the approval of the Central Government is obtained post the members' approval.

AWARDS & RECOGNITION

Your Company has been honoured with various awards, accolades and recognitions during the year under review, some of which are elaborated hereunder:

- Manufacturing Plant in Gandhinagar : Multiple awards received from International Research Institute for Manufacturing, CII Institute of Quality, Quality Circle Forum of India etc.
- Manufacturing Plant in Raipur : Multiple awards received from Quality Circle Forum of India etc. besides certifications by IFO – Certification Body based at Germany, and certifications such as EN 1090 and ISO 3834-2 which are mandatory for European projects.
- Biomass Power Plant in Rajasthan : Received Gold Award from Apex India.
- Transmission Lines & Substations : Multiple awards received from Quality Circle Forum of India, Gold Excellence Awards at International Convention on QC Circles - 2022 Jakarta for the case study on "Proto Inspection of Transmission towers" and also on Case study on "5S Implementation in Construction store area".
- Railways : Multiple awards including "Achievement in Electrification in Railways" at 3rd Rail Analysis Innovation & Excellence Summit, 2022, Awards for "Outstanding Contribution in Urban Infrastructure – Railway" by EPC World etc.
- Digitalization : Multiple awards including for "Operational Excellence through Digital Transformation – 2022" for Project SPARK under the "Most Innovative Practice" category by Confederation of Indian Industry, Technology Excellence Award from Quantic India.
- Skill Development : Multiple Supervisors and Artisans felicitated in CIDC Vishwakarma Awards.
- Safety : Multiple awards for various projects in Buildings & Factories, Transmission Lines & Substations, Water Supply & Irrigation and Infrastructure businesses from OSHSAI, British Safety Council, RoSPA UK, CII, CIDC, NSCI etc. Also, multiple appreciations received from various clients for safe working hours achieved at various project sites.

MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF YOUR COMPANY

There are no material changes and commitments, affecting the financial position of your Company which has occurred between end of financial year 2022-23 and the date of Board's Report.

DIVIDEND

Your Directors are also pleased to recommend dividend on the increased paid-up equity share capital base of the Company for the year ended March 31, 2023 @ ₹ 7/- (350%) per equity share of ₹ 2/- each fully paid up (previous year ₹ 6.50 (325%) per fully paid up share). The total dividend payment for FY 2022-23 would be approx. ₹ 113.71 Crore on the increased share capital base of 16,24,46,152 equity shares as against the previous year dividend payment of ₹ 96.79 Crore on 14,89,09,208 equity shares of the Company. The final dividend payment for the FY 2022-23 is in accordance with the Dividend Distribution Policy of the Company and the same shall be paid subject to the deduction of tax in applicable cases once approved by the members of the Company at the ensuing Annual General Meeting.

DIVIDEND DISTRIBUTION POLICY

In terms of Regulation 43A of the Listing Regulations, your Company has formulated Dividend Distribution Policy and the same is also available on the website of the Company at https://kalpatarupower.com/wp-content/uploads/2016/05/Dividend-Distribution-Policy.pdf

The Board of Directors of your Company have recommended dividend within the parameters of dividend distribution policy. There was no change in dividend distribution policy during the year under review.

NON-CONVERTIBLE DEBENTURES

During the year under review, the Company has redeemed Non-Convertible Debentures (NCDs) worth ₹ 298.94 Crores (includes NCDs redeemed by JMC Projects (India) Limited worth ₹ 145 Crores).

Also during the year, your Company has issued and allotted 990 Nos. Repo Rate linked Unsecured, Rated, Listed, Redeemable NCDs of the face value of ₹ 10,00,000/- (Rupees Ten lakh Only) each, for an aggregate nominal value of ₹ 99,00,00,000/- (Rupees Ninety Nine Crores Only) on private placement basis. The said NCDs are listed on Wholesale Debt Market Segment of BSE Limited. Further, the Company has fully utilized the proceeds of issue of said NCDs for the purposes as mentioned in the offer document.

Further, a liability towards 3,490 NCDs of the face value of ₹ 10,00,000/- (Rupees Ten lakh Only) each, for an aggregate nominal value of ₹ 349,00,00,000/- (Rupees Three Hundred Forty Nine Crores Only) got transferred and vested on the Company upon effectiveness of the Scheme of Amalgamation of JMC Projects (India) Limited with your Company.

As on March 31, 2023, the total outstanding NCDs stands at ₹ 648,00,00,000/- (Rupees Six Hundred Forty Eight Crores Only) divided into 6,480 NCDs of the face value of ₹ 10,00,000/- (Rupees Ten lakh Only) each.

TRANSFER TO RESERVES

Your Directors have approved the transfer of the following amounts to various reserves during the financial year ended March 31, 2023:

Amount transferred to	Amount in ₹ Crores
General Reserve	10.00
Other Reserve	0.21

PERFORMANCE AND FINANCIAL POSITION OF EACH SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

As at March 31, 2023, your Company had 24 (twenty four) subsidiaries and 3 (three) associate companies.

As at March 31, 2023, none of the subsidiaries of the Company qualifies to be considered as Material Subsidiary as per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Company's policy on determining Material Subsidiary.

During the year under review, four step down subsidiaries of the Company viz. Brij Bhoomi Expressway Private Limited, Vindhyachal Expressway Private Limited, Wainganga Expressway Private Limited and JMC Mining and Quarries Limited became the direct subsidiaries of the Company upon Amalgamation of JMC Projects (India) Limited with your Company. Further, Kurukshetra Expressway Private Limited has become direct associate company upon Amalgamation of JMC Projects (India) Limited with your Company.

During the year under review, Alipurduar Transmission Limited and Kohima-Mariani Transmission Limited ceased to be subsidiaries of the Company and has become associate companies.

A statement containing salient features of financial statements of subsidiaries, associates and joint venture companies in terms of provisions of Section 129(3) of the Companies Act, 2013 in the prescribed Form AOC-1 is annexed to Consolidated Financial Statements and hence not repeated here for the sake of brevity.

The brief details of the activities carried out by some of the subsidiaries of your Company is provided below.

- **Shree Shubham Logistics Limited ("SSLL"):**

  SSLL provides agri-storage infrastructure along with a wide range of value-added services like preservation, maintenance & security (PMS), testing & certification, collateral management & pest control activities. It manages and operates warehouses (Owned, Hired, Third Parties and Public Private Partnership (PPP) model) across 6 Indian states namely Rajasthan, Gujarat, Madhya Pradesh, Maharashtra, Haryana & Karnataka. During the year under review:

  a) SSLL has been appointed as Service Provider by Maharashtra State Warehousing Corporation (MSWC) for Preservation, Maintenance and Security (PMS) of food grain stocks at 11 locations.

  b) SSLL has forayed into a new segment of Non- Agri warehousing wherein 2.03 lac SFT has been leased out to industrial customers.

  c) SSLL has signed an agreement with DCX to provide an online vibrant Agritech platform that can be used by farmers, traders, processors and Govt. agencies for safe and efficient digital trade, storage, export and import of agriculture commodities.

  In aggregate, SSLL is managing more than 400 warehouses with a total storage capacity exceeding 11 million SFT. SSLL is a wholly owned subsidiary of your Company.

- **Linjemontage I Grastorp AB ("LMG"):**

  LMG, a Swedish EPC company headquartered in Grastorp, Sweden along with its two wholly owned subsidiaries, was acquired (85% equity stake) by the Company's wholly owned subsidiary in Sweden namely Kalpataru Power Transmission Sweden AB (KPTS) in April 2019. In July 2022, KPTS acquired the remaining 15% shares in LMG and hence LMG has now became 100% subsidiary of KPTS.

During the year under review, LMG along with its two subsidiaries has bagged Orders of approx. ₹ 651 Crore and has an Order Book of approx. ₹ 1,009 Crore as on 31 March, 2023. This year also the Company has delivered very good profitability with a revenue of approx. ₹ 1,002 Crore and margin of about ₹ 73 Crore. LMG is now one of the key player in Swedish EPC market in the segment of Substation, Transmission lines and it has also strengthened its position in the industrial segment. This is a result of continued operational efficiency, better procurement and ability to deliver projects in time. LMG continues to add more capabilities like entry into 400 kV transmission lines business, underground cabling and expanding its presence. Further, LMG has successfully completed 2 large 400kV projects and was awarded as the best contractor for the year 2022 by a client.

- **Fasttel Engenharia S.A. ("Fasttel"):**

  Fasttel Engenharia S.A. is an established EPC player with more than 3 decades of presence, having footprints in almost all Brazilian states. It has developed thousands of kilometers of transmission lines up to 750 kV and substations up to 500 kV Voltage level. Fasttel is working with various reputes customers/developers across the Brazil. Fasttel is well positioned for actively participating in studies and solutions for the next round of auctions announced by Agência Nacional de Energia Elétrica, Brazil ("ANEEL") during FY 2023-2024. Your Company holds 51% equity shares in Fasttel Engenharia S.A. through its wholly owned subsidiary namely Kalpataru Power Do Brasil Participacoes Ltda.

- **Kalpataru IBN Omairah Contracting Company Limited ("KIOCL")**

  KIOCL is a joint venture of the Company with IBN Omairah Contracting Company Limited in the Kingdom of Saudi Arabia wherein the Company is holding 65% equity shares of KIOCL. During the year under review, KIOCL has been awarded three new Projects for construction of 380 kV, 115 Kv and 110 kV Double Circuit overhead transmission line. The Projects are progressing well and are expected to be commissioned within the contractual timeline.

- **Kalpataru Power Transmission Chile SpA ("KPCSA"):**

  KPCSA is a wholly owned subsidiary of the Company in Chile. Currently, KPCSA has two contracts awarded to it in Chile for (a) HDVC Transmission Line (b) LA Negra New Sectioning Substation for 220/110 KV. For the successful execution of the contracts, KPCSA is strengthening its capabilities in the market.

Pursuant to provisions of Section 129 of the Companies Act, 2013, your Company shall place Consolidated Financial Statements before its members for their approval. Further, pursuant to provisions of Section 136 of the Companies Act, 2013, your Company will make available the Annual Accounts of the Subsidiary Companies and the related information to any Members of the Company who may be interested in obtaining the same. The Annual Accounts of the Subsidiary Companies are also uploaded on the website of the Company i.e. https://kalpatarupower.com/annual-reports-accounts/ and will also be kept open for inspection at the Registered Office of your Company and that of the respective Subsidiary Company.

CONSOLIDATED FINANCIAL STATEMENTS

Your Directors have pleasure in attaching the Audited Consolidated Financial Statements for the year under review pursuant to Companies Act, 2013 and Listing Regulations. The Consolidated Financial Statements presented by your Company have been prepared as per Ind AS and include the Financial Statements of its Subsidiary Companies, Associates and Joint Venture Companies.

DIVESTMENT / MONETIZATION OF TRANSMISSION LINE SPV's

During the year under review, your Company in terms of the agreement has sold and transferred additional 25% out of the balance 51% equity shares of Alipurduar Transmission Limited to Adani Transmission Limited with an agreement to sell the balance 26% to Adani Transmission Limited, after obtaining requisite regulatory and other approvals and in a manner consistent with Transmission Service Agreement.

Further, your Company has also sold and transferred additional 25% out of the balance 51% equity shares of Kohima-Mariani Transmission Limited to Apraava Energy Private Limited (formerly known as CLP India Private Limited) with an agreement to sell the balance 26% to Apraava Energy Private Limited, after obtaining requisite regulatory and other approvals and in a manner consistent with Transmission Service Agreement.

DIRECTORS

Your Board currently comprises of 10 Directors including 5 Independent Directors, 3 Executive Directors and 2 Non-Executive Non-Independent Directors.

During the year under review, the appointment of Mr. Mofatraj P. Munot as Non-Executive Chairman of the Company was approved by the members of the Company for a period of 5 (five) years w.e.f. May 02, 2022.

Further, during the year under review, your Company appointed Mr. Shailendra Kumar Tripathi (DIN: 03156123) as an Additional Director of the Company with effect from January 04, 2023 i.e. Effective Date of the Scheme of Amalgamation of JMC Projects (India) Limited ("JMC") with the Company under the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013. Further, he was also designated as Dy. Managing Director of the Company, for the period commencing from January 04, 2023 to October 21, 2025, subject to approval of the shareholders.

Also the shareholders of the Company pursuant to the postal ballot notice dated February 10, 2023, approved the appointment of Mr. Shailendra Kumar Tripathi as Dy. Managing Director of the Company, for the period commencing from January 04, 2023 upto October 21, 2025 (both days inclusive).

Your Company has received declarations from all the Independent Directors confirming that (i) they meet with the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and under Regulation 16 (1) (b) of the Listing Regulations (ii) they continue to comply with the Code of Conduct laid down under Schedule IV of the Companies Act, 2013 and (iii) they have registered their names in the Independent Director's Databank. Further, pursuant to Section 164(2) of the Companies Act, 2013, all the Directors have provided declarations in Form DIR- 8 that they have not been disqualified to act as a Director. Also your Board is of the opinion that the Independent Directors of the Company possess integrity, requisite expertise, experience and proficiency and the same is given in the Corporate Governance Report.

In terms of Section 152 of the Companies Act, 2013, Mr. Sanjay Dalmia (DIN: 03469908), being the longest in the office, shall retire by rotation at the ensuing AGM and being eligible, offers himself for re-appointment. The Board of Directors of the Company at the recommendation of Nomination and Remuneration Committee has recommended for his re-appointment.

A brief resume of Mr. Sanjay Dalmia, being re-appointed as a Director liable to retire by rotation along with the nature of his expertise, his shareholding in your Company and other details as stipulated under Regulation 36 (3) of the Listing Regulations is appended as an annexure to the Notice of the ensuing Annual General Meeting.

BOARD MEETINGS

During the year under review, the Board met 6 times on May 14, 2022, August 4, 2022, November 10, 2022, December 29, 2022, February 9, 2023 and March 27, 2023.

The number of Meetings of the Board that each Director attended is provided in the Report on Corporate Governance, appended to, and forming part of, this Report.

AUDIT COMMITTEE

During the year, the Audit Committee was reconstituted and Mr. Mofatraj P. Munot, Non-Executive Non-Independent Director was appointed as member of the Audit Committee with effect from May 14, 2022.

As on March 31, 2023, the composition of the Audit Committee consists of Mr. Sajjanraj Mehta as Chairman, Mr. Mofatraj P. Munot, Mr. Vimal Bhandari and Mr. Narayan K Seshadri as members of the Committee.

The powers and roles of the Audit Committee are included in Corporate Governance Report, which forms an integral part of the Annual Report. All the recommendations made by the Audit Committee were accepted by the Board of Directors of the Company.

OTHER COMMITTEES

In order to adhere to the best corporate governance practices, to effectively discharge its functions and responsibilities and in compliance with the requirements of applicable laws, your Board has constituted several Committees including the following:

- Nomination and Remuneration Committee
- Stakeholder's Relationship Committee
- Corporate Social Responsibility Committee
- Risk Management Committee
- Share Transfer Committee
- Executive Committee

The details with respect to the compositions, powers, roles, terms of reference etc. of relevant Committees are given in detail in the 'Report on Corporate Governance' of your Company which forms part of this Report. The dates on which Meeting of Board Committees were held during the financial year under review and the number of Meetings of the Board Committees that each Director attended is provided in the 'Report on Corporate Governance'. The minutes of the Meetings of all Committees are circulated to the Board for discussion and noting.

During the year, all recommendations of the committees were approved by the Board.

KEY MANAGERIAL PERSONNEL (KMP)

During the year under review, Mr. Rajeev Kumar, Company Secretary of the Company resigned w.e.f. close of working hours of May 31, 2022. In the interim, the Company had designated Mr. Krunal Shah, Senior Manager as an Interim Compliance Officer in terms of Regulation 6 of the LODR Regulations effective from June 01, 2022.

Subsequently, the Board of Directors of the Company on the recommendation of Nomination and Remuneration Committee, approved the appointment of Ms. Shweta Girotra (Membership No. FCS 7313) as Company Secretary & Key Managerial Personnel of the Company w.e.f. November 10, 2022 in terms of the provisions of Section 203 of the Companies Act, 2013 and rules made thereunder. She was also appointed as Compliance Officer of the Company in terms of Regulation 6 of the LODR Regulations effective from November 10, 2022.

During the year under review, Mr. Shailendra Kumar Tripathi was appointed as Dy. Managing Director of the Company (Key Managerial Personnel) w.e.f. January 04, 2023.

Presently, Mr. Manish Mohnot, Managing Director & CEO, Mr. Shailendra Kumar Tripathi, Dy. Managing Director, Mr. Ram Patodia, Chief Financial Officer and Ms. Shweta Girotra, Company Secretary are the Key Managerial Personnel (KMPs) as per provisions of Companies Act, 2013.

CORPORATE GOVERNANCE

Your Company is conscious of the fact that the success of a corporation is a reflection of the professionalism, conduct and ethical values of its management and employees. Your Company's business objective and that of its management and employees is to provide valuable services in such a manner to enhance value that can be sustained over the long term for its clients, shareholders, employees, business partners and the national economy.

Your Company is committed to maintain the highest standards of Corporate Governance and adheres to the Corporate Governance requirements set out by the Securities and Exchange Board of India ("SEBI").

The Report on Corporate Governance, as stipulated under Regulation 34 of the Listing Regulations is attached. The Report on Corporate Governance also contains certain disclosures required under Companies Act, 2013 for the year under review.

A certificate from M/s. B S R & Co. LLP, Statutory Auditors of the Company confirming compliance to the conditions of Corporate Governance as stipulated under Listing Regulations is annexed to Report on Corporate Governance.

MANAGEMENT DISCUSSION AND ANALYSIS

As per Regulation, 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate section on Management Discussion and Analysis Report outlining the business of your Company forms part of this Annual Report.

CORPORATE SOCIAL RESPONSIBILITY

During the year, the Corporate Social Responsibility (CSR) Committee was reconstituted and Mr. Mofatraj P. Munot, Non-Executive Non-Independent Director was appointed as member of the CSR Committee with effect from May 14, 2022. As on March 31, 2023, the composition of the CSR Committee consists of Mr. Sajjanraj Mehta as Chairman, Mr. Mofatraj P. Munot, Mr. Parag M. Munot and Mr. Manish Mohnot as members of the Committee.

Your Company has been committed to the welfare of the communities through philanthropic interventions even before the provisions of Companies Act, 2013 made it mandatory. In order to leverage the demographic dividend, the Company has been focusing on social issues of Healthcare, Education, Skilling/Livelihood, Animal Welfare, Environment and Community development by undertaking need based initiatives. The Company implemented some innovative and sustainable initiatives for the marginalized and vulnerable communities around the Plant locations in Gandhinagar, Raipur & Padampur along with remote project site locations across India. These projects were aligned to the Schedule VII of the Companies Act, 2013 and the United Nation's Sustainable Development Goals and have strived towards achieving scalable impact, outcomes and outputs in the community. The initiatives were implemented either directly or through Kalpatraru Foundation & Kalpataru Welfare Trust.

Your Company has formed a CSR Committee as per the requirement of the Companies Act, 2013. On recommendation of CSR Committee, the Board of Directors' of your Company has approved a CSR Policy which is available on the website of your Company at https://kalpatarupower.com/wp-content/uploads/2016/05/CSR-Policy-May-2021.pdf The brief outline of the Corporate Social Responsibility (CSR) Policy of your Company and the Annual Report on CSR activities undertaken during the year as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 (as amended) are set out in **Annexure A** of this report.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

In terms of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") read with relevant SEBI Circulars, new reporting requirements on ESG parameters were prescribed under "Business Responsibility and Sustainability Report" ('BRSR'). The BRSR seeks disclosure on the performance of the Company against nine principles of the "National Guidelines on Responsible Business Conduct". As per the SEBI Circulars, effective from the financial year 2022-23, filing of BRSR is mandatory for the top 1000 listed companies by market capitalization. Accordingly, for the financial year ended March 31, 2023, your Company has published BRSR instead of Business Responsibility Report. The BRSR forms an integral part of this Annual Report.

VIGIL MECHANISM

The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. The Company has a vigil mechanism (whistle-blower policy) under which the employees, vendors and persons having business dealing with the Company are free to report violations of applicable laws and regulations and the Code of Conduct of the Company. The reportable matters may be disclosed to the Chief Ethics Officer and Anti Bribery Management System Committee which operates under the supervision of the Audit Committee. Further, the functioning of the vigil mechanism is being monitored by the Audit Committee from time to time. The whistle blower may also report violations to the Chairman of the Audit Committee in exceptional cases. During the year, no employee/person was denied access to the Audit Committee.

The Whistle Blower Policy has been disclosed on the Company's website https://kalpatarupower.com/wp-content/uploads/2016/05/Whistle-Blower-Policy-November-2021.pdf .

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

Internal Financial Controls are an integrated part of the risk management process, addressing financial risks and financial reporting risks. The Board has adopted policies and procedures for ensuring orderly and efficient conduct of its business, including adherence to the 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 disclosures.

Assurance on the effectiveness of internal financial controls is obtained through management reviews, continuous monitoring by functional experts and testing of the internal financial control systems by the internal auditors during the course of their audits. We believe that these systems provide reasonable assurance that our internal financial controls are designed effectively considering the nature of our industry and are operating as intended.

STATUTORY AUDITORS AND AUDITORS' REPORT

M/s. B S R & Co. LLP (Firm Registration No. 101248W/W-100022), Chartered Accountants, have been appointed as the Statutory Auditors of the Company at the 37th Annual General Meeting held on August 7, 2018 to hold office for a period of 5 (five) consecutive years i.e. from the conclusion of 37th Annual General Meeting (AGM) till the conclusion of the 42nd Annual General Meeting of the Company subject to compliance of the various provisions of the Companies Act, 2013 ('the Act').

Based on the recommendations of the Audit Committee, the Board of Directors of your Company, subject to the approval of the members at the ensuing AGM has approved the re-appointment of M/s. B S R & Co. LLP, (Firm Registration No. 101248W/W-100022) Chartered Accountants as the Statutory Auditors of the Company for a period of 5 (five) consecutive years i.e. till the conclusion of 47th AGM of the Company to be held in the year 2028. The requisite resolution for approval by the members of the Company has been set out in the Notice of the 42nd AGM of your Company.

M/s. B S R & Co. LLP, Chartered Accountants have given their consent to be re-appointed as the Statutory Auditors of your Company and have confirmed that the said re-appointment, if made, will be in accordance with the conditions prescribed under Sections 139 and 141 of the Act.

The Statutory Auditors of the Company have issued Audit Reports on the Standalone and Consolidated Annual Financial Statement of the Company with unmodified opinion. There were no qualifications, reservation or adverse remark or disclaimer made by Statutory Auditor in their reports on the Standalone Annual Financial Statement.

The explanations of your Board of Directors in relation to remarks appearing in para (xxi) of Annexure A to Independent Auditor's Report under Companies (Auditor's Report) Order, 2020 (CARO) issued by Statutory Auditors of the Company on consolidated financial statements as a result of remarks by respective statutory auditors of **Kurukshetra Expressway Private Limited ("KEPL" or "Concessionaire")**, a joint venture of the Company and **Wainganga Expressway Private Limited ("WEPL")**, a wholly owned subsidiary of the Company, are as under:

Name of the Company	Clause no. of CARO	Remarks appearing in the consolidated CARO	Explanation
KEPL	Clause (ix) (a)	According to the information and explanations given to us and as per the books of accounts and records examined by us, in our opinion, read with the fact that the project has been terminated and there are no operations the company has defaulted in the repayment of loans and payment of interest thereon to its lenders as and when the same were due and hence the facilities granted by the banks / NBFC have been classified as Non-Performing Assets (NPA). The details w.r.t. the amount of borrowing and interest overdue may be referred to at Note No. 11 of the accompanying financial statements.	KEPL, a joint venture (49.57%) of the Company, served a notice of termination of Concession Agreement ("CA") vide letter dated October 7, 2021 to the National Highways Authority of India ("NHAI") on account of continuous disruption and blockade of traffic at National Highway-71 due to farmer agitation with stoppage of toll collection that resulted into cash losses. The provisions of Concession Agreement provide for termination where events which are not in control of KEPL, and obliges NHAI paying KEPL for repayment of Debt Due along with Adjusted Equity after necessary adjustments. However, pending receipt of final termination payment from NHAI, KEPL could not pay the loan and interest to its lenders in October 2021 and consequently the outstanding amount of loan and interest was classified as NPA (Non-performing asset) by the lenders. Upon receipt of termination payment and other claims filed against NHAI, KEPL believes that it will be able to meet its liabilities. KEPL has received a copy of the letter dated February 3, 2022 from an Independent Engineer ("IE") appointed by NHAI in which the IE has sought to limit the amount payable (net of other deductions) as "Termination Payment". KEPL do not agree to it. Although, the Company and other promoter of KEPL have, jointly and severally given 'shortfall undertakings' to the Senior Lenders in case there is any shortfall between amounts received from NHAI and that payable by KEPL to its lenders, however, upon receipt of termination payment and other claims filed against NHAI and based on management's assessment and legal advice, KEPL believes that it will be able to meet its liabilities. The Company has made provision for impairment of its entire Equity investment in KEPL, expected credit loss against the entire amount of loan given (including amount paid on behalf of other promoter) to KEPL and potential shortfall, if any. The Company has made above provisions without prejudice to its and KEPL legal rights and claims against NHAI and will continue to pursue these amounts against KEPL. Further, it will seek KEPL to pursue their claims and termination payment against NHAI notwithstanding the above recognition.
	Clause (xvii)	The company has incurred cash losses of ₹ 160.72 Lacs & ₹ 3,857.11 Lacs respectively in the current as well as the immediately preceding previous year	
	Clause (xix)	On the basis of the financial ratios, ageing and expected dates of realization of 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 indicate that a material uncertainty exists as on the date of the audit report indicating that the company may not be able to meet 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. However, as represented to us, the company is reasonably sure of receiving the amount of claims and shall be able to meet the liabilities, though with some delay.	

Name of the Company	Clause no. of CARO	Remarks appearing in the consolidated CARO	Explanation
WEPL	Clause (ix) (a)	According to the information and explanations given to us and as per the books of accounts and records examined by us, in our opinion, the company has defaulted in the repayment of loans and payment of interest thereon to its lenders as and when the same were due, there were delay of 1-89 days during the year. As at the reporting date the aggregate amount of default pertaining to interest and principal aggregated to ₹ 611.87 Lacs and ₹ 1514.22 Lacs respectively for which the details may be referred to at Note No. 9(a) of the accompanying financial statements.	WEPL, a wholly owned subsidiary of the Company has been incurring losses due to development of alternate routes, changes in rules /regulations/ policies by the Government and NHAI. WEPL has initiated arbitration proceedings against NHAI as per the provisions of the Concession Agreement (executed with NHAI) for losses suffered by it on account of aforesaid reasons (including breach of contractual obligations) and sought reliefs in relation to waiver of premium payment, compensation for future shortfall etc. As the matter is currently sub-judice and losses suffered due to aforesaid reasons, there have been delay in payments to lenders. Having said that, while there have been substantial reduction in toll revenue due to traffic diversion to alternate routes, economic slowdown etc., WEPL has been paying its debt obligations through its accruals which is further supplemented by infusion of funds from internal accruals by the Company to maintain the loan account of the lenders as Standard, as per the RBI Guidelines.

SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013, your Company had appointed Mr. Urmil Ved, Practising Company Secretary, Gandhinagar, as its Secretarial Auditor to conduct the Secretarial Audit of your Company for FY 2022-23. The Report of the Secretarial Auditor for the FY 2022-23 is annexed to this report as **Annexure B**. There were no qualifications, reservation or adverse remark or disclaimer made by Secretarial Auditor in its report.

COST AUDITOR AND COST ACCOUNTS

In terms of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Company is required to maintain cost records in respect of its steel manufacturing, electricity, roads & infrastructure and construction activity and have the cost records audited by a qualified Cost Accountant.

The Company made and maintained cost records as specified by the Central Government under Section 148(1) of Companies Act, 2013 and such records have been audited by the Cost Auditor pursuant to Companies (Cost Records and Audit) Rules, 2014.

Based on the recommendation of the Audit Committee, the Board of Directors of the Company has approved appointment of and remuneration payable to M/s. K. G. Goyal & Associates, Cost Accountants (Firm Registration No. 000024) as the Cost Auditor of the Company to audit the cost records for FY 2023-24.

RISK MANAGEMENT FRAMEWORK

Your Company has constituted a Risk Management Committee as per the statutory requirement. The Company has formulated a Risk Management Policy and has in place a mechanism to inform the Board Members about risk assessment. The Risk Management Committee undertakes risk assessment and minimization procedures and recommend the same to the Board of Directors.

Further, after closure of the FY 2022-23, the Risk Management Committee was reconstituted by addition of Mr. Shailendra Kumar Tripathi, Dy. Managing Director, Mr. Amit Uplenchwar, Director-Strategy Business Group, Mr. N. Neelakanteswaran, Dy. President (Project Controls) & Mr. Hardik Hundia, Sr. Vice President as members of Risk Management Committee and cessation of Mr. Kamal Kishore Jain as member of the Committee.

The Board periodically reviews Risk Management taking into consideration the recommendations of Risk Management Committee and Audit Committee.

Your Company has an elaborate Risk Management Framework, which is designed to enable risks to be identified, assessed and mitigated appropriately. Your Company monitors, manages and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. Your Company's SOP's, organizational structure, management systems, code of conduct, policies and values together govern how your Company conducts its business and manage associated risks. Your Company also has a separate Bribery Risk assessment framework which also defines the key mitigation actions.

The Risk Management framework enables the management to understand the risk environment and assess the specific risks and potential exposure to the Company, determine how to deal best with these risks to manage overall potential exposure, monitor and seek assurance of the effectiveness of the management of these risks and intervene for improvement where necessary and report throughout the organization structure and upto the Risk Management Committee on a periodic basis about how risks are being monitored, managed, assured and improvements are made.

More details in respect to the risk management are given in the Management Discussion and Analysis Report forming part of this Annual Report.

PARTICULARS OF REMUNERATION

A. The ratio of the remuneration of each director to the median employee's remuneration and other details in terms of Section 197(12) of the Companies Act, 2013 ('the Act') read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, are forming part of this report as **Annexure C1**.

B. In terms of the provisions of Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names of the top ten employees in terms of remuneration drawn and names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules forms part of this Report.

Having regard to the provisions of the second proviso to Section 136(1) of the Act and as advised, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said Annexure is open for inspection at the Registered office of your Company. Any member interested in obtaining copy of the same may write to the Company Secretary.

PERFORMANCE EVALUATION

In compliance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own, the Non-Independent and Independent Directors individually as well as the evaluation of the working of various Committees at their Meetings held on May 08, 2023 in the manner prescribed in the performance evaluation policy. While doing performance evaluation of Independent Directors, the Director being evaluated had not participated.

The evaluation of the Independent Directors were made on the basis of attendance at the Meeting of the Board, Committee and General Meeting, knowledge about the latest developments, contribution in the Board development processes, participation in the Meetings and events outside Board Meetings, expression of views in best interest of the Company, assistance given in protecting the legitimate interests of the Company, employees and investors, extending individual proficiency and experience for effective functioning and operation of the Company etc.

The criteria for performance evaluation and the statement indicating the manner in which formal annual evaluation of the Board, its Committees and of individual Directors has been made are also reproduced in the "**Report on Corporate Governance**", which forms part of this Report.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES AND INDEPENDENCE OF A DIRECTOR

Your Company's policy on remuneration for the Directors', Key Managerial Personnel and other employees is placed on website of the Company at https://kalpatarupower.com/wp-content/uploads/2016/05/Policy-on-Remuneration-for-Directors-KMPs-and-Other-Employees.pdf. This Policy is directed towards establishing reasonable and sufficient level of remuneration to attract, retain and motivate Directors & employees of the quality required to run the Company successfully. This Policy is in consonance with existing industry practice. There has been no change in the said Policy during the year under review. The sitting fees for the meetings of the Board and its various Committees thereof has been amended by the Board at its meeting held on May 14, 2022.

Your Company's policy on Directors' appointment including criteria for determining qualifications, positive attributes, independence of a director is placed on website of the Company at https://kalpatarupower.com/wp-content/uploads/2016/05/Policy-On-Directors-Appointment-including-criteria-for-determining-qualifications-positive-attri.pdf. This Policy sets out the guiding principles for the Nomination and Remuneration Committee to identify persons who are eligible to be appointed as Directors and to determine the independence of a candidate at the time of considering his/her appointment as an Independent Director of the Company. The Policy also provides for the criteria and qualification in evaluating the suitability for appointment as Director & in Senior Management that are relevant for the Company's operations. There has been no change in the said Policy during the year under review.

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

Information required to be disclosed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is annexed hereto as **Annexure D** and forms part of this Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The Company is in compliance with the provisions of Section 186 of the Companies Act, 2013. The particulars of loans given, investments made, guarantees given and securities provided are given in the standalone financial statement (Please refer to Note No. 6, 29 & 37 to the Standalone Financial Statements).

ANNUAL RETURN

The Annual Return of the Company as on March 31, 2023 is available on the website of Company at https://kalpatarupower.com/investor-information/

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in its ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions or which is required to be reported in Form No. AOC-2 in terms of Section 134(3)(h) read with Section 188 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Your Company takes prior omnibus approval from Audit Committee for related party transactions which are of repetitive nature and/or entered in the ordinary course of business and are at an arm's length basis.

The Related Party Transactions Policy was last reviewed and approved by the Board of Directors of the Company at their meeting held on May 14, 2022 on the recommendation of the Audit Committee. The policy on materiality of Related Party Transactions is uploaded on the website of your Company and the link for the same is provided in the **'Report on Corporate Governance'**. There were no materially significant related party transactions which could have potential conflict with interest of the Company at large.

Attention of Members is drawn to the disclosure of transactions with related parties set out in Note No. 41 of Standalone Financial Statements, forming part of the Annual Report.

DISCLOSURE UNDER SECTION 22 OF THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has zero tolerance towards any action of any executive which may fall under the ambit of 'Sexual Harassment' at workplace and is fully committed to uphold and maintain the dignity of every women working in your Company. The Anti Sexual Harassment Policy provides for protection against sexual harassment of women at workplace and for prevention and redressal of such complaints.

Your Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company received one complaint during the year under review which was satisfactorily resolved. There were no complaints pending as on the beginning and end of the financial year.

ANTI-BRIBERY MANAGEMENT SYSTEM

As an organization, your Company places a great importance in the way business is conducted and the way each employee performs his/her duties. Your Company encourages transparency in all its operations, responsibility for delivery of results, accountability for the outcomes of actions, participation in ethical business practices and being responsive to the needs of our people and society. Towards this end, your Company has laid down a Kalpataru Code of Conduct ("KCoC") applicable to all the employees of your Company. The Code provides for the matters related to governance, compliance, ethics and other matters. Your Company has adopted strong anti-bribery anti-corruption policy and practices and has also been certified with ISO-37001 for establishing Anti Bribery Management System across the organization.

STATEMENT OF DIRECTORS' RESPONSIBILITY

Pursuant to requirement under Section 134(3)(c) of the Companies Act, 2013 ('the Act'), your Directors' confirm that:

(a) in the preparation of the annual accounts for the year ended on March 31, 2023, the applicable accounting standards have been followed and there are no material departures from the same;

(b) 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 as at March 31, 2023 and of the profit of the Company for the year ended on that date;

(c) 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;

(d) they had prepared the annual accounts on a going concern basis;

(e) they, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively and;

(f) they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external consultants, including audit of internal financial controls over financial reporting by the statutory auditors, and the reviews performed by management and the relevant board committees, including the audit committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during Financial Year 2022-23.

Your Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.

SECRETARIAL STANDARDS

Your Company has devised proper systems to ensure compliance with provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions on these matters during the year under review:

- Details relating to deposits covered under Chapter V of the Companies Act, 2013.
- 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 or any stock options scheme.
- Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.
- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- The Statutory, Secretarial and Cost Auditors have not reported to the Audit Committee, under Section 143(12) of the Companies Act, 2013 any instances of fraud committed against the Company by its officers or employees, the details of which need to be mentioned in the Board's report.
- There has been no change in the nature of business of the Company except the businesses of erstwhile JMC Projects (India) Limited which got merged with the Company.
- There is no proceeding pending under the Insolvency and Bankruptcy Code, 2016.
- There was no instance of onetime settlement with any Bank or Financial Institution.

ACKNOWLEDGEMENT

Your Directors take this opportunity to thank all the Government and Regulatory Authorities, Financial Institutions, Banks, Debenture holders and Debenture Trustee, JV Partners, Consortium Partners, Customers, Vendors, Suppliers, Sub-Contractors and Members and all other stakeholders for their valuable continuous support.

The Board of Directors wish to place on record its sincere appreciation for the committed and loyal services rendered by the Company's executives, staff and workers. Your Directors also appreciate and acknowledge the confidence reposed in them by members of the Company.

On behalf of the Board of Directors

Mofatraj P. Munot
Non-Executive Chairman
DIN: 00046905

Place: Mumbai
Date: May 08, 2023

Annexure A

to Board's Report

THE ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A BRIEF OUTLINE OF THE COMPANY'S CSR POLICY

Kalpataru Power Transmission Limited's CSR Policy

Kalpataru Power Transmission Limited ("KPTL") has always been at forefront of CSR. The provisions of the Companies Act, 2013 have made it imperative to institutionalize the CSR activities. The objective of your Company's CSR policy is to lay down the guiding principles for proper functioning of CSR activities to attain sustainable development of the society around the area of operations of the Company. Your Company's social responsibility policy focuses on using the capabilities of business to improve lives and contribute to sustainable living, through contributions to local communities and society at large.

The Company undertook various activities during the year under review in line with its CSR Policy and as prescribed in Schedule VII to the Companies Act, 2013. Apart from long term ongoing projects, the Company has supported and implemented projects under its CSR Policy in the field of Healthcare (including Preventive, Promotive & Curative), Promoting Education, Skill training, Animal Welfare, Environment & Rural development amongst others.

CSR Policy of the Company is available on the Company's website https://kalpatarupower.com/wp-content/uploads/2016/05/CSR-Policy-May-2021.pdf

2. COMPOSITION OF THE CSR COMMITTEE:

Sr. No.	Name of Director	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. Sajjanraj Mehta	Chairman / Independent Director	4	4
2.	Mr. Mofatraj P. Munot*	Member / Non-Executive – Promoter	3	3
3.	Mr. Parag M. Munot	Member / Non-Executive – Promoter	4	4
4.	Mr. Manish Mohnot	Member / Managing Director & CEO	4	4

*Mr. Mofatraj P. Munot was inducted as member of the Committee w e.f May 14, 2022.

3. WEBLINK WHERE COMPOSITION OF CSR COMMITTEE, CSR POLICY AND CSR PROJECTS APPROVED BY THE BOARD ARE DISCLOSED ON THE WEBSITE OF THE COMPANY:

https://kalpatarupower.com/csr/

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, IF APPLICABLE:

Not Applicable

Note: Amounts mentioned hereon in the report are combined figures for Kalpataru Power Transmission Limited & JMC Projects (India) Limited.

5. a) **Average net profit of the Company as per sub-section (5) of section 135 of the Act:**

   ₹ 441.56 Crores.

   b) **Two percent of average net profit of the Company as per sub-section (5) of section 135 of the Act:** ₹ 8.83 Crores

   c) **Surplus arising out of the CSR projects or programmes or activities of the previous financial years:** Not Applicable.

   d) **Amount required to be set-off for the financial year, if any:** None.

   e) **Total CSR obligation for the financial year (b+c- d):** ₹ 8.83 Crores

6. a) **Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):**

   ₹ 8.86 Crores

   b) **Amount spent in Administrative Overheads:**

   ₹ 0.01 Crores

   c) **Amount spent on Impact Assessment, if applicable:** NA

   d) **Total amount spent for the Financial Year [(a)+(b)+(c)]:** ₹ 8.87 Crores

e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (in ₹ Crores)	Amount Unspent (in ₹ Crores)				
	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
7.41	1.46	10.04.2023 & 26.04.2023		N.A.	

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

Sr. No.	Particular	Amount (in ₹ Crores)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135 of the Act	8.83
(ii)	Total amount spent for the Financial Year	8.87
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	0.04
(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)]	Nil*

* The Company will not carry forward any excess amount spent during the FY 2022-23.

7. DETAILS OF UNSPENT CORPORATE SOCIAL RESPONSIBILITY AMOUNT FOR THE PRECEDING THREE FINANCIAL YEAR(S):

Sr. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 of the Act (in ₹ Crores)	Balance Amount in Unspent CSR Account under sub- section (6) of section 135 of the Act (in ₹ Crores)	Amount Spent in the Financial Year (in ₹ Crores)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135 of the Act, if any		Amount remaining to be spent in succeeding Financial Years (in ₹ Crores)	Deficiency, if any
					Amount (in ₹ Crores)	Date of transfer		
1	FY2020-21	7.51	1.82	1.21	NA	NA	0.61	NA
2	FY2021-22	2.42	2.42	1.04	NA	NA	1.38	NA

8. WHETHER ANY CAPITAL ASSETS HAVE BEEN CREATED OR ACQUIRED THROUGH CORPORATE SOCIAL RESPONSIBILITY AMOUNT SPENT IN THE FINANCIAL YEAR:

☑ Yes ☐ No

If Yes, enter the number of Capital assets created/ acquired: 36

Furnish the 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		
1	2	3	4	5	6		
					CSR Registration Number, if applicable	Name	Registered address
1	Simulation Based Welding Lab (Simulator)	491 111	March 31, 2023	37,17,000	N.A.	Government Industrial Training Institute	Patan, Dist. Durg, Chhattisgarh
2	Simulation Based Welding Lab (Simulator, AC, UPS, Table, Chair, TV)	382 810	March 31, 2023	38,40,062	N.A.	Government Industrial Training Institute	Mansa, Charada., Dist Gandhinagar, Gujarat
3	Construction of India Autism Centre	743 513	March 31, 2023	50,00,000	CSR00024440	IAC Patrons Foundation	5A, Woodburn Park, Kolkatta, West Bengal - 700020
4	Construction & Refurbishment of School	342 601	March 31, 2023	57,90,779	N.A.	Smt. Sugni Devi Pukhraj Munot Government Higher Secondary School No.2, Pipar City	Subhash Ghat , Jawasiya, Pipar city, Rajasthan
5	Digital Smart Class at various locations	Multiple locations	April 01, 2022 to March 31, 2023	67,18,957	N.A.	Various beneficiaries	Uttar Pradesh, Odisha Maharashtra, Nagaland
6	Mini Science Centre at various locations	Multiple locations	April 01, 2022 to March 31, 2023	50,91,700	N.A.	Various beneficiaries	Odisha, Maharashtra, Jharkhand, Chhattisgarh, Nagaland

Note: Details of capital assets of less than ₹ 25 lakh is made available on the website at https://kalpatarupower.com/csr/

9. SPECIFY THE REASONS, IN CASE, THE COMPANY HAS FAILED TO SPEND TWO PER CENT OF THE AVERAGE NET PROFIT AS PER SECTION 135(5):

The Company is executing certain multiyear Ongoing Projects. Due to such Ongoing projects and plan of spending funds in multi years, the Company was not able to spend two per cent of the average net profit as per section 135(5) in the current financial year. In respect of Unspent CSR funds, the Company has deposited the Budgeted amount in the separate Bank account.

Manish Mohnot
Managing Director and CEO
(DIN: 01229696)

Sajjanraj Mehta
Chairman CSR Committee
(DIN: 00051497)

Date : May 08, 2023
Place: Mumbai

Annexure B
to Board's Report

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

[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,
Kalpataru Power Transmission Limited,
CIN: L40100GJ1981PLC004281
Plot 101, Part - III, GIDC Estate, Sector - 28,
Gandhinagar, Gujarat- 382028.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Kalpataru Power Transmission Limited** (hereinafter called the Company) for the financial year ended on March 31, 2023. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my 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; I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023 (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:

I 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, 2023 and made available to me, according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

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; (during the year under review not applicable to the Company);

d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (during the year under review not applicable to the Company);

e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

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; (during the year under review not applicable to the Company);

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (during the year under review not applicable to the Company);

h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; (during the year under review not applicable to the Company); and

i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

(i) Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India; and

(ii) Listing Agreements entered into by the Company with BSE Limited and the National Stock Exchange of India Limited.

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

The management has identified and confirmed the following laws as being specifically applicable to the Company:

(a) The Electricity Act, 2003, the Central Electricity Authority Regulations and the Rajasthan Electricity Regulatory Commission Regulations.

(b) The Indian Boilers Act, 1923 and rules framed there under.

I further report that, having regard to the compliance system prevailing in the Company and on the examination of relevant documents and records on test check basis the Company has complied with above mentioned specific laws and regulations.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors including a Woman Independent Director. 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 for meetings other than those held at shorter notice and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

I further report that, based on review of compliance mechanism established by the Company and on the basis of Compliance Certificates issued by the Managing Director & CEO and Company Secretary of the Company and taken on record by the Board of Directors at their meetings, I am of the opinion that the management has 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.

I further report that, during the audit period the Company had the following specific event/action having major bearing on the Company's affairs in pursuance to above referred laws, rules, regulations, guidelines, standards, etc.:

(i) The Shareholders of the Company at their meeting held on 6th September, 2022 pursuant to order of the Hon'ble National Company Law Tribunal, Ahmedabad Bench(NCLT) approved the Scheme of Amalgamation of JMC Projects (India) Limited with the Company. Further, Hon'ble NCLT, Ahmedabad Bench vide its Order dt. 21st December, 2022 sanctioned the said Scheme of Amalgamation and the said Scheme was made effective by the Company w.e.f. 4th January, 2023.

(ii) Pursuant to amalgamation the Company as an integral part of the Amalgamation Scheme has altered its Memorandum of Association by including the main objects pursued by the JMC Projects (India) Limited under its Memorandum of Association.

(iii) Pursuant to amalgamation the Company as an integral part of the Amalgamation Scheme has increased its Authorised Share Capital from ₹ 35,00,00,000/- (Rupees Thirty Five Crore only) to ₹ 85,00,00,000/- (Rupees Eighty Five Crore only) divided into 42,50,00,000 Equity Shares of ₹ 2/- each and has altered its capital clause of Memorandum of Association.

(iv) Pursuant to amalgamation Company has allotted 1,35,36,944 Equity Shares of face value of ₹ 2/- each, in the ratio of 1 fully paid-up equity share of ₹ 2/- each of the Company for every 4 Equity Shares of ₹ 2/- each of JMC Projects (India) Limited.

(v) Company has redeemed due portion to the extent of 33.34% of, 8.45% Listed Rated Unsecured Redeemable Taxable Non-Convertible Debentures amounting to ₹ 33.34 Crore.

(vi) Company has redeemed Zero Coupon Unsecured Taxable Rated Redeemable Non-Convertible Debentures Series-B amounting to ₹ 50 Crore.

(vii) Company has redeemed due portion of 8.11% Listed Rated Unsecured Redeemable Taxable Non-Convertible Debentures amounting to ₹ 50 Crore.

(viii) Company has allotted 8.46% Rated, Listed, Unsecured, Redeemable, Non-Convertible Debentures aggregating to ₹ 99 Crores.

Further, during the audit period JMC Projects (India) Limited, which is now amalgamated with the Company has:

(i) Redeemed 9.95% Secured, Rated, Listed, Redeemable Non-Convertible Debentures amounting to ₹ 45 Crore.

(ii) Redeemed 10.55% Unsecured, Rated, Listed, Redeemable Non-Convertible Debentures amounting to ₹ 100 Crore.

(iii) Allotted Repo Rate, Unsecured, Rated, Listed, Redeemable Non-Convertible Debentures aggregating to ₹ 75 Crore.

(iv) Allotted Repo Rate, Unsecured, Rated, Listed, Redeemable Non-Convertible Debentures aggregating to ₹ 100 Crore.

Urmil Ved
Practicing Company Secretary
(ICSI Unique Code I1996GJ080100)
FCS No. 8094, COP No. 2521
Peer Review Cert. No.: 597/2019
ICSI UDIN: F008094E000271709

Date: 08/05/2023
Place: Gandhinagar

Note: This report is to be read with my letter of even date which is annexed as Annexure-A and forms an integral part of this report.

Annexure-A

To,
The Members,
Kalpataru Power Transmission Limited,
CIN: L40100GJ1981PLC004281
Plot 101, Part - III, GIDC Estate, Sector - 28,
Gandhinagar, Gujarat - 382028.

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record, device proper systems to ensure compliance with the provisions of all applicable laws, rules and regulations and to ensure that the systems are adequate and operate effectively is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.

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

3. I have conducted the Audit as per applicable Auditing Standards issued by the Institute of Company Secretaries of India.

4. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

5. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

6. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test check basis.

7. 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.

Urmil Ved
Practicing Company Secretary
(ICSI Unique Code I1996GJ080100)
FCS No. 8094, COP No. 2521
Peer Review Cert. No.: 597/2019
ICSI UDIN: F008094E000271709

Date: 08/05/2023
Place: Gandhinagar

Annexure C1

to Board's Report

INFORMATION PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

(i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial year 2022-23 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial year 2022-23 are as under

Sr. No.	Name of Director/KMP and Designation	Remuneration of Director / KMP for Financial Year 2022-23 (₹ in Crore)	% change in Remuneration in the Financial Year 2022-23	Ratio of remuneration of each Director to median remuneration of employees
1	Mr. Mofatraj P. Munot Non-Executive Chairman	1.63	*	22.76
2	Mr. Parag M. Munot Promoter Director	2.48	7.83	34.64
3	Mr. Sajjanraj Mehta Independent Director	1.04	22.35	14.52
4	Mr. Vimal Bhandari Independent Director	0.88	27.54	12.29
5	Mr. Narayan K Seshadri Independent Director	0.90	32.35	12.57
6	Dr. Shailendra Raj Mehta Independent Director	0.18^	28.57	2.51
7	Ms. Anjali Seth Independent Director	0.35^	16.67	4.89
8	Mr. Manish Mohnot Managing Director & CEO	12.42	-10.78	173.46
9	Mr. Shailendra K. Tripathi Dy. Managing Director	6.99@	+	+
10	Mr. Sanjay Dalmia Executive Director	3.91	-24.81	54.61
11	Mr. Ram Patodia Chief Financial Officer	2.02	9.78	N.A.
12	Mr. Rajeev Kumar Company Secretary	0.14	#	N.A.
13	Ms. Shweta Girotra Company Secretary	0.47	$	N.A.

*Not Comparable as Mr. Mofatraj P. Munot has been appointed as Non-Executive Chairman for a period of 5 years w.e.f. May 2, 2022

^Considered only for the Company as they were also on the Board of JMC Projects (India) Limited

@The details represents remuneration paid to Mr. Shailendra Kumar Tripathi for FY 2022-23 by the Company as well as erstwhile JMC Projects (India) Limited, which is now amalgamated with the Company.

+ Mr. Shailendra Kumar Tripathi, Dy. Managing Director was appointed w.e.f. January 04, 2023.

Not comparable as Mr. Rajeev Kumar has resigned w.e.f. May 31, 2022

$ Not comparable as Ms. Shweta Girotra appointed as Company Secretary w.e.f. November 10, 2022. She joined the Company w.e.f. September 30, 2022.

ii) The median remuneration of employees of the Company during the financial year under review was ₹ 7.16 lakhs.

iii) Percentage increase in the median remuneration of employees in the financial year: JMC Projects (India) Limited ("JMC") got amalgamated with the Company with the Appointed Date of 1st April, 2022 and the Effective Date of 4th January, 2023. The number of employees of the Company as on 31st March, 2023 was 7,815 as compared to 3,072 as on 31st March, 2022 (increased inter-alia due to integration of employees of JMC). Therefore, the median remuneration of FY 2021-22 and FY 2022-23 is not comparable.

iv) There were 7,815 permanent employees on the rolls of Company as on March 31, 2023.

v) Average percentile increase made in the salaries of employees other than the managerial personnel in the financial year 2022-23 was 9%. The percentile change in the aggregate managerial remuneration for FY 2022-23 is not comparable with FY 2021-22 owing to a) appointment of Mr. Shailendra Kumar Tripathi as a Dy. Managing Director w.e.f. 4th January, 2023 b) relinquishment of office of Executive Chairman by Mr. Mofatraj P. Munot w.e.f. March 31, 2022.

(vi) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees.

On behalf of the Board of Directors

Mofatraj P. Munot
Non-Executive Chairman
DIN: 00046905

Place: Mumbai
Date: May 08, 2023

Annexure D

to Board's Report

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

(A) CONSERVATION OF ENERGY-

(i) The steps taken or impact on conservation of energy:

1. At Raipur Plant, your Company adopted

   a. Transfer trolleys for material handling from Galvanizing zone to finishing and bundling zone instead of mobile crane which has led to annual saving in diesel consumption by about 10,810 liters.

   b. Replaced 46 numbers lower efficiency industrial wall fan with brushless direct current motor (BLDC) fans, installed motion sensor for office lighting, variable frequency drive (VFD) in Air compressor & timer for all hydraulic machine to save energy.

2. At Gandhinagar Plant,

   a. "One-Plant-One-Location" concept has helped to reduce transportation cost, improve space utilization and improved carbon foot print through reduction in diesel.

   b. Introduced Battery operated Fork Lift to replace hydra, changed raw material lay out for increased usage of Goliath crane instead of Hydra, thereby reducing diesel usage and improved efficiency.

   c. Replaced multiple Reciprocating compressors with single VFD based screw compressor, removed old Transformers, slip ring motors old thyristor based welding machine and replaced old flood lights with more efficient machines/technologies to save energy and improve efficiency.

   d. Through Electrical Power monitoring – your Company has achieved a further step-down by monitoring power consumption at critical machines level and utilities for improving power usage.

   With all these initiatives power consumption per MT has come down from 63.79 Units/ MT to 59.91 Units/ MT. Diesel consumption has come down from 2.05 ltr/ MT to 1.39 ltr/ MT. Gas consumption has come down from 15.95 SCM/ MT to 14.65 SCM/ MT.

3. In Oil & Gas division, your Company (i) added double holder Insulated Gate Bipolar Transistor (IGBT) – Inverter welding machine in fleet which saved energy of 2330 KWH per day (50% less energy consumption compared to conventional welding machine) (ii) used fuel catalyst in equipment which reduced fuel consumption by 8% and (iii) used mud recycling machine during HDD operation for saving of natural resources and to avoid deterioration of land.

4. In Oil & Gas, your Company deployed Crushing cum screening bucket to reuse rock-mixed excavated soil for pre-and post-padding of the pipeline. By using this equipment, your Company could achieve reduction in the cost of pre and post-padding activity of pipeline by approx. 75% and energy saving by approx. 80% compared to consumption for using an excavator for transportation of soft soil.

5. In Oil & Gas, use of an Automatic Welding Machine, which consumes less energy by 60% and saving of cost in Welding by 40% approx. comparing to SMAW (Conventional Welding).

6. The Company has made conscious efforts to reduce energy consumptions by replacing power consuming conventional lights with power saver LED lights at various project offices and plant location.

(ii) The steps taken by the Company for utilizing alternate sources of energy:

- The Company is installing solar power panels across relevant/ economically viable projects to cater to energy needs in site stores, project office, guest-houses, etc. The Company has reduced 206 MT CO_2e emission by installing 106kW of solar panels across 6 projects. Further, the Company have identified projects and initiated process to install additional 164kW of solar panels.

- The Company's B&F SIO division used 2096 numbers of Solar Lights for illuminating project sites. These lights are fitted with auto switch off system. Further the Company has reduced the use of DG sets and / or State Electricity Board Power and installed 75KW Solar power system at the site worker housing locations of various sites.

- The Company's B&F business installed 1250 KLD Sewage Treatment facility at site worker housing locations which enabled the use of around 500 KLD treated water for dust suppuration, wheel wash system etc.

- The Company's B&F business stored around 400 Lakh liter rain harvested water in the pond at IIT Tirupati Project site for the reuse of it for various construction activities, dust suppuration, consolidation etc.

- The Company's B&F business has segregated and graded around 5000 M3 of construction waste and reused it for various construction activities and back filling.

- Apart from installation of solar panels for office work at various sites, on T&D project sites additionally, solar powered – CCTV & lamps been used result in usage of renewable energy.

- In Uniara and Padampur Biomass Power Plants, the Company has used about 21% alternate fuels apart from regularly used Mustard Crop Residue (MCR) during the year under review.

(iii) The capital investment on energy conservation equipment: The Company made capital investment of ₹ 4.76 Crore for installation of Solar panels on project sites. The Company has taken a conscious decision to progressively replace the mechanical based equipment with more efficient, energy conserving hydraulic based equipment.

(B) TECHNOLOGY ABSORPTION

(i) The efforts made towards technology absorption and achieved benefits like product improvement, cost reduction, product development or import substitution

- **Control Tower Concept for Project Management –** Business specific mobile application has been created for monitoring of project on real time basis. Instead of capturing data through conventional tool like Excel, digital tool created to capture project progress, Quality, EHS, P&M, sub-contractor performance with automated DPR. This provide better visibility of projects and reduces manual efforts in capturing data.

- **Usage of Technology in Planning Process:** Conventionally MSP & Primavera or Excel were used for planning purpose and these tools had its limitations for planning of linear projects. We now use TILOS for planning purpose in our linear projects and the tool is linked with our mobility solution leading to seamless integration of Planning & Execution.

- Introduced GIS based mobility solution for water projects for better visibility, improved control of O&M projects and gap identification and new routes/re-routes configuration for faster execution.

- The Company is using multiple software like PLS CADD & STAAD Pro for design purpose.

- At Gandhinagar & Raipur Plants, your Company adopted

  o In continuing with the steps taken in earlier years the Company is further promoting initiatives like Robotic & SAW welding to augment quality and productivity.

  o Palletization in plate storage areas has improved productivity through reduced multiple handling and avoiding improper storage.

  o Adoption of Lean management by re-layout of Machines according to the process flow.

  o Hydrochloric Acid sold to end user to produce Ferric Chloride instead processing it through ETP process and land filling site. This has reduced land pollution and improved energy efficiency.

  o Introduced pneumatic tools instead of manual operation to improve finishing quality.

  o Usage of low cost automation to improve productivity/reduce cost.

- In T&D business, the Company has started usage of Air conditioned helmets which are very effective. It helps the worker from Heat exhaustion and heat stress, which results in effectiveness in work execution.

- **IOT Based Tracking of P&M and Fuel Management System -** Your Company has completed installation of GPS and Fuel Sensors in more than 2500 equipments. Further, it has also developed a centralized Telematics Dashboard to monitor equipment utilization and fuel consumption. This has helped the Company in improving visibility/ tracking / utilization of equipment. The tool also helps the Company to track fuel consumption & fuel drainage cases thus providing better control on fuel cost by reducing the same.

- **RFID based fuel management system:** Your Company has RFID based fuel management system to ensure RFID authenticated fuel refilling in the relevant equipment, along with accurate measurement of refill quantity. These initiatives have helped the Company to control and reduce fuel cost.

- **Installation of Fuel Catalysts:** Your Company has initiated installation of fuel catalysts in fuel-intensive P&M (fuel guzzlers). Fuel Catalyst improves combustion, and enables better fuel efficiency. It has helped to reduce fuel consumption by around 8% and reduction of CO_2 emission.

- **Mobile Based Worker Attendance Using Face Recognition:** The projects of your Company are linear in nature spread across hundreds of kilometers. Getting visibility of workers spread across the project sites used to be major challenge resulting into sub-optimal number of workers. In some cases, the Company used to send individuals on vehicles with biometric machines to record attendance of workers. It used to result in delay / added to fuel cost and increased CO2e emissions. Now, the Company has started using face recognition technology based mobile application to record workers' attendance where site engineer takes attendance of the worker by just clicking his picture on actual work site. Currently, attendance of more than 13,000 workers is being tracked using this solution, giving enhance visibility of workers at site and reduce energy and fuel cost.

- Introduced **3D Web Application platform** to store, visualize and analyze survey data, acquired through drone/conventional methods which enables to accurately access the survey data for business usage.
- **Virtual reality (VR) is an immersive & effective tool for safety training** as it allows individuals to experience potentially hazardous situations in a controlled and safe environment. By adopting VR technology at the organization, the Company has trained 3000+ workmen across businesses in a simulated environment that closely mimics real-world scenarios, without the risk of injury.
- **Introduced AI-Enabled Analytics-Platform:** Integrated management analytics-dashboard, with capability to show AI-powered automated-insights with actionable information. Dashboard with detailed analysis- slicing/dicing of data, auto-generated insights, provision for asking queries to stakeholder, role-based access.
- Introduced **Electronic Document Management System (EDMS) for management of engineering documents** for inception to As-Built for Water and B&F business.

(ii) Research and Development:

The Company has been continuously putting effort to develop new transmission towers with different challenges. The Company is doing many research activities in the areas of material weight reduction, reduce material handling through practicing Lean methodology, alternate material in consumables, process design, process improvement, inhouse development of material handling equipment's etc.

- **Benefits derived as a result of R & D:**
  - o Usage of enhanced technology resulting in better project management (planning, execution) and ease of operations.
  - o Improvement in productivity leading to faster project execution.
  - o Improved quality and customer experience.
  - o Reduction on Operational cost.
- **Future Plan of Action:**

  R&D is very important cog in the wheel to ensure profitable growth. Your Company is planning to invest and reap benefits of R&D in both our projects and plants by adopting cutting edge technology and best practices in Operations.

  - o Plan to use of Vibro Pump device in excavator to increase efficiency by 15-20% during excavation when working in hard soil and wet soil.
  - o Installation of Turbo pre-cleaner in equipment to increase life of engine and its component and reduction of fuel consumption by 3-5%
  - o Usage of 3 D Cloud platform for using topography & surveillance survey data alongwith analysis / creation of multiple reports / project progress monitoring.

(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-

Details of technology imported	Year of Import	Whether the technology been fully absorbed	If not fully absorbed, areas where absorption has not taken place, and the reasons thereof
NIL			

(iv) the expenditure incurred on Research and Development:

(₹ in Crores)

Particulars	2022-23
Capital Expenditure	0.20
Revenue Expenditure	17.01
Total	**17.21**
Total R&D expenditure as a percentage of total turnover	0.12%

(C) THE FOREIGN EXCHANGE EARNED IN TERMS OF ACTUAL INFLOWS DURING THE YEAR AND THE FOREIGN EXCHANGE OUTGO DURING THE YEAR IN TERMS OF ACTUAL OUTFLOWS.

(₹ in Crores)

Foreign Exchange Earnings	1,773.40
Foreign Exchange Outgo	688.59

On behalf of the Board of Directors

Mofatraj P. Munot
Non-Executive Chairman
DIN: 00046905

Place: Mumbai
Date: May 08, 2023

Report on Corporate Governance

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

This report is prepared in accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the report contains the details of Corporate Governance systems and processes at Kalpataru Power Transmission Limited (KPTL or the Company).

KPTL's philosophy on Corporate Governance is built on strong foundation of transparency, compliance, ethics, accountability, responsibility, values and trust. We consider stakeholders as partners in our achievements and remain committed to maximizing stakeholders' value, be it Society at large, Local Communities, Customers, Employees, Suppliers, Trade Unions, NGOs, Investors, Shareholders and Government & Regulatory Authorities.

The epitome of Corporate Governance lies in cherishing and upholding integrity, transparency and accountability in the management's higher stratums. At KPTL, we work towards building an environment of Trust, Transparency and Accountability focusing on the long-term and supporting more inclusive societies. KPTL's essential character revolves around its strong set of core values i.e. Business Ethics, Customer Centricity and Quality.

The Company has put in place an internal governance structure with defined roles and responsibilities of every constituent of the system. The Company's shareholders appoint the Board of Directors, which in turn governs the Company. The Board has established various Committees to discharge its responsibilities in an effective manner.

Towards achievement of this philosophy, KPTL's management systems are certified with ISO 37001:2016. It is a benchmark for corporate compliance program with focus on anti-bribery and anti-corruption practices and is the new international standard designed to help organizations implement an anti-bribery management system.

II. BOARD OF DIRECTORS

A. Composition of the Board

As on closing of March 31, 2023, the Board of Directors of the Company had 10 Directors, comprising of 7 Non-Executive Directors, 3 Executive Directors including 1 Managing Director & CEO and 1 Dy. Managing Director. Out of 7 Non-Executive Directors, 5 are Independent Directors including 1 Woman Director. No Directors are related to each other except Mr. Mofatraj P. Munot and Mr. Parag M. Munot, who are related as Father and Son respectively.

The Board structure is in compliance with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company appointed Mr. Shailendra Kumar Tripathi (DIN: 03156123), as an Additional Director in terms of Section 161 of the Companies Act, 2013 and also appointed him as Dy. Managing Director of the Company with effect from January 04, 2023 subject to the approval of the shareholders of the Company. The shareholders of the Company vide special resolution passed through postal ballot pursuant to notice dated February 10, 2023 approved the appointment of Mr. Shailendra Kumar Tripathi as Director of the Company. Further, the shareholders of the Company also approved the appointment of Mr. Shailendra Kumar Tripathi as Dy. Managing Director of the Company for a period commencing from January 04, 2023 upto October 21, 2025 (both days inclusive).

None of the Directors of the Company is on the Board of more than 7 Indian listed Companies including as an Independent Director. Further, none of the Director of the Company is acting as a Whole Time Director / Managing Director of any listed Company as well as Independent Director in more than 3 Indian listed Companies. None of the Director of the Company is a Member of more than 10 Committees and no Director is the Chairperson of more than 5 Committees across all the public limited Indian Companies in which he/she is a Director. The necessary disclosures regarding Committee positions have been made by all the Directors. For the purpose of determination of limit, Chairpersonship and Membership of the Audit Committee and the Stakeholders' Relationship Committee alone have been considered.

B. Meetings of Board of Directors

During the year ended March 31, 2023, the Board met 6 times on May 14, 2022, August 04, 2022, November 10, 2022, December 29, 2022, February 09, 2023 and March 27, 2023. The maximum time gap between any two meetings was 97 days. All Information as required under Regulation 17 (7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 was placed before the Board of Directors. The Company has complied with the provisions of Secretarial Standards on Board Meetings (SS-1) issued by the Institute of Company Secretaries of India with respect to convening of Board Meetings during the year.

C. Directorship held and Directors' attendance

The names of the other listed Indian entities where Directors of the Company hold Directorships and the category of directorship held in such listed entity as on March 31, 2023 are as under:

Name of the Directors	Name of other Listed Entity where Director of KPTL is a Director	Category of Directorship held in such Listed entity
Mr. Mofatraj P. Munot@	NIL	-
Mr. Parag M. Munot	NIL	-
Mr. Sajjanraj Mehta	NIL	-
Mr. Vimal Bhandari	(1) DCM Shriram Ltd. (2) JK Tyre & Industries Ltd. (3) Bharat Forge Ltd. (4) RBL Bank Ltd. (5) Escorts Kubota Ltd.	Independent Director Independent Director Independent Director Non-Executive Non-Independent Director Independent Director
Mr. Narayan K. Seshadri	(1) Astrazeneca Pharma India Ltd. (2) PI Industries Ltd. (3) SBI Life Insurance Company Ltd.	Independent Director Non-Executive Non-Independent Director Independent Director
Ms. Anjali Seth	(1) Endurance Technologies Ltd. (2) Centrum Capital Ltd. (3) Nirlon Limited	Independent Director Independent Director Independent Director
Dr. Shailendra Raj Mehta	(1) Poly Medicure Ltd.	Independent Director
Mr. Manish Mohnot	NIL	-
Mr. Shailendra Kumar Tripathi*	NIL	-
Mr. Sanjay Dalmia	NIL	-

@Mr. Mofatraj P. Munot ceased to be Director from the closing hours of March 31, 2022. Thereafter, he was appointed as Non-Executive Chairman of the Company w.e.f. May 2, 2022.

*Mr. Shailendra Kumar Tripathi was appointed as Dy. Managing Director w.e.f. January 04, 2023.

The name and category of Directors on the Board of KPTL, their attendance at the Board meetings held during the year and also at the last Annual General Meeting, the number of Directorships and Committee positions held by them in other Indian Companies as on March 31, 2023 are given below:

Name of the Directors	Category	Attendance at		No. of		
		Board Meetings	Last AGM	Other Directorship#	Other Committee Chairpersonship*	Other Committee Membership*
Mr. Mofatraj P. Munot@	Non-Executive Chairman (Promoter)	6	Yes	14	-	-
Mr. Parag M. Munot	Non – Executive (Promoter)	6	Yes	15	-	2
Mr. Sajjanraj Mehta	Independent Director	6	Yes	1	-	-
Mr. Vimal Bhandari	Independent Director	6	Yes	9	2	6
Mr. Narayan K. Seshadri	Independent Director	6	Yes	13	2	5
Ms. Anjali Seth	Independent Woman Director	5	Yes	5	3	5
Dr. Shailendra Raj Mehta	Independent Director	6	Yes	4	-	1
Mr. Manish Mohnot	Managing Director & CEO	6	Yes	5	-	-
Mr. Shailendra Kumar Tripathi%	Dy. Managing Director	2	NA	-	-	-
Mr. Sanjay Dalmia	Executive Director	5	Yes	-	-	-

#Including Private Limited Companies and Section 8 Company.

*Represents Memberships/Chairpersonships of Audit Committee & Stakeholders' Relationship Committee of public limited companies only.

@Mr. Mofatraj P. Munot ceased to be Director from the closing hours of March 31, 2022. Thereafter, he was appointed as Non-Executive Chairman of the Company w.e.f. May 2, 2022.

% Mr. Shailendra Kumar Tripathi was appointed as Dy. Managing Director w.e.f. January 04, 2023.

D. Separate meeting of Independent Directors

Pursuant to Schedule IV of the Companies Act, 2013 and the Rules made thereunder and Regulation 25 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the Independent Directors of the Company met once during a year, without the attendance of Non-Independent Directors and Members of the Management.

The Independent Directors reviewed performance of Non-Independent Directors, Chairman of the Company and the performance of the Board as a whole. The Independent Directors also discussed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties. The feedback of the Meeting was shared with the Chairman of the Company.

E. Confirmation of Independence

In the opinion of the Board of Directors, the Independent Directors fulfill the conditions specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and are independent of the management.

The Company has received declarations from all the Independent Directors of the Company confirming that:

a) they meet the criteria of independence prescribed under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and

b) they have registered their names in the Independent Directors' Databank.

F. Directors' Profile

In case of appointment or re-appointment of Director(s), a brief resume of Director(s), nature of their expertise in specific functional areas, disclosure of relationships between directors inter-se, company names in which they hold Directorships, Memberships/ Chairmanships of Board Committees along with name of listed entities from which they have resigned in the past three years and shareholding in the Company are provided in the Notice of the Annual General Meeting annexed to this Annual Report.

G. Code of Conduct

The Board has laid down code of conduct for all Board Members and Senior Managerial Personnel of the Company. The Code of Conduct is available on the website of the Company at https://kalpatarupower.com/wp-content/uploads/2016/05/Code-of-Conduct-August.pdf

All Board Members and Senior Managerial Personnel have affirmed compliance with the Code of Conduct and a declaration to this effect signed by the Managing Director & CEO confirming the compliance of the Code of Conduct as required under Regulation 17 (5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been obtained and is given below:

DECLARATION

All Board Members and Senior Management Personnel have, for the year ended March 31, 2023 affirmed compliance with the Code of Conduct laid down by the Board of Directors in terms of Regulation 17 (5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For Kalpataru Power Transmission Limited

Place: Mumbai **Manish Mohnot**
Date : May 08, 2023 Managing Director & CEO

III. AUDIT COMMITTEE:

As on March 31, 2023, the Audit Committee comprised of 4 Directors out of whom 3 are Independent Directors including the Chairman of the Committee.

The Company is in compliance of the requirements of Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to composition of Audit Committee.

The Audit Committee has the power to investigate any activity within its terms of reference, seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, as it considers necessary.

The role and responsibilities of the Committee include the perusal and review of information specified in Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, *inter-alia* including the following:

- 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;

- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by them;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section (3) of section 134 of the Companies Act, 2013;
  - Changes, if any, in accounting policies and practices & reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgment by management;
  - Significant adjustments made in the financial statements arising out of audit findings;
  - Compliance with listing and other legal requirements relating to financial statements;
  - Disclosure of any related party transactions;
  - modified opinion (s) in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- 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 issue or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the Board to take up steps in this matter;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- 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;
- Discussion with internal auditors of any significant findings & follow up there on;
- 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;
- 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;
- 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;
- To review the functioning of the Whistle Blower Mechanism;
- Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
- 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;
- Considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

Additionally, the Audit Committee shall mandatorily review the following information:

- Management discussion and analysis of financial condition and results of operations;

- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the Chief internal auditor.
- Statement of deviations:
  a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  b. annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7).

The Committee met 7 times during the year on May 13-14, 2022, August 4, 2022, September 06, 2022, November 10, 2022, December 29, 2022, February 09, 2023 and March 27, 2023. The attendance of Members at the Meetings were as follows:

Name of Member	Category	Status	No. of Meetings attended /held
Mr. Sajjanraj Mehta	Independent Director	Chairman	7/7
Mr. Mofatraj P. Munot[@]	Non-Executive-Chairman	Member	6/6
Mr. Vimal Bhandari	Independent Director	Member	7/7
Mr. Narayan K. Seshadri	Independent Director	Member	7/7

[@]Mr. Mofatraj P. Munot ceased to be Director from the closing hours of March 31, 2022 and consequently ceased to be a member of the Audit Committee. Thereafter, he was appointed as Non-Executive Chairman of the Company w.e.f May 02, 2022 and was appointed as a member of Audit Committee effective from May 14, 2022.

The Managing Director & CEO, Chief Financial Officer, representatives of Statutory Auditors and Internal Auditor are the regular invitees to the Committee Meetings. The Internal Audit department directly reports to the Audit Committee. Other Directors and executives including Business Unit Heads are invited as and when required. The Cost Auditors is invited to attend the Audit Committee meeting where cost audit report is discussed. Ms. Shweta Girotra, Company Secretary of the Company is the Secretary of the Committee.

The Audit Committee has reviewed management discussion and analysis of financial condition and results of operations and other information as mentioned in Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All the recommendations made by the Audit Committee were accepted by the Board of Directors.

The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company held on August 04, 2022.

IV. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee comprised of 3 Directors out of which 2 are Independent Directors and 1 is Non-Executive Director. The Chairman of the Committee is an Independent Director.

The composition of the Committee adheres to the requirements of Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The role of the Nomination and Remuneration Committee as specified in Part D of the Schedule II, inter-alia includes following:

1. To formulate criteria for determining qualification, positive attributes & Independence of director and recommend to Board a policy relating to remuneration for the Directors, Key Managerial Personnel and other employees;
2. For every appointment of an independent director, 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:

   - use the services of an external agencies, if required;
   - consider candidates from a wide range of backgrounds, having due regard to diversity; and
   - consider the time commitments of the candidates.
3. To formulate criteria for evaluation of performance of Independent Directors and Board;
4. To devise a policy on diversity of Board of Directors;

5. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal;

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. Recommend to the board, all remuneration, in whatever form, payable to senior management;

8. To perform any other functions as may be assigned to Committee by the Board from time to time.

The Committee met 4 times during the year on May 13, 2022, August 4, 2022, November 10, 2022 and December 29, 2022. The attendance of Members at the Meeting is as follows:

Name of Member	Category	Status	No. of Meetings attended /held
Mr. Vimal Bhandari	Independent Director	Chairman	4/4
Mr. Sajjanraj Mehta	Independent Director	Member	4/4
Mr. Parag M. Munot*	Non-Executive Director	Member	4/4

*Mr. Mofatraj P. Munot ceased to be Director from the closing hours of 31 March, 2022 and consequently ceased to be a member of the Nomination and Remuneration Committee. Consequent to such cessation, Mr. Parag M. Munot was appointed as a member, w.e.f. 01 April, 2022.

Performance Evaluation

The Board has prepared the performance evaluation policy for evaluating performance of Individual Directors including Chairman of the Company, Board as a whole and its Committees thereof. The criteria of the Board evaluation includes Board composition, talent, experience and knowledge, presentations and discussions at the Board Meeting, frequency of the Board Meeting, feedback and suggestion given to the management, participation in the discussion etc.

The performance evaluation for the Financial year 2022-23 was conducted through a structured questionnaire prepared based on the criteria for evaluation laid down by the Nomination and Remuneration Committee.

The Independent Directors met on May 06, 2023 to review the performance of Non-Independent Directors including the Chairman and the performance of the Board as a whole as mandated by Schedule IV of the Companies Act, 2013 and SEBI Listing Regulations. The feedback of the meeting was shared to the Board of Directors of the Company. The Directors also discussed about the quality, quantity and timeliness of flow of information between the Company management and the Board, which is necessary for the Board to effectively and reasonably perform their duties.

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own, the Non-Independent and Independent Directors individually as well as the evaluation of the working of various Committees at their Meeting held on May 08, 2023 in the manner prescribed in the performance evaluation policy. While doing performance evaluation of Independent Directors, the Director being evaluated had not participated.

The evaluation of the Independent Directors were made on the basis of attendance at the Meeting of the Board, Committee and General Meeting, knowledge about the latest developments, contribution in the Board development processes, participation in the Meetings and events outside Board Meetings, expression of views in best interest of the Company, assistance given in protecting the legitimate interests of the Company, employees and investors, extending individual proficiency and experience for effective functioning and operation of the Company etc.

Succession Planning

The Company believes that sound succession plans for the senior leadership are very critical for a robust future of the Company. The Nomination and Remuneration Committee and the Board of Directors of the Company on a periodic basis reviews the structured succession plan for senior leadership.

Director's Remuneration

The Company's Remuneration Policy for Directors, Key Managerial Personnel and other employee is available on the website of your Company https://kalpatarupower.com/wp-content/uploads/2016/05/Policy-on-Remuneration-for-Directors-KMPs-and-Other-Employees.pdf. There has been no change in the policy since last financial year. The Remuneration Policy is in consonance with the existing industry practice.

Remuneration paid or payable to Managing Director & CEO, Dy. Managing Director and Executive Director for the FY 2022-23 is as under:

(₹ in Crores)

Name of Director	Salary and allowances	Perquisites	Contribution to PF & SA	Commission / Incentive	Total	Stock Options
Mr. Manish Mohnot	4.14*	0.01	0.20	8.07	12.42	None
Mr. Shailendra Kumar Tripathi	3.43*	0.01	0.17	3.38	6.99@	None
Mr. Sanjay Dalmia	2.30*	0.01	0.12	1.48	3.91	None

*includes leave encashment

@The details represents remuneration paid to Mr. Shailendra Kumar Tripathi for FY 2022-23 by the Company as well as erstwhile JMC Projects (India) Limited, which is now amalgamated with the Company.

The remuneration of Executive Directors is governed by the Agreement executed between respective Director and the Company. The contractual agreement with Mr. Manish Mohnot, Managing Director & CEO, Mr. Shailendra Kumar Tripathi, Dy. Managing Director and Mr. Sanjay Dalmia, Executive Director can be terminated by either party giving 6 months' prior notice. None of the managerial personnel is entitled for any severance pay.

In terms of agreement/re-appointment terms approved by members, commission / incentive to Mr. Manish Mohnot, Managing Director & CEO, Mr. Shailendra Kumar Tripathi, Dy. Managing Director and Mr. Sanjay Dalmia, Executive Director is decided annually by Board of Directors on recommendation of Nomination and Remuneration Committee.

Sitting Fees and Commission on net profit paid or payable to Non-Executive Directors for the Financial Year 2022-23 is as under:

(₹ in Crores)

Name of Director	Sitting Fees	Commission	Total
Mr. Mofatraj P. Munot	0.13	1.50	1.63
Mr. Parag M. Munot	0.08	2.40	2.48
Mr. Sajjanraj Mehta	0.14	0.90	1.04
Mr. Vimal Bhandari	0.13	0.75	0.88
Mr. Narayan K. Seshadri	0.15	0.75	0.90
Ms. Anjali Seth	0.05	0.30	0.35
Dr. Shailendra Raj Mehta	0.06	0.12	0.18

Commission is paid to the Non-Executive Directors on the basis of qualifications, experience, attendance at the Meetings, Directorship in other companies, time spent on strategic matters and contribution to the Company, financial performance and net worth of the Company, Order book position, track record of operational performance, performance evaluation of Board etc.

The Board of Directors of the Company approved payment of commission during the year to the Director(s) who were not in Whole-Time employment of the Company in recognition of their performance during FY 2022-23 not exceeding in aggregate 1% of net profits for the FY 2022-23, calculated under Section 198 of the Companies Act, 2013.

Information of Directors as on March 31, 2023 is as under:-

Name	Age	Designation	Date of initial appointment	Shares held
Mr. Mofatraj P. Munot	78	Non-Executive Chairman	May 02, 2022	1,63,43,218
Mr. Parag M. Munot	53	Director	September 30,1991	79,63,615
Mr. Sajjanraj Mehta	71	Director	July 25,1998	10,000
Mr. Vimal Bhandari	64	Director	June 28, 2002	Nil
Mr. Narayan K. Seshadri	65	Director	January 29, 2007	Nil
Ms. Anjali Seth	64	Director	March 28, 2015	Nil
Dr. Shailendra Raj Mehta	63	Director	August 03, 2021	Nil
Mr. Manish Mohnot	50	Managing Director & CEO	November 1, 2006	Nil
Mr. Shailendra Kumar Tripathi	58	Dy. Managing Director	January 04, 2023	Nil
Mr. Sanjay Dalmia	60	Executive Director	August 8, 2018	28,600

There is no pecuniary relationship or transaction of the Company with any Non-Executive Director other than the payment of sitting fees and remuneration, including commission, as given herein above. The Company has not granted any stock options to its Non-executive Directors. All related party transactions are disclosed in notes to accounts.

V. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The Stakeholders Relationship Committee comprises of 3 Directors out of which 1 is Independent Director, 1 is Non-Executive Director and 1 is Managing Director and CEO. The Committee is chaired by an Independent Director. The Committee comprises of Ms. Anjali Seth, Mr. Parag M. Munot and Mr. Manish Mohnot. This composition of the Committee is in conformity with the requirements of Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The role of the Committee *inter-alia* includes the following:

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. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

The Committee met one time during the year on November 10, 2022 and the attendance of members at the Meeting were as follows:

Name of Member	Category	Status	No. of Meetings attended / held
Ms. Anjali Seth	Independent Director	Chairperson	1/1
Mr. Manish Mohnot	Managing Director & CEO	Member	1/1
Mr. Parag M. Munot	Non-Executive –Promoter	Member	1/1

Ms. Shweta Girotra, Company Secretary is the Compliance Officer of the Company.

Investor Complaints at the beginning of the year	NIL
Investor Complaints received during the year	9*
Investor Complaints resolved during the year	9*
Investor Complaints pending at the end of the year	NIL

* Also includes 5 complaints received and resolved by erstwhile JMC Projects (India) Limited.

All the complaints have been resolved to the satisfaction of the complainants.

The Board has delegated the powers to attend various requests of shareholders including issuance of entitlement letters, transmission, duplicate, issue of share certificates/ letter of confirmation after split/consolidation/renewal, to a Share Transfer Committee which is comprising of Mr. Parag M. Munot, Mr. Manish Mohnot and Mr. Ram Patodia. The Committee met 4 times during the year.

VI. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

As on March 31, 2023, the CSR Committee comprised of 4 Directors out of which Chairman is an Independent Director.

The terms of reference of Committee broadly comprises following:

- Formulate and recommend to the Board, a Corporate Social Responsibility Policy which includes the activities to be undertaken by the Company, in areas or subject, specified in Schedule VII of the Companies Act, 2013;
- Recommend the amount of expenditure to be incurred on the CSR activities;
- Monitor the CSR Policy of the Company from time to time;
- Institute a transparent monitoring mechanism for implementation of the CSR Projects or Programs or activities undertaken by the Company.

The Committee met 4 times during the year on May 13, 2022, November 10, 2022, February 09, 2023 and March 27, 2023. The composition of the CSR Committee and the attendance of Members at the Meeting were as follows:

Name of Member	Category	Status	No. of Meetings attended / held
Mr. Sajjanraj Mehta	Independent Director	Chairman	4/4
Mr. Mofatraj P. Munot@	Non-Executive – Chairman	Member	3/3
Mr. Parag M. Munot	Non-Executive – Promoter	Member	4/4
Mr. Manish Mohnot	Managing Director & CEO	Member	4/4

@Mr. Mofatraj P. Munot ceased to be Director from the closing hours of March 31, 2022 and consequently ceased to be a member of the CSR Committee. Thereafter, he was appointed as Non-Executive Chairman of the Company w.e.f May 02, 2022 and was appointed as a member of CSR Committee effective from May 14, 2022.

VII. RISK MANAGEMENT COMMITTEE

The Company has constituted Risk Management Committee in compliance with Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee comprises of 5 members including 3 Directors. Further, the Chairman of Risk Management Committee is an Independent Director.

The Role and Responsibilities of Risk Management Committee are as under:

- To formulate a detailed risk management policy which shall include:
    - a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
    - b) Measures for risk mitigation including systems and processes for internal control of identified risks.
    - c) Business continuity plan.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.
- To coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of Directors.

The Committee met 4 times during the year on April 21, 2022, July 15, 2022, January 03, 2023 and February 08, 2023. The composition of the Risk Management Committee as on March 31, 2023 and the attendance of Members at the Meeting were as follows:

Name of Member	Category	Status	No. of Meetings attended / held
Mr. Narayan K Seshadri	Independent Director	Chairman	4/4
Mr. Manish Mohnot	Managing Director & CEO	Member	4/4
Mr. Sanjay Dalmia	Executive Director	Member	4/4
Mr. Ram Patodia	CFO	Member	4/4
Mr. Kamal Kishore Jain	Director – Integrity & Chief Ethics Officer	Member	4/4

The Board of Directors at its meeting held on May 08, 2023 has reconstituted the Risk Management Committee of the Company by inclusion of Mr. Shailendra Kumar Tripathi, Dy. Managing Director, Mr. Amit Uplenchwar, Director-Strategy Business Group, Mr. N. Neelakanteswaran, Dy. President (Project Controls) & Mr. Hardik Hundia, Sr. Vice President as members of Risk Management Committee and Mr. Kamal Kishore Jain ceased to be a member of the Committee.

VIII. SUBSIDIARY COMPANIES:

As on March 31, 2023, the Company had 24 Direct and Indirect subsidiaries and 3 Associate Companies.

The List of Subsidiary and Associate Companies of the Company, is available on the website i.e. https://kalpatarupower.com/investor-information/

Regulation 24 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 defines a "material subsidiary" to mean a subsidiary, whose income or net worth exceeds twenty percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

There is no subsidiary which qualifies the test of material subsidiary. Accordingly, the requirement of having an independent director of the Company on the Board of unlisted material subsidiary company did not attract during the year under review.

There is no material unlisted subsidiary of the Company and hence the Company is not required to annex Secretarial Audit Report of unlisted subsidiaries.

The minutes of Board Meetings of unlisted subsidiary companies are being placed before the Board of Directors of the Company from time to time. All significant transactions and arrangements entered into by the unlisted subsidiaries of the Company are also placed for consideration of the Audit Committee. The Audit Committee also reviews the financial statements and in particular, the investments, if any, made by unlisted subsidiaries of the Company. Further, the Company management makes regular presentations to the Board on business performance of major subsidiaries of the Company. The other requirements of Regulation 24 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with regard to Corporate Governance requirements for Subsidiary Companies have been complied with.

The Company has formulated a policy for determining 'material' subsidiaries, such policy has been disclosed on the Company's website https://kalpatarupower.com/wp-content/uploads/2016/05/Policy-for-Material-Subsidiary-April.pdf

IX. GENERAL BODY MEETING / POSTAL BALLOT(S):

a. The details of last 3 Annual General Meetings (AGMs) of the Company and special resolution(s) passed thereat, are as follows:

Financial Year	Date	Time	Venue	Special Resolution(s) passed
2021-22	August 04, 2022	11:00 a.m.	AGM was held through Video Conferencing pursuant to the MCA circulars	No Special Resolution was passed in this meeting
2020-21	July 15, 2021	2:00 p.m.		(i) Re-appointment of, and remuneration payable to, Mr. Sanjay Dalmia (DIN: 03469908) as an Executive Director of the Company
2019-20	August 12, 2020	2:00 p.m.		(i) Re-appointment of Mr. Manish Mohnot (DIN: 01229696) as Managing Director & CEO of the Company (ii) Re-appointment of Ms. Anjali Seth (DIN: 05234352) as an Independent Director

Meeting convened by Hon'ble National Company Law Tribunal:

In accordance with the order dated August 03, 2022 passed by the Hon'ble National Company Law Tribunal (NCLT), Ahmedabad bench, the Company convened meeting of its equity shareholders on September 06, 2022 at 12:15 P.M. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") in compliance with the applicable provisions of the Companies Act, 2013 and the Listing Regulations, to consider and approve Scheme of Amalgamation of JMC Projects (India) Limited with the Company and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013. The said Resolution was passed with requisite majority.

b. Details of resolutions passed through postal ballot during Financial Year 2022-23 and details of the voting pattern

During the year under review, the Company sought approval of shareholders through postal ballot twice as under:

Date of Postal Ballot Notice: February 10, 2023	**Voting Period: February 15, 2023 to March 16, 2023**
Date of declaration of result: March 17, 2023	**Date of approval: March 16, 2023**

Resolution	No. of votes polled	No. of votes cast in favor	No. of votes cast against	% of votes cast in favor	% of votes cast against
Appointment of and remuneration payable to Mr. Shailendra Kumar Tripathi as Dy. Managing Director of the Company for a period commencing from January 04, 2023 upto October 21, 2025 (Special Resolution)	14,43,84,479	13,87,78,903	56,05,576	96.12%	3.88%
Combining monetary limits sanctioned by Shareholders of the Company and JMC Projects (India) Limited (now Amalgamated with the Company) under the provisions of Section 180(1)(a) of the Companies Act, 2013 (Special Resolution)	14,43,84,479	14,04,87,985	38,96,494	97.30%	2.70%
Entering into the Intellectual Property Licence Agreement with Kalpataru Business Solutions Private Limited being a related party transaction under the applicable provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Ordinary Resolution)	14,43,84,039	12,57,61,314	1,86,22,725	87.10%	12.90%

Date of Postal Ballot Notice: March 22, 2022	**Voting Period: April 01, 2022 to April 30, 2022**
Date of declaration of result: May 02, 2022	**Date of approval: April 30, 2022**

Resolution	No. of votes polled	No. of votes cast in favor	No. of votes cast against	% of votes cast in favor	% of votes cast against
Appointment of Mr. Mofatraj P. Munot (DIN: 00046905) as a Non-Executive Chairman for a period of 5 years (Special Resolution)	13,39,05,024	13,03,96,722	35,08,302	97.38%	2.62%

Mr. Urmil Ved, Practising Company Secretary was appointed as Scrutinizer to scrutinize remote e-voting process in a fair and transparent manner for the above postal ballot.

Procedure for Postal Ballot

The postal ballot was conducted in accordance with the provisions contained in Section 110 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, ('Rules'), Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The MCA permitted companies to transact items through postal ballot as per the framework set out in General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 10/2021 dated June 23, 2021, 20/2021 dated December 8, 2021, 3/2022 dated May 05, 2022, 11/2022 dated December 28, 2022 and other relevant circulars and notifications issued in this regards. In accordance with the aforementioned circulars, e-voting facility was provided to all the shareholders to cast their votes only through the remote e-voting process. The postal ballot notice was sent to shareholders as per the permitted mode. The Company also published notice in the newspapers in accordance with the requirements under the Companies Act, 2013.

Shareholders holding equity shares as on the cut-off date casted their votes through e-voting during the voting period fixed for this purpose. After completion of scrutiny of votes, the scrutinizer submitted his report to the Chairman or person authorized by him and the results of voting by postal ballot were announced within 2 working days of conclusion of the voting period. The results were displayed at the Registered Office of the Company, on the website of the Company (www.kalpatarupower.com) & CDSL and communicated to the Stock Exchanges, where the shares of the Company are listed. The resolutions, that were passed by the requisite majority, were deemed to have been passed on the last date of e-voting.

Future Proposal

The Company vide its Postal Ballot Notice dated April 10, 2023 has proposed to pass Special Resolution for approval of change of name of the Company from Kalpataru Power Transmission Limited to Kalpataru Projects International Limited and consequential alteration of the Memorandum of Association and Articles of Association of the Company.

The e-voting period commenced on April 15, 2023 and ends on May 14, 2023.

Mr. Urmil Ved, Practising Company Secretary was appointed as Scrutinizer to scrutinize remote e-voting process in a fair and transparent manner for the above postal ballot. The Scrutiniser will submit his report to the Chairman or any authorised person of the Company and the results of the Postal Ballot will be announced on or before May 16, 2023.

The resolution, if passed with requisite majority by the Members through Postal Ballot shall be deemed to be passed on the last date of the voting period i.e. May 14, 2023.

X. DISCLOSURES:

a) Management Discussion and Analysis

Annual Report has a detailed chapter on Management Discussion and Analysis.

b) Related Party Transactions

The Company's major related party transactions are generally with its subsidiaries and associates. All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in its ordinary course of business and on an arm's length basis.

During the year, the Company had not entered into any contract / arrangement / transaction with related parties, which could be considered material in accordance with the policy of the Company on materiality of related party transactions or which could have potential conflict with the interests of Company at large.

The Company has received declarations from Senior Management Personnel that there was no material, financial and commercial transactions, where they have personal interest that may have a potential conflict with the interest of the Company at large.

The Company has formulated a policy on dealing with Related Party Transactions, such policy has been disclosed on the Company's website https://kalpatarupower.com/wp-content/uploads/2016/05/RPT-Policy_Amendment-01042022_Final.pdf

c) Accounting treatment

The Company has followed accounting treatment as prescribed in Indian Accounting Standard applicable to the Company.

d) Compliance

There have been no non-compliance by the Company with respect to any matter related to capital markets nor any penalty or stricture was imposed on the Company by stock exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

e) Whistle Blower Policy (Vigil Mechanism)

The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. The Company has a vigil mechanism (whistle-blower policy) under which the employees, vendors and persons having business dealing with the Company are free to report violations of applicable laws and regulations and the Code of Conduct of the Company. The reportable matters may be disclosed to the Chief Ethics Officer and Anti Bribery Management System Committee which operates under the supervision of the Audit Committee. Further, the functioning of the vigil mechanism is being monitored by the Audit Committee from time to time. The whistle blower may also report violations to the Chairman of the Audit Committee in exceptional cases. During the year, no employee/person was denied access to the Audit Committee.

The Whistle Blower Policy has been disclosed on the Company's website https://kalpatarupower.com/wp-content/uploads/2016/05/Whistle-Blower-Policy-November-2021.pdf

f) Familiarization programme for Independent Directors

The Company has familiarized its Independent Director's regarding the Company, and its policies, their roles, rights and responsibilities etc. Presentations are made by senior personnel of the Company to the Independent Directors covering nature of Industry, business model, business performance and operations, challenges

& opportunities available etc. Certain programmes are merged with the Board/Committee meetings for the convenience of the directors. Separate programs are conducted for them as per their requirement. Over and above specific Familiarization Programmes, presentations were made at the Board meetings by MD & CEO / CFO covering performance of peers, Operational review of major operating subsidiaries, forex and commodity exposure, updates on capital expenditure, strategic and operational risks and its mitigation plan, business performance, operations, working capital management, major litigations, major achievements etc.

Further, the Directors are encouraged to attend the training programmes being organized by various regulators/bodies/institutions. The Details of Familiarisation programme for Independent Directors has been disclosed on the Company's website https://kalpatarupower.com/wp-content/uploads/2016/10/8-Directors-Familiarisation-Programme.pdf

g) Foreign Exchange Risk and Hedging Activities

The Company's activities exposes it to the risk of fluctuations in foreign currency exchange rate. The Company has in place a robust risk management framework for monitoring and mitigation of the risk of fluctuations in the currency exchange rates. Such risks are monitored regularly and necessary actions are taken to mitigate them in line with the Risk Management Policy of the Company. The Company enters into forward foreign exchange contracts to hedge the exchange rate risk. Company does not enter into any derivative instruments for trading or speculative purposes. The details of foreign exchange exposures as on March 31, 2023 are disclosed in Note No. 43 in Notes to the standalone financial statements.

h) Commodity Price Risk and Hedging Activities

The details regarding exposure of the Company to commodity and commodity risks faced throughout the year in terms of SEBI Circular Ref. No. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated November 15, 2018 is as under:

1. **Risk management policy of the Company with respect to commodities including through hedging**

   As a part of broader Risk Management Policy, the Company has a dedicated framework to manage commodity risk. The Company's business is significantly dependent on availability, cost and quality of raw materials and fuels for the construction and development of projects undertaken. Commodity items used in the manufacturing and project execution mainly includes steel, zinc, aluminum conductors, copper, reinforcement / structural steel, readymade concrete, pipe and pipe fittings and cement etc. Prices of these are varied due to global economic conditions, supply demand mismatch, competition, production levels, and taxes etc. The Company currently manages such risk through the price escalation clause in some of the Contracts whereby the fluctuation in the input cost is passed on to the Client. In case of firm price contracts, the Company enters into a Commodity Forward Contract to hedge its price risk or pass on back-to-back firm price contract to its vendor/contractor. The Company addresses the risk of fluctuation in commodities which cannot be hedged by building adequate contingencies based on market trends. The Company manages such risk as per its Risk Management Policy and Procedures.

2. **Exposure of the Company to commodity and commodity risks faced by the entity throughout the year**

   A. **Total exposure of the Company to commodities in ₹: ₹ 2,727.10 Crores (only for material commodities)**

   B. **Exposure of the Company to various commodities:**

Commodity Name (material commodity)	Exposure towards the particular commodity (in ₹ Crores)	Exposure in Quantity terms towards the particular commodity	% of such exposure hedged through commodity derivatives				Total
			Domestic market		International market		
			OTC	Exchange	OTC	Exchange	
Steel	~1,289.14	MT 2,16,663	-	-	-	-	-
Aluminum	~1,029.02	MT 53,570	-	-	60.30%	-	60.30%
Zinc	~217.63	MT 9,108	-	-	65.33%	-	65.33%
Copper	~191.31	MT 2,605	-	-	42.65%	-	42.65%

Note: Above Exposure does not include the Exposure of Variable Price Contracts wherein the fluctuation in the input cost is passed to the Client.

C. **Commodity risks faced by the Company during the year and how they have been managed:**

Commodities are a significant part of the Direct cost incurred by the Company for its business activities including fabrication of towers and erection of the transmission lines and substation. Further, the Company's business also requires raw material such as reinforcement / structural steel, readymade concrete, pipe and pipe fittings and cement etc., the price fluctuation of which is taken care through general escalation clause based on wholesale price index of materials in the contract with customers. The material commodities for the Company with open exposure are Steel, Aluminum, Zinc and Copper. Thus, movement in the prices of these commodities exposes the Company towards the risks of fluctuations on its profitability. The Company has a robust mechanism to monitor such risks and ensure that the risk of major fluctuations are mitigated. Risk Management Committee of the Company based on the exposure of the Company and Risk Management Policy recommends the procurement/treasury team for the hedging strategy. The Company uses the future commodities contracts for hedging the prices or passes on back to back firm price contract to its vendors. Further, the Company also addresses the risk of fluctuation in prices by building adequate contingencies based on market trends and including for commodities which cannot be hedged (viz. steel).

i) Matrix containing skills/expertise/competence of the Board of Directors

The list of core skills/expertise/competencies identified by the Board of Directors as required in the context of KPTL's business(es) and sector(s) for KPTL to function effectively and those actually available with the Board are as under:

Skills/expertise/ competence	Whether available with the Board or not?	Mofatraj P. Munot	Parag M. Munot	Sajjanraj Mehta	Vimal Bhandari	Narayan K. Seshadri	Anjali Seth	Dr. Shailendra Raj Mehta	Manish Mohnot	Sanjay Dalmia	Shailendra Kumar Tripathi
Industry knowledge / experience (EPC Industry)											
Experience	Yes	Yes	Yes	Yes	Yes	Yes	Yes		Yes	Yes	Yes
Industry knowledge	Yes	Yes	Yes	Yes	Yes	Yes	Yes		Yes	Yes	Yes
Understanding of relevant laws, rules, regulation and policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
International Experience	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Contract management	Yes	Yes	Yes	Yes	Yes	Yes	Yes		Yes	Yes	Yes
Technical skills/ experience											
Accounting and finance	Yes		Yes	Yes	Yes	Yes			Yes	Yes	
Marketing	Yes	Yes	Yes						Yes	Yes	Yes
Information Technology	Yes					Yes			Yes		Yes
Talent Management	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Leadership	Yes	Yes	Yes	Yes	Yes	Yes	Yes		Yes	Yes	Yes
Compliance and risk	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Legal	Yes	Yes	Yes	Yes	Yes	Yes	Yes		Yes	Yes	Yes
Business Strategy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Behavioral competencies											
Integrity and ethical standards	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mentoring abilities	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Interpersonal relations	Yes	Yes	Yes	Yes	Yes	Yes	Yes		Yes	Yes	Yes

j) Credit ratings

Instrument/Facilities	Ratings		
	CRISIL	CARE Ratings	INDIA Ratings*
Long term facilities	AA/Stable	AA; Stable	AA/Stable
Short term facilities	A1+	A1+	A1+

*assigned on 11 April, 2023

There have been no revisions in the Credit ratings for all debt instruments of the Company during the year under review.

k) Certificate from a Company Secretary in practice

The Company has obtained a certificate from Mr. Urmil Ved, Practicing Company Secretary that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority.

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members,
Kalpataru Power Transmission Limited,
CIN: L40100GJ1981PLC004281
Plot 101, Part - III, GIDC Estate, Sector– 28,
Gandhinagar, Gujarat- 382028.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Kalpataru Power Transmission Limited** having CIN L40100GJ1981PLC004281 and having registered office at Plot 101, Part - III, GIDC Estate, Sector – 28, Gandhinagar, Gujarat- 382028 (hereinafter referred to as 'the Company') produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on 31st March, 2023, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment	Date of Cessation
1.	Mr. Mofatraj Pukhraj Munot	00046905	02/05/2022	-
2.	Mr. Parag Mofatraj Munot	00136337	30/09/1991	-
3.	Mr. Sajjanraj Mehta	00051497	25/07/1998	-
4.	Mr. Vimal Bhandari	00001318	28/06/2002	-
5.	Mr. Manish Dashrathmal Mohnot	01229696	01/11/2006	-
6.	Mr. Narayan Keelveedhi Seshadri	00053563	29/01/2007	-
7.	Ms. Anjali Karamnarayan Seth	05234352	28/03/2015	-
8.	Mr. Sanjay Shivratan Dalmia	03469908	08/08/2018	-
9.	Mr. Shailendra Raj Mehta	02132246	03/08/2021	-
10.	Mr. Shailendra Kumar Tripathi	03156123	04/01/2023	-

Ensuring the eligibility of the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these, based on my 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.

Urmil Ved
Practicing Company Secretary
(ICSI Unique Code I1996GJ080100)
FCS No. 8094, COP No. 2521
Peer Review Cert. No.: 597/2019
ICSI UDIN: F008094E000271764

Date: 08/05/2023
Place: Gandhinagar

l) Fees paid to Statutory Auditors and network firm/entities

The details of total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to B S R & Co. LLP, Statutory Auditors and all entities in the network firm/network entity of which the statutory auditor is a part is as under:

(₹ in Crores)

Fees paid to	Amount
B S R & Co. LLP (includes Audit fee, certification fees and reimbursement of expenses)	3.84
Other network entities	-

m) Disclosure in relation to Sexual Harassment

The disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is as under:

Number of complaints filed during the financial year	01
Number of complaints disposed of during the financial year	01
Number of complaints pending as on end of the financial year	Nil

n) The Company has not issued any shares through preferential allotment or QIP and hence, details of utilisation of funds as specified under Regulation 32 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable.

o) Disclosure of Loans and advances in the nature of Loans

Neither the Company nor any of its subsidiaries have granted any Loans or advances in the nature of Loans to firms/companies in which directors of the Company are interested in terms of provisions of Section 184 of the Companies Act, 2013.

XI. MEANS OF COMMUNICATION:

a. Financial Results

The Company has furnished Financial Results on a quarterly basis to the Stock Exchanges in the format and within the time period prescribed under Regulation 33 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company generally publishes its Quarterly Results in Economic Times – English & Gujarati, Jai Hind- Gujarati and Gandhinagar Samachar - Gujarati.

The results of the Company were displayed on its website https://kalpatarupower.com/quaterly-results/ The official news releases are being placed on Company's website and simultaneously sent to Stock Exchanges where the shares of the Company are listed.

b. News, Release, Presentations etc.

Official news, Press releases, Analyst / Investor presentation, conference call transcript etc. are displayed on the website of the Company www.kalpatarupower.com

c. Compliance

The Company has regularly submitted its quarterly compliance report to the Stock Exchanges for compliance of requirements of corporate governance under Regulation 27 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has complied with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has complied with all the applicable mandatory requirements under various Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has obtained a certificate from its Statutory Auditors M/s. B S R & Co. LLP, Chartered Accountants to this effect and the same is annexed to this Report. The Company has also complied with certain non-mandatory requirements prescribed in Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 such that the Company has moved to a regime of financial statements with unmodified opinion including Financial Statements for the year ended March 31, 2023, separate posts of Chairperson and the Managing Director & CEO, Chairperson to be a Non-Executive Director and not related to Managing Director & CEO, direct reporting of Internal Auditor to the Audit Committee etc.

d. Website

The Company maintains a website www.kalpatarupower.com which depicts detailed information about the business activities of the Company. It contains a separate dedicated section namely "Investor" where all information relevant to members is made available. The achievements and important events taking place in the

Company like receipt of major orders are announced through electronic media and posted on the Company's website also. The Company's other press coverage and Analyst / Investor / Corporate presentation is also made available on the website. All the submissions made by the Company to Stock Exchanges are also disclosed on the website of the Company. The Annual Report of the Company is also available on the website of the Company https://kalpatarupower.com/annual-reports-accounts/ in a downloadable form.

XII. GENERAL SHAREHOLDER INFORMATION:

- **Annual General Meeting and Record Date**

Date, time and venue of Annual General Meeting	: July 17, 2023 at 11:00 a.m. IST The Company is conducting meeting through Video Conferencing (VC)/ Other Audio Visual Means (OAVM) pursuant to the MCA circular dated May 5, 2020, as extended and as such there is no requirement to have a venue for the AGM. For details, please refer to the Notice of this AGM.
Record Date	: July 06, 2023
Dividend Payment Date	: On or before August 14, 2023

- **Financial Calendar**

Financial Year	: April 01 to March 31

- **Financial Results:**

First Quarter Results	: by August 14, 2023
Half Year Results	: by November 14, 2023
Third Quarter Results	: by February 14, 2024
Annual Results	: by May 30, 2024

- **Listing**

At present, the equity shares of the Company are listed on the BSE Limited (BSE) and the National Stock Exchange of India Ltd. (NSE). The Non-Convertible Debentures issued by the Company are listed on BSE Limited.

Name of Stock Exchange	Stock Code	Address
BSE Limited	522287	Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai-400 001, Maharashtra, India
National Stock Exchange of India Limited	KALPATPOWR	'Exchange Plaza', C-1, Block 'G', Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051, Maharashtra, India

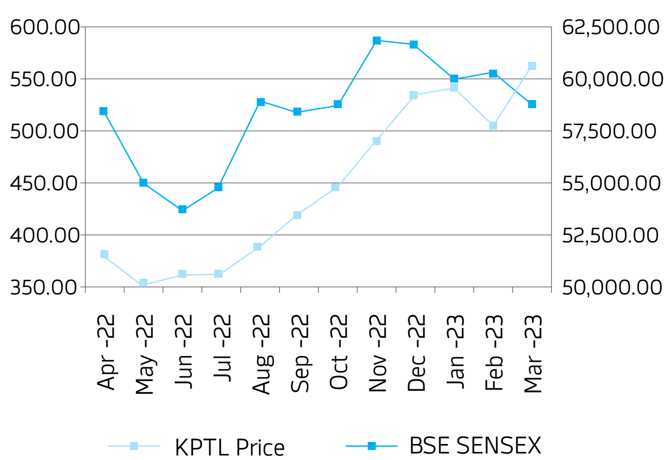
The Company has already paid the listing fees for the year 2023-24 to both the Stock Exchanges.

- **Stock Market Data**

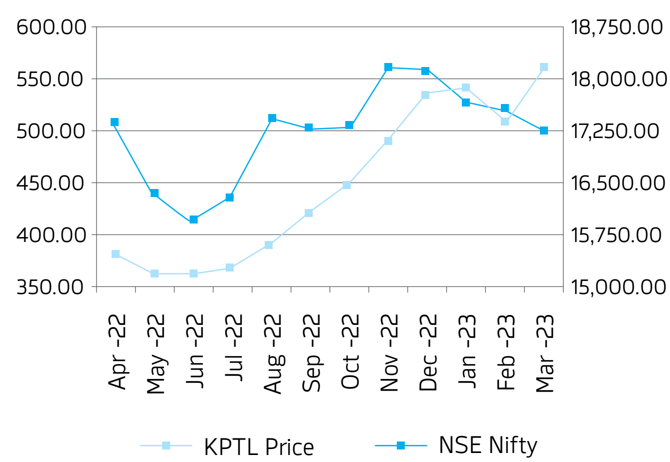
Monthly High and Low price of the Company's shares with a face value of ₹ 2 each for financial year 2022-23 on BSE and NSE are as under:

Month	BSE Limited				National Stock Exchange of India Limited			
	High Share Price ₹	Low Share Price ₹	S&P BSE Sensex during the Month		High Share Price ₹	Low Share Price ₹	Nifty 50 during the Month	
			High	Low			High	Low
Apr-22	413.35	347.80	60845.10	56009.07	414.00	348.00	18114.65	16824.70
May-22	372.50	332.30	57184.21	52632.48	373.90	331.80	17132.85	15735.75
Jun-22	375.00	348.50	56432.65	50921.22	375.00	348.55	16793.85	15183.40
Jul-22	380.00	345.00	57619.27	52094.25	379.65	353.00	17172.80	15511.05
Aug-22	424.35	353.35	60411.20	57367.47	424.00	356.00	17992.20	17154.80
Sep-22	442.90	398.85	60676.12	56147.23	443.50	399.30	18096.15	16747.70
Oct-22	481.00	413.00	60786.70	56683.40	481.00	415.55	18022.80	16855.55
Nov-22	532.50	449.00	63303.01	60425.47	532.50	449.00	18816.05	17959.20
Dec-22	576.00	496.15	63583.07	59754.10	575.95	496.00	18887.60	17774.25
Jan-23	591.10	491.15	61343.96	58699.20	592.50	491.10	18251.95	17405.55
Feb-23	533.70	480.20	61682.25	58795.97	533.85	480.20	18134.75	17255.20
Mar-23	597.15	528.55	60498.48	57084.91	597.00	527.35	17799.95	16828.35

KPTL's Average of High and Low Price Comparision with BSE Sensex Average of High and Low



KPTL's Average of High and Low Price Comparision with NSE Nifty Average of High and Low



- **Registrar & Transfer Agent (RTA)**

Link Intime India Private Limited
506-508, Amarnath Business Centre -1
Beside Gala Business Centre,
Near St. Xavier's College Corner,
Off C. G. Road,
Navrangpura, Ahmedabad – 380009,
Gujarat, India
Email: ahmedabad@linkintime.co.in
Tel. & Fax: +91 79 26465179

- **Share Transfer System**

The Securities and Exchange Board of India vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25 January, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests, viz. issue of duplicate securities certificate; claim from Unclaimed Suspense Account; renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, members are requested to make service requests by submitting a duly filled and signed Form as per applicability, which is available on the website of the Company and RTA.

The Company has obtained a certificate from a Company Secretary in Practice for due compliance of share transfer formalities as per the requirement of Regulation 40(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The said certificate has been submitted to the Stock Exchanges.

A Company Secretary-in-Practice carried out an Audit, on quarterly basis, to reconcile the total admitted capital with National Securities Depository Limited and Central Depository Services (India) Limited and the total issued & listed capital. The Audit confirms that the total issued / paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form. Such reconciliation of share capital audit report was submitted to Stock Exchanges on quarterly basis.

- **Distribution of Shareholding as on March 31, 2023**

No. of Shares of ₹ 2 each	Members		No. of Share Held	
	Number	% of Total	Number	% of Total
Upto 500	73,514	95.01	42,04,305	2.59
501 – 1,000	2,179	2.82	17,53,796	1.08
1,001 – 2,000	756	0.98	11,11,828	0.68
2,001 – 3,000	270	0.35	6,75,500	0.41
3,001 – 4,000	148	0.19	5,30,574	0.33
4,001 – 5,000	91	0.12	4,23,821	0.26
5,001 – 10,000	147	0.19	10,69,069	0.66
10,001 and above	262	0.34	15,26,77,259	93.99
Total	**77,367**	**100.00**	**16,24,46,152**	**100.00**

- **Shareholding Pattern as on March 31, 2023**

Sr. No.	Category	No. of Shares held	% of Shares held
A	**Promoter & Promoter Group Holding :**		
1	Promoter	2,43,06,833	14.96
2	Promoter Group	5,24,25,261	32.28
B	**Non Promoters' Holding :**		
1	**Institutions**		
	Mutual Funds	5,86,92,378	36.13
	Alternate Investment Funds	5,34,542	0.33
	Foreign Portfolio Investors	1,12,45,642	6.92
	NBFCs registered with RBI	1,250	0.00
	Insurance Companies	21,12,376	1.30
2	**Non-Institutions**		
	Directors and their relatives (excluding independent directors and nominee directors)	30,897	0.02
	Investor Education and Protection Fund (IEPF)	1,83,984	0.11
	Individuals	1,03,43,687	6.37
	Bodies Corporate	6,60,689	0.41
	NRIs	14,48,738	0.89
	Others	4,59,875	0.28
	Total	**16,24,46,152**	**100%**

*Out of above, Promoters & Promoter group have pledged 3,74,78,766 Equity Shares constituting 48.84% of their holding in the Company and 23.07% of total equity of the Company.

- **Demat Suspense Account / Unclaimed Suspense Account**

  (a) aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year*: 55 shareholders holding total 10,518 equity shares

  (b) number of shareholders who approached listed entity for transfer of shares from suspense account during the year: 1 shareholder has approached the Company, whose request is under evaluation

  (c) number of shareholders to whom shares were transferred from suspense account during the year: Nil

  (d) aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year: 55 shareholders holding total 10,518 equity shares

  (e) It is hereby confirmed that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

  **These are shareholders of erstwhile JMC Projects (India) Limited (JMC) whose shares were transferred by JMC in Unclaimed Securities Suspense Account and to whom equity shares of the Company are allotted on January 16, 2023, pursuant to the Scheme of Amalgamation of JMC with the Company.*

- **Dematerialization of Shares and Liquidity**

  99.76% Shares are in demat form as on March 31, 2023

  ISIN No. (For Dematerialized Shares) INE220B01022

  The shares of the Company are frequently traded on both the stock exchanges and hence the shares of the Company are liquid.

- **Outstanding GDRs/ADRs/Warrants/Convertible Instruments**

  The Company has no GDRs/ADRs/Warrants/Convertible Instruments outstanding as on March 31, 2023.

- **Transfer of Unpaid / Unclaimed amounts to Investor Education and Protection Fund (IEPF)**

  Pursuant to provisions of Companies Act, 2013, dividends which remain unclaimed / unpaid over a period of seven years are required to be transferred by the Company to the IEPF constituted by the Central Government.

  Following are the details of Dividends paid by the Company and their respective due dates of transfer to the IEPF if it remain unclaimed by the Members.

Dividend for the year	Date of Declaration of Dividend	Last date upto which members are entitled to claim the dividend
2016-17	August 11, 2017	September 13, 2024
2017-18	August 7, 2018	September 8, 2025
2018-19	July 30, 2019	August 29, 2026
Interim Dividend 2019-20	March 4, 2020	April 3, 2027
Interim Dividend 2020-21	February 13, 2021	March 14, 2028
2020-21	July 15, 2021	August 16, 2028
2021-22	August 4, 2022	September 5, 2029

Following are the details of Dividends paid by erstwhile JMC Projects (India) Limited (e-JMC) (now amalgamated with the Company) and their respective due dates of transfer to the IEPF if it remain unclaimed by the Members.

Dividend for the year	Date of Declaration of Dividend	Last date upto which members are entitled to claim the dividend
2015-16	August 11, 2016	September 16, 2023
2016-17	August 10, 2017	September 13, 2024
2017-18	August 6, 2018	September 9, 2025
2018-19	July 29, 2019	August 31, 2026
2019-20	August 11, 2020	September 11, 2027
2020-21	July 14, 2021	August 16, 2028
2021-22	August 3, 2022	September 5, 2029

During the year under review, the Company has credited unclaimed/unpaid dividend for the year 2014-15 amounting to ₹ 5.62 Lakhs (including ₹ 92,079 transferred by e-JMC) to the Investor Education and Protection Fund (IEPF) pursuant to applicable provisions of the Companies Act, 2013.

During the year under review, in accordance with the provisions of the Companies Act, 2013 the Company has transferred 18,818 equity shares (including 8,670 equity shares transferred by e-JMC) of ₹ 2/- each, to the credit of IEPF Authority, in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more.

The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on March 31, 2023 on the Company's website (www.kalpatarupower.com), as also on the website of IEPF Authority (www.iepf.gov.in).

- **Debenture Trustees**

Sl. No.	Type of Debentures	Details of Debenture Trustee
1.	• 6.15% Unsecured, Redeemable, Non-Convertible Debentures of ₹ 200 Crores • Repo rate linked Unsecured, Rated, Listed, Redeemable, Non-Convertible Debentures of ₹ 99 Crores	Beacon Trusteeship Limited 4C & D, Siddhivinayak Chambers, Gandhi Nagar, Opp. MIG Cricket Club, Bandra (East), Mumbai- 400 051 Tel No : +91-22-26558759 Website: https://beacontrustee.co.in/
2.	• 9.95% Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of ₹ 75 Crores • 9.80% Unsecured, Rated, Listed, Redeemable, Non-Convertible Debentures of ₹ 99 Crores • Repo rate linked, Unsecured, Rated, Listed, Redeemable Non-Convertible Debentures of ₹ 75 Crores • Repo rate linked, Unsecured, Rated, Listed, Redeemable Non-Convertible Debentures of ₹ 100 Crores	Catalyst Trusteeship Limited Windsor, 6th Floor, Office No. 604, CST Road, Kalina, Santacruz (East), Mumbai – 400098 Tel. No. +91-22-49220555 Website: www.catalysttrustee.com

- **Plant Location**

Main Plant

Plot No.101, Part III, G.I.D.C. Estate,
Sector – 28 Gandhinagar – 382 028
Gujarat, India

Tel : 079 – 23214000
Fax : 079- 23211966

2nd Plant at Gandhinagar

Plot No. A-4/1, A-4/2, A-5,
G.I.D.C. Electronic Estate,
Sector – 25,
Gandhinagar – 382 025
Gujarat, India
Tel.: 079-23214400
Fax : 079-23287215

Raipur Plant:

Khasra No.1778, 1779 Old Dhamtari Road
Village : Khorpa
Tehsil : Abhanpur
Dist : Raipur – 493 661, Chhattisgarh, India

Tel. : 0771-2772700
Fax : 0771-2446988

Biomass Energy Division (Power Plant)

27BB, Tehsil Padampur
Dist. Sri Ganganagar-335 041
Rajasthan, India
Tel. : 0154 - 2473725
Fax : 0154 -2473724

Near Village Khatoli Tehsil Uniara,
Dist. Tonk-304 024
Rajasthan, India
Tel.: 01436 – 260665
Fax.: 01436 – 260666

R&D Tower Drawing & Design Centre
Plot No.101, Part III,
G.I.D.C. Estate, Sector – 28
Gandhinagar – 382 028 Gujarat, India
Tel : 079 – 23214000
Fax : 079- 23211966

R & D Proto Tower Development & Validation Centre
At Punadara Village-387610
Near Talod Dam
Taluka – Prantij
Dist. Sabarkantha – 387 610 Gujarat, India
Tel : 02770- 255414

Registered Office
(Address for Correspondence)
Plot No.101, Part III,
G.I.D.C. Estate, Sector – 28
Gandhinagar – 382 028 Gujarat, India
Tel : 079 – 23214000
Fax : 079- 23211966

Corporate Office
“Kalpataru Synergy”
7th Floor, Opp. Grand Hyatt Hotel,
Vakola, Santacruz (East),
Mumbai – 400 055, Maharashtra, India
Tel.: 022 – 30645000
Fax: 022 – 30643131

On behalf of the Board of Directors

Mofatraj P. Munot
Non- Executive Chairman
DIN: 00046905

Place: Mumbai
Date : May 08, 2023

CEO/CFO Certificate

Board of Directors

Kalpataru Power Transmission Limited

We, Manish Mohnot, Managing Director & CEO and Ram Patodia, Chief Financial Officer, to the best of our knowledge and belief, hereby certify that:

(a) We have reviewed financial statements and the cash flow statement for the year ended March 31, 2023 and that to the best of our knowledge and belief:

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

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

(b) To the best of our knowledge and belief, no transaction entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(d) We have indicated to the Auditors and the Audit Committee:

 (i) That there is no significant changes in internal control over financial reporting during the year;

 (ii) That there is no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

 (iii) That there is no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Mumbai
Date: May 08, 2023

Manish Mohnot
Managing Director & CEO

Ram Patodia
Chief Financial Officer

Independent Auditors' Certificate on Compliance with the Corporate Governance

TO THE MEMBERS OF
KALPATARU POWER TRANSMISSION LIMITED

1. This certificate is issued in accordance with the terms of our engagement letter dated 21 June 2019 and addendum to the engagement letter dated 12 March 2021.

2. We have examined the compliance of conditions of Corporate Governance by Kalpataru Power Transmission Limited ("the Company"), for the year ended on 31 March 2023, as stipulated in regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("Listing Regulations") pursuant to the Listing Agreement of the Company with Stock Exchanges.

Management's Responsibility

3. The compliance of conditions of Corporate Governance as stipulated under the listing regulations is the responsibility of the Company's Management including the preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of Corporate Governance stipulated in the Listing Regulations.

Auditors' Responsibility

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

5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31 March 2023.

6. We conducted our examination of the above corporate governance compliance by the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and Guidance Note on Certification of Corporate Governance both issued by the Institute of the Chartered Accountants of India (the "ICAI"), in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. 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 above-mentioned Listing Regulations.

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

Restriction on use

10. The certificate is addressed and provided to the Members of the Company solely for the purpose of enabling the Company to comply with the requirement of the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **B S R & Co LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Vikas R Kasat
Partner
Membership No: 105317
UDIN: 23105317BGVTNQ2642

Place: Mumbai
Date: 08 May, 2023

Business Responsibility & Sustainability Report

SECTION A: GENERAL DISCLOSURE

I. Details of the Listed Entity

1	Corporate Identity Number (CIN) of the Listed Entity	L40100GJ1981PLC004281
2	Name of the Listed Entity	KALPATARU POWER TRANSMISSION LIMITED
3	Year of incorporation	1981
4	Registered office address	Plot No. 101, Part III, GIDC Estate, Sector 28, Gandhinagar-382028, Gujarat, India
5	Corporate address	7th Floor, Kalpataru Synergy, Opp. Grand Hyatt, Vakola, Santacruz (E), Mumbai 400055. India
6	E-mail	cs@kalpatarupower.com; investorrelations@kalpatarupower.com
7	Telephone	+91-79 23214000 (Board) and +91 22 30645000 (Board)
8	Website	https://kalpatarupower.com/
9	Financial year for which reporting is being done	01st April 2022 to 31st March 2023
10	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Ltd and BSE Ltd
11	Paid-up Capital	Rs. 32,48,92,304/- divided into 16,24,46,152 fully paid-up equity shares each of Rs. 2/-
12	**Contact Person**	
	Name of the Person	Lalitkumar Tiwari (Group Chief Sustainability Officer)
	Telephone	+91 - 2230641550
	Email address	Lalitkumar.tiwari@kalpataru.com
13	**Reporting Boundary**	
	Type of Reporting- Select from the Drop-Down List	Standalone

II. Product/Services

		S. No.	Description of Main Activity	Description of Business Activity (accounting for 90% of the turnover)	% Turnover of the Entity
14	Details of business activities	1	Transmission & Distribution	The company provides end-to-end solutions ranging from in-house designs, testing, procurement, fabrication, erection, installation, and commissioning of power transmission lines and sub-stations	31.0%
		2	Building & Factories	The company provides end-to-end capabilities to execute civil works, design & build composite works, structural works, finishing works, utilities, and area development. The company has also partnered with leading players to deliver factory projects in Automotive, FMCG, Textile, Power, Government infrastructure projects, Industrial projects, and Building Projects (Residential, Commercial, and Institutions namely Hospitals & Educational institutions).	28.8%
		3	Water	The company's expertise is in designing and building Water Intake, pipeline laying, treatment, storage, supply, distribution, and Operation & maintenance of projects	18.3%
		4	Railways	The company offers multi-disciplinary services under its railway arm. The company services include overhead electrification, traction substations, station buildings, railway track laying, earthwork, workshops, signalling & telecommunication (S&T), power systems, and civil works associated with railway networks and composite railway projects. The company is also enhancing its competencies and offerings in emerging areas like dedicated rail corridors & rapid rail systems amongst others.	11.5%
		5	Oil & Gas	The company undertakes EPC contracting for cross-country pipelines, terminals, and gas gathering stations for the oil and gas sector across diverse territories.	6.9%

		S. No.	Description of Main Activity	Description of Business Activity (accounting for 90% of the turnover)	% Turnover of the Entity
		6	Urban Infrastructure	The company offers EPC services for the design and construction of highways, bridges & flyovers, airports, metro rail corridor stations, transit terminals & hubs.	2.8%

		S. No.	Product/Service	NIC Code	% of Total Turnover contributed
15	**Products/ Services sold by the entity (accounting for 90% of the turnover)**	1	EPC for T&D, Water and Oil & Gas businesses	4220 (Construction of utility projects)	46.8%
		2	EPC for Building & Factories businesses	4100 (Construction of buildings)	28.8%
		3	EPC for Urban Infrastructure and Railways businesses	4210 (Construction of roads and railways)	14.3%
		4	Manufacturing of Transmission lines Towers and Tower parts	2511 (Manufacture of structural metal products)	9.3%

III. Operations

16	**Number of locations where plants and/or operations/offices of the entity are situated:**	**Location**	**Number of plants/ operations**	**No. of Offices**	**Total**
		National	252	7	259
		International	51	31	82

17	**Market served by the entity**	**Locations**	**Numbers**
	a. No. of Locations	**National (No. of States)**	27
		International (No. of Countries)	39
	a. What is the contribution of exports as a percentage of the total turnover of the entity?	26.43%	
	a. A brief on types of customers	The Company is engaged in six diverse businesses with large customer bases. 1. Transmission & Distribution: KPTL is one of the preferred EPC companies in power transmission and distribution sector in India & abroad. Hence, the customers are mainly power utlity companies (Government owned or private) 2. Building & Factories business: Grade A real estate developers (Residential & commercial), Government/private institutions, Industrial customers 3. Water: State & Central governments and local municipal bodies/ authorities are our clients. 4. Urban infra: This business includes government and private projects. 5. Railways: Almost all projects within this business are with governments/ government controlled entities 6. Oil & Gas: This business includes EPC contracting for cross country pipelines, terminals, and gas gathering stations for government/private companies	

IV. Employees

18. Details as of the end of the Financial Year:

Sr. No.	Particulars	Total (A)	Male		Female		Other	
			No. (B)	% (B/A)	No. (C)	% (C/A)	No. (H)	% (H / A)
a.	**Employees and workers (including differently abled)**							
	Employees							
1	Permanent Employees (A)	7,815	7,555	96%	260	3%	0	0%
2	Other than Permanent Employees (B)	2,000	1,991	99.5%	9	0.5%	0	0%
3	**Total Employees (A+B)**	**9,815**	**9,546**	**97%**	**269**	**3%**	**0**	**0%**
	Workers							
4	Permanent (C)	23	23	100%	0	0.0	0	0%
5	Other than Permanent (D)	13,048	12,929	99%	119	0.9%	0	0%
6	**Total Workers (C+D)**	**13,071**	**12,952**	**99%**	**119**	**0.9%**	**0**	**0%**
b.	**Differently abled employees and workers**							
	Differently abled Employees							
7	Permanent Employees (E)	11	11	100%	0	0	0	0%
8	Other than Permanent Employees (F)	0	0	0	0	0	0	0%
9	**Total Employees (E+F)**	**11**	**11**	**100%**	**0**	**0**	**0**	**0%**
	Differently abled Workers							
10	Permanent (G)	0	0	0	0	0	0	0%
11	Other than Permanent (H)	0	0	0	0	0	0	0%
12	**Total Differently Abled Employees (G+H)**	**0**	**0**	**0**	**0**	**0**	**0**	**0%**

19. Participation/Inclusion/Representation of women

Sr. No.	Category	Total (A)	No. and % of females	
			No. (B)	% (B/A)
1	Board of Directors	10	1	10%
2	Key Management Personnel*	4	1	25%

*Note: This also includes MD & CEO and Deputy MD.

20. Turnover rate for permanent employees and workers

Particulars	FY 2022-23 (Turnover rate in current FY)				FY 2021-22 (Turnover rate in Previous FY)				FY 2020-21 (Turnover rate in the year prior to the previous FY)			
	Male	Female	Other	Total	Male	Female	Other	Total	Male	Female	Other	Total
Permanent Employees	20.0%	1.0%	0%	19.4%	6.5%	13.8%	0%	6.7%	13.5%	17.7%	0%	13.6%
Permanent Workers	8.0%	0%	0%	8.0%	13.9%	0%	0%	13.9%	7.1%	0%	0%	7.1%

V. Holding, Subsidiary, and Associate Companies (including joint ventures)

21. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No	Name of the holding / subsidiary / associate companies / joint ventures	Indicate whether it is a holding / Subsidiary / Associate / or Joint Venture	% of shares held by the listed entity	Does the entity indicated in column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Shree Shubham Logistics Limited	Subsidiary	100	No
2.	Energylink (India) Limited*	Subsidiary	100	Yes
3.	Punarvasu Financial Services Pvt. Ltd.	Subsidiary	100	No
4.	Amber Real Estate Limited*	Subsidiary	100	Yes
5.	Adeshwar Infrabuild Limited*	Subsidiary	100	Yes
6.	Saicharan Properties Limited*	Subsidiary	100	Yes
7.	Kalpataru Power DMCC UAE*	Subsidiary	100	Yes
8.	Kalpataru Power Transmission USA Inc*	Subsidiary	100	Yes
9.	Kalpataru Power Transmission (Mauritius) Ltd. *	Subsidiary	100	Yes
10.	LLC Kalpataru Power Transmission Ukraine*	Subsidiary	100	Yes
11.	Kalpataru Metfab Pvt. Ltd. *	Subsidiary	100	Yes
12.	Kalpataru Power Transmission Sweden AB	Subsidiary	100	No
13.	JMC Mining and Quarries Limited	Subsidiary	100	No
14.	Brij Bhoomi Expressway Pvt. Ltd.	Subsidiary	100	No
15.	Wainganga Expressway Pvt. Ltd.	Subsidiary	100	No
16.	Vindhyachal Expressway Pvt. Ltd.	Subsidiary	100	No
17.	Linjemontage I Grastorp AB*	Subsidiary	100	Yes
18.	Linjemontage AS*	Subsidiary	100	Yes
19.	Linjemontage Service Nordic AB*	Subsidiary	100	Yes
20.	Kalpataru Power Chile SpA	Subsidiary	100	No
21.	Kalpataru Power Do Brasil Participacoes Ltda*	Subsidiary	100	Yes
22.	Kalpataru IBN Omairah Company Ltd. *	Subsidiary	65	Yes
23.	Kalpataru Power Senegal - SARL*	Subsidiary	100	Yes
24.	Fasttel Engenharia S.A. *	Subsidiary	51	Yes
25.	Kurukshetra Expressway Pvt. Ltd.	Joint-Venture	49.57	No
26.	Kohima-Mariani Transmission Limited	Associates	26	No
27.	Alipurduar Transmission Limited	Associates	26	No

* The above subsidiaries partially participate in the business responsibility initiatives of the Company viz Anti Bribery Management System

VI. CSR Details

22	a. Whether CSR is applicable as per section 135 of the Companies Act, 2013:	Yes
	Turnover (in Rs.)	~14,337 Crore
	Net worth (in Rs.)	~5,320 Crore

II. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct

Stakeholder group from whom the complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	If yes, then provide web-link for the grievance redress policy	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
			Number of complaints filed during the year	Number of complaints pending resolution at the close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at the close of the year	Remarks
Communities	Yes	CSR Policy	Nil	Nil	-	Nil	Nil	-
Investors (other than shareholders)	Yes	Dividend Policy	Nil	Nil	-	Nil	Nil	-
Shareholders	Yes	Code for fair disclosure	9	Nil	No complaints pending for resolution	5	Nil	No complaints pending for resolution
Employees and workers	Yes	Grievance Redressal Policy	1	Nil	No complaints pending for resolution	Nil	Nil	-
Customers	Yes		Nil	Nil	-	Nil	Nil	-
Value Chain Partners	Yes	Kalpataru Anti-bribery & Anti-Corruption Policy Whistle Blower Policy	1	Nil	No complaints pending for resolution	Nil	Nil	-

24. Overview of the entity's material responsible business conduct issues

Material Issue Identified	Indicate whether risk or opportunity	The 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)
Water management	Risk	Water can be a risk due to its scarcity or inadequate quality, which can lead to disruptions in operations, increased costs, regulatory compliance issues, reputational damage, and potential supply chain disruptions.	The company is actively promoting water conservation and efficiency by implementing measures such as rainwater harvesting and sustainable sourcing practices. We are continually taking efforts to conserve water through rainwater harvesting to increase the quantity of water collected. Our goal is to contribute to responsible water management, reduce water consumption, and address the challenges of water scarcity in our operations, supply chains, and local communities.	Negative
Efficient Energy management	Opportunity	Efficient energy management can result in a lower environmental footprint. In view of the increased focus on climate change impacts, energy efficiency plays an important role and has an environmental and social impact. Energy reduction projects are undertaken through audits, assessing best market technology availability and its feasibility, monitoring detailed energy consumption and taking corrective actions. We are also increasing indigenous solar power generation and resultant consumption	-	Positive
Waste management and Circularity	Opportunity	When managed appropriately, wastes are source of material to be reused or recycled. In certain cases, circular economy initiatives are required to bring materials to utility. It reduces stress on exploring virgin materials and subsequent processes .	-	Positive

Material Issue Identified	Indicate whether risk or opportunity	The 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)
Waste management and Circularity	Risk	Improper disposal of waste may contaminate surface water, groundwater, and seawater with chemicals or heavy metals, and negatively impact plant and animal species as well as human health. Impacts can depend on an organization's approach to waste management, and regulation, and on the availability of recovery and disposal facilities in the proximity of activities.	We are segregating the waste as non-hazardous waste and hazardous waste. Hazardous wastes are also stored separately as per category and are disposed to authorized handlers. We are following this practice at our manufacturing plant and projects sites. This certainly requires expenditure to born on segregation, storage and even fees to treatment facility.	Negative
Biodiversity and Land Rehabilitation	Risk	Any operations in the sensitive areas would require a proper biodiversity assessment, clearance as well as proper rehabilitation of the communities (if any). There can be a direct impact on the environment in case of setting up the transmission lines in Environmental Sensitive Areas. The local communities surrounded by such areas may have a direct impact.	For certain projects, we conduct an Environmental Impact Assessment before initiating project to assess and identify the potential environmental impact of our operations. This includes evaluating the impacts on biodiversity, water resources, ecosystems, land use, etc. By understanding such impacts we implement appropriate measures to mitigate the negative impact.	Negative
Climate Strategy and emission	Risk	Climate strategy refers to the set of policies, actions, and measures implemented by organizations to address climate change and mitigate its impact on the environment. Effective climate strategies can have several positive effects on the environment.	We are systematically tracking emissions from our direct sources as well as purchased power (Scope 1&2) and implementing Energy consumption reduction projects to reduce emissions. Projects such as Energy audits, solar panel implementation, and Electrical equipment modification/installation. Increasing generation and consumption of Renewable power through solar & wind energy. Use of software/IoT to reduce waste to track consumption and reduce $CO2$ emissions.	Negative

Material Issue Identified	Indicate whether risk or opportunity	The 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)
Sustainable services / Sustainable Portfolio	Opportunity	Our T&D projects are focused on creating green energy corridor which is a major step towards cleaner energy. The company is focusing on decarbonisation and implementing sustainable projects to contribute to overall environment protection. The Company executes railway projects for rail electrification to reduce noise and air pollution, Oil and gas pipeline projects represent the most environmentally friendly mode of transporting oil and gas products. Through its water business the company is in process of achieving the mission of making available safe drinking water to each household in its project scope. Besides operating biomass power plants, the company is in process of developing its solar power for its captive use.		Positive
Human Rights and Labour Relations	Risk	Respecting human rights is a fundamental responsibility for the company. Compliance with the human rights laws and regulations is critical for the company. Failing to do so can lead to legal consequences and damage the reputation and brand image of the company.	The company is committed to cultivating an empathetic positive culture. This dedication is reflected in the company's various corporate policies, which include the Environmental, Occupational Health & Safety (EHS) Policy, Whistleblower Policy, Anti Sexual Harassment policy and the Kalpataru Code of Conduct. Furthermore, the company is actively implementing various initiatives to support this culture, such as conducting training programmes to ensure awareness and compliance with company policies, fostering a diverse and inclusive work environment, increasing women's representation in senior leadership positions, recruiting individuals with disabilities, and promoting their professional growth and advancement.	Negative

Material Issue Identified	Indicate whether risk or opportunity	The 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)
Human Capital Development	Opportunity	Human capital development is necessary to improve performance, adapt to change, attract, and retain talent, plan for succession, foster innovation, and enhance employee engagement and satisfaction. It is an investment that yields long-term benefits and contributes to the overall success and competitiveness of the company.	-	Positive
Occupational Health & Safety	Risk	Occupational Health and Safety involves safety for not only people but also the environment. Critical hazards involving any harmful chemicals may have the potential to impact the environment as well. It is important for companies to make their operations safe and prevent any harm to the people and environment. Any mishandling of safety-related parameters can lead to a negative on the health and environment	Occupational health and safety are managed through competent people at each site and are governed by top management with the overall direction, policy, resource deployment, and taking corrective measures. The system is certified as per ISO: 45001:2018 standard	Negative
Diversity, Inclusion, and Equal Opportunity	Risk	Diversity, Inclusion, and Equal Opportunity is a basic human right. The Company's efforts towards this can greatly impact society in a positive way	We are working on these parameters. As of now, our policy assures equal opportunities to all eligible candidates. Diversity and inclusion initiatives are discussed and shall be taken at appropriate level	Negative
Customer Centricity	Opportunity	Customer centricity is important as it drives customer satisfaction, loyalty, and retention. It provides a competitive advantage, increases customer lifetime value, and generates positive word-of-mouth marketing. Additionally, customer centricity facilitates customer insights and fosters innovation, enabling companies to stay ahead in a dynamic marketplace.	-	Positive
Corporate Citizenship	Opportunity	Corporate citizenship is the concept that a company or organization has responsibilities to the community and society beyond its economic and financial ones to its shareholders or stakeholders. These responsibilities include social, cultural, and environmental aspects of its operations and activities. A company when undertakes such initiatives as part of its corporate citizenship activities, it aims at impacting the environment and society at large.	-	Positive

Material Issue Identified	Indicate whether risk or opportunity	The 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)
Stakeholder Engagement	Opportunity	As the company's operations have the potential to impact the stakeholders and effective communication may be required can impact the society	-	Positive
Sustainable supply chain	Opportunity	A sustainable supply chain involves ESG aspects taken into consideration while supplier selection and screening processes. Hence, this can impact the environment and the society.	-	Positive
Corporate Governance	Opportunity	Corporate governance is the system of rules, practices, and processes by which a company is directed and controlled. Corporate governance essentially involves balancing the interests of a company's many stakeholders, such as shareholders, senior management executives, customers, suppliers, financiers, the government, and the community. Corporate governance covers the areas of environmental awareness, ethical behavior, corporate strategy, compensation, and risk management. When a company has good governance, it can have a positive impact on the environment and society.	-	Positive
Data privacy and security	Risk	Data privacy and security should be prioritized for cyber security measures, including robust data protection practices, employee training on cybersecurity awareness, regular security assessments, incident response plans, and partnerships with cybersecurity experts to stay updated on emerging threats and best practices.	The IT department has mapped possible areas of such breaches have implemented corrective measures Essential protocols for data storage, backup, retrieval, access, and other important activities are established and followed on regular basis	Negative
ESG integration in risk management	Opportunity	Climate-related risks such as physical risks (floods, droughts, cyclones, heatwaves etc.) may result in events such as the closure of operations. This can have an impact on the employees such as lower productivity, absenteeism, etc. Thus, effective risk management including ESG-related risks can impact people positively	-	Positive

Material Issue Identified	Indicate whether risk or opportunity	The 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)
Brand Management and communication	Opportunity	Company positioning and the ability to manage its communications (also in difficult times) will have an impact on the investor and potential clients	-	Positive
Reporting and Assurance	Opportunity	As stated under public disclosures such as BRSR, GRI, TCFD, etc. entities shall make efforts to disclose the environment and social-related aspects, which will in turn encourage the companies to take necessary actions to mitigate the negative impact caused to the environment and to people	-	Positive
R&D and Digitalization	Opportunity	Adopting latest and modern technologies will have direct impact on the human safety, quality of surveillance and quick response through digitalization	-	Positive
Resilient Business and Long-Term Profitability	Opportunity	Resilient business includes holistic approach to conduct the business by the entity, which involves making operations that has less environmental footprint and have positive impact on the society. Consequently, this approach will ensure the long-term profitability of the company, which will have direct and indirect impact to employees and customers.	-	Positive

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and Management Processes										
1	**a. Whether your entity'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	No*	Yes	Yes	Yes	No*	Yes	Yes	No*
	c. Web Link of the Policies, if available	Policies & Guidelines | Kalpataru Power Transmission Limited								
2	**Whether the entity has translated the policy into procedures. (Yes / No)**	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3	**Do the enlisted policies extend to your value chain partners? (Yes/No)**	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	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 your entity and mapped to each principle.**	All the policies are compliant with respective principles of NGRBC guidelines, the Companies Act, 2013, and comply to international standards of ISO 9001, ISO 14001, ISO 45001, ISO 37001, ISO 3834-2, and EN 1090-1 ISO/IEC 17025, as applicable to respective policies.								
5	**Specific commitments, goals, and targets set by the entity with defined timelines, if any.**	The company is committed to the principles of NGRBCs. Specifically on climate change, the company has taken several initiatives to reduce carbon emissions, conserve water and adopt efficient waste management practices. However, a detailed goal-setting exercise on various parameters is underway.								
6	**Performance of the entity against the specific commitments, goal, and targets along with reasons in case the same are not met.**	The performance shall be reported once the targets are fixed, while the initiatives during the year resulted in 5.1% reduction in Green Houses Gases (GHG) intensity, and 8.4% reduction in the intensity of water usage.								

Governance, Leadership, and Oversight

7 **Statement by director responsible for the business responsibility report, highlighting ESG-related challenges, targets, and achievements**

We are committed to implementing innovative approaches to adapt the methodologies and techniques for sustainable development. However, we face challenges in completing certain projects while meeting specific service delivery parameters, especially considering the anticipated regulatory changes that emphasize green energy and related frameworks. Additionally, the industry encounters difficulties in defining requirements and methodologies for processing data in accordance with various guidelines and frameworks.

Our ultimate goal is to contribute to making the world a better place by implementing impactful actions that are relevant to our business and the communities we operate in. We continually assess our performance in relation to these objectives and strive to achieve Carbon Neutrality, Water Positive status, the systematic implementation of circular economy principles, safe work practices, the well-being of our employees and workers with social security, and the application of digital innovations to enhance process efficiency and effectiveness.

We have already undertaken strategic pilot projects to advance our progress towards becoming Carbon Neutral, Water Positive, utilizing Internet of Things technology, achieving Occupational Health and Safety Excellence, fostering employee engagement and well-being, and addressing other Sustainable Development Goals. One such example is that in the previous fiscal year, we successfully implemented the Miyawaki Technique to establish a dense forest consisting of 9,005 trees and shrubs in Uttar Pradesh. Our renewable power generation plants have effectively prevented over 90,000 tons of CO2 emissions, and we actively engage with the agricultural community to optimize the reuse of crop waste.

Our community and stakeholders have embraced our initiatives in tree plantation, animal care, medical facilities, and skill development institutions. We continuously expand our service portfolio, thereby leading the infrastructure industry and taking pride in contributing to the creation of sustainable infrastructure, such as metro railways, railway lines, water projects, and other civil and energy infrastructure ventures. Through the successful amalgamation of JMC Projects (India) Ltd. with Kalpataru Power Transmission Limited, we have enhanced our capabilities, eliminated duplications, and bolstered our value proposition to our customers.

8	**Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).**	Name: Mr. Manish Mohnot Designation: Managing Director & Chief Executive Officer DIN Number: 01229696
9	**Does the entity have a specified Committee of the Board/ Director responsible for decision-making on sustainability-related issues? (Yes / No). If yes, provide details.**	Yes. The Company has a well-defined ESG department who seeks the decision from the MD & CEO on various aspects of the environmental and social issues of the Company.

Note: * Approved by the Managing Director and CEO

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether the review was undertaken by the 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 the above policies and follow-up action	All the policies of the Company are either approved by the Board or MD & CEO of the Company. Such policies are reviewed periodically or on a need basis by the board/ board committee / MD & CEO. During the review, the effectiveness of the policies is evaluated and necessary amendments to policies and procedures are implemented.																	
Compliance with statutory requirements of relevance to the principles, and the rectification of any non-compliances	The Company complies with the applicable rules and regulations and principles as are applicable.																	

		P1	P2	P3	P4	P5	P6	P7	P8	P9
11.	**Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency**	The Company's Quality, Environment, Occupational Health & Safety Management Systems are audited and certified by TUV SUD & ISOQAR, as per ISO:9001, 14001 & 45001 Standards. Anti-Bribery Anti- Corruption Management Systems is audited and certified by BSI as per ISO:37001. The Company's Tower Manufacturing Plants are certified by TUV Nord for Production Control of following products ISO 3834-2, ISO/IEC 17025.								

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	20 manhours	Business, strategy, risks and legal compliance	100%
Key Management Personnel	12 manhours	Anti-Bribery and Anti-Corruption, Kalpataru Code of Conduct (KCoC), Occupational Health & Safety Management etc.	100%
Employees other than BODs and KMPs	1,52,329 manhours	Ethical Conduct, Anti-Corruption and Anti Bribery Practices, Functional trainings including operations, Management Systems, Behavioral & Soft Skills, Human Rights, Customer support, Environmental Management System, Occupational Health & Safety Management, Quality Management, Sustainability ,Business and Strategy, Leadership, Joining and Safety Inductions etc	88%
Workers	5,75,137 manhours	Environmental and Occupational Health & Safety Management, Procedures and Practices, Checks, Emergency Response, Good Construction Practices and Construction / Operational Workmanship, Human Rights, Social Conditions, Various programmes like Inductions, Tool Box talks, Motivating for Safe Work etc	100%

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, in the following format.**

a. Monetary					
Type	**NGRBC Principle**	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Amount (In ₹)**	**Brief of the case**	**Has an appeal been preferred? (Yes/No)**
Penalty/ Fine	Public Policy	Burundi Revenue Authority	14,20,337	Penalty under corporate income tax law for FY 2019 & 20.	No
Penalty/ Fine	Public Policy	Ministry of Revenues Eastern Addis Ababa Small tax Payers Branch Office Ethiopia	1,99,069	Penalty on non-admissible expenses as identified during the tax audit.	No
Penalty/ Fine	Public Policy	Mauritania Tax Authorities	1,50,23,032	Penalty due to disallowance of certain expenses	No
Penalty/ Fine	Public Policy	Directorate General of Taxes Senegal	97,44,025	Penalty on account of additions made during audit for FY 2019 to 2021.	No
Settlement	Nil	Nil	Nil		Nil
Compounding fee	Nil	Nil	Nil		Nil

b. Non-Monetary				
Type	**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

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.

NIL

4. Does the entity 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 in place the Anti-Bribery Anti-Corruption Policy which provides for measures to detect and prevent corruption activities. The policy has been designed to align with ISO:37001 standards and is extended to the employees, subsidiaries, joint ventures, Suppliers, Contractors, and NGOs working with KPTL and all other individuals or entities with which KPTL deals or enters transactions in India or abroad. It emphasizes critical areas of the business where corruption, specifically bribery, is likely to occur, such as gifts, hospitality, political & charitable donations etc. The Company has implemented the Anti Bribery Anti-Corruption Policy (ABAC) & Third Party due diligence (TPDD) policies to provide a framework for identifying and managing the risks associated with bribery and corruption, particularly in the context of interactions with government/public officials. The policies are available at the web-link i.e., https://kalpatarupower.com/policies-guidelines/

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

Category	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NIL	NIL

6. Details of complaints with regards to conflict of interest:

Topic	FY 2022-23 (Current Financial Year)		FY 2021-22 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	-	NIL	-
Number of complaints received in relation to issues of Conflict of Interest of KMPs	NIL		NIL	

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 conflicts of interest.

NIL

LEADERSHIP INDICATORS

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% Age of persons in value chain covered by the awareness programmes
-	-	-

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. Conflict of interest refers to a situation of conflict between Board Members' personal interests (which may be financially or otherwise) and his / her duty as a Director of the Company. The Company does have a practice to obtain signed Annual Disclosure from each director at the beginning of the financial year. Further, each director is duty-bound to give signed disclosure to the Company with respect to any change in his / her interest during the financial year. As a process, the interested director is not allowed to participate in the discussion and vote on the business item taken up for approval in which the concerned director remains present.

PRINCIPLE 2: BUSINESSES 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 product and processes to total R&D and capex investments made by the entity, respectively.

Type	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)	Details of improvement in social and environmental aspects
R&D*	3.4%	5.9%	NA
Capital Expenditure (CAPEX)*	0.6%	0.5%	NA

Note: * Percentage as compared to total capex

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes. The company has a well-defined Supplier Code of Conduct, which incorporates different areas of what is expected of KPTL suppliers in accordance with the company's Values. The Company has laid adequate emphasis on sustainable sourcing practices such as consolidation of requirements, coordination with the planning team to reduce material wastage, optimize inventory, maximize equipment efficiency, and manage the life cycle cost of procured items. These steps are reinforced in the supply chain processes right from requirement gathering, vendor development, RFQ management, value engineering, awarding of the order, successful order execution, and a periodic vendor evaluation mechanism. As a part of the vendor onboarding process, the Company conducts a comprehensive assessment of suppliers to determine their social, environmental & ethical performance and ensure 100% coverage of all value chain partners. The Supplier Code of Conduct covers anti-bribery requirements and HSE requirements. As part of the onboarding process, all new suppliers must sign a declaration agreeing to follow this Code of Conduct and adhere to our anti-bribery and anti-corruption standards. The Company also conforms to responsible sourcing with respect to emissions, safety, human rights, and ethics, apart from the economic considerations as part of the sourcing procedure. The major suppliers of the Company have obtained national and international certifications with respect to environmental management systems etc. Conformity to labor principles and related laws are mandatory qualification requirements for all supplies and services.

b. If yes, what percentage of inputs were sourced sustainably?

The company's main material suppliers are well-known companies that have obtained essential ISO certifications related to environmental protection, product quality, and human rights protection within their organization.

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.

Product	Process to safely reclaim the product
a. Plastics (including packaging)	NA*
b. E-Waste	NA*
c. Hazardous Waste	NA*
d. Other Waste	NA*

* (NA - Not Applicable) : Since the company is not a consumer goods company, rather an EPC company involved in Power Transmission & Distribution, Buildings & factories, Water, Railways, Oil & Gas and Urban Infrastructure. Hence, there is no specific product to reclaim at the end of its life. However, appropriate measures are implemented to recycle, reuse and dispose the waste generated during the course of execution on the project sites, ensuring compliance with the regulatory requirements.

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.

No

LEADERSHIP INDICATORS

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for the manufacturing industry) or for its services (for the service industry)? If yes, provide details in the following format.

LCA has not been conducted as of now. However, the Company plans to carry out LCA for some products/service in the portfolio in the upcoming year.

NIC code	Name of Product/ Service	% of total Turnover contributed	The boundary for which the Life Cycle Perspective/ Assessment was conducted	Whether conducted by an independent external agency (Yes/ No)	Results communicated in the public domain (Yes/ No) If yes provide web-link
		-	-	-	-
		-	-	-	-

2. If there are any significant social or environmental concerns and/or risks arising from the 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.

Not Applicable

S. No.	Name of the product	Description of the risk	Action Taken
1.	NA	NA	NA
2.	NA	NA	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).

Not Applicable

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:

	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Reused	Recycled	Safely Disposed	Reused	Recycled	Safely Disposed
Plastics (including packaging)	NA	NA	NA	NA	NA	NA
E-waste	NA	NA	NA	NA	NA	NA
Hazardous waste	NA	NA	NA	NA	NA	NA
Other waste	NA	NA	NA	NA	NA	NA

5. Reclaimed products and their packaging materials (as a percentage of products sold) for each product category.

Not applicable

PRINCIPLE 3 BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS

ESSENTIAL INDICATORS

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		No. (B)	% (B/A)	No. (C)	%(C/A)	No.(D)	%(D/A)	No. (E)	%(E/A)	No. (F)	%(F/A)
Permanent Employees											
Male	7,555	7,555	100%	7,555	100%	0	0	7,555	100%	7,555	100%
Female	260	260	100%	260	100%	260	100%	0	0	260	100%
Total	**7,815**	**7,815**	**100%**	**7,815**	**100%**	**260**	**100%**	**7,555**	**100%**	**7,815**	**100%**
Other than Permanent Employees											
Male	1,991	1,991	100%	1,991	100%	0	0	1,991	100%	-	-
Female	9	9	100%	9	100%	9	100%	0	0	-	-
Total	**2,000**	**2,000**	**100%**	**2,000**	**100%**	**9**	**100%**	**1,991**	**100%**	**-**	**-**

Note: The company has day care facilities available in all the corporate offices.

b. **Details of measures for the well-being of workers:**

Category	% of workers covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		No. (B)	% (B/A)	No. (C)	%(C/A)	No.(D)	%(D/A)	No. (E)	%(E/A)	No. (F)	%(F/A)
Permanent Workers											
Male	23	23	100%	23	100%	0	0	23	100%	-	-
Female	0	0	0	0	0	0	0	0	0	-	-
Total	**23**	**23**	**100%**	**23**	**100%**	**0**	**0**	**23**	**100%**	**-**	**-**
Other than permanent workers											
Male	12,929	12,929	100%	12,929	100%	0	0	12,929	100%	-	-
Female	119	119	100%	119	100%	119	100%	0	0	-	-
Total	**13,048**	**13,048**	**100%**	**13,048**	**100%**	**119**	**100%**	**12,929**	**100%**	**-**	**-**

Note: The company takes measures to ensure that all statutory benefits are provided to workers.

2. Details of retirement benefits, for Current FY and Previous Financial Year:

Sr. No.	Benefits	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
		No. of employees covered as a % of total employees	No. of workers covered as a % of total worker	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total worker	Deducted and deposited with the authority (Y/N/N.A.)
1	PF	100%	100%	Y	100%	100%	Y
2	Gratuity	100%	100%	Y	100%	100%	Y
3	ESI	100%	100%	Y	100%	100%	Y
4	Others-Please Specify	NA	NA	NA	NA	NA	NA

ESI: The ESI available areas are covered with ESIC facility. However, in case of non-availability of ESIC, workmen compensation policy is subscribed

(Note: % of PF, Gratuity beneficiary is calculated as per information requirement. However, as such, all retired employees are given benefits)

3. Accessibility of workplaces: Are the premises/offices of the entity 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 entity in this regard.

Yes, our company premises are accessible to differently abled employees with the services like wheelchairs and ramps.

4. Does the entity 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 abides by its Equal Opportunity Policy, which emphasizes its dedication to providing equal opportunities to all, including individuals with disabilities. Weblink of the Equal Opportunity Policy: https://kalpatarupower.com/policies-guidelines/.

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	100%	100%	NA	NA
Female	25%	0%	NA	NA
Total	**82.3%**	**100%**	**NA**	**NA**

Note: The female employees who didn't return are on leave as on 31st March 2023

6. **Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.**

Yes

Category	Yes/No	Details of the mechanism in brief
Permanent Workers	Yes	Kalpataru Power Transmission Limited has implemented a) Grievance Redressal Policy b) Whistleblower Policy and c) Anti Sexual Harassment Policy, among others. The employees / workers can raise their grievances under respective policies based on subject matter. Employees / Workers can report any grievances related to their association with the Company by sending an email to hr-grievances@kalpatarupower.com. For any whistleblower complain, it can be reported by calling on helpline number at +91-7923214100 or sending an email to abms@kalpatarupower.com or by sending a complaint letter on the company address - Kalpataru Power Transmission Limited, 101, Part III, G.I.D.C Estate, Sector 28, Gandhinagar -382028, Gujarat, India. Any complaint related to Sexual Harassment can be raised with any member of Internal Complaints Committee. Weblink to the policy: https://kalpatarupower.com/policies-guidelines/
Other than Permanent Workers	Yes	
Permanent Employees	Yes	
Other than Permanent Employees	Yes	

7. **Membership of employees and worker in association(s) or Unions recognized by the listed entity:**

Category	FY 2022-23 (Current FY)			FY 2021-22 (Previous FY)		
	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)
Permanent Employees						
Male	7,555	819	10.8%	7,067	892	12.6%
Female	260	0	0%	228	0	0%
Others	0	0	0%	0	0	0%
Total	**7,815**	**819**	**10.5%**	**7,295**	**892**	**12.2%**
Permanent Workers						
Male	23	0	0%	27	0	0%
Female	0	0	0%	0	0	0%
Others	0	0	0%	0	0	0%
Total	**23**	**0**	**0%**	**27**	**0**	**0%**

8. **Details of training given to employees and workers:**

Category	FY 2022-23 (Current FY)					FY 2021-22 (Previous FY)				
	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)	No. (C/A)		No. (E)	% (E/D)	No. (F)	%(F/D)
Permanent Employees										
Male	7,555	4,503	60%	5,819	77%	7,067	4,324	61%	1,368	19%
Female	260	97	37%	185	71%	228	83	36%	37	16%
Other	0	0	0	0	0%	0	0	0	0	0%
Total	**7,815**	**4,600**	**59%**	**6,004**	**77%**	**7,295**	**4,407**	**60%**	**1,405**	**19%**
Permanent workers										
Male	23	23	100%	23	100%	27	27	100%	0	0%
Female	0	0	0	0	0	0	0	0	0	0%
Other	0	0	0	0	0%	0	0	0	0	0%
Total	**23**	**23**	**100%**	**23**	**100%**	**27**	**27**	**100%**	**0**	**0%**

9. Details of performance and career development reviews of employees and worker:

Category	FY 2022-23 (Current FY)			FY 2021-22 (Previous FY)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who had a career review (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who had a career review (D)	%(D/C)
Employees						
Male	7,555	6,767	90%	7,067	5,874	83%
Female	260	174	67%	228	192	84%
Others	0	0	0	0	0	0%
Total	**7,815**	**6,941**	**89%**	**7,295**	**6,066**	**83%**
Workers						
Male	23	23	100%	27	27	100%
Female	0	0	0%	0	0	0
Others	0	0	0	0	0	0
Total	**23**	**23**	**100%**	**27**	**27**	**100%**

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No)	Yes, the Company has implemented Occupational Health and Safety Management system and is certified as per ISO:45001:2018 Standard
What is the coverage of such system?	The system has been implemented across the organisation.
b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?	All business units have a systematic activity conducted for identification of hazards originating from occupational activities regularly. The risks are categorised based on frequency and severity. The risks which are rated high in terms of severity, are considered critical and actions are taken to minimise/eliminate the risks. In certain cases, irrespective of lower probability of any risk if they are perceived critical, actions are taken to mitigate them.
c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes/No)	Yes, we have a defined process. The workers are provided with awareness trainings at all stages right from identification of hazardous activities, risk associated and the outcome of such activities. Workers are provided with appropriate communication channels to help them report any work-related hazards such as daily meetings, weekly safety committee with the head of the department and project leadership teams. Monthly safety committee meetings are conducted to discuss the performance and issues, which may affect EHS performance
d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)	Yes, they are provided with the facility as per need basis.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2022-2023 Current Financial Year	FY 2021-2022 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0.07	0.16
Total recordable work-related injuries	Employees	0	0
	Workers	16	26
No. of fatalities	Employees	0	0
	Workers	7	6
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

LTIFR: Lost time injury frequency rate is calculated as per Indian standard IS:3786:2022;Method for computation of frequency and severity rates for industrial injuries and classification of industrial accidents Formula:

([Number of lost time injuries in the reporting period] x 1,000,000) / (Total hours worked in the reporting period).

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

All conditions of the workplaces are assessed thoroughly. It is ensured that workplaces have safe and conducive environment. Whenever, workplace (sites/plant areas) are found unfit to work, those areas are prohibited to work until repaired. Frequent internal audits, safety walk downs are undertaken. The company ensures in staying updated of the occupational / contagious diseases to maintain healthy workplace and preventive measures are implemented. Workers are also provided with safety induction during the joining process. The Company also conducts monthly motivational programmes such as, safety conscious employees and workers are identified and recognized with gifts, our senior management is committed and ensures reviewing and guiding on matters related health and safety.

13. Number of Complaints on the following made by employees and workers:

Topic	FY 2022-2023 (Current Financial Year)			FY 2021-2022 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	0	0	0	0
Health & Safety	0	0	0	0	0	0

14. Assessments for the year:

Topic	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	-
Working Conditions	-

15. 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.

1) All LITFR incidents are duly investigated, lesson learnt are disseminated and corrective actions are initiated immediately at all project sites. Hazard Identification & Risk Assessment (HIRA) is revised and shared with all concerned authorities. The corrective actions planned are implemented and completed for FY 21-22 & FY 22-23.

2) Counselling and refresher trainings sessions are arranged for the entire crew at specific sites.

LEADERSHIP INDICATORS

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Yes

a. ***Employees (Yes/No):*** Yes

b. ***Workers (Yes/No):*** Yes.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners

The Company conducts statutory compliance reviews and due diligence assessments on a regular basis to ensure strict adherence to the regulations governing dues deduction. The Company ensures all applicable clauses regarding statutory dues are incorporated in agreement with value chain partners.

3. Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Category	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	
	FY 2022-2023 (Current Financial Year)	FY 2021-2022 (Previous Financial Year)	FY 2022-2023 (Current Financial Year)	FY 2021-2022 (Previous Financial Year)
Employees	0	0	0	0
Workers	7	6	7	6

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).

The company provides programmes to assist individuals in their transition phase, ensuring their ability to keep their jobs and effectively manage the end of their careers as they approach retirement.

5. Details on assessment of value chain partners:

Topic	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	-
Working Conditions	-

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.

1. All LITFR incidents are duly investigated, lessons learned are disseminated and corrective actions are initiated immediately at all project sites. HIRA is revised and shared with all concerned authorities. The corrective actions planned are implemented and completed for FY 21-22 & FY 22-23.

2. Counselling and refresher trainings sessions are arranged for the entire crew at specific sites.

PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL THEIR STAKEHOLDERS

ESSENTIAL INDICATORS

1. Describe the processes for identifying key stakeholder groups of the entity:

Stakeholders are groups of individuals that have an influence or can be influenced by the Company, directly or indirectly. KPTL has identified its internal stakeholders like employees, leadership team, senior executives, workers, etc. by conducting multiple interaction sessions as well as reviewing key documents of the Company like the charter and organizational chart. The external stakeholders like customers, regulatory authorities, suppliers, communities etc. were identified with the help of some business cases or understanding the entire value chain of the company and listing them out.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group:

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	Engagement surveys, newsletters & notices, training and development initiatives, town-halls, get-togethers, cultural events.	Quarterly	Employee engagement, Employee capability development, Career progression, Reward and Recognition, Fair remuneration, Effective performance management and recognition, Diverse, inclusive, and enabling work culture, Work-life balance
Investors and Shareholders	No	Quarterly Earnings Calls, Investor Conferences, Investor meetings, Company Website, Investor Presentations, Press Releases and financial Reports, Communication of financial results via prominent newspapers, Information pertaining to Dividends, Notices and AGM communicated via e-mail.	Quarterly (In case of AGM, annually)	Financial Performance, Ethical, Anti-Bribery & Anti- Corruption practices, Risk Modeling, Protection of Rights of all stakeholders, Robust Strategy for long-term value creation
Customers	No	Client Meetings, Periodic Project, Review Meetings, Performance Reports	Quarterly	Product pricing, Innovation and IT deployment, Customer privacy and data protection, Customer service and claim settlement, Ethical, Anti-Bribery & Anti-Corruption practices, Customized solutions.
Suppliers	No	Site visits and inspection, Supplier's visits, Regular interactions	Annual	Ethical, Anti-Bribery & Anti-Corruption practices, Transparency, On-time settlement of invoices, Fair registration, and procurement Process, Sustained business opportunities

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Communities	Yes	Community projects, Employee volunteerism Awareness workshops, Direct and mediated interactions	Ongoing	Transparency, Advancing sustainability, Ethical, Anti-Bribery & Anti-Corruption Practices, Contribution to community welfare, Healthier and safer societies
Government and Regulatory Authorities	No	Responding to Government circulated notifications, Statutory Filings & Disclosures	As and when required	Disclosures, Corporate governance, Adequacy of solvency, Fair and transparent reporting, Timely compliances, Statutory and legal compliance, Support for government policy

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.**

   The Company conducts a thorough assessment of its material issues by consulting with its key stakeholders to determine the importance of environmental, social, and governance issues to the Company. This evaluation involves a systematic approach where the inputs of stakeholders are gathered, and the feedback is then compiled and presented to the Business Unit Heads Board. The board of the Company has several committees, including the Stakeholder Relationship Committee, Corporate Social Responsibility Committee, and Risk Management Committee. Accordingly, Dduring the quarterly management review meetings annual general meetings and other board – level meetings , these committees review the inputs provided by the stakeholders are discussed and devise an action plan is devised to address them. These inputs from stakeholders also help the Company to develop its business strategy. The relevant updates are provided to the board/respective committees of the board on a periodic basis.

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 the policies and activities of the entity.**

   Yes. KPTL undertook a materiality assessment and proactively engaged with the organization's important external and internal stakeholders. The decision to engage stakeholders was based on five factors related to their relationship with KPTL, as outlined by the Global Reporting Initiative (GRI) guidelines: Responsibility, Influence, Proximity, Dependency, and Representation. Customers, supply chain partners, industry groups, non-governmental organizations (NGOs), local community organizations, investors, regulators, the media, and research institutes were among the external stakeholders involved in this exercise. The Company interviewed and surveyed these stakeholders with the help of an independent consulting firm, supplemented by secondary research on our suppliers and distributors, as well as peer companies and competitors. Their inputs were considered in identification of the key ESG topics for the Company.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

   No instances occurred.

PRINCIPLE 5: BUSINESSES 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	FY 2022-2023 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	7,815	7,815	100%	7,295	7,295	100%
Other than permanent	2,000	2,000	100%	1,857	1,857	100%
Total Employees	**9,815**	**9,815**	**100%**	**9,152**	**9,152**	**100%**
Workers						
Permanent	23	23	100%	27	27	100%
Other than permanent	13,048	13,048	100%	13,368	13,368	100%
Total Workers	**13,071**	**13,071**	**100%**	**13,395**	**13,395**	**100%**

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2022-2023 (Current Financial Year)					FY 2021-22 (Previous Financial Year)				
	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)
Employees										
Permanent										
Male	7,555	-	-	7,555	100%	7,067	-	-	7,067	100%
Female	260	-	-	260	100%	228	-	-	228	100%
Other than Permanent										
Male	1,991	-	-	1,991	100%	1,848	-	-	1,848	100%
Female	9	-	-	9	100%	9	-	-	9	100%
Workers										
Permanent										
Male	23	-	-	23	100%	27	-	-	27	100%
Female	0	-	-	0	100%	0	-	-	0	NA
Other than Permanent										
Male	12,929	-	-	12,929	100%	13,233	-	-	13,233	100%
Female	119	-	-	119	100%	135	-	-	135	100%

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	**Median remuneration/ salary/ wages of respective category**	**Number**	**Median remuneration/ salary/ wages of respective category**
Board of Directors (BoD)	9	₹ 1.63 Crores	1	₹ 0.35 Crore
Key Managerial Personnel	3	₹ 6.99 Crores	1	₹ 0.47 Crore
Employees other than BoD and KMP	7,551	₹ 6.96 Lacs	259	₹ 6.90 Lac
Workers	23	₹ 4.21 Lacs	0	-

Note: The female KMP joined the company on 30th September 2022. Accordingly, the reported information pertains to the specified period.

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, KPTL is dedicated to safeguarding human rights throughout its entire value chain, including its workers, employees, and other key stakeholders involved in its operations. To ensure transparency, fairness, and equality, KPTL has established systems and practices. KPTL's Corporate Human Rights Policy provides guidelines for parties to follow when conducting business with KPTL. These guidelines include adhering to all applicable human rights laws and national laws, avoiding human rights abuses, respecting the rights of people in communities impacted by business activities, and treating everyone fairly and without discrimination. KPTL's Corporate Human Rights Policy extends to its subsidiaries, joint ventures, suppliers, vendors, and contractors. The Human Rights policy is available internally for the stakeholders of the company. There is a dedicated committee of KPTL for addressing human rights issues. If any employees have concerns or complaints regarding the violation of human rights, they can report them to hr-grievances@kalpatarupower.com

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

We have a grievance redressal policy that deals with such issues. There is a dedicated committee at KPTL, for redressing grievances related to Sexual Harassment, Workers' Committee for protection of workers' rights, and corporate level committees, specifically tasked with addressing human rights issues. If any employees have concerns or complaints regarding the violation of human rights, they can report them on hr-grievances@kalpatarupower.com

6. Number of Complaints on the following made by employees and workers:

	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Filed during the year	**Pending resolution at the end of year**	**Remarks**	**Filed during the year**	**Pending resolution at the end of year**	**Remarks**
Sexual Harassment	1	Nil	Resolved	Nil	Nil	No complaints received
Discrimination at workplace	Nil	Nil	No complaints received	Nil	Nil	No complaints received
Child Labour	Nil	Nil	No complaints received	Nil	Nil	No complaints received
Forced Labour/ Involuntary Labour	Nil	Nil	No complaints received	Nil	Nil	No complaints received
Wages	Nil	Nil	No complaints received	Nil	Nil	No complaints received
Other human rights related issues	Nil	Nil	No complaints received	Nil	Nil	No complaints received

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company has an institutionalized mechanism of dealing with complaints of sexual harassment through a formal POSH committee constituted in line with the Company's Policy on the 'Anti Sexual Harassment policy'. The Company has complied with provisions under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 for the same.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes

9. Assessments for the year:

Topic	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labor	100%
Forced/involuntary labor	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	-

10. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 9 above.

Not Applicable

LEADERSHIP INDICATORS

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

The company has processes to address any human rights grievances or complaints, e.g., Grievance redressal policy, Prevention of Sexual Harassment at Workplace policy, corporate Human rights policy etc. Further, the company also introduced improvement measures for its employees through new policies for parental leaves, sabbatical leaves, higher education, etc.

2. Details of the scope and coverage of any Human rights due diligence conducted.

Human Rights Due Diligence was not conducted during the reporting year.

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, our company premises are accessible to differently abled employees and visitors.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Child labour	-
Forced/involuntary labour	-
Sexual harassment	-
Discrimination at workplace	-
Wages	-

Note: Value chain partners such as material suppliers, contractors are evaluated periodically. However, major material suppliers including raw material, capital machineries and high value suppliers are assessed based on Kalpataru Code of Conduct and parameters such as child labour, forced labour, sexual harassment, discrimination.

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

No concerns were raised during the reporting year.

PRINCIPLE 6: BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT

ESSENTIAL INDICATORS

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total electricity consumption (A) (GJ)	2,00,396	1,70,681
Total fuel consumption (B) (GJ)	7,72,296	5,94,764
Energy consumption through other sources (C) (GJ)	0	0
Total energy consumption (A+B+C) (GJ)	**9,72,692**	**7,65,445**
Energy intensity per rupee of turnover (Total energy consumption/turnover in rupees) (GJ per ₹ Crore)	67.8	61.7
Energy intensity (optional) – the relevant metric may be selected by the entity – GJ / Employee	99	84

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, the assurance has been carried out by external agency namely M/s. Infinite Solutions renowned as certified experts in Climate & Renewable Energy Finance.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) 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

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	8,05,307	3,17,154
(ii) Groundwater	12,34,025	12,87,330
(iii) Third party water	9,33,178	13,00,598
(iv) Seawater / desalinated water	2,535	1,745
(v) Others (Rainwater storage)	1,09,500	8,242
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**30,84,545**	**29,15,069**
Total volume of water consumption (in kilolitres)	**29,61,163**	**27,98,466**
Water intensity per rupee of turnover (Water consumed / turnover) (KL per ₹ Crore of revenue)	207	226
Water intensity (optional) – the relevant metric may be selected by the entity KL/Employee	302	306

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, the assurance has been carried out by external agency namely M/s. Infinite Solutions renowned as certified experts in Climate & Renewable Energy Finance.

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes. 75% of the plant operations is Zero Liquid Discharge. Rajasthan (2 plants) and Raipur Power (1 plant) plant has Zero Liquid Discharge mechanism. The water is used for landscaping and toilet flushing.

5. **Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
NOx	µg/m3	37	39
Sox	µg/m3	44	45
Particulate matter (PM)	µg/m3	38	37
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	mg/m3	Nil	Nil
Others – please specify	PPM	Nil	Nil

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, the assurance has been carried out by external agency namely M/s. Infinite Solutions renowned as certified experts in Climate & Renewable Energy Finance.

6. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY2022-23 (Current Financial Year)	FY 2020-21 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	tCO2e	50, 494	46,070
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	tCO2e	30,099	27,359
Total Scope 1 and Scope 2 emissions per rupee of turnover (in ₹)	tCO2e/ ₹ Cr ₹	5.6	5.9
Total Scope 1 and Scope 2 emission intensity (optional)– the relevant metric may be selected by the entity	tCO2e/ employee	8.2	8.0

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, the assurance has been carried out by external agency namely M/s. Infinite Solutions renowned as certified experts in Climate & Renewable Energy Finance.

7. **Does the entity have any project related to reducing Green House Gas emission? If yes, then provide detail**

As a Company that focuses on environment-friendly practices, the company recognizes the need to implement measures to reduce emissions caused using coal and burning of Micro Crop Residue (MCR). KPTL has set up two Biomass power plants in the state of Rajasthan with a combined capacity of 15.8 MW (7.8 MW and 8.0 MW) using the Direct Combustion Boiler technology. The projects were installed to utilize Biomass as a fuel in a medium pressure steam boiler (Modified Rankine cycle with regenerative feed water heating and water-cooled condensation), thereby reducing the dependency on coal, resulting reduction in GHG emissions.

At various office and manufacturing locations, the company is replacing conventional light fittings with energy efficient LED lights. We have replaced light diesel oil (LDO) with alternate fuel LPG. We have also undertaken electrification of the fossil fuel combustion-based operations to reduce GHG emissions. The company has conducted energy audits and have implemented projects to reduce energy consumption, which includes change in compressors, modification of DC to AC drives, tracking and monitoring of equipment for consumption of fuel.

8. **Provide details related to waste management by the entity, in the following format:**

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste **(A)**	230.1	180.8
E-waste **(B)**	4.2	2
Bio-medical waste **(C)**	0.1	0.1
Construction and demolition waste **(D)**	16,936	17,441

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Battery waste **(E)**	0.7	0
Radioactive waste **(F)**	0	0
Other Hazardous waste. Please specify, if any. **(G)**	6,235	4,714
Other Non-hazardous waste generated **(H)**. Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	257	458
Total (A+B + C + D + E + F + G+ H)	**23,663**	**22,796**
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	20,434	20094
(ii) Re-used	762	573
(iii) Other recovery operations	1,220	981
Total	**22,416**	**21,648**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	9.5	34.1
(ii) Landfilling	1,220	1,098
(iii) Other disposal operations	0	0
Total	**1,229.5**	**1,132.1**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, the assurance has been carried out by external agency namely M/s. Infinite Solutions renowned as certified experts in Climate & Renewable Energy Finance.

9. Briefly describe the waste management practices adopted in your establishments. 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.

The waste generated is segregated and collected at our manufacturing plants. Effluents are treated through ETP, the byproduct is sold for reproduction from our tower manufacturing plants. While ETP sludge is disposed to authorized recycler from plants and sites. Other hazardous waste is also disposed to approved and authorized recyclers. Metallic waste like Reinforced bars, Structural steel, Mild steel are reused partially at our sites or plants while the remaining quantity is disposed to recyclers which goes to the secondary market. Other metallic waste like copper aluminum conductors is disposed to the respective authorized recyclers.

10. 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:

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
The company does not have any plants and offices in the above mention areas. Being an EPC company, operations are carried out at the project sites where environmental approval and clearances are obtained by the clients/owner of the project			

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Being an EPC company, operations are carried out at the project sites where environmental impact assessments of projects are undertaken by the clients/owner of the project			

12. 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 (Y/N). If not, provide details of all such non-compliances, in the following format:

The entity is compliant with the environmental laws

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 agency such as pollution control boards or by courts	Corrective action taken, if any
Not Applicable				

LEADERSHIP INDICATORS

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY 2022-23 (Current Financial Year) in GJ	FY 2021-22 (Previous Financial Year) in GJ
From renewable sources		
Total electricity consumption **(A)**	47,783	50,567
Total fuel consumption **(B)**	0	0
Energy consumption through other sources **(C)**	0	0
Total energy consumed from renewable sources (A+B+C)	**47,783**	**50,567**
From non-renewable sources		
Total electricity consumption **(D)**	1,52,613	1,20,114
Total fuel consumption **(E)**	7,72,296	5,94,764
Energy consumption through other sources **(F)**	0	0
Total energy consumed from non-renewable sources (D+E+F)	**9,24,909**	**7,14,878**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, the assurance has been carried out by external agency namely M/s. Infinite Solutions renowned as certified experts in Climate & Renewable Energy Finance.

2. Provide the following details related to water discharged:

Parameter	FY 2022-23*	FY 2021-22*
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	-	-
- No treatment	-	-
- With treatment – please specify level of Treatment	-	-
(ii) To Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of Treatment	-	-
(iii) To Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of Treatment	-	-
(iv) Sent to third-parties	-	-
- No treatment	-	-
- With treatment – please specify level of Treatment	-	-

Parameter	FY 2022-23*	FY 2021-22*
(v) Others	-	-
- No treatment	-	-
- With treatment – please specify level of Treatment	-	-
Total water discharged (in kilolitres)	-	-

* We are currently monitoring the amount of water discharged; However, the amount of water treated is not monitored for the reporting year, which shall be monitored and reported in the coming years.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

3. **Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):** Not Applicable

For each facility / plant located in areas of water stress, provide the following information:

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area

(ii) Nature of operations

(iii) Water withdrawal, consumption, and discharge in the following format:

Parameter	FY 2022-23*	FY 2021-22*
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres)	-	-
Total volume of water consumption (in kilolitres)	-	-
Water intensity per rupee of turnover (Water consumed / turnover)	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) Into Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) Into Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
	-	-

* currently, the company does not have an assessment of operations that could be in water stressed area, same would be done in the coming years

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

NA

4. Please provide details of total Scope 3 emissions & its intensity, in the following format

Parameter	Unit	FY 2022-23	FY 2022-23
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)		No assessment conducted	
Total Scope 3 emissions per rupee of turnover			
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes,the name of the external agency.

NA

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

NA

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	KPTL set up two Biomass power plants in the state of Rajasthan with a combined capacity of 15.8 MW (7.8 MW and 8.0 MW) using the Direct Combustion Boiler technology.	These plants comprise of Boiler, Electrostatic Precipitator, Turbine, Water Treatment Plant, and Fuel Handling System. The projects were installed to utilize Biomass as a fuel in a medium pressure steam boiler (Modified Rankine cycle with regenerative feed water heating and water-cooled condensation), thereby reducing GHG emissions. Through this infrastructure, KPTL can procure, process, and use 1,50,000 MT of Biomass in a year. The Company has also installed the required transmission lines to transmit power to the power grid in Rajasthan. Furthermore, these plants generate zero waste, and the ash (fly ash and boiler bed ash) generated as by-products is utilized by cement plants, in construction activities, as fertilizers or for landfilling work. Both the plants have been awarded Gold Standard.	1. Promoting Renewable Power Generation: (PPP+UPP) = 109 million Units Export of Power from both the projects 2. Societal Impact: The two plants put together work with a network of over 2,800 farmers who supply the MCR supply. Since the setting up of these plants, the value of every MT of MCR has gone up by over 450%. Hence enabling farmers to establish an alternate source of income from the farming waste. 3. Environmental Impact – Reduction in Carbon Emissions: The Projects result in the reduction of Carbon Emission under the Clean Development Mechanism.
2	a. Installation of a 350 KW rooftop solar plant at the Gandhinagar factory	a. KPTL has installed a 350 KW rooftop solar plant at a factory situated in Gandhinagar which generates 3.54 Lakh units	This project has resulted in an emissions savings of 251 Tons of CO2 reduction in 2022-23.
	b. Installation of a 1,350 KWp rooftop solar plant at the Raipur factory	b. KPTL has installed a 1,350 KW rooftop solar plant at a factory situated in Raipur which generates 3.54 Lakh unit	This project has resulted in an emissions savings of about 1107 Tons of CO2 reduction in 2022-23.
3	Installation of four windmills	For captive consumption, KPTL has installed four windmills for renewable energy generation, which generate 11.7 Lakh units	This project has resulted in emissions that are equivalent to 832 Tons of reduction of CO2 in 2022-23.

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
5	Gasoline Management System	KPTL employs a Gasoline Management System that includes RFID tags in fuel tanks to prevent leakage during refilling and to automatically record refill data in the system for better monitoring and management across sites.	The project aids in the reduction in fuel consumption
6	Water Consumption Initiatives	At the two locations in the Gandhinagar plant, we have successfully installed a groundwater consumption monitoring system.	Water consumption reduced due to monitoring and promptly taking actions in case of overflow / leakages and avoiding wastage. This has resulted in water consumption in Galvanizing and reduced consumption of 4 KL.
7	Sewage Treatment Plant and Effluent Treatment Plant	Sewage Treatment Plants (STP) with a capacity of 1,250 KLD for sewage water management and an Effluent Treatment Plant (ETP) for neutralizing diluted acid, a by-product of the manufacturing process, have been installed at our manufacturing facilities and biomass plants.	The recycled water from STP and ETP is used for gardening, washing rooms, ash quenching, and dust suppression.
8	Rainwater Harvesting across plants and at IIT Tirupati	Created artificial ponds along with several Rainwater Harvesting (RWH) structures like tubes and pits to conserve rainwater across our plants.	a. The overall water holding capacity is at ~1,00,000 liters, which helps us harvest ~15,000 liters of water per hour during the rainy season. b. Total of 40,000 KL of water is harvested at the Tirupati site

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes, the company has implemented emergency preparedness plans at each project site to effectively handle emergency situations. These plans include response procedures aimed at preventing and mitigating hazards, risks, and environmental impacts associated with emergencies. The plans also encompass provisions for first aid. In the event of an emergency, a thorough investigation will be conducted, and appropriate preventive measures will be taken to prevent future recurrences. We ensure that relevant information and training on emergency preparedness and response are provided to all stakeholders. Additionally, the duties and responsibilities of all workers are regularly communicated.

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

We have received no reports of any major adverse impacts from our partners in the value chain. Our vendors and service providers are expected to adhere to a Kalpataru Supplier Code of Conduct that covers compliance with environmental regulations, health and safety standards, labor practices, human rights, minimum wage requirements, freedom of association, the prohibition of child labor and forced labor, ethical behavior, transparent business processes, and environmental conservation.

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impact

The company endeavors that all its value chain partners comply with the policies of the company. The certification of Kalpataru Supplier Code of Conduct is obtained from all major material suppliers which covers the need for compliance including environmental regulations. We are working towards bettering our evaluation and auditing mechanism and making it more specific to Sustainability requirements as well as our material points.

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.

10

b) List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. no	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/ National)
1	Confederation of Indian Industry	National
2	Federation of Indian Chamber of Commerce and Industry	National
3	the associated Chambers of Commerce and Industry of India	National
4	Indian electrical & electronics manufacturers' association (IEEMA)	National
5	Project Exports Promotion Council of India	National
6	EEPC India	National
7	International Pipeline & Offshore Contractors Association	National
8	Cable and Conductors manufacturers association of India	National
9	Central Board of irrigation & power (CBIP)	National
10	Gujarat Chamber of Commerce and Industry	State

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities

Name of Authority	Brief of the case	Corrective action taken
Nil	Nil	Nil
Nil	Nil	Nil

LEADERSHIP INDICATOR

1. Details of public policy positions advocated by the entity

KPTL does not engage in any form of lobbying activities. However, it actively works for improvement of public good and therefore engages with business forums and trade associations. KPTL's senior executives are active members of industry bodies that participate in the development of public policy that addresses issues affecting industry, business, and clients. Advocacy policy is in place to ensure that advocacy positions are consistent with the principles and core elements contained in "our Values" of the Company and various policies of the Company, which enhances business responsibility and transparency. KPTL is broadly involved in Governance and administration, economic reform, and energy security areas for advocating public good.

S. no	Public policy advocated	Method resort for such advocacy	Whether the information is available in public domain? (Yes/No)	Frequency of review by board (Annually/ Half yearly/ Quarterly/ Other-please specify	Web Link, if available
	NA	NA	NA	NA	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 entity 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)	Resulted communicated in public domain	Relevant Web Link
Nil			Nil		

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity:

S.no	Name of project for which R&R is ongoing	State	District	No of Project Affected Families	% of PAF covered by RAR	Amount Paid to PAFs in the FY (in ₹)
No rehabilitation and resettlement were undertaken by the entity during the reporting year						

3. Describe the mechanisms to receive and redress grievances of the community

The CSR team and Projects/Plant teams are in regular connection with the community in and around the Plant as well as Project site locations. This regular engagement with the key community stakeholders ensures that the grievances are addressed at the local level. The Plant & Site location teams are the first point of contact for the local communities and the redressal takes place mostly on one-on-one basis.

4. Percentage of input material (inputs to total inputs by value) sourced from local or small-scale suppliers:

	FY 2022-2023 Current Financial Year	FY 2021-2022 Previous Financial Year
Directly sourced from MSMEs/ Small producers	15.4%	9.0%
Sourced directly from within the district and neighboring districts	Consolidation not done	Consolidation not done

LEADERSHIP INDICATORS

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Not Applicable

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent (In ₹)
1	Chhattisgarh	Bastar	2,62,500
2	Jharkhand	Khunti	5,25,000
3	Odisha	Koraput	12,82,846

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

No

(b) From which marginalized /vulnerable groups do you procure?

Not Applicable

(c) What percentage of total procurement (by value) does it constitute?

Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge

Not Applicable

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Not Applicable

6. Details of beneficiaries of CSR Projects.

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Healthcare - Kalpa Aarogya Seva, Swasthya Abhiyan	49,568	All the CSR projects include beneficiaries from vulnerable and marginalized backgrounds, including women, children, persons with disabilities, the elderly, Scheduled Caste, Scheduled Tribe, Other backward classes, etc. No bifurcation of such data was done in this Financial Year
2	Education & Skilling- Kalpa Vidhya Kalpa Kaushal, Shiksha Abhiyan & Unnati Abhiyan	30,040 beneficiaries; 40,000 flags donated	
3	Animal Welfare & Environment – Save our environment save our animals (SAVIOUR) & Paryavaran Abhiyan	30 Lakh Fishes; 22,286 animals in distress; 10,060 farmers through need assessment; 9000+ saplings maintained	
4	Rural Development - Kalpa Gramodaya, Unnati Abhiyan	~5,200	

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.

The Company does not provide/sell its products or services to end consumers. The products and services supplied by KPTL are generally industrial inputs that are used for commercial purposes and not by end consumers. Since the company is executing infrastructure projects, it receives satisfactory project completion report which signifies its quality of work, project execution skills, ethical business dealings and compliance with agreed specifications and contractual requirements in a manner that results in high degree of customer satisfaction.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information.

Type	As a percentage to total turnover
Environment and Social parameters relevant to the product	Not Applicable
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints

	FY 2022-23 Current Financial Year		FY 2021-22 Previous Financial Year	
	Received during the year	Pending resolution at the end of year	Received during the year	Pending resolution at the end of year
Data privacy	Nil	Nil	Nil	Nil
Advertising	Nil	Nil	Nil	Nil
Cyber-security	Nil	Nil	Nil	Nil
Delivery of essential services	Nil	Nil	Nil	Nil
Restrictive Trade Practices	Nil	Nil	Nil	Nil
Unfair Trade Practices	Nil	Nil	Nil	Nil
Others	Nil	Nil	Nil	Nil

4. Details of instances of product recalls on account of safety issues

	Number	Reason for recall
Voluntary recalls	NA	NA
Forced recalls	NA	NA

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes. Cyber security practices are being implemented under the guidance of Risk Management Committee of the Company. These Practices are grouped into people, process, and technology control areas under the Company-wide Cyber Security Assurance Framework. Employee awareness on cybersecurity is being enhanced through initiatives such as online cyber security awareness campaign on phishing and e-mail securities. Network devices, server operating system and hardware are upgraded periodically. The Company also actively monitors security logs to detect any malicious attempt and takes the necessary to mitigate the risk. Adequate data safety is ensured during its creation, storage, transit, and retrieval. The policy is available in the internal portal of the company.

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.

None

LEADERSHIP INDICATORS

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

Website - https://kalpatarupower.com/

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 a whole? (Yes/No)

Yes. the towers manufactured by KPTL carry adequate labeling and codes thereby providing adequate information to Clients. The Company also displays Client specified information viz. Client name, the project name for which the tower is being supplied etc. KPTL seeks feedback from its clients on the completion on of project. In EPC business, Customer satisfaction is noted at “Project Completion Certificate” and various clients across all businesses have issued satisfactory project Completion Certificate during FY 2022-23. Furthermore, KPTL has received appreciation/certificates from various clients and their consultants.

5. Provide the following information relating to data breaches:

a. Number of instances of data breaches along-with impact

Nil

b. Percentage of data breaches involving personally identifiable information of customers

Nil

Independent Auditor's Report

To the Members of Kalpataru Power Transmission Limited

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Opinion

We have audited the standalone financial statements of Kalpataru Power Transmission Limited (the "Company"), its joint operation which comprise the standalone balance sheet as at 31 March 2023, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditor on financial statements of such joint operation as was audited by the other auditor, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter(s)

a. We draw attention to Note 52 of the standalone financial statements which describes that the Scheme of Amalgamation (the Scheme) between the Company and its subsidiary JMC Projects (India) Limited has been approved by the National Company Law Tribunal ('NCLT') vide its order dated 21 December 2022 with an appointed date of 01 April 2022. Accordingly, the corresponding amounts for the year ended 31 March 2022 have been restated by the Company after recognising the effect of the Scheme as per the applicable accounting standard.

   Our opinion is not modified in respect of this matter.

Key Audit Matter(s)

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.

Recognition of contract revenue and margin

See Note 22 to standalone financial statements

The key audit matter	How the matter was addressed in our audit
The Company enters into Engineering Procurement and Construction (EPC) contracts, which are complex in nature and span over a number of reporting periods. Ind AS 115, Revenue from Contracts with Customers, requires an entity to select a single measurement method for the relevant performance obligation	In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence: • Selected a sample of contracts to test, using a risk based criteria which included individual contracts with: ii. Significant revenue recognised during the year;

The key audit matter	How the matter was addressed in our audit
which depicts the entity's performance in transferring goods or services. In case of onerous contract, present obligations are recognized and measured as provisions. The Company is recognizing contract revenue and margin for these contracts based on input method, in accordance with the requirement of the standard. It relies on management's estimates of the final outcome of each contract, and involves management judgement, particularly in forecasting the cost to complete a contract, and claims. We identified contract accounting as a key audit matter because the estimation of total revenue and total cost to complete the contract is inherently subjective, complex and require significant management judgement. The same may get subsequently changed due to change in prevailing circumstances, assumptions, contract variations etc., and could result in significant variance in the revenue and profit or loss from contract for the reporting period.	iii. Significant unbilled work in progress (WIP) balances held at the year-end; or iv. Low profit margins. • Obtained an understanding of management's process for analyzing long term contracts, the risk associated with the contract and any key judgements. • Evaluated the design and implementation of key internal controls over the contract revenue and cost estimation process through the combination of procedures involving inquiry, observations, re-performance and inspection of evidence. • Verified underlying documents such as contract, and its amendments, key contract terms and milestones, etc. for verifying the estimation of contract revenue and costs and /or any change in such estimation. • Evaluated retrospective results for contracts completed during the current year. Compared the final outcome of the contracts with previous estimates made for these contracts to assess the reliability of management forecasting process. • Considered the adequacy of the disclosures in note 22 to the standalone financial statements.

Recoverability of carrying value of loans and Investments

See Note 6 and 8 to standalone financial statements

The key audit matter	How the matter was addressed in our audit
The assessment of recoverable value of the Company's investments in and loans receivable from certain subsidiaries involves significant judgement. These include assumptions such as discount rates, current work in hand, future contract wins/ future business plan, recoverability of its receivables and growth rate. We focused on this area as a key audit matter due to judgement involved in forecasting future cash flows and the selection of assumptions.	In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence: • Evaluated the design and implementation and testing operating effectiveness of controls over the management's process of impairment assessment. • Evaluated net worth and past performance of the companies to whom loans given or investment made. • Challenged the significant assumptions and judgements used in impairment analysis, such as forecast revenue, margins, terminal growth and discount rates with the assistance of our valuations specialist; • Compared the previous forecast to actual results to assess the Company's ability to forecast accuracy. • Performed sensitivity analysis on key assumptions including discount rates and estimated future growth, as applicable. • Evaluated the adequacy of presentation and disclosures made in the financial statements.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and auditor's reports thereon. The Company's annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Company's annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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, the respective Management and Board of Directors are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors are responsible for overseeing the financial reporting process of each company.

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of

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

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

- Obtain sufficient appropriate audit evidence regarding the financial statements of joint operation of the Company to express an opinion on the standalone financial statements. For the joint operation included in the standalone financial statements, which have been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

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

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

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

OTHER MATTER

a. We did not audit the financial statements of one joint operation included in the standalone financial statements of the Company whose financial statements reflects total assets (before consolidation adjustments) of Rs. 72.80 crores as at 31 March 2023, total revenue (before consolidation adjustments) of Rs. 70.64 crores and net cash outflows (before consolidation adjustments) amounting to Rs. 0.99 crores for the year ended on that date, as considered in the standalone financial statements. The financial statements of this joint operation has been audited by the other auditor whose report has been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of joint operation, is based solely on the reports of such other auditor.

Our opinion is not modified in respect of this matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

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

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

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

   e. On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.

f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the 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:

a. The Company has disclosed the impact of pending litigations as at 31 March 2023 on its financial position in its standalone financial statements - Refer Note 29 to the standalone financial statements.

b. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 32 and 43 to the standalone financial statements.

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

d (i) The management has represented to us that, to the best of their knowledge and belief, other than as disclosed in the Note 49(a) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall 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.

(ii) The management has represented to us that, to the best of their knowledge and belief, as disclosed in the Note 49(b) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The final dividend paid by the Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 61 to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

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

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

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Vikas R Kasat
Partner
Membership No.: 105317
ICAI UDIN:23105317BGVTNO1429

Place: Mumbai
Date: 08 May 2023

Annexure A to the Independent Auditor's Report

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancy was noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) as disclosed in Note 5(i) to the standalone financial statements are held in the name of the Company.

Immovable properties of land and buildings whose title deeds have been pledged as security for loans are held in the name of the Company based on the confirmations directly received by us from lenders.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory, except goods-in-transit, has been physically verified by the management during the year. For goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made investments, provided guarantee, granted unsecured loans to companies and other parties in respect of which the requisite information is provided in clause (a) to (f) as below to the extent applicable. Further the Company has not given any security, granted advances in nature of loans to companies, Limited liability partnership and other parties and accordingly reporting on same is not applicable.

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loans or stood guarantee to any other entity as below:

(₹ in Crores)

The key audit matter	Guarantees	Loans
Aggregate amount during the year		
Subsidiaries*#	518.90	433.66
Joint Ventures*	-	2.81
Others	-	50.27

(₹ in Crores)

The key audit matter	Guarantees	Loans
Balance outstanding as at balance sheet date		
Subsidiaries*	1,242.46	910.86
Joint Ventures*	-	301.86
Others	-	7.75

*As per the Companies Act, 2013

#Also include the loan renewed / extended during the year of INR 237.04 crore also reported under clause iii(e)

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made, guarantees provided during the year and the terms and conditions of the grant of loans and guarantees provided during the year are, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular except for the following cases where there is no stipulation of schedule of repayment of principal and payment of interest and accordingly we are unable to comment on the regularity of repayment of principal and payment of interest:.

Name of the entity	Amount (INR in crores)	Remarks
Bharat Road Network Limited	7.75	There is no stipulation of schedule of repayment of principal or payment of interest
Adeshwar Infrabuild Limited*	0.25	There is no stipulation of schedule of repayment of principal or payment of interest
JMC Mining & Quarries Limited*	0.75	There is no stipulation of schedule of repayment of principal or payment of interest
Kurukshetra Expressway Private Ltd#	301.68	There is no stipulation of schedule of repayment of principal or payment of interest
Kalpataru Power Transmission Sweden AB*	3.17	Loan (Conditional Shareholding Contribution) is repayable at borrower disposal pursuant to the rules of the Swedish Companies Act. There is no stipulation of payment of interest.

*Wholly owned subsidiary

#Already provided for expected credit loss on loan to Joint Venture.

Further, the Company has not given any advance in the nature of loan to any party during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days except in case of loans given to following companies where either the schedule for repayment of principal or payment of interest have not been stipulated and accordingly we are unable to comment on the amount overdue for more than ninety days.

Name of the entity	Amount (INR in crores)	Remarks
Bharat Road Network Limited	7.75	There is no stipulation of schedule of repayment of principal or payment of interest
Adeshwar Infrabuild Limited	0.25	There is no stipulation of schedule of repayment of principal or payment of interest
JMC Mining & Quarries Limited	0.75	There is no stipulation of schedule of repayment of principal or payment of interest
Kurukshetra Expressway Private Ltd#	301.68	There is no stipulation of schedule of repayment of principal or payment of interest
Kalpataru Power Transmission Sweden AB	3.17	Loan (Conditional Shareholding Contribution) is repayable at borrower disposal pursuant to the rules of the Swedish Companies Act. There is no stipulation of payment of interest.

#Already provided for expected credit loss on loan to Joint Venture.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion following instances of loans falling due during the year were renewed or extended or settled by fresh loans:

Name of the parties	Aggregate overdue amount settled by renewal or extension or by fresh loans granted to same parties (INR in crores)	Percentage of the aggregate to the total loans granted during the year
Crest Ventures Limited	50.27	10.33%
Saicharan Properties Limited	142.42	29.26%
Kalpataru Power Senegel SARL	2.42	0.50%
Kalpataru Power Chile SpA	41.93	8.61%

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment except for the following loans to its related parties as defined in Clause (76) of Section 2 of the Companies Act, 2013 (“the Act”):.

Particulars	All Parties (INR in crores)	Promoters	Related Parties
Aggregate of loans			
- Repayable on demand (A)	2.85	-	2.85
- Agreement does not specify any terms or period of Repayment (B)	-	-	-

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of investments made and loans and guarantees given by the Company, in our opinion the provisions of Section 185 of the Companies Act, 2013 ("the Act") have been complied with. The Company is engaged in the business of providing infrastructural facilities and accordingly, the provision of section 186 (except subsection (1) of section 186) of the Act are not applicable to the Company. In our opinion and according to the information and explanations given to us, the Company has made investments referred in section 186(1) of the Act and has complied with the provision of section 186 of the Act.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods and services provided by it and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (Rs. in crores)*	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax	0.91	2016 – 17	CIT (A)
Income Tax Act, 1961	Income tax	3.97	2017 – 18	CIT (A)
Income Tax Act, 1961	Income tax	0.31	2014 – 15	AO
Income Tax Act, 1961	Income tax	6.92	2020 – 21	DCIT
Income Tax Act, 1961	Income tax	1.34	2014-15 and 2016-17	CIT (A)
Income Tax Act, 1961	Income tax	36.67	2017 - 18	CIT (Appeal)
Income Tax Act, 1961	Income tax	8.36	AY 2016-17 and AY 2017-18	CIT (Appeal)
Income Tax Act, 1961	Income tax	1.25	AY 2010-11	ITAT - Agarwal JV
Income Tax Act, 1961	Income tax	0.20	AY 2011-12	ITAT - Agarwal JV
Income Tax Act, 1961	Income tax	42.34	AY 2018-19	CIT (A) - Agarwal JV
Algerian Tax Laws	I.B.S., I.R.G., T.A.P. and T.V.A.	25.6	2008 and 2009	Ministry of Finance, General Directorate of Taxes, Algeria
Kuwait Tax Laws	Income Tax	11.66	2015-16 and 2016-17	Tax Appeal Committee
Ethiopia Income tax Law	Income tax	13.30	FY 2014 -2015 to 2018 -2019	Federal High Court
Central Goods and Service Tax Act 2017	Goods and Service Tax	0.82	2018-19	Joint Commissioner (Appeals)
		0.97	2017-18	Additional Commissioner (Appeals)
		2.10	2019-20 & 2020-21	Additional Commissioner (Appeals)
		0.25		Joint Commissioner (Appeals)
Rajasthan Entry Tax Act	Entry Tax and Interest	0.24	Various years from 2011-12 to 2014-15	High Court
Sales Tax and Value Added Tax	Sales Tax and Value Added Tax	3.54	2009-10 to 2013-14	High Court
		15.73	Various year from 2007-08 to 2014-15	Deputy Commissioner (Appeals)
		7.45		Deputy Commissioner of Appeal
		5.66	Various years from 2005-06 to 2012-13	High Court
		1.57	Various years from 2005-06 to 2014-15	Tribunal
		3.30	Various years from 2011-12 to 2014-15	Joint Commissioner (Appeals)
The Center Excise Duty Act, 1994	Excise Duty	4.93	2015-16 & 2016-17	Tribunal
The Customs Act, 1962	Customs Duty	0.23	Various years from 2010-11 to 2014-15	Tribunal
The Finance Act, 1994	Service tax	54.13	Various years from 2003-04 to 2014-15	Supreme Court
		8.56		Tribunal
The Madhya Pradesh Sthaniya Kshetra Me Mal Ke Pravesh Par Kar Adhiniyam, 1976	Entry tax	0.18	2011-12	Commercial Tax Appellate Board
The Odisha Entry Tax Act, 1999	Entry tax	0.17	2009-10 to 2013-14	Tribunal

Name of the statute	Nature of the dues	Amount (Rs. in crores)*	Period to which the amount relates	Forum where dispute is pending
The Finance Act, 1994	Service Tax	0.98	March 2013 to February 2016	Appellate Tribunal, Allahabad
The Finance Act, 1994	Service Tax	1.76	Feb 2012 to Feb 2016	Appellate Tribunal, Allahabad
Central Goods and Service Tax Act 2017	GST	0.95	FY 2017-18	The Commissioner (Appeals)-III, Mumbai
The Finance Act, 1994	Service Tax	0.03	April '2015 to June'2017	The Additional Commissioner of CGST (Appeal), Ahmedabad
The Madhya Pradesh Sthaniya Kshetra Me Mal Ke Pravesh Par Kar Adhiniyam, 1976	Entry Tax	0.16	FY 2014-15 & FY 2015-16	Under Appeal With Additional Commissioner, Appelate Authority, CTD, Bhopal M.P
Maharashtra VAT Act, 2002	VAT and Interest	0.17	FY 2012-13	Under Appeal with Maharashtra Sales tax tribunal, Mumbai (Mah)
Maharashtra VAT Act, 2002	VAT and Interest	8.43	FY 2013-14 to FY 2016-17	Under Appeal with Joint Commissioner of State Tax, Appeal-II, Mumbai
The West Bengal VAT Tax, 2003	VAT and Interest	1.18	FY 2009-10 & FY 2017-18	Under Appeal with W.B. Tax Tribunal, Kolkata (W.B.)
The Central Sales Tax Act, 1956	CST, Interest and Penalty	2.22	F.Y. 2006-07	Tribunal
Gujarat Sales Tax and Value Added Tax	VAT and Interest	0.37	F.Y. 2006-07	Tribunal
The West Bengal VAT Tax, 2003	VAT and Interest	2.95	FY 2015-16 & FY 2016-17	Under Appeal with W.B. Sales Tax Appellate and Revisional Board, Kolkata (W.B.)
Central Goods and Service Tax Act 2017	GST	0.70	FY 2020-21	Additional Commissioner (Appeals), Noida
Central Goods and Service Tax Act 2017	GST	0.02	FY 2017-18	The Commissioner (Appeals)-I, Salem
Ethiopia VAT Law	VAT	3.2	FY 2014 -2015 to 2018 -2019	Federal High Court

*Net of Amount paid

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or joint ventures as defined under the Act.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries and joint venture (as defined under the Act).

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act 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. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, 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 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.

Also refer to the Other Information paragraph of our main audit report which explains that the other information comprising the information included in Comapny's annual report is expected to be made available to us after the date of this auditor's report.

(xx) (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project other than ongoing projects. Accordingly, clause 3(xx)(a) of the Order is not applicable.

(b) In respect of ongoing projects, the Company has transferred the unspent amount to a Special Account within a period of 30 days from the end of the financial year in compliance with Section 135(6) of the said Act.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Vikas R Kasat
Partner
Membership No.: 105317
ICAI UDIN:23105317BGVTNO1429

Place: Mumbai
Date: 08 May 2023

Annexure B to the Independent Auditor's Report

OPINION

We have audited the internal financial controls with reference to financial statements of Kalpataru Power Transmission Limited ("the Company") as of 31 March 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR INTERNAL FINANCIAL CONTROLS

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Vikas R Kasat
Partner
Membership No.: 105317
ICAI UDIN:23105317BGVTNO1429

Place: Mumbai
Date: 08 May 2023

Standalone Balance Sheet

as at 31st March, 2023

(₹ in Crores)

Particulars	Note	As at 31st March, 2023	As at 31st March, 2022
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipments	5 (i)	1,583.63	1,197.15
(b) Capital Work in Progress	5 (b) & 47	48.36	19.66
(c) Investment property		-	0.82
(d) Goodwill	52.1	20.07	20.07
(e) Intangible Assets	5 (ii)	16.75	21.26
(f) Intangible Assets under development		-	0.64
(g) Right of Use Assets	36	76.36	103.03
(h) Financial Assets			
(i) Investments	6	874.13	892.05
(ii) Trade Receivables	7 (i)	180.47	215.16
(iii) Loans	8 (i)	675.89	224.78
(iv) Others	9 (i)	149.70	154.94
(i) Deferred Tax Assets (net)	10	133.80	87.99
(j) Other Non-Current Assets	11 (i)	125.76	131.51
		3,884.92	**3,069.06**
Current Assets			
(a) Inventories	12	1,087.43	919.30
(b) Financial Assets			
(i) Trade Receivables	7 (ii)	4,943.87	4,108.71
(ii) Cash and Cash Equivalents	13	759.06	866.07
(iii) Bank Balances other than (ii) above	14	98.99	122.57
(iv) Loans	8 (ii)	184.92	591.52
(v) Others	9 (ii)	407.86	286.65
(c) Current Tax Assets (net)	15	167.65	115.57
(d) Other Current Assets	11 (ii)	5,941.78	4,552.92
(e) Assets classified as held for sale	6.2	261.45	489.57
		13,853.01	**12,052.88**
TOTAL ASSETS		**17,737.93**	**15,121.94**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	16	32.49	29.78
(b) Other Equity	16 (i)	5,287.24	4,907.32
		5,319.73	**4,937.10**
Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	17 (i)	924.50	804.62
(ia) Lease Liabilities	36	39.89	58.52
(ii) Trade Payables	18 (i)		
(a) total outstanding dues of micro enterprises and small enterprises		-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		161.40	325.72
(b) Provisions	21 (i)	71.13	62.61
(c) Other Non-Current Liabilities	20 (i)	276.01	620.94
		1,472.93	**1,872.41**
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	17 (ii)	2,010.14	1,850.51
(ia) Lease Liabilities	36	37.17	42.94
(ii) Trade Payables	18 (ii)		
(a) total outstanding dues of micro enterprises and small enterprises		150.91	157.54
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		4,431.56	3,599.09
(iii) Other Financial Liabilities	19	534.51	552.76
(b) Other Current Liabilities	20 (ii)	3,361.65	1,699.67
(c) Provisions	21 (ii)	383.99	409.92
(d) Current Tax Liabilities (net)	15	35.34	-
		10,945.27	**8,312.43**
TOTAL EQUITY AND LIABILITIES		**17,737.93**	**15,121.94**
Significant Accounting Policies and Notes forming part of the Standalone Financial Statements	1 to 61		

In terms of our report attached

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No : 101248W/W-100022

Vikas R Kasat
Partner
Membership No : 105317
Mumbai : 08th May, 2023

For and on behalf of the Board of Directors

Ram Patodia
Chief Financial Officer

Shweta Girotra
Company Secretary

Manish Mohnot
Managing Director & CEO
DIN : 01229696

Sanjay Dalmia
Executive Director
DIN : 03469908
Mumbai : 08th May, 2023

Standalone Statement of Profit and Loss

for the year ended 31st March, 2023

(₹ in Crores)

Particulars	Note	2022-23	2021-22
Revenue from Operations	22	14,336.82	12,407.14
Other Income	23	111.69	98.39
TOTAL INCOME		**14,448.51**	**12,505.53**
EXPENSES			
Cost of Materials Consumed	24	6,487.74	5,680.80
Changes in Inventories of Finished goods and Work in progress	25	(13.45)	20.09
Erection, Sub-Contracting and other Project Expenses	34	4,688.22	3,872.75
Employee Benefits Expenses	26	1,033.83	916.94
Finance Costs	27	293.90	243.56
Depreciation and Amortization Expenses	5 & 36	294.75	271.95
Expected credit loss provision for loans and advances given to joint venture / others		7.96	227.15
Other Expenses	28	970.98	836.71
TOTAL EXPENSES		**13,763.93**	**12,069.95**
Profit Before Exceptional Items and Tax		**684.58**	**435.58**
Exceptional Items -gain	56	54.10	63.94
Profit Before Tax		**738.68**	**499.52**
Tax Expense			
Current Tax		241.99	162.29
Deferred Tax		(35.26)	(13.15)
PROFIT FOR THE YEAR		**531.95**	**350.38**
Other Comprehensive Income			
Items that will not be reclassified to Profit or Loss			
Actuarial Gain /(Loss) on Defined Plan Liability		2.11	0.73
Income tax on Actuarial Gain /(Loss)		(0.53)	(0.18)
TOTAL		**1.58**	**0.55**
Items that will be reclassified to Profit or Loss			
Exchange differences in translating foreign operation		(7.00)	28.05
Gain/(Loss) on hedging instruments		(58.08)	19.14
Income tax on above items		16.38	(11.88)
TOTAL		**(48.70)**	**35.31**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**484.83**	**386.24**
Earnings per Equity Share (of ₹ 2 each)			
Basic and Diluted (₹)		32.75	21.57
Significant Accounting Policies and Notes forming part of the Standalone Financial Statements	1 to 61		

For and on behalf of the Board of Directors

In terms of our report attached

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No : 101248W/W-100022

Ram Patodia
Chief Financial Officer

Manish Mohnot
Managing Director & CEO
DIN : 01229696

Vikas R Kasat
Partner
Membership No : 105317
Mumbai : 08th May, 2023

Shweta Girotra
Company Secretary

Sanjay Dalmia
Executive Director
DIN : 03469908
Mumbai : 08th May, 2023

Standalone Statement of Changes in Equity

for the year ended 31st March, 2023

A EQUITY SHARE CAPITAL

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Balance as at beginning of the year	29.78	29.78
Issue of equity shares during the year	2.71	-
BALANCE AT THE END OF THE YEAR	**32.49**	**29.78**

B OTHER EQUITY

(₹ in Crores)

Particulars		Reserves & Surplus						Other Comprehensive Income / (Loss)			
	Shares Pending Issuance (Refer Note 52)	Debentures Redemption Reserve	Securities Premium	General Reserve	Capital Redemption reserve	Capital Reserve	Retained Earnings	Effective portion of Cash Flow Hedges	Exchange differences of foreign operations	Remeasurement of defined benefit obligations	Total
Balance as at 1st April, 2021	**2.71**	**74.35**	**668.12**	**471.82**	**1.16**	**325.45**	**3,026.86**	**20.32**	**(43.29)**	**(0.29)**	**4,547.22**
Profit for the year 2021-22	-	-	-	-	-	-	350.38	-	-	-	350.38
Other Comprehensive income for the year (net of tax)	-	-	-	-	-	-	-	14.32	20.99	0.55	35.85
Dividends Paid	-	-	-	-	-	-	(26.13)	-	-	-	(26.13)
Transfer from Debenture Redemption Reserve to General Reserve	-	(34.86)	-	34.86	-	-	-	-	-	-	-
Transfer to General Reserve From Retained Earnings	-	-	-	10.00	-	-	(10.00)	-	-	-	-
Balance as at 31st March, 2022	**2.71**	**39.49**	**668.12**	**516.68**	**1.16**	**325.45**	**3,341.11**	**34.64**	**(22.30)**	**0.25**	**4,907.32**
Profit for the year 2022-23	-	-	-	-	-	-	531.95	-	-	-	531.95
Dividends Paid	-	-	-	-	-		(102.20)	-	-	-	(102.20)
Issue of equity shares during the year	(2.71)	-	-	-	-	-	-	-	-	-	(2.71)
Other Comprehensive income for the year (net of tax)	-	-	-	-	-	-	-	(43.46)	(5.24)	1.58	(47.12)
Transfer from Debenture Redemption Reserve to General Reserve	-	(35.65)	-	35.65	-	-	-	-	-	-	-
Transfer to General Reserve From Retained Earnings	-	-	-	10.00	-	-	(10.00)	-	-	-	-
BALANCE AS AT 31ST MARCH, 2023	**-**	**3.84**	**668.12**	**562.33**	**1.16**	**325.45**	**3,760.86**	**(8.82)**	**(27.54)**	**1.83**	**5,287.24**

Standalone Statement of Changes in Equity (contd.)

for the year ended 31st March, 2023

(i) Securities premium is used to record the premium on issue of shares. This can be utilised in accordance with the provisions of the Companies Act, 2013.

(ii) Debenture Redemption Reserve is created as required under the provisions of the Companies Act, 2013 and rules framed thereunder.

(iii) The General Reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. General Reserve is created by the transfer from one component of equity to another and is not an item of other comprehensive income. This can be utilised in accordance with the provisions of Companies Act, 2013.

(iv) Capital Redemption Reserve is in accordance with section 69 of the Indian Companies Act, 2013. The Company creates capital redemption reserve equal to the nominal value of the shares bought back as an appropriation from free reserve.

(v) Exchange differences of foreign operations arising on translation of the foreign operation are recognised in other comprehensive income and accumulated in a separate reserve within equity. The cumulative amount reclassified to profit or loss when the net investment is disposed-off.

(vi) The cash flow hedge reserve is used to recognize the effective portion of gains or losses on derivative that are designated and qualify as cash flow hedges.

(vii) Reserve for remeasurement of defined benefit obligations represents the effects of remeasurement of defined benefit obligations on account of actuarial gains and losses.

(viii) Retained earnings represents accumulated profit of the Company as on reporting date. The reserve can be utilised in accordance with the provision of the Companies Act, 2013.

(ix) Capital reserve was created on account of merger of JMC Projects (India) Limited with the Company pursuant to the Scheme of Amalgamation.

Also refer Significant Accounting Policies and Notes forming part of the Standalone Financial Statements

For and on behalf of the Board of Directors

In terms of our report attached

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No : 101248W/W-100022

Vikas R Kasat
Partner
Membership No : 105317
Mumbai : 08th May, 2023

Ram Patodia
Chief Financial Officer

Shweta Girotra
Company Secretary

Manish Mohnot
Managing Director & CEO
DIN : 01229696

Sanjay Dalmia
Executive Director
DIN : 03469908
Mumbai : 08th May, 2023

Standalone Statement of Cash Flows

for the year ended 31st March, 2023

(₹ in Crores)

Particulars	2022-23	2021-22
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit for the year	531.95	350.38
Adjustments for :		
Tax Expenses	206.73	149.14
Depreciation and Amortization Expenses	294.75	271.95
Finance Costs	293.90	243.56
Dividend Income	(51.94)	(2.88)
Interest Income	(50.72)	(54.08)
Loss/(Profit) on sale of Property, Plant and Equipment (net)	5.36	(21.36)
Impairment of Investment	54.90	158.70
Profit on sale of subsidiary and JV including Fair value gain (Net)	-	(262.41)
Expected credit loss for loans and advances given to Subsidiary	7.96	227.15
Provision for Allowance for Expected Credit Losses	(10.45)	38.96
Unrealised Foreign Exchange(gain)/ Loss (net)	(18.39)	19.82
Net gain arising on financial assets	(0.06)	(0.30)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	**1,263.99**	**1,118.63**
Adjustments for:		
Trade and other Receivables	(2,236.56)	(641.64)
Inventories	(168.13)	(88.53)
Trade and other Payables	1,953.51	194.63
CASH GENERATED FROM OPERATIONS	812.81	583.09
Income Tax Paid	(253.43)	(206.74)
NET CASH GENERATED FROM OPERATING ACTIVITIES	**559.38**	**376.35**
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Capital expenditure on Property, Plant and Equipment & Intangible assets (after adjustment of increase/decrease in capital work-in-progress and advances for capital expenditure)	(743.15)	(232.62)
Proceeds from disposal of Property, Plant and Equipment	35.31	21.36
Proceeds from sale of subsidiary/Joint Venture (Net)	273.72	137.22
Investment in Subsidiaries and Joint Ventures	(26.87)	(71.24)
Loans given to Subsidiaries, Joint Ventures and others	(302.28)	(168.66)
Repayment of loans by Subsidiaries, Joint Ventures and others	228.68	100.47
Interest Received	52.41	46.66
Dividend Received	51.94	2.88
Deposits with Banks (Net)	(16.46)	(122.27)
CASH USED IN INVESTING ACTIVITIES	**(446.70)**	**(286.20)**
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Current/Non Current Borrowings	204.84	456.47
Proceeds from Issue of Non-Convertible Reedemable Debentures	274.00	299.00
Redemption of Non Convertible Debentures	(278.34)	(163.33)
Repayment of Current/Non Current Borrowings	(428.72)	(229.45)
Net increase / (decrease) in short-term borrowings	469.90	263.82
Payment of Lease Liabilities	(50.59)	(49.74)
Finance Costs Paid	(311.97)	(251.73)
Dividends Paid	(102.20)	(26.13)
CASH GENERATED FROM / (USED IN) FINANCING ACTIVITIES	**(223.08)**	**298.91**
Effect of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies	3.38	(1.68)
D. NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(107.01)	387.38
E. OPENING CASH AND CASH EQUIVALENTS	866.07	478.70
F. CLOSING CASH AND CASH EQUIVALENTS	**759.06**	**866.07**

Standalone Statement of Cash Flows (Contd.)

for the year ended 31st March, 2023

NOTES:

(i) Cash and Cash Equivalents at the end of the year comprises:

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(a) Cash on hand	3.59	2.20
(b) Balances with Banks		
(i) In current accounts	753.75	811.22
(ii) In Fixed Deposit Accounts	1.72	52.63
(iii) Cheques in hand	-	0.02
CASH AND CASH EQUIVALENTS AS PER STATEMENT OF CASH FLOWS	**759.06**	**866.07**

(ii) Reconciliation of liabilities arising from financing activities:

(₹ in Crores)

Particulars	As at 01st April, 2022	Cash Flow	Non-Cash Changes	As at 31st March, 2023
Borrowings	2,655.13	241.68	(37.83)	**2,934.64**

(iii) Cash Outflow for CSR activity is ₹ 9.67 Crores (Previous year ₹ 13.09 Cr).

(iv) The Statement of Cash Flows has been prepared under the "Indirect method" as set out in Indian Accounting Standard 7- Statement of Cash Flows.

Also refer Significant Accounting Policies and Notes forming part of the Standalone Financial Statements

In terms of our report attached

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No : 101248W/W-100022

Vikas R Kasat
Partner
Membership No : 105317

Mumbai : 08th May, 2023

For and on behalf of the Board of Directors

Ram Patodia
Chief Financial Officer

Shweta Girotra
Company Secretary

Manish Mohnot
Managing Director & CEO
DIN : 01229696

Sanjay Dalmia
Executive Director
DIN : 03469908

Mumbai : 08th May, 2023

Notes forming part of Standalone Financial Statement

for the year ended 31st March, 2023

1. CORPORATE INFORMATION

Kalpataru Power Transmission Limited (referred to as the "Company") is a global EPC player with diversified interest in Buildings and Factories, power transmission & distribution, Roads and Bridges, Water pipe lines, railway track laying & electrification, oil & gas pipelines laying, etc.

The company is public limited company incorporated and domiciled in India having its registered office at Plot No. 101, Part-III, GIDC Estate, Sector -28, Gandhinagar 382028, Gujarat, India.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENT

The Standalone or Separate financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

These Standalone Ind AS financial statements are presented in Indian Rupees (INR), which is Company's presentation currency. All amounts have been rounded-off to the nearest crores, unless otherwise stated.

These standalone or separate financial statements were approved by the Company's Board of Directors and authorised for issue on 8th May, 2023.

The financial statements have been prepared on historical cost basis, except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in accounting policies below.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

3. USE OF ESTIMATES

The preparation of the financial statements in conformity with recognition and measurement principles of Ind AS requires the Management to make estimates and assumptions that affect the reported balance of assets and liabilities, disclosure relating to contingent liabilities as at the date of the financial statements and the reported amount of income and expense for the period. Estimates and underlying assumptions are reviewed on ongoing basis.

The estimates and underlying assumptions made by management are explained under respective policies. Revisions to accounting estimates include useful lives of property, plant and equipment & intangible assets, allowance for expected credit loss, future obligations in respect of retirement benefit plans, expected cost of completion of contracts, provision for rectification costs, fair value/recoverable amount measurement, etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

4. SIGNIFICANT ACCOUNTING POLICIES

A. Revenue Recognition

(i) Revenue from construction contracts

Performance obligations with reference to construction contracts are satisfied over the period of time, and accordingly, Revenue from such contracts is recognized based on progress of performance determined using input method with reference to the cost incurred on contract and their estimated total costs. Revenue, measured at transaction price, is adjusted towards liquidated damages, time value of money and price variations/escalation, wherever, applicable. Variation in contract work and other claims are included to the

Notes forming part of Standalone Financial Statement

for the year ended 31st March, 2023

extent that the amount can be measured reliably and it is agreed with customer.

Estimates of revenue and costs are reviewed periodically and revised, wherever circumstances change, resulting increases or decreases in revenue determination, is recognized in the period in which estimates are revised.

The Company evaluates whether each contract consists of a single performance obligation or multiple performance obligations. Where the Company enters into multiple contracts with the same customer, the Company evaluates whether the contract is to be combined or not by evaluating various factors.

(ii) Operation and maintenance income

The Company recognises revenue from Operations and Maintenance services using the time-elapsed measure of progress i.e input method on a straight line basis.

(iii) Revenue from other contracts

Revenue from sale of products is recognized upon satisfaction of performance obligations based on an assessment of the transfer of control as per the terms of the contract.

(iv) Others

Dividends are recognized when right to receive payment is established.

Interest income on investments and loans is accrued on a time basis by reference to the principal outstanding and the effective interest rate including interest on investments classified as fair value through profit or loss or fair value through other comprehensive income. Interest receivable on customer dues is recognised as income in the Statement of Profit and Loss on accrual basis provided there is no uncertainty of realisation.

Export benefits are accounted as revenue on accrual basis as and when export of goods take place and where there is a reasonable assurance that the benefit will be received and the Company will comply with all the attached conditions.

B. Onerous contract

Present obligations arising under onerous contracts are recognized and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

C. Operating cycle

Operating cycle for the business activities of the company related to long term contracts [i.e. supply or construction contracts] covers the duration of the specific project/contract including the defect liability period, wherever applicable and extends up to the realization of receivables (including retention monies) within the agreed credit period normally applicable to the respective project/contract.

Assets and liabilities other than those relating to long-term contracts are classified as current if it is expected to realize or settle within 12 months after the balance sheet date.

D. Lease

The Company considers whether a contract is, or contains a lease. A lease is defined as ‘a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration’. To apply this definition the Company assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Company.
- the Company has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract.
- the Company has the right to direct the use of the identified asset throughout the period of use. The Company assesses whether it has the right to direct ‘how and for what purpose’ the asset is used throughout the period of use.

Measurement and recognition of leases as a lessee

At lease commencement date, the Company recognizes a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

Notes forming part of Standalone Financial Statement

for the year ended 31st March, 2023

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist. At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate.

The Company has elected to account for short-term leases using the practical expedients. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in profit or loss on a straight-line basis over the lease term.

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities include these options when it is reasonably certain that the option will be exercised.

E. Foreign Currency

In preparing the financial statements, transaction in foreign currencies i.e. other than the company's functional currency are recognised at rate of exchange prevailing for the month, on the dates of the transactions.

Foreign currency monetary assets and liabilities, remaining unsettled at the reporting date are translated at the exchange rate prevailing at reporting date.

Foreign exchange gain and losses resulting from the settlement of such transactions and from translation of monetary assets and liabilities denominated in foreign currency at the year end exchange rate are generally recognised in profit or loss.

Foreign currency non-monetary assets and liabilities, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated in to presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of reporting
- income and expenses at the exchange rate prevailing on the date of transaction
- resulting exchange difference are recognized in other comprehensive income.

F. Income taxes

Income tax expense comprises Current tax and deferred tax. Current and deferred tax are recognised in the statement of profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Current income taxes

The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period in the countries where the Company, its branches and jointly controlled operations operate and generate taxable income

Deferred income taxes

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Minimum Alternate Tax (MAT) paid in accordance with tax laws, which give rise to future economic benefits in the form of adjustment of future tax liability, is recognized as an asset

Notes forming part of Standalone Financial Statement

for the year ended 31st March, 2023

only when, based on convincing evidence, it is probable that the future economic benefits associated with it will flow to the Group and the assets can be measured reliably.

G. Inventories

Raw materials, fuel, semi-finished goods, finished goods, scraps, construction work in progress, construction materials and other stores and spares, tools are stated at lower of cost and net realizable value. Cost of purchased material is determined on the weighted average basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Scrap is valued at net realisable value.

Cost of work-in-progress and finished goods includes material cost, labour cost, and manufacturing overheads absorbed on the basis of normal capacity of production.

H. Cash and cash equivalents

For the purpose of presentation in statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with Banks/financial institutions, with original maturities of 3 months or less that are readily convertible to known amount of cash and which are subject to an insignificant risk of change in value.

I. Employee Benefits

a) Defined benefit plan

Gratuity liability is provided under a defined benefit plan and covered by payment thereof to gratuity fund under Group Gratuity Cash Accumulation Scheme of IRDA approved insurer under an irrevocable trust. The Company's liability towards gratuity is determined on the basis of actuarial valuation done by an independent actuary, taking effect of actuarial gains and losses which is recognised in Other Comprehensive Income.

b) Defined contribution plan

Contribution to Provident Fund, a defined contribution plan is charged to the Statement of Profit and Loss.

c) Compensated absence

Provision for compensated absences is made on actuarial valuation as at the Balance Sheet date.

d) Short-term employee benefits

Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered.

J. Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. The determination of fair value net of cost to sell includes use of management estimates and assumptions.

K. Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of such assets.

Interest income earned on the temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognised as expense in the period in which they are incurred.

L. Provisions and Contingent Asset /Liabilities

Provisions are recognised when there is present obligation (legal or constructive) as a result of a past event, it is probable that company will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognized as expenses for legal claims, service warranties and other obligations are the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When

Notes forming part of Standalone Financial Statement

for the year ended 31st March, 2023

a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no disclosure is made.

Contingent Assets are not recognised but are disclosed in the notes to Financial Statements when economic inflow is probable.

M. Interests in Joint Operations

A joint operation is a Jointly controlled arrangement whereby the parties have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. When an entity undertakes its activities under joint operations, the Company as a joint operator recognises for the assets, liabilities, revenues, and expenses relating to its interest in a joint operation in accordance with the Ind AS applicable to the particular assets.

Transactions with the Joint operation by Company are recognized in the financial statements only to the extent of other parties' interests in the joint operation.

N. Financial instruments

Financial instrument is a contract that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Classification

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

All financial liabilities are classified as subsequently measured at amortised cost except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives, are subsequently measured at fair value, with any gains or losses arising on re-measurement recognised in profit or loss.

Initial recognition and measurement

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial asset and liabilities at fair value through profit & loss) are added to or deducted from the fair value measured on initial recognition of the financial assets or financial liabilities. Trade receivable that do not contain a significant financing component are measured at transaction price.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost using effective interest rate method, if:

(a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and

(b) 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.

Financial asset at fair value through other comprehensive income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within business whose objective is achieved by both collecting contractual cash flow and selling asset financial asset and the contractual terms of financial asset give rise on specific dates to cash flows that are solely payment of principal and interest on principal amount outstanding.

Financial asset at fair value through profit or loss (FVTPL)

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or fair value through other comprehensive income. Financial assets under this category are measured initially as well as at each reporting period at fair value with all changes recognised in the statement of profit and loss.

Notes forming part of Standalone Financial Statement

for the year ended 31st March, 2023

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset.

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

Financial liabilities and equity instruments

Classification as debt or equity

Financial instruments are classified as a liability or equity according to the substance of the contractual arrangement and not its legal form.

Equity instruments

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

Financial liabilities

All financial liabilities are subsequently measured at amortised cost. Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

Derivative Contracts

The Company enters into derivative financial instruments to hedge foreign currency / price risk on unexecuted firm commitments and highly probable forecast transactions.

Such derivatives financial instruments are initially recognized at fair value on the date on which the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in the statement of profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by a Company entity are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognized less, when appropriate, the cumulative amount of income recognized in accordance with the principles of Ind AS 115.

O. Property, Plant and Equipment & Intangible assets

Property, Plant and Equipment are stated at cost or deemed cost applied on transition to Ind AS, less accumulated depreciation / amortization and impairment loss if any. Cost of acquisition/construction includes all direct cost net of recoverable taxes and expenditures incurred to bring the asset to its working condition and location for its intended use. All costs, including finance costs and adjustment

Notes forming part of Standalone Financial Statement

for the year ended 31st March, 2023

arising from exchange rate variations attributable to Property, Plant and Equipment till assets are ready to use, are capitalized.

P. Depreciation and Amortisation

Depreciation is provided on all depreciable property, plant and equipment over the useful life prescribed under schedule II to the Companies Act, 2013 except that:

a) Depreciation on plant and machinery of bio-mass energy plants is provided considering the useful life of plant as 20 years, as specified in Central Electricity Regulatory Commission and Rajasthan Electricity Regulatory Commission Regulations.

b) Depreciation on assets of overseas projects is provided at the rates and methods as per the best estimates of the management which is also in accordance with requirement of laws of respective foreign countries as detailed below:

Plant & Machineries	:	9% - 33%
Furniture & Fixtures, and Office Equipment	:	10 % - 33%
Computers	:	10% - 50%
Vehicles	:	10% - 50%
Buildings	:	20% - 33.33%

c) Depreciation on Furniture & Fixtures and certain plant and machinery at construction sites is provided considering the useful life of 3 years and 5 years respectively based on past experience.

Depreciation is provided on Straight Line Method (SLM) except on assets pertaining to Research and Development Centre and one Unit (erstwhile Export Oriented Unit) which are provided on the basis of written down value method.

Intangible assets are amortized over a period of five years on straight line basis.

Q. Impairment

a) Financial asset

Company applies as per Ind AS 109 expected credit loss model for recognizing impairment loss on trade receivables, other contractual rights to receive cash or other financial asset.

b) Non-Financial asset

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognized, if the carrying amount of these assets exceeds their recoverable amount.

Intangible assets with indefinite life are tested for impairment at every period end. Impairment is recognized, if the carrying amount of these assets exceeds their recoverable amount.

The recoverable amount is the higher of the fair value less cost of disposal and their value in use. Value in use is arrived at by discounting the future cash flows to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the asset for which the estimates of future cash flows have not been adjusted. When there is indication that an impairment loss recognized for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss.

R. Business combination under common control

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method. Under pooling of interest method, the assets and liabilities of the combining entities or businesses are reflected at their carrying amounts after making adjustments necessary to harmonize the accounting policies. The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. The identity of the reserves is preserved in the same form in which they appeared in the financial statements of the transferor and the difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve.

S. Investments in subsidiaries, associates and joint ventures

Investments in subsidiaries, associates and joint ventures are carried at cost/deemed cost applied on transition to Ind AS, less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of investment is assessed and an impairment provision is recognised, if required immediately to its recoverable amount. On disposal of such investments, difference

Notes forming part of Standalone Financial Statement

for the year ended 31st March, 2023

between the net disposal proceeds and carrying amount is recognised in the statement of profit and loss.

T. Earnings Per share

Basic earnings per share are computed by dividing profit or loss for the period of the Company by dividing weighted average number of equity shares outstanding during the period. The company did not have dilutive potential equity shares in any period presented.

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

Ind AS 1- Presentation of Financial Statements– This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after 1st April, 2023.

Ind AS 8-Accounting Policies, Changes in Accounting Estimates and Errors – This amendment has introduced a definition of accounting estimates and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after 1st April, 2023.

Ind AS 12 – Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after 1st April, 2023.

The Company is evaluating the impact of the amendments on the financial statement.

Notes forming part of Standalone Financial Statement

for the year ended 31st March, 2023

5. (a) PROPERTY, PLANT, EQUIPMENT AND INTANGIBLE ASSETS

FINANCIAL YEAR 2022-23

(₹ in Crores)

Particulars	GROSS BLOCK					DEPRECIATION/AMORTISATION					NET BLOCK
	As at 1st April, 2022	Additions	Deductions	Foreign Currency Translation Reserve	As at 31st March, 2023	As at 1st April, 2022	For the Year	Deductions	Foreign Currency Translation Reserve	As at 31st March, 2023	As at 31st March, 2023
(i) Property, Plant and Equipment											
Leasehold Land	35.35	-	-	-	35.35	-	-	-	-	-	35.35
Freehold Land	46.88	-	-	-	46.88	-	-	-	-	-	46.88
Buildings	383.79	141.03	15.29	0.46	509.99	143.39	60.36	7.86	(0.39)	195.50	314.49
Plant and Equipment	1,428.68	421.44	202.91	14.25	1,661.46	647.88	146.12	174.38	9.18	628.80	1,032.66
Electrical Installation	15.43	1.30	0.28	(0.06)	16.39	7.46	1.39	0.24	-	8.61	7.78
Furniture and Fixtures	24.97	1.09	1.37	(0.01)	24.68	15.43	1.59	1.16	0.01	15.87	8.81
Office Equipments	75.35	14.92	13.94	0.18	76.51	54.65	10.73	12.93	0.10	52.55	23.96
Vehicles	117.62	76.32	8.06	7.64	193.52	69.18	18.54	6.75	4.91	85.88	107.64
Research & Development Assets											
Leasehold Land	0.46	-	-	-	0.46	-	-	-	-	-	0.46
Buildings	0.66	-	-	-	0.66	0.22	0.03	-	-	0.25	0.41
Plant and Equipment	11.71	-	-	-	11.71	6.05	0.98	-	-	7.03	4.68
Electrical Installation	0.15	-	-	-	0.15	0.10	0.01	-	-	0.11	0.04
Furniture and Fixtures	0.29	-	-	-	0.29	0.22	0.02	-	-	0.24	0.05
Office Equipments	0.70	0.06	-	-	0.76	0.64	0.03	-	-	0.67	0.09
Vehicles	0.42	0.14	0.14	-	0.42	0.09	0.07	0.07	-	0.09	0.33
TOTAL (i)	**2,142.46**	**656.30**	**241.99**	**22.46**	**2,579.23**	**945.31**	**239.87**	**203.39**	**13.81**	**995.60**	**1,583.63**
(ii) Intangible Assets											
Software (Other than internally generated)											
R&D Assets	0.04	-	-	-	0.04	0.04	-	-	-	0.04	-
Others	52.11	3.58	16.23	-	39.46	30.85	7.15	15.29	-	22.71	16.75
TOTAL (ii)	**52.15**	**3.58**	**16.23**	**-**	**39.50**	**30.89**	**7.15**	**15.29**	**-**	**22.75**	**16.75**
TOTAL (i + ii)	**2,194.61**	**659.88**	**258.22**	**22.46**	**2,618.73**	**976.20**	**247.02**	**218.68**	**13.81**	**1,018.35**	**1,600.38**

FINANCIAL YEAR 2021-22

(₹ in Crores)

Particulars	GROSS BLOCK					DEPRECIATION/AMORTISATION					NET BLOCK
	As at 1st April, 2021	Additions	Deductions	Foreign Currency Translation Reserve	As at 31st March, 2022	As at 1st April, 2021	For the Year	Deductions	Foreign Currency Translation Reserve	As at 31st March, 2022	As at 31st March, 2022
(i) Property, Plant and Equipment											
Leasehold Land	35.35	-	-	-	35.35	-	-	-	-	-	35.35
Freehold Land	46.88	-	-	-	46.88	-	-	-	-	-	46.88
Buildings	375.07	56.74	47.67	(0.35)	383.79	114.19	65.90	36.62	(0.08)	143.39	240.40
Plant and Equipment	1,306.84	177.38	47.74	(7.80)	1,428.68	565.98	122.03	35.90	(4.23)	647.88	780.80
Electrical Installation	15.09	0.54	0.20	-	15.43	6.27	1.35	0.16	-	7.46	7.97
Furniture and Fixtures	26.07	0.52	1.54	(0.08)	24.97	14.61	2.20	1.31	(0.07)	15.43	9.54
Office Equipments	67.34	10.44	2.13	(0.30)	75.35	46.65	10.08	1.89	(0.19)	54.65	20.70
Vehicles	123.62	11.96	15.87	(2.09)	117.62	65.55	16.83	12.49	(0.71)	69.18	48.44
Research & Development Assets											
Leasehold Land	0.46	-	-	-	0.46	-	-	-	-	-	0.46
Buildings	0.66	-	-	-	0.66	0.19	0.03	-	-	0.22	0.44
Plant and Equipment	11.26	0.45	-	-	11.71	4.88	1.17	-	-	6.05	5.66
Electrical Installation	0.15	-	-	-	0.15	0.09	0.01	-	-	0.10	0.05
Furniture and Fixtures	0.29	-	-	-	0.29	0.19	0.03	-	-	0.22	0.07
Office Equipments	0.66	0.04	-	-	0.70	0.59	0.05	-	-	0.64	0.06
Vehicles	0.39	0.27	0.24	-	0.42	0.19	0.05	0.15	-	0.09	0.33
TOTAL (i)	**2,010.13**	**258.34**	**115.39**	**(10.62)**	**2,142.46**	**819.38**	**219.73**	**88.52**	**(5.28)**	**945.31**	**1,197.15**
(ii) Intangible Assets											
Software (Other than internally generated)											
R&D Assets	0.04	-	-	-	0.04	0.04	-	-	-	0.04	-
Others	35.29	17.64	0.82	-	52.11	24.77	6.88	0.80	-	30.85	21.26
TOTAL (ii)	**35.33**	**17.64**	**0.82**	**-**	**52.15**	**24.81**	**6.88**	**0.80**	**-**	**30.89**	**21.26**
TOTAL (i + ii)	**2,045.46**	**275.98**	**116.21**	**(10.62)**	**2,194.61**	**844.19**	**226.61**	**89.32**	**(5.28)**	**976.20**	**1,218.41**

Notes forming part of Standalone Financial Statement

for the year ended 31st March, 2023

(b) Capital Work in Progress

(₹ in Crores)

	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Balance at the beginning of the year	19.66	29.02
Additions	131.01	68.69
Capitalised during the year	102.31	78.05
BALANCE AT THE END OF THE YEAR	**48.36**	**19.66**

(c) Leasehold land of which significant risk and reward is transferred to Company is treated as freehold land.

6. INVESTMENTS - NON CURRENT

(₹ in Crores)

Particulars	Face Value		No. of Shares / Units		Amount	
	Currency	Per Share/ Unit	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
A. Investments - carried at cost						
(a) In Fully Paid Equity Instruments of Subsidiaries						
Unquoted,						
Shree Shubham Logistics Limited [Refer note 6.1(a)]	INR	10	104,060,036	104,060,036	287.69	287.69
Energylink (India) Limited	INR	10	153,959,607	153,959,607	153.96	153.96
Amber Real Estate Limited	INR	10	990,000	990,000	0.99	0.99
Adeshwar Infrabuild Limited	INR	10	50,000	50,000	0.05	0.05
Kalpataru Metfab Private Limited	INR	10	30,010,000	30,010,000	26.05	26.05
Kalpataru Power Transmission (Mauritius) Limited	USD	1	575,000	575,000	2.90	2.90
Kalpataru Power Transmission USA, Inc.	USD	1	500,000	500,000	2.28	2.28
Kalpataru Power Senegal SARL	XOF	10000	135,331	135,331	18.43	18.43
Kalpataru Power Chile SpA	CLP	80388	1,000	-	0.74	-
LLC Kalpataru Power Transmission Ukraine	UAH	1	399,650	399,650	0.27	0.27
Kalpataru Power Transmission Sweden AB	SEK	50	1,406,635	1,406,635	52.49	52.49
Kalpataru IBN Omairah Company Limited	SAR	1000	325	325	0.55	0.55
Kalpataru Power Do Brasil Participações Ltda	BRL	1	68,215,795	53,995,795	95.43	72.15
JMC Mining and Quarries Limited	INR	10	3,000,000	500,000	3.00	0.50
Brij Bhoomi Expressway Private Limited	INR	10	22,757,050	22,757,050	31.67	22.76
Wainganga Expressway Private Limited	INR	10	30,000,000	30,000,000	62.99	30.31
Vindhyachal Expressway Private Limited [Refer Note 6.2(iii)]	INR	10	27,050,050	27,050,050	-	27.50
Less: Impairment in the value of Investments in Kalpataru Metfab Private Limited, Energylink (India) Limited, Wainganga Expressway Private Limited, Kalpataru Power Transmission (Mauritius) Limited and Shree Shubham Logistics Limited					(126.27)	(71.36)
TOTAL OF UNQUOTED INVESTMENTS IN SUBSIDIARIES					**613.22**	**627.52**
TOTAL OF INVESTMENTS IN EQUITY OF SUBSIDIARIES					**613.22**	**627.52**
(b) In Fully Paid Equity Instruments of Joint Venture						
Unquoted						
Kurukshetra Expressway Private Limited	INR	10	51,682,990	51,682,990	98.27	98.27
Less: Provision of Impairment in value of investment					(98.27)	(98.27)
TOTAL OF INVESTMENTS IN EQUITY OF JOINT VENTURE					**-**	**-**
TOTAL OF INVESTMENTS IN EQUITY INSTRUMENTS CARRIED AT COST					**613.22**	**627.52**

Notes forming part of Standalone Financial Statement

for the year ended 31st March, 2023

6. INVESTMENTS - NON CURRENT (Contd..)

(₹ in Crores)

Particulars	Face Value		No. of Shares / Units		Amount	
	Currency	Per Share/ Unit	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
B. Investment - Carried at amortised cost						
Unquoted,						
Investments in Non-Convertible Preference Shares of a Subsidiary,						
Shree Shubham Logistics Limited	INR	10	15,880,000	15,880,000	18.97	17.92
TOTAL OF INVESTMENTS CARRIED AT AMORTISED COST					**18.97**	**17.92**
C. Investment - Carried at fair value through profit or loss (FVTPL)						
Quoted,						
Equity instruments, Fully Paid						
Power Grid Corporation of India Limited	INR	10	64,488	64,488	1.46	1.40
Unquoted,						
Equity instruments, Fully Paid						
Alipurduar Transmission Limited [Refer Note 6.2 (i), 6.1 (c),6.1 (b)]	INR	10	14,464,066	28,371,824	-	-
Kohima-Mariani Transmission Limited [Refer Note 6.2 (ii), 6.1 (b)]	INR	10	19,063,044	37,392,893	-	-
TOTAL OF INVESTMENTS CARRIED AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL)					**1.46**	**1.40**
D. Interest Free Loans to Subsidiaries in the nature of Equity Support carried at cost					245.64	245.21
Less: Impairment in the value of Investments in Kalpataru Power Transmission (Mauritius) Limited					(5.16)	-
GRAND TOTAL					**874.13**	**892.05**
Aggregate carrying amount of Quoted Investments					1.46	1.40
Market Value of Quoted Investments					1.46	1.40
Aggregate amount of Unquoted Investments					872.67	890.65

6.1 (a) Investment in equity instrument of Shree Shubham Logistics Limited includes ₹ 6.26 Crores arising on initial recognition of investment in 4% redeemable preference shares at fair value and ₹ 4.21 Crores arising on initial recognition of financial guarantee, given by the Company on behalf of Shree Shubham Logistics Limited, at fair value.

(b) 1,44,64,066 (Previous Year - 2,83,71,824) Equity shares of Alipurduar Transmission Limited (ATL) and 1,75,96,055 (Previous Year - 3,73,92,893) shares of Kohima-Mariani Transmission Limited are pledged.

(c) Alipurduar Transmission Limited ("ATL") ceased to be subsidiary of the company w.e.f 25th November, 2020 in accordance with IndAS 110 "Consolidated Financial Statements". However, based on company's equity stake it continued to be subsidiary in terms of section 2 (87) of the Companies Act, 2013. Subsequently, during the current year, the Company has completed transfer of 25% of total equity shares w.e.f 13th October, 2022 and hence ATL ceased to be a subsidiary of the Company in terms of section 2 (87) of the Companies Act, 2013 from the said date.

(d) Kohima-Mariani Transmisssion Limited ("KMTL") ceased to be Joint Venture of the company w.e.f 20th December, 2021 in accordance with IndAS 28 "Investments in Associates and Joint Ventures". However, based on company's equity stake it continued to be subsidiary in terms of section 2 (87) of the Companies Act, 2013. Subsequently, during the current year, the Company has completed transfer of 25% of total equity shares w.e.f 24th February, 2023 and hence KMTL ceased to be a subsidiary of the Company in terms of section 2 (87) of the Companies Act, 2013 from the said date.

Notes forming part of Standalone Financial Statement

for the year ended 31st March, 2023

6.2 Assets classified as held for sale

(₹ in Crores)

	As at 31st March, 2023	As at 31st March, 2022
In Equity Instruments[Note (i), (ii) and (iii)]	261.45	489.57
TOTAL OF ASSET CLASSIFIED AS HELD FOR SALE	**261.45**	**489.57**

Notes

(i) During the FY 2020-21, the Company has completed the transfer of 49% stake along with the transfer of control of Alipurduar Transmission Limited (ATL) to the Buyer with effect from 26th November 2020 . Subsequently, during the current year, the Company has completed transfer of additional 25% of total equity shares on 13th October, 2022 and balance 26% stake will be transferred after obtaining requisite approval. Investment in Equity Instruments amounting to ₹ 90.84 Crores (Previous year ₹ 187.11 Crores) represents fair value of retained equity stake in ATL.

(ii) The Company was holding 74% equity stake in Kohima Mariani Transmission Limited (KMTL), a joint venture between the Company and Techno Electric & Engineering Company Limited (TEECL). The Company and TEECL have entered into a Share Purchase and Shareholders Agreement dated 3rd July, 2019 ("the Agreement") with Apraava Energy Private Limited (formerly known as CLP India Private Limited – "the Buyer") to sell their respective equity stake in KMTL. Pursuant to the Agreement, the Company has sold 23% stake and transferred the control of KMTL to the Buyer on 20th December, 2021. Subsequently, during the current year, the Company has completed transfer of additional 25% of total equity shares on 24th February, 2023 and balance 26% stake will be transferred after obtaining requisite approvals. Investment in Equity Instruments amounting to ₹ 143.11 Crores (Previous year ₹ 302.46 Crores) represents fair value of retained equity stake in KMTL.

(iii) The Company initiated identification and evaluation of potential buyers for its subsidiary Vindhyachal Expressway Private Limited ("VEPL") . Accordingly Investment amounting to ₹ 27.50 Crores related to VEPL has been classified under held for sale as management is committed for sale of the asset which is highly probable.

7. TRADE RECEIVABLES* (UNSECURED, CONSIDERED GOOD)

(₹ in Crores)

Particulars	As at 31st March , 2023	As at 31st March, 2022
(i) Non-Current	215.55	219.31
Less : Allowance for expected credit loss	(35.08)	(4.15)
TOTAL	**180.47**	**215.16**
(ii) Current	5,044.90	4,264.15
Less : Allowance for expected credit loss	(101.03)	(155.44)
TOTAL	**4,943.87**	**4,108.71**

*Refer Note 43 for Trade receivables ageing

Notes forming part of Standalone Financial Statement

for the year ended 31st March, 2023

8. LOANS (UNSECURED, CONSIDERED GOOD)

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(i) Non-Current		
Loans to related parties		
to Subsidiaries	675.89	224.78
TOTAL	**675.89**	**224.78**
(ii) Current		
Loans to related parties		
to Subsidiaries	184.92	492.42
to Joint Venture Companies	301.68	298.87
Loans to Others	7.75	106.86
Less : Expected credit losses for loans to JV and others	(309.43)	(306.63)
TOTAL	**184.92**	**591.52**

9. OTHER FINANCIAL ASSETS

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(i) Non-Current		
Interest on Fixed Deposit	1.83	1.04
Security Deposits	102.72	89.08
Fixed Deposit with Banks *	45.15	64.82
TOTAL	**149.70**	**154.94**
(ii) Current		
Accrued Income	18.37	21.51
Fixed Deposit with Banks **	117.84	58.01
Security Deposits	89.74	85.89
Others^	181.91	121.24
TOTAL	**407.86**	**286.65**

* Includes ₹ 42.26 Crores (Previous Year ₹ 64.82 Crores) held as margin money and towards other commitments.

** Includes ₹ 90.56 Crores (Previous Year ₹ 51.36 Crores) held as margin money and towards other commitments.

^ Others mainly include other receivables/ claims

10. DEFERRED TAX ASSET / LIABILITIES (NET)

(₹ in Crores)

Particulars	As at 1st April, 2022	Recognised in profit or loss	Recognised in other comprehensive income	As at 31st March, 2023
2022-23				
Deferred tax assets / (liabilities) in relation to:				
Property, Plant and Equipment and on intangible assets	(13.67)	(2.60)	-	(16.27)
Expenses deductible / income taxable in other tax accounting period and change in fair value	(60.29)	44.92	11.08	(4.29)
Provision for Expected Credit Loss	162.67	(7.06)	-	155.61
Employee benefits	(0.72)		(0.53)	(1.25)
TOTAL	**87.99**	**35.26**	**10.55**	**133.80**

Notes forming part of Standalone Financial Statement

for the year ended 31st March, 2023

10. DEFERRED TAX ASSET / LIABILITIES (NET) (Contd..)

(₹ in Crores)

Particulars	As at 1st April, 2021	Recognised in profit or loss	Recognised in other comprehensive income	As at 31st March, 2022
2021-22				
Deferred tax assets / (liabilities) in relation to:				
Property, Plant and Equipment	3.60	(17.27)	-	(13.67)
Expenses deductible / income taxable in other tax accounting period and change in fair value	20.91	(76.69)	(4.51)	(60.29)
Provision for Expected Credit Loss	55.56	107.11	-	162.67
Employee benefits	(0.55)	-	(0.17)	(0.72)
TOTAL	**79.52**	**13.15**	**(4.68)**	**87.99**

11. OTHER ASSETS

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(i) Non-Current		
Capital Advances	66.61	71.84
Prepaid Expenses	30.76	33.54
VAT Credit and WCT Receivable	28.39	26.13
TOTAL	**125.76**	**131.51**
(ii) Current		
Taxes and duties Recoverable	76.10	82.75
VAT Credit and WCT Receivable	98.93	82.62
GST Receivable	445.73	493.80
Export Benefits Receivable	-	10.94
Taxes Paid Under Protest	7.18	7.05
Advance to Suppliers	342.69	352.75
Prepaid Expenses	76.34	59.12
Amount Due from Customers under Construction and other Contracts (Contract assets)	4,894.81	3,463.89
TOTAL	**5,941.78**	**4,552.92**

11.1 Amount due from/ (to) Customers under Construction Contracts in progress at the end of the reporting period

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Recognised as amounts due:		
from Customers under Construction Contracts	4,911.86	3,490.59
to Customers under Construction Contracts (Refer Note 20)	(472.35)	(303.53)
Less: Allowance for expected credit loss	(17.05)	(26.70)
	4,422.46	**3,160.36**

11.2 The contract assets represents amount due from customer, primarily relate to the Company's rights to consideration for work executed but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional, that is when invoice is raised on achievement of contractual milestones. This usually occurs when the Company issues an invoice to the customer. The contract liabilities represents amount due to customer, primarily relate to invoice raised on customer on achivement of milestones for which revenue to be recognised over the period of time and it is not considered as a significant financing component since it is used to meet working capital requirements at the time of project mobilization stage.

Notes forming part of Standalone Financial Statement

for the year ended 31st March, 2023

11.3 Increase in contract assets is mainly due to increase in business activities and in certain contracts on account of contractual milestones not achieved. During the year ended 31st March, 2023 ₹ 2,365.98 Crores (Previous year ₹ 1,886.10 Crores) of contract assets as of 1st April, 2022 has been reclassified to Trade receivables upon billing to customers on completion of milestones.

11.4 In case of EPC contracts, amount in the range of 10-20% of the contract value is paid as an advance and 10-20% amount released at the end of project and balance amount is paid progressively based on the agreed milestones in the contract.

11.5 Revenue recognised for the current year includes ₹ 303.53 Crores (Previous year ₹ 4,17.89 Crores), that was classified as amount due to customers at the beginning of the year.

12. INVENTORIES

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Raw Materials and Components (including goods in transit ₹ 0.21 Crores) (Previous Year ₹ 2.99 Crores)	161.73	188.14
Work-in-progress	24.99	33.13
Finished goods	131.75	110.73
Store, Spares, Construction Materials and Tools	762.37	581.28
Scrap	6.59	6.02
TOTAL	**1,087.43**	**919.30**

12.1 Refer accounting policy 4 G for valuation of inventories.

13. CASH AND CASH EQUIVALENTS

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Balances With Banks		
In Bank Accounts	753.75	811.22
In Fixed Deposit Accounts (with original maturity of less than 3 months)	1.72	52.63
Cheques on hand	-	0.02
Cash on Hand	3.59	2.20
TOTAL	**759.06**	**866.07**

14. OTHER BALANCES WITH BANKS

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Unpaid Dividend Accounts	0.68	0.59
Deposits with original maturity more than 3 months but less than 12 months**	98.31	121.98
TOTAL	**98.99**	**122.57**

**held as margin money and towards other commitments

Notes forming part of Standalone Financial Statement

for the year ended 31st March, 2023

15. CURRENT TAX

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Net current tax assets/(liability)	132.31	115.57
Comprising of:		
Current Tax Assets	167.65	115.57
Current Tax Liability	35.34	-

16. EQUITY SHARE CAPITAL

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
AUTHORISED :		
42,50,00,000 (Previous year 17,50,00,000) Equity Shares of ₹ 2 each	85.00	35.00
TOTAL	**85.00**	**35.00**
ISSUED, SUBSCRIBED AND PAID-UP:		
16,24,46,152 (Previous year 14,89,09,208) Equity Shares of ₹ 2 each fully paid up	32.49	29.78
TOTAL	**32.49**	**29.78**

16.1 Reconciliation of the Equity shares outstanding at the beginning and at the end of the year

Equity Shares	As at 31st March, 2023		As at 31st March, 2022	
	No. of shares	₹ in Crores	No. of shares	₹ in Crores
Shares outstanding at the beginning of the year	148,909,208	29.78	148,909,208	29.78
Add: Shares Issue during the year (Refer Note 52)*	13,536,944	2.71	-	-
Shares outstanding at the end of the year	162,446,152	32.49	148,909,208	29.78

*Shares issued for consideration other than cash

16.2 The Company has only one class of Equity Shares having par value of ₹ 2 per share. Each holder of Equity Shares is entitled to one vote per share. The dividend is declared and paid on being proposed by the Board of Directors after the approval of the Shareholders in the ensuing Annual General Meeting, except in case of Interim dividend.

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 liabilities. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

16.3 During the financial year 2019-2020, the Company has acquired 19.94% stake in Shree Shubham Logistics Limited (SSL) for a consideration of ₹ 64.66 crores. The consideration is paid through a non-cash equity swap transaction, in which 12,54,900 equity shares of the Company issued at the value of ₹ 515.25 per share.

16.4 Shareholding of promoters

Promoter Name	As at 31st March, 2023		As at 31st March, 2022		% Change during the year
	No. of shares	% of total shares	No. of shares	% of total shares	
Mr. Mofatraj Pukharaj Munot	16,343,218	10.06%	16,343,218	10.98%	-0.91%
Mr. Parag Mofatraj Munot	7,963,615	4.90%	7,963,615	5.35%	-0.45%

Notes forming part of Standalone Financial Statement

for the year ended 31st March, 2023

16.5 Details of shareholders holding more than 5% shares in the Company

Name of Shareholder	As at 31st March, 2023		As at 31st March, 2022	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mr. Mofatraj Pukharaj Munot	16,343,218	10.06	16,343,218	10.98
Mr. Parag Mofatraj Munot	7,963,615	4.90	7,963,615	5.35
Kalpataru Construction Private Limited	23,350,000	14.37	23,350,000	15.68
K. C. Holdings Private Limited	21,142,600	13.02	21,142,600	14.20
HDFC Trustee Company Limited	15,965,131	9.83	14,273,822	9.59
ICICI Prudential Value Discovery Fund	12,926,520	7.96	13,683,153	9.19
SBI Small Cap Fund	13,205,365	8.13	10,796,419	7.25
Kotak Mahindra Trustee Co. Ltd. A/C Kotak Mahindra Fund	947,1561	5.83	5,337,459	3.58

16(i) OTHER EQUITY

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Shares Pending Issuance	-	2.71
Debentures Redemption Reserve	3.84	39.49
Securities Premium	668.12	668.12
General Reserve	562.33	516.68
Capital Redemption reserve	1.16	1.16
Capital Reserve	325.45	325.45
Retained Earnings	3,760.86	3,341.11
Other Comprehensive Income / (Loss)		
Effective portion of Cash Flow Hedges	(8.82)	34.64
Exchange differences of foreign operations	(27.54)	(22.30)
Remeasurement of defined benefit obligations	1.83	0.25
TOTAL	**5,287.24**	**4,907.32**

17(i) NON-CURRENT BORROWINGS

(₹ in Crores)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Non-Current	Current	Non-Current	Current
Secured - At amortised cost				
(a) Non-Convertible Redeemable Debentures	-	75.00	75.00	45.00
(b) Term Loan				
From Banks	271.18	136.48	203.25	138.40
From NBFC	-	14.01	13.97	15.50
From others	233.95	-	215.85	273.72
Unsecured - At amortised cost				
(a) Non-Convertible Redeemable Debentures	423.00	150.00	299.00	233.34
(b) Term Loan from NBFC	-	-	-	0.21
Less : Unamortised Transaction Cost of Borrowings	(3.63)	(1.07)	(2.45)	(0.57)
Amount disclosed under the head "Current Borrowings" [Refer Note 17 (ii)]	-	(374.42)	-	(705.60)
TOTAL	**924.50**	**-**	**804.62**	**-**

Notes forming part of Standalone Financial Statement

for the year ended 31st March, 2023

17.1 Details of Debentures :

Redemption Profile	As at 31st March, 2023	As at 31st March, 2022	Interest rate	Date of Allotment
(a) Secured Non-Convertible Redeemable Debentures :				
Series III NCDs redeemable on 28.08.2023	75.00	75.00	9.95%	28th August, 2018
Series II NCDs redeemable on 27.08.2022	-	45.00	9.95%	28th August, 2018

Redemption Profile	As at 31st March, 2023	As at 31st March, 2022	Interest rate	Date of Allotment
(b) Unsecured Non-Convertible Redeemable Debentures (NCD):				
Redeemable at face value in 1 equal annual instalment starting from 09.12.2025	99.00	-	Repo rate + Margin	9th December, 2022
NCDs redeemable on 04.11.2025	50.00	-	Repo rate + Margin	4th November, 2022
NCDs redeemable on 17.10.2025	37.50	-	Repo rate + Margin	17th October, 2022
NCDs redeemable on 13.12.2024	24.00	24.00	9.80%	15th December, 2021
NCDs redeemable on 04.11.2024	50.00	-	Repo rate + Margin	4th November, 2022
NCDs redeemable on 17.10.2024	37.50	-	Repo rate + Margin	17th October, 2022
NCDs redeemable on 14.06.2024	25.00	25.00	9.80%	15th December, 2021
Redeemable at face value in 2 equal annual instalments starting from 12.01.2024	200.00	200.00	6.15%	12th January, 2022
NCDs redeemable on 15.12.2023	25.00	25.00	9.80%	15th December, 2021
NCDs redeemable on 15.06.2023	25.00	25.00	9.80%	15th December, 2021
NCDs redeemable on 21.10.2022	-	100.00	10.55%	23rd October, 2019
Redeemable at premium on 12.09.2022 (Yield 9%)	-	50.00	Zero	12th December, 2018
Redeemable at face value in 2 equal annual instalments starting from 27.09.2021	-	50.00	8.11%	27th December, 2017
Redeemable at face value in 3 equal annual instalments starting from 25.05.2020	-	33.34	8.45%	25th May, 2017

17.2 Term Loans from Banks and Other Loans

(a) ₹ 0.40 Crores (Previous Year ₹ 1.05 Crores) carries interest in range of 7.4% - 9.25% p.a. and is repayable in range of 1 to 38 equal monthly instalments along with interest. The Loan is secured by hypothecation of specific Vehicles.

(b) ₹ 75.00 Crores (Previous Year ₹ 132.50 Crores) carries interest of 8.95% p.a, linked to RBI repo rate secured by pari passu charges on movable and immovable fixed assets of transmission & distribution and infrastructure division of the Company to the extent of 1.25 times of outstanding facility. It is repayable in 16 quarterly instalments ending on 1st June, 2024.

Notes forming part of Standalone Financial Statement

for the year ended 31st March, 2023

17.2 Term Loans from Banks and Other Loans (Contd..)

(c) Term loan from a bank amounting to ₹ 100.00 Crores (Previous Year ₹ NIL) is secured exclusive charge on movable fixed assets funded out of the said facility. Term loan is repayable in 17 unequal quarterly instalments with 29th July, 2027 as maturity date with varying interest rate linked to 3M MCLR of bank from time to time.

(d) Term loan from a bank amounting to ₹ NIL (Previous Year ₹ 39.88 Crores) is secured by first pari passu charge on entire movable Property, plant and equipment excluding assets charged exclusively to the Term Lenders. Term loan is repayable in 16 unequal quarterly instalments to be paid at the end of each financial quarter, with 31st March, 2023 as a date of maturity and interest payable on monthly basis at varying interest rate linked to 1 year MCLR.*

(e) Term loan from a bank amounting to ₹ 100.00 Crores (Previous Year ₹ NIL) is secured exclusively by first charge on movable fixed assets (excluding assets been already charged on specific basis to exiting term lenders). Term loan is repayable in 18 equal quarterly instalments ending in 7th September, 2027 as maturity date with varying interest rate linked to 1 Month T-bill from time to time*

(f) Term loan from a bank amounting to ₹ 1.18 Crores (Previous Year ₹ 3.61 Crores) is secured exclusively by first charge on movable Property, plant and equipment funded out of the said facility. Term loan is repayable in unequal quarterly instalments ending in 30th June, 2025 with fixed interest rate.

(g) Term loan from a bank amounting to ₹ NIL (Previous Year ₹ 14.06 Crores) is secured exclusively by first charge on movable Property, plant and equipment funded out of the said facility. Term loan is repayable in unequal quarterly instalments with 30th November 2022 as maturity date with varying interest rate linked to base rate of bank from time to time.

(h) Term loan from a bank amounting to ₹ 17.50 Crores (Previous Year ₹ 21.25 Crores) is secured by first pari passu charge on entire movable fixed assets to the extent of 1.10 times of security cover of outstanding facility. Term loan is repayable in unequal quarterly instalments with 31st March, 2025 as maturity date with varying interest rate linked to 1 Yr MCLR of bank from time to time.*

(i) Term loan from a bank amounting to ₹ 0.38 Crores (Previous Year ₹ 1.12 Crores) is secured exclusively by first charge on movable equipment funded out of the said facility. Term loan is repayable in unequal monthly instalments with 31st October, 2023 as maturity date with fixed interest rate.

(j) Term loan from a bank amounting to ₹ 5.00 Crores (Previous Yea: ₹ 9.95 Crores) is secured exclusively by first charge on movable fixed assets funded out of the said facility. Term loan is repayable in equal quarterly instalments with 31st March, 2024 as maturity date with varying interest rate linked to 1 Year MCLR rate of bank from time to time.

(k) Term loan from a bank amounting to ₹ NIL (Previous Year ₹ 1.87 Crores) is secured exclusively by first charge on entire current assets and second charge on movable Property, plant and equipment excluding assets charged exclusively to the Term Lenders. Term loan is repayable in equal monthly instalments with 31st July, 2022 as maturity date with varying interest rate linked to base rate of bank from time to time.*

(l) Term loan from a bank amounting to ₹ NIL (Previous Year ₹ 1.07 Crores) is secured exclusively by first charge on entire current assets and second charge on movable Property, plant and equipment excluding assets charged exclusively to the Term Lenders. Term loan is repayable in unequal monthly instalments with 31st August, 2022 as maturity date with varying interest rate linked to base rate of bank from time to time.*

(m) Term loan from a bank amounting to ₹ NIL (Previous Year ₹ 2.28 Crores) is secured exclusively by first charge on entire current assets and second charge on movable Property, plant and equipment excluding assets charged exclusively to the Term Lenders. Term loan is repayable in unequal monthly instalments with 30th June, 2022 as maturity date with varying interest rate linked to base rate of bank from time to time.*

(n) Term loan from a bank amounting to ₹ 2.84 Crores (Previous Year ₹ 3.65 Crores) is secured exclusively by first charge on movable equipment funded out of the said facility. Term loan is repayable in unequal monthly instalments with 28th Feb 2026 as maturity date with fixed interest rate.

Notes forming part of Standalone Financial Statement

for the year ended 31st March, 2023

17.2 Term Loans from Banks and Other Loans (Contd..)

(o) Term loan from a bank amounting to ₹ 11.92 Crores (Previous Year ₹ 10.06 Crores) is secured exclusively by first charge on movable equipment funded out of the said facility. Term loan is repayable in unequal monthly instalments with March, 2027 as maturity date with fixed interest rate.

(p) Term loan from a bank amounting to ₹ 47.50 Crores (Previous Year ₹ 49.98 Crores) is secured exclusive charge on specific movable fixed assets funded out of the said facility and DSRA of 10% of facility amount. Term loan is repayable in unequal quarterly instalments with 25th January 2027 as maturity date with varying interest rate linked to 1 Year Banks MCLR of bank from time to time.

(q) Term loan from a bank amounting to ₹ 36.75 Crores (Previous Year ₹ 39.50 Crores) is secured exclusive charge on specific movable fixed assets funded out of the said facility and DSRA 10% of facility amount . Term loan is repayable in unequal quarterly instalments with 30th June, 2026 as maturity date with varying interest rate linked to 1 Year MCLR of bank from time to time.

(r) Term loan from a bank amounting to ₹ 9.19 Crores (Previous Year ₹ 9.88 Crores) is secured exclusive charge on specific movable fixed assets funded out of the said facility and DSRA of 10% of facility amount. Term loan is repayable in unequal quarterly instalments with 30th June, 2026 as maturity date with varying interest rate linked to 1 Year MCLR of bank from time to time.

(s) Term loan from NBFC amounting to ₹ 1.52 Crores (Previous Year ₹ 4.50 Crores) is secured by exclusive charge by way of hypothecation for equipment financed by them. Term loans is repayable in 20 equal quarterly instalments with interest payable quarterly at fixed interest rate.*

(t) Term loan from NBFC amounting to ₹ 6.25 Crores (Previous Year ₹ 12.47 Crores) is secured by first pari passu charge on entire movable fixed assets (excluding capital expenditure assets charged exclusively to corresponding capital expenditure lender) of the borrower providing minimum FACR of 1.25 times . Term loan is repayable in 16 equal quarterly instalments, 31st March, 2024 as a date of maturity and interest payable on monthly basis at varying interest rate linked to long term reference rate of NBFC from time to time.*

(u) Term loan from NBFC amounting to ₹ 6.25 Crores (Previous Year ₹ 12.44 Crores) is secured by first pari passu charge on entire movable fixed assets (excluding capital expenditure assets charged exclusively to corresponding capital expenditure lender) of the borrower providing minimum FACR of 1.25 times . Term loan is repayable in 16 equal quarterly instalments, 31st March, 2024 as a date of maturity and interest payable on monthly basis at varying interest rate linked to long term reference rate of NBFC from time to time.*

(v) Term loan from NBFC amounting to ₹ NIL (Previous Year ₹ 0.21 Crores) is unsecured. Term loans is repayable in 20 unequal quarterly instalments with interest payable monthly at varying interest rate linked to base rate of NBFC from time to time.*

(w) Other Loans of ₹ 233.95 Crores (Previous Year ₹ 489.57 Crores) are interest free and secured by pledge of Equity shares of Alipurduar Transmission Ltd and Kohima Mariani Transmission Ltd. The loans are repayable in 1 to 5 years.

*Securities charged against these loans pertains to Erstwhile JMC Projects (India) Limited. During the year, JMC Project (India) Limited, an Erstwhile subsidiary of the Company, is merged with the Company as per the terms of the scheme approved by National Company Law Tribunal (NCLT).

Notes forming part of Standalone Financial Statement

for the year ended 31st March, 2023

17(ii) CURRENT BORROWINGS

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Secured		
Working Capital Facilities from Banks	1,635.72	1,144.91
Current maturities of long term debt (Refer Note 17 (i))	224.42	472.05
Unsecured		
Current maturities of long term debt (Refer Note 17 (i))	150.00	233.55
TOTAL	**2,010.14**	**1,850.51**

Working Capital Facilities from Banks amounting to ₹ 1,217.98 Crores (Previous year ₹ 722.97) are secured in favour of consortium of bankers by hypothecation of stocks, stores and spares, book debts, bills receivable and all other movable assets on pari passu basis and also secured by movable and immovable fixed assets (including land and building situated at Gandhinagar, Gujarat) of transmission and distribution division and infrastructure division of Company. Working Capital Facilities carries interest in range of 2% to 10%.

Working Capital Facilities from Banks amounting to ₹ 417.74 Crores (Previous year ₹ 421.94) are secured by First charge against hypothecation of stocks, work in progress, cash and cash equivalents, stores and spares, trade receivables, book debts, other current assets and second charge on all movable property, plant and equipments of the Erstwhile JMC Projects (India) Limited.*

*During the year, JMC Project (India) Limited, an Erstwhile subsidiary of the Company, is merged with the Company as per the terms of the scheme approved by National Company Law Tribunal (NCLT).

18. TRADE PAYABLE*

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(i) Non-Current		
Others	161.40	325.72
TOTAL	**161.40**	**325.72**
(ii) Current		
Total outstanding dues of Micro and Small enterprises	150.91	157.54
Others	4,431.56	3,599.09
TOTAL	**4,582.47**	**3,756.63**

* Refer Note 45 for Trade payables ageing

All Trade payables are non interest bearing and current Trade payable are to be settled within normal operating cycle of the Company.

19. OTHER FINANCIAL LIABILITIES

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Current		
Creditors for capital expenditure	29.22	94.11
Deposit from Vendors	272.12	269.41
Interest accrued but not due	14.87	39.63
Unpaid Dividend	0.68	0.59
Others*	217.62	149.02
TOTAL	**534.51**	**552.76**

*Others mainly includes employee liabilities

Notes forming part of Standalone Financial Statement

for the year ended 31st March, 2023

20. OTHER LIABILITIES

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(i) Non-Current		
Deposit from Customer	0.25	0.31
Advance from Customers	272.12	616.84
Other Payables	3.64	3.79
TOTAL	**276.01**	**620.94**
(ii) Current		
Amount Due to Customers under Construction Contracts (Contract liabilities) (Refer Note 11.1 & 11.2)	472.35	303.53
Advance from Customers	2,752.77	1,291.89
Statutory Liabilities	136.11	103.51
Deferred Income	0.42	0.74
TOTAL	**3,361.65**	**1,699.67**

21. PROVISIONS

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(i) Non-Current		
Employee benefits (Refer Note 39)	33.14	37.37
Performance Warranties (Refer Note 32)	37.99	25.24
TOTAL	**71.13**	**62.61**
(ii) Current		
Employee benefits (Refer Note 39)	15.05	10.68
Performance Warranties (Refer Note 32)	255.35	252.08
Expected Loss on Long Term Contracts (Refer Note 32)	87.99	120.77
Others (Refer Note 32)	25.60	26.39
TOTAL	**383.99**	**409.92**

22. REVENUE FROM OPERATIONS

(₹ in Crores)

Particulars	2022-23	2021-22
Revenue from Contracts with Customers		
Sale of Products		
Tower Parts & Components	656.84	588.63
Others*	98.64	84.76
Income from EPC contracts	13,443.79	11,590.62
Other Operating Income		
Sale of Scrap	107.59	127.61
Certified Emission Reduction Receipts	-	1.66
Export Benefits	29.96	13.86
TOTAL	**14,336.82**	**12,407.14**

*Other mainly comprises revenue from sale of Electricity

Notes forming part of Standalone Financial Statement

for the year ended 31st March, 2023

23. OTHER INCOME

(₹ in Crores)

Particulars	2022-23	2021-22
Interest Income		
On financial assets carried at amortised cost		
On Loans	34.30	32.83
On Fixed deposits	10.27	7.63
Others	6.15	13.62
On Non-Financial assets	5.48	-
Dividend Income		
Dividend from investment in subsidiaries	51.86	2.78
Dividend from investment measured at FVTPL	0.08	0.10
Other non operating income		
Rent Income	7.86	6.61
Grant Received	-	0.18
Insurance Claims	0.10	5.13
Liabilities Written Back	-	6.59
Miscellaneous Income	0.55	0.61
Other Gains and Losses		
Gain on Investments designated at FVTPL	0.06	0.30
Gain / (Loss) on disposal of Property Plant & Equipment (net)	(5.36)	21.36
Others	0.34	0.65
TOTAL	**111.69**	**98.39**

24. COST OF MATERIAL CONSUMED

(₹ in Crores)

Particulars	2022-23	2021-22
Raw Materials		
Steel	788.27	775.84
Zinc	157.11	135.18
Components & Accessories, etc	1,975.19	1,996.29
Construction Materials	3,525.50	2,731.17
Agricultural Residues	41.67	42.32
TOTAL	**6,487.74**	**5,680.80**

25. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS

(₹ in Crores)

Particulars	2022-23	2021-22
STOCK AT BEGINNING OF THE YEAR		
Finished Goods	110.73	126.44
Work-in-progress	33.13	39.56
Scrap	6.02	3.97
	149.88	169.97
STOCK AT CLOSE OF THE YEAR		
Finished Goods	131.75	110.73
Work-in-progress	24.99	33.13
Scrap	6.59	6.02
	163.33	**149.88**
TOTAL	**(13.45)**	**20.09**

Notes forming part of Standalone Financial Statement

for the year ended 31st March, 2023

26. EMPLOYEE BENEFITS EXPENSES

(₹ in Crores)

Particulars	2022-23	2021-22
Salaries, Wages and Bonus	948.22	845.04
Contributions to Provident and Other Funds	49.06	45.45
Employees' Welfare Expenses	36.55	26.45
TOTAL	**1,033.83**	**916.94**

27. FINANCE COSTS

(₹ in Crores)

Particulars	2022-23	2021-22
Interest Expense	271.56	228.12
Other Borrowing Costs	15.65	8.50
Exchange Rate variation	6.69	6.94
TOTAL	**293.90**	**243.56**

28. OTHER EXPENSES

(₹ in Crores)

Particulars	2022-23	2021-22
Job Charges	35.09	46.49
Power and Fuel	22.25	22.70
Repairs and Maintenance:		
Plant and Machinery	3.60	4.33
Buildings	3.41	2.85
Others	0.67	0.57
Freight and Forwarding Expenses	243.28	232.82
Stores, Spares and Tools Consumed	15.21	17.57
Vehicle/ Equipment Running and Hire Charges	11.20	10.88
Testing Expenses	1.58	1.05
Pollution Control Expenses	2.12	2.16
Insurance	49.66	56.78
Rent	33.97	34.72
Rates, Taxes and Duties	80.67	72.90
Stationery, Printing and Drawing Expenses	9.34	9.11
Telecommunication Expenses	6.59	6.10
Travelling Expenses	98.95	58.27
Legal and Professional Expenses	124.51	82.66
Payment to Auditors		
Audit Fees	2.62	2.90
Other Services & Reports	0.71	0.35
Reimbursement of Expenses	0.20	0.09
Bank Commission and Charges (including ECGC Premium)	135.99	112.84
Allowance for Expected Credit Losses	(10.45)	38.96
Loss / (Gain) on Exchange Rate Variation	(7.94)	(65.38)
Sitting Fees & Commission to Non-Executive Directors	8.90	6.64
Corporate Social Responsibility Expenses	8.87	9.83
Carbon Credit Expenses	0.01	0.28
Miscellaneous Expenses	89.97	68.24
TOTAL	**970.98**	**836.71**

Notes forming part of Standalone Financial Statement

for the year ended 31st March, 2023

29. CONTINGENT LIABILITIES IN RESPECT OF

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
a. Bank guarantees given by the Company	36.59	20.96
b. Claims against Company not acknowledged as debt	32.29	41.73
c. Demands by Tax/ Stamp Duty/Revenue/Other Statutory authorities, disputed by the Company	175.72	213.81
d. Corporate Guarantee / Letter of Comfort given for loan to subsidiaries	319.35	223.69
e. Bank Guarantee given on behalf of subsidiaries	744.11	315.60
f. Deed of Indemnity given on behalf of a subsidiary	141.34	144.06

Future ultimate outflow of resources embodying economic benefits in respect of the above matters are uncertain as it depends on the final outcome of the matters involved.

30. CAPITAL & OTHER COMMITMENTS

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Estimated amount of contracts remaining to be executed for Tangible capital Assets and not provided for (Net of advances)	105.38	164.58

31. CSR EXPENDITURE

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(a) Gross amount required to be spent by the company during the year		
Opening balance as at 1st April, 2022		
With Company		
In Separate CSR Unspent A/c	4.25	7.51
Amount required to be spent during the year*	8.83	9.79
Amount spent during the year		
From Company's bank A/c	7.41	7.40
From Separate CSR Unspent A/c	2.26	5.69
Closing balance as at 31st March, 2023		
With Company		
In Separate CSR Unspent A/c FY 20-21	0.61	1.82
In Separate CSR Unspent A/c FY 21-22	1.38	2.42
In Separate CSR Unspent A/c# FY 22-23	1.42	-
*Approved by CSR Committee and Board of Directors		
#Transferred to CSR unspent account on 10th April, 2023 and 26th April, 2023		
(b) Amount spent on purposes other than construction/ acquisition of any assets		
Eradicating Hunger, Promoting Healthcare	1.94	10.06
Promoting Education, Sanitation	7.21	1.82
Environment, technology and others	0.52	1.21
TOTAL	**9.67**	**13.09**
(c) Refer note 41 for related party disclosures		

Notes forming part of Standalone Financial Statement

for the year ended 31st March, 2023

32. THE DISCLOSURE AS REGARDS TO PROVISION AS PER IND AS 37 " PROVISIONS, CONTINGENT LIABILITY AND CONTINGENT ASSETS"

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
a. DISCLOSURE AS REGARDS TO PROVISION FOR PERFORMANCE WARRANTIES		
Carrying amount at the beginning of the year	277.32	349.43
Add: Provision/Expenses during the year	107.39	91.74
Less : Reversal/Utilisation during the year	91.37	163.85
CARRYING AMOUNT AT THE END OF THE YEAR	**293.34**	**277.32**
b. PROVISION FOR EXPECTED LOSS ON LONG TERM CONTRACT		
Carrying amount at the beginning of the year	120.77	150.15
Add: Provision/Expenses during the year (Net)	63.92	77.77
Less : Reversal/ Utilisation during the year	96.70	107.15
CARRYING AMOUNT AT THE END OF THE YEAR	**87.99**	**120.77**
c. OTHER PROVISIONS		
Carrying amount at the beginning of the year	26.39	26.47
Add: Provision/Expenses during the year	(0.79)	(0.08)
CARRYING AMOUNT AT THE END OF THE YEAR	**25.60**	**26.39**

Provision for performance warranties - The Company has made provision for expenses during defect liability period mentioned in contracts. The provision is based on the estimates made from historical data associated with similar projects. The Company expects to incur the related expenditure over the defect liability period.

33. EARNINGS PER SHARE

Particulars	2022-23	2021-22
No. of Equity Shares at the beginning of the year*	16,24,46,152	16,24,46,152
No. of Equity Shares at the end of the year*	16,24,46,152	16,24,46,152
Weighted Average No. of Equity Shares*	16,24,46,152	16,24,46,152
Profit for calculation of EPS (₹ in Crores)	531.95	350.38
Basic and Diluted Earnings Per Share (₹)	32.75	21.57
Nominal value of Equity Share (₹)	2.00	2.00

*includes shares pending for issuance

34. ERECTION, SUBCONTRACTING AND OTHER PROJECT EXPENSES COMPRISES OF

(₹ in Crores)

Particulars	2022-23	2021-22
Subcontracting expenses	3,380.33	2,700.34
Construction material, stores and spares consumed	573.27	503.32
Power and fuel	219.06	200.37
Freight and Forwarding Expenses	38.17	36.08
Vehicle and Equipment Hire Charges	279.21	268.42
Custom Duty, Clearing & Handling Charges	39.30	20.52
Others	158.88	143.70
TOTAL	**4,688.22**	**3,872.75**

Notes forming part of Standalone Financial Statement

for the year ended 31st March, 2023

35. RESEARCH AND DEVELOPMENT EXPENSES

(₹ in Crores)

Particulars	2022-23	2021-22
(a) Research and Development Income and Expenses included in the Statement of Profit and Loss under various heads are given below:		
(i) Revenue from Operations		
Income from Design validation and Sale of scrap	15.28	9.56
(ii) Revenue Expenditure		
Cost of Materials Consumed	6.28	5.41
Employee Benefits Expenses	6.39	5.99
Depreciation	1.15	1.35
GST	1.13	0.97
Other Expenses	2.07	1.87
(b) Capital Expenditure	0.20	0.76

36. LEASES

1. The Company's significant leasing/ licensing arrangements are mainly in respect of residential / office premises. Leases generally have a lease term ranging from 14 months to 108 months. Most of the leases are renewable by mutual consent on mutually agreeable terms.

2. Right-of-use assets by class of assets is as follows.

FY 2022-23

(₹ in Crores)

Particulars	GROSS BLOCK				AMORTISATION				NET BLOCK
	As at 1st April 2022	Additions	Deductions	As at 31 Mar 2023	As at 1st April 2022	For the Year	Deductions	As at 31 Mar 2023	As at 31 Mar 2023
TANGIBLE ASSETS									
Land	0.36	-	0.36	-	0.13	0.23	0.36	-	-
Buildings	122.87	16.84	52.88	86.83	69.00	31.05	51.18	48.87	37.96
Furniture and Fixture	0.04	-	-	0.04	0.01	0.02	-	0.03	0.01
Plant & Equipments	60.97	5.91	1.67	65.21	12.07	16.42	1.67	26.82	38.39
TOTAL	**184.24**	**22.75**	**54.91**	**152.08**	**81.21**	**47.72**	**53.21**	**75.72**	**76.36**

FY 2021-22

(₹ in Crores)

Particulars	GROSS BLOCK				AMORTISATION				NET BLOCK
	As at 1st April 2021	Additions	Deductions	As at 31 Mar 2022	As at 1st April 2021	For the Year	Deductions	As at 31 Mar 2022	As at 31 Mar 2022
TANGIBLE ASSETS									
Land	0.54	0.17	0.35	0.36	0.05	0.08	-	0.13	0.23
Buildings	100.70	34.81	12.64	122.87	44.60	35.04	10.64	69.00	53.87
Furniture and Fixture	-	0.04	-	0.04	-	0.01	-	0.01	0.03
Plant & Equipments	23.47	37.50	-	60.97	1.86	10.22	-	12.07	48.90
TOTAL	**124.71**	**72.52**	**12.99**	**184.24**	**46.51**	**45.35**	**10.64**	**81.21**	**103.03**

Notes forming part of Standalone Financial Statement

for the year ended 31st March, 2023

36. LEASES (Contd..)

3. Finance costs includes interest expense amounting to ₹ 8.02 Crores (Previous Year ₹ 8.24 Crores) for the year ended 31st March, 2023 on lease liablity accounted in accordance with Ind AS 116 "Leases".

4. Rent expense in Note No. 28 Represents lease charges for short term leases.

5. Lease liabilities

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Maturity analysis - Undiscounted cash flows		
Less than one year	40.92	47.02
More than one year	44.11	65.23
TOTAL UNDISCOUNTED LEASE LIABILITIES	**85.03**	**112.25**
Lease liabilities included in financial position		
Current	37.17	42.94
Non current	39.89	58.52

37. DISCLOSURE UNDER REGULATION 34 (3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

37.1 Details of loans given :

(₹ in Crores)

Particulars	As at 31st March, 2023	Maximum Balance during the year 2022-23	As at 31st March, 2022	Maximum Balance during the year 2021-22
Shree Shubham Logistics Limited	125.58	125.58	117.64	117.64
Kalpataru Power Transmission (Mauritius) Limited	5.16	5.16	4.68	4.68
Adeshwar Infrabuild Limited	0.25	0.25	0.25	0.25
Kalpataru Power Transmission Sweden AB	204.20	205.46	110.37	115.39
Saicharan Properties Limited	142.43	199.15	199.15	237.59
Kohima Mariani Transmission Limited	-	-	-	48.13
Kalpataru Power Chile SpA	42.47	42.47	-	-
Kalpataru power do brasil participações ltda	26.36	26.36	-	-
LLC Kalpataru Power Transmission Senegal	0.02	2.48	-	-
Brijbhoomi Expressway Private Limited	51.87	60.78	53.35	53.35
Wainganga Expressway Private Limited	187.56	219.93	188.90	189.21
Vindhyachal Expressway Private Limited	319.82	319.82	287.34	287.79
JMC Mining and Quarries Limited	0.75	0.75	0.71	0.71
Kurukshetra Expressway Private Limited	301.68	301.68	298.87	298.87
Crest Ventures Limited	-	50.27	50.27	50.27
	1,408.15	**1,560.14**	**1,311.54**	**1,403.88**

Notes forming part of Standalone Financial Statement

for the year ended 31st March, 2023

37. DISCLOSURE UNDER REGULATION 34 (3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 (Contd..)

37.2 Investment by below entities in their Subsidiaries :

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Shree Shubham Logistics Limited	19.88	19.88
Energy Link (India) Limited	151.15	151.15
Kalpataru Power Transmission (Mauritius) Limited	1.39	1.39
Kalpataru Power Transmission Sweden AB	241.88	146.12
Kalpataru Power Do Brasil Participações Ltda	69.24	69.24

37.3 Details of Investments made by the company are given in Note 6 . Details of guarantees provided are given in Note 29.

37.4 All loans given and guarantees provided are for the purposes of the business.

38. During the financial year 2022-23, UNFCCC has issued Nil, (Previous Year 53,876) CER's (Net of Adoption Fund) on account of generation of electricity from agricultural residues like mustard crop residue and other agricultural crop residue at Tonk Power Plant.

39. DISCLOSURES PURSUANT TO IND AS 19 EMPLOYEE BENEFITS

(a) Defined contribution Plans

The Company made contributions towards provident fund, a defined contribution retirement benefit plan for qualifying employees. The provident fund plan is operated by the Regional Provident Fund Commissioner. The Company recognized ₹32.68 Crores (Previous Year ₹30.85 Crores) for provident fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the company are at rates specified in the rules of the scheme. The Company makes contribution towards Employees State Insurance scheme operated by ESIC Corporation. The Company recognized ₹ 0.26 Crores (Previous Year ₹ 0.41 Crores) for ESIC contribution in the statement of Profit and Loss. The contributions payable to these plans by the company are at rates specified in the rules of the scheme.

(b) Defined benefit plans

The Company offers the following employee benefit schemes to its employees.

(i) Gratuity

The company made annual contributions to the Employee's Group Gratuity cash accumulation scheme's of IRDA approved agencies, a funded defined benefit plan for qualifying employees. The Scheme provides for payment to vested employees at retirement/death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service as per the provisions of the Gratuity Act, 1972.

(ii) Compensated absences

The Scheme is non-funded.

Notes forming part of Standalone Financial Statement

for the year ended 31st March, 2023

39. DISCLOSURES PURSUANT TO IND AS 19 EMPLOYEE BENEFITS (Contd..)

(c) The following tables summarises the components of net benefit expense recognised in the statement of profit or loss and the amounts recognised in the balance sheet in respect of Gratuity.

Particulars	2022-23	2021-22
(i) Expenses recognised during the year		
In Statement of Profit & Loss	8.92	8.84
In Other Comprehensive Income	(2.11)	(0.72)
TOTAL	**6.81**	**8.12**
(ii) Expenses recognised in the Statement of Profit & Loss		
Current Service Cost	7.89	7.70
Net Interest Cost	1.03	1.14
TOTAL	**8.92**	**8.84**
(iii) Expenses recognised in other comprehensive income		
Actuarial (gains) / losses on account of		
change in demographic assumptions	-	(0.50)
change in financial assumptions	(3.12)	(0.48)
experience adjustments	0.98	0.03
Return on plan assets	0.03	0.23
TOTAL	**(2.11)**	**(0.72)**
(iv) Net Liability recognised in the Balance Sheet	**As at 31st March, 2023**	**As at 31st March, 2022**
Present value of obligation	60.57	57.38
Closing Fair value of plan assets	36.97	34.49
Assets/ (Liability) Recognized in Balance Sheet	**(23.60)**	**(22.89)**
(v) Changes in Present Value of Obligations		
Present value of obligation at the beginning of the year	57.38	52.73
Current service cost	7.89	7.70
Interest cost	3.32	2.95
Actuarial (gains) / losses arising from:		
changes in financial assumptions	(3.12)	(0.48)
changes in demographic assumptions	-	(0.50)
changes in experience assumptions	0.98	0.03
Benefits paid	(5.88)	(5.05)
Present value of obligation at the end of the year	**60.57**	**57.38**
(vi) Changes in Fair Value of Plan Assets		
Fair value of Plan Assets at the beginning of the year	34.49	27.67
Interest Income	2.29	1.81
Return on plan assets	(0.03)	(0.23)
Contributions by Employer	6.10	10.29
Benefits paid	(5.88)	(5.05)
Fair Value of Plan assets at the end of the year	**36.97**	**34.49**
(vii) Bifurcation of present value of obligations into current and non-current		
Current Assets / (Liability)	(9.19)	(4.84)
Non-current Liability	(14.41)	(18.05)
(viii) Actuarial assumptions used in determining the obligation are		
Discount rate	7.55% - 7.60%	6.20% - 6.80%
Salary Escalation Rate	6.00%	6.00%

Notes forming part of Standalone Financial Statement

for the year ended 31st March, 2023

39. DISCLOSURES PURSUANT TO IND AS 19 EMPLOYEE BENEFITS (Contd..)

Particulars	2022-23	2021-22
Mortality Rate	As per Indian Assured Lives Mortality (2012-14) Table	
Withdrawal Rate	2% - 21%	2% - 21%
Retirement Age	58 years	58 years
Expected Return on Plan Assets	7.55% - 7.60%	6.20% - 6.80%
(ix) Maturity Profile of Defined benefit obligation		
1 year	12.26	10.38
2 year	8.63	7.97
3 year	7.95	8.22
4 year	6.95	8.12
5 year	6.75	7.69
after 5 years	24.44	32.74
(x) quantitative sensitivity analysis for significant assumptions		
Defined Benefits Obligation (Base) (₹ in Crores)	60.57	57.38
Impact of change in discount rate		
Revised obligation at the end of the year		
due to increase of 0.50%	59.04	55.82
due to decrease of 0.50%	62.15	59.02
Impact of change in salary increase		
Revised obligation at the end of the year		
due to increase of 0.50%	61.94	58.73
due to decrease of 0.50%	59.22	56.02

Sensitivities due to mortality and rate of withdrawals are insignificant and therefore, ignored.

(d) Characteristics of defined benefit plans and risks associated with them:

Valuations of defined benefit plan are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary over time. Thus, the Company is exposed to various risks in providing the above benefit plans which are as follows:

(i) Interest Rate risk: The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (i.e. value of defined benefit obligation).

(ii) Salary Escalation Risk: The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

(iii) Demographic Risk: The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

(iv) Investment Risk: The Company has funded with well established Govt. of India undertaking & other IRDA approved agency and therefore, there is no material investment risk.

40. The Company has entered into following arrangements which are classified as Joint Operation as defined in Ind AS 111 " Joint Arrangement".

Name of Joint Arrangements	Joint Venture Partners	Proportionate Share (%)
Afcon-KPTL JV	Afcon Infrastructure Limited	51.00
	Kalpataru Power Transmission Limited	49.00

Notes forming part of Standalone Financial Statement

for the year ended 31st March, 2023

41. RELATED PARTY DISCLOSURES AS REQUIRED BY IND AS 24 ARE GIVEN BELOW:

List of Related Parties

(a)	**Subsidiaries**
	Shree Shubham Logistics Limited
	Energy Link (India) Limited
	Amber Real Estate Limited
	Kalpataru Power Transmission (Mauritius) Limited
	Kalpataru Power Transmission USA Inc
	Adeshwar Infrabuild Limited
	LLC Kalpataru Power Transmission Ukraine
	Kalpataru Metfab Private Limited
	Kalpataru IBN Omairah Company Limited
	Alipurduar Transmission Limited*
	Kalpataru Power Transmission Sweden AB
	Kalpataru Power Senegal SARL
	Kalpataru Power DO Brasil Participacoes Ltda
	Kalpataru Power Chile SpA (w.e.f. 28th February, 2022)^
	JMC Mining and Quarries Limited
	Brij Bhoomi Expressway Private Limited
	Wainganga Expressway Private Limited
	Vindhyachal Expressway Private Limited
	^Kalpataru Power Chile SpA registered in the Commercial Registry of Santiago on 4th March, 2022 and was published in Official Gazette by Ministry of Interior and Public Security on 7th March, 2022.
(b)	**Indirect Subsidiaries**
	Saicharan Properties Limited
	Punarvasu Financial Services Private Limited
	Kalpataru Power DMCC
	Linjemontage i Grästorp Aktiebolag
	Linjemontage Service Nordic AB
	Linjemontage AS
	Fasttel Engenharia S.A (w.e.f 7th April, 2021)
(c)	**Enterprises under significant influence, which are having transaction with the Company**
	Kalpataru Properties Private Limited
	Kalpataru Retail Ventures Private Limited
	Gurukrupa Developers
	Property Solution (India) Private Limited
	Kalpataru Limited
	Kalpataru Construction Private Limited
	K C Holdings Private Limited
	Kalpataru Viniyog LLP
	Kalpataru Holdings Private Limited
	Argos Arkaya Power Solutions LLP
	Kalpataru Foundation
	Kiyana Ventures LLP
	Kalpataru Urbanscape LLP
	Agile Real Estate Private Limited
	Abacus Real Estate Real Private Limited
	Dynacraft Machine Company Limited
	Kalpataru Business Solutions Private Limited

Notes forming part of Standalone Financial Statement

for the year ended 31st March, 2023

41. RELATED PARTY DISCLOSURES AS REQUIRED BY IND AS 24 ARE GIVEN BELOW (Contd..):

(d)	**Key Management Personnel**	
	Mofatraj P. Munot (Upto 31st March, 2022)^	Promoter Director & Non-Executive Chairman
	Manish Mohnot	Managing Director and CEO
(e)	**Individuals having significant influence and their relatives**	
	Mr. Mofatraj P. Munot (Upto 31st March 2022)^	Promoter Director & Non-Executive Chairman
	Parag Munot	Promoter Director
	Sunita Choraria	Relative of Promoter Director
	Sudha Golechha	Relative of Promoter Director
	^Executive Chairman upto 31st March, 2022 & Non-Executive Charirman w.e.f. 2nd May, 2022	
(f)	**Joint Ventures**	
	Kurukshetra Expressway Private Limited	
	Kohima-Mariani Transmission Limited (Upto 20th December, 2021)*	
	*The Company has completed transfer of 25% of total equity shares in Alipurduar Transmission Limited and Kohima Mariani Transmission Limited w.e.f 13th October, 2022 and 24th February, 2023 respectively. Hence, both these entities ceased to be a subsidiary of the Company in terms of section 2 (87) of the Companies Act, 2013 from the said dates.	

Transactions with Related Parties in ordinary course of business are:

(₹ in Crores)

Particulars	Relationship	2022-23	2021-22
1 Investment in Equity and Preference Shares			
Kalpataru Power Chile SpA	Subsidiary	0.74	-
Kalpataru Power Senegal SARL	Subsidiary	-	0.02
JMC Mining & Quarries Ltd.	Subsidiary	2.50	-
Kalpataru Power Do Brasil Participacoes Ltda	Subsidiary	23.29	71.28
2 Net Loans and advances given / (returned)			
Kalpataru Power Chile SpA	Subsidiary	40.57	-
Kalpataru Power Do Brasil Participações Ltda	Subsidiary	23.78	-
Kalpataru Power Transmission (Mauritius) Limited*	Subsidiary	0.08	-
Adeshwar Infrabuild Limited	Subsidiary	-	0.01
Kalpataru Power Transmission Sweden AB	Subsidiary	78.23	0.32
Kohima-Mariani Transmission Limited	Joint Venture	-	(36.06)
JMC Mining & Quarries Ltd.	Subsidiary	0.04	-
Saicharan Properties Limited	Indirect Subsidiary	(66.75)	(50.00)
Brij Bhoomi Expressway Private Limited	Subsidiary	7.43	0.16
Wainganga Expressway Private Limited	Subsidiary	31.34	27.42
Vindhyachal Expressway Private Limited	Subsidiary	32.48	53.48
Kurukshetra Expressway Private Limited*	Joint Venture	2.81	59.35
*Impairment on Loan during the year ₹ 2.89 Crores (previous year ₹ 59.35 Crores)			
3 Revenue from Operations			
Kalpataru IBN Omairah Company Limited	Subsidiary	-	0.99
Kohima-Mariani Transmission Limited	Joint Venture	-	64.59
Linjemontage i Grästorp Aktiebolag	Indirect Subsidiary	10.51	4.48
Agile Real Estate Private Limited	Enterprises having significant influence	82.52	31.02
Abacus Real Estate Private Limited	Enterprises having significant influence	14.25	0.99
Kalpataru Urbanscape LLP	Enterprises having significant influence	37.94	28.27

Notes forming part of Standalone Financial Statement

for the year ended 31st March, 2023

41. RELATED PARTY DISCLOSURES AS REQUIRED BY IND AS 24 ARE GIVEN BELOW (Contd..):

(₹ in Crores)

Particulars	Relationship	2022-23	2021-22
4 Other Income			
Amber Real Estate Limited	Subsidiary	1.88	2.77
Shree Shubham Logistics Limited	Subsidiary	9.26	9.35
Kalpataru Limited	Enterprises having significant influence	0.08	0.08
Saicharan Properties Limited	Indirect Subsidiary	11.14	12.84
Kohima-Mariani Transmission Limited	Joint Venture	-	2.76
Kalpataru Power Do Brasil Participações Ltda	Subsidiary	1.41	0.03
Kalpataru Power Transmission Sweden AB	Subsidiary	56.25	3.78
LLC Kalpataru Power Transmission, Ukraine	Subsidiary	0.02	0.03
Kalpataru IBN Omairah Company Limited	Subsidiary	4.38	2.49
Wainganga Expressway Private Limited	Subsidiary	-	0.03
Kalpataru Power Chile SpA	Subsidiary	2.89	-
Kalpataru Power Senegal SARL	Subsidiary	0.08	-
5 Reimbursement of Expenses (Receivable)			
Kalpataru IBN Omairah Company Limited	Subsidiary	1.77	3.82
Shree Shubham Logistics Limited	Subsidiary	0.02	0.02
Kalpataru Power Chile SpA	Subsidiary	1.70	-
Kohima-Mariani Transmission Limited	Joint Venture	-	3.70
Kalpataru Power Do Brasil Participações Ltda	Subsidiary	0.13	0.39
Fasttel Engenharia S.A.	Indirect Subsidiary	0.79	0.10
Kalpataru Power Senegal SARL	Subsidiary	-	-
Energy Link (India) Limited	Subsidiary	0.02	-
6 Rent Expenses			
Kalpataru Metfab Private Limited	Subsidiary	0.09	0.06
Kalpataru Limited	Enterprises having significant influence	17.84	18.34
K C Holdings Private Limited	Enterprises having significant influence	0.05	0.06
Dynacraft Machine Company Limited	Enterprises having significant influence	0.56	0.56
7 Other Expenses / Service Charges			
Kalpataru Power Transmission USA Inc.	Subsidiary	5.59	2.44
Property Solutions (India) Private Limited	Enterprises having significant influence	3.12	2.99
Gurukrupa Developers	Enterprises having significant influence	0.18	-
Kalpataru Business Solutions Private Limited	Enterprises having significant influence	0.25	-
8 Equipment Hire Charges			
Energy Link (India) Limited	Subsidiary	0.24	0.24
9 Reimbursement of Expenses (Payable)			
Kalpataru Limited	Enterprises having significant influence	0.71	0.69
Linjemontage i Grästorp Aktiebolag	Indirect Subsidiary	-	4.73
Kalpataru Metfab Private Limited	Subsidiary	0.01	0.02
Agile Real Estate Private Limited	Enterprises having significant influence	0.64	0.93
Kiyana Ventures LLP	Enterprises having significant influence	-	0.02

Notes forming part of Standalone Financial Statement

for the year ended 31st March, 2023

41. RELATED PARTY DISCLOSURES AS REQUIRED BY IND AS 24 ARE GIVEN BELOW (Contd..):

(₹ in Crores)

Particulars	Relationship	2022-23	2021-22
10 Sale of Property, Plant and Equipments			
Kalpataru IBN Omairah Company Limited	Subsidiary	0.84	2.68
Fasttel Engenharia S.A.	Indirect Subsidiary	0.54	0.15
Kalpataru Power Senegal SARL	Subsidiary	-	0.90
Kalpataru Metfab Private Limited	Subsidiary	2.08	-
JMC Mining & Quarries Ltd.	Subsidiary	2.25	-
11 Purchase of Property, Plant and Equipments			
Gurukrupa Developers	Enterprises having significant influence	2.19	-
12 Corporate Social Responsibility			
Kalpataru Foundation	Enterprises having significant influence	7.61	6.46
13 Salary & Commission *			
Mr. Mofatraj P. Munot	Promoter Director & Non-executive Chairman	1.50	11.38
Mr. Manish Mohnot	Key Management Personnel	12.42	13.92
Mr. Parag Munot	Promoter Director	2.40	2.25
* Break up of compensations to key management personnel			
short term employment benefits		4.35	25.30
14 Dividend Paid			
Kalpataru Properties Private Limited	Enterprises having significant influence	-	1.61
Kalpataru Construction Private Limited	Enterprises having significant influence	15.18	3.50
Kalpataru Holdings Private Limited	Enterprises having significant influence	0.22	0.05
Kalpataru Viniyog LLP	Enterprises having significant influence	0.86	0.20
K C Holdings Private Limited	Enterprises having significant influence	13.74	3.17
Mr. Mofatraj P. Munot	Promoter Director & Non-executive Chairman	10.62	1.50
Mr. Parag Munot	Promoter Director	5.18	1.19
Ms. Sudha Golechha	Relative of Promoter Director	0.57	0.13
Ms. Sunita Choraria	Relative of Promoter Director	0.57	0.13
15 Advances given / (Adjusted) (net)			
Kalpataru Power Senegal SARL	Subsidiary	8.56	-
Gurukrupa Developers	Enterprises having significant influence	(0.20)	-
16 Advance from Customers received / (adjusted) (net)			
Linjemontage i Grästorp Aktiebolag	Indirect Subsidiary	(3.19)	2.61
Agile Real Estate Private Limited	Enterprises having significant influence	4.36	2.38
Kalpataru Urbanscape LLP	Enterprises having significant influence	(3.45)	(4.34)
Abacus Real Estate Private Limited	Enterprises having significant influence	6.67	-
17 Security Deposit Paid			
Kalpataru Limited	Enterprises having significant influence	4.20	-
18 Security Deposit Received back			
Kalpataru Limited	Enterprises having significant influence	0.64	-
19 Purchase / (Sales) of Materials			
Agile Real Estate Private Limited	Enterprises having significant influence	0.40	-
Argos Arkaya Power Solutions LLP	Enterprises having significant influence	7.36	4.11
Kalpataru IBN Omairah Company Limited	Subsidiary	(0.03)	(0.09)
Fasttel Engenharia S.A.	Indirect Subsidiary	(0.02)	-
Kalpataru Power Senegal SARL	Subsidiary	(0.34)	(0.13)

Notes forming part of Standalone Financial Statement

for the year ended 31st March, 2023

41. RELATED PARTY DISCLOSURES AS REQUIRED BY IND AS 24 ARE GIVEN BELOW (Contd..):

Balance with Related Parties

(₹ in Crores)

Particulars	Relationship	As at 31st March, 2023	As at 31st March, 2022
1 Loans Given			
Shree Shubham Logistics Limited	Subsidiary	125.58	117.64
Adeshwar Infrabuild Limited	Subsidiary	0.25	0.25
Kalpataru Power Transmission (Mauritius) Limited*	Subsidiary	5.16	4.68
Kalpataru Power Transmission Sweden AB	Subsidiary	204.20	110.37
Saicharan Properties Limited	Indirect Subsidiary	142.43	199.15
Kalpataru Power Do Brasil Participações Ltda	Subsidiary	26.36	-
Kalpataru Power Chile SpA	Subsidiary	42.47	-
JMC Mining & Quarries Ltd.	Subsidiary	0.75	0.71
Brij Bhoomi Expressway Private Limited	Subsidiary	60.78	33.62
Wainganga Expressway Private Limited	Subsidiary	220.24	119.19
Vindhyachal Expressway Private Limited	Subsidiary	319.82	139.73
Kurukshetra Expressway Private Limited*	Joint Venture	301.68	298.87
*Impairment on Loans ₹ 306.84 Crores (previous year ₹ 298.87 Crores)			
2 Trade and Other Receivable			
LLC Kalpataru Power Transmission, Ukraine	Subsidiary	-	0.07
Kalpataru IBN Omairah Company Limited	Subsidiary	13.71	9.10
Shree Shubham Logistics Limited	Subsidiary	0.47	0.23
Kalpataru Power Transmission Sweden AB	Subsidiary	0.14	0.43
Kalpataru Power Senegal SARL	Subsidiary	32.00	30.15
Kalpataru Power Do Brasil Participações Ltda	Subsidiary	0.79	0.42
Fasttel Engenharia S.A.	Indirect Subsidiary	1.68	0.25
Wainganga Expressway Private Limited	Subsidiary	3.14	3.14
Abacus Real Estate Private Limited	Enterprises having significant influence	9.39	1.06
Kiyana Ventures LLP	Enterprises having significant influence	19.40	19.38
Agile Real Estate Private Limited	Enterprises having significant influence	40.38	43.50
Kalpataru Urbanscape LLP	Enterprises having significant influence	64.43	44.15
Kalpataru Limited	Enterprises having significant influence	0.02	-
Kalpataru Power Chile SpA	Subsidiary	3.22	-
Energy Link (India) Limited	Subsidiary	0.02	-
3 Advances given			
Gurukrupa Developers	Enterprises having significant influence	0.67	0.87
Kalpataru Properties Private Limited	Enterprises having significant influence	32.31	32.31
LLC Kalpataru Power Transmission, Ukraine	Subsidiary	2.34	2.67
Kalpataru Power Senegal SARL	Subsidiary	8.56	-
4 Security Deposit Given			
Kalpataru Limited	Enterprises having significant influence	97.76	94.20
Dynacraft Machine Company Limited	Enterprises having significant influence	0.56	0.56
5 Advances From Customers			
Linjemontage i Grästorp Aktiebolag	Indirect Subsidiary	0.61	3.80
Brij Bhoomi Expressway Private Limited	Subsidiary	36.44	36.44
Kiyana Ventures LLP	Enterprises having significant influence	0.71	0.71
Abacus Real Estate Private Limited	Enterprises having significant influence	6.67	-
Agile Real Estate Private Limited	Enterprises having significant influence	6.74	2.38
Kalpataru Urbanscape LLP	Enterprises having significant influence	-	3.45

Notes forming part of Standalone Financial Statement

for the year ended 31st March, 2023

41. RELATED PARTY DISCLOSURES AS REQUIRED BY IND AS 24 ARE GIVEN BELOW (Contd..):

(₹ in Crores)

Particulars	Relationship	As at 31st March, 2023	As at 31st March, 2022
6 Trade and Other Payable			
Kalpataru Power Transmission USA Inc.	Subsidiary	4.98	2.90
Kalpataru Metfab Private Limited	Subsidiary	0.01	0.01
Kalpataru Retail Ventures Private Limited	Enterprises having significant influence	0.05	0.05
Property Solutions (India) Private Limited	Enterprises having significant influence	0.42	0.69
Kalpataru Limited	Enterprises having significant influence	0.74	14.79
Agile Real Estate Private Limited	Enterprises having significant influence	-	0.97
Argos Arkaya Power Solutions LLP	Enterprises having significant influence	0.85	0.12
Kiyana Ventures LLP	Enterprises having significant influence	0.02	-
Mr. Manish Mohnot	Key Management Personnel	8.24	10.15
Mr. Mofatraj P. Munot	Promoter Director & Non-executive Chairman	1.50	6.90
Mr. Parag Munot	Promoter Director	2.40	2.25
Kalpataru Business Solutions Private Limited	Enterprises having significant influence	0.25	-
7 Guarantee/ Letter of Comforts Outstanding / Deed of indemnity			
Shree Shubham Logistics Limited	Subsidiary	197.25	197.25
Kalpataru IBN Omairah Company Limited	Subsidiary	363.53	288.99
Fasttel Engenharia S.A.	Indirect Subsidiary	163.21	39.84
Linjemontage i Grästorp Aktiebolag	Indirect Subsidiary	141.34	144.06
Kalpataru Power Senegal SARL	Subsidiary	1.64	-
Kalpataru Power Chile SpA	Subsidiary	325.82	-
Wainganga Expressway Private Limited	Subsidiary	12.00	-
Brij Bhoomi Expressway Private Limited	Subsidiary	37.66	37.66
Kalpataru Foundation	Enterprises having significant influence	0.01	0.01

Notes : Transactions with the related parties are at Arm's length prices. The amount outstanding are unsecured and will be settled in cash. Guarantee given on behalf of subsidiaries are disclosed in Note 29. No expenses has been recognised in the current year or previous year for bad or doubtful debts in respect of the amount owed by related parties.

42. RECONCILIATION OF INCOME TAX EXPENSES WITH THE ACCOUNTING PROFIT

(₹ in Crores)

Particulars	2022-23	2021-22
Profit before tax	738.68	499.52
Income tax calculated at 25.17% (Previous Year 25.17%)	185.93	125.73
Differential tax of overseas operation	15.04	29.00
Tax effect of adjustment to reconcile reported income tax expenses		
Income exempt from taxation	(13.06)	(0.73)
Tax Impact of Permanent allowances / disallowances / Others	8.68	1.56
Deferred tax not recognised on Impairment Loss	13.82	11.33
Difference of Tax at special rate	(3.68)	(17.75)
INCOME TAX EXPENSES RECOGNISED IN THE STATEMENT OF PROFIT AND LOSS	**206.73**	**149.14**

Notes forming part of Standalone Financial Statement

for the year ended 31st March, 2023

43. FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT

Capital Management

The company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

(₹ in Crores)

Gearing ratio	As at 31st March, 2023	As at 31st March, 2022
Debt*	2,939.34	2,658.15
Cash and cash equivalents	(759.06)	(866.07)
NET DEBT	**2,180.28**	**1,792.08**
TOTAL EQUITY	**5,319.73**	**4,937.10**
NET DEBT TO EQUITY RATIO	**0.41**	**0.36**

* Debt is defined as aggregate of Non-Current borrowings, Current borrowings and current maturities of long term debt.

Financial Instrument by category

The following table shows the carrying amounts and fair values of financial assets and financial liabilities. The Company consider that the carrying values of financial assets and financial liabilities recognized in the financial statements approximate their fair value.

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Financial assets		
Measured at Fair Value through Profit and Loss		
Investments - (Level-I)	1.46	1.40
Investments under held for sale- (Level-II)*	261.45	489.57
Measured at Amortised Cost		
Investments	18.97	17.92
Measured At Cost		
Investments	853.70	872.73
Measured at Amortised Cost		
(i) Trade receivables	5,124.34	4,323.87
(ii) Loans	860.81	816.30
(iii) Cash and cash equivalents	759.06	866.07
(iv) Other balances with Bank	98.99	122.57
(v) Others	557.56	441.59
Financial liabilities		
Measured at Amortised Cost		
(i) Borrowings	2,934.64	2,655.13
(ii) Trade payables	4,743.87	4,082.35
(iii) Other financial liabilities	611.57	654.22

* Fair value measured at discounted Cash flow

Financial Risk Management

Financial Risk factors

The Company's activities expose it to a variety of financial risks : market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Company is foreign exchange risk. The Company uses derivative financial instruments to mitigate foreign exchange related risk exposures.

Notes forming part of Standalone Financial Statement

for the year ended 31st March, 2023

43. FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (Contd.)

Market Risk

The Company operates internationally and a major portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales and services and purchases from overseas suppliers in various foreign currencies. The company holds derivative financial instruments such as foreign exchange forward and commodity contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The exchange rate between the rupees and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the results of the Company's operations are affected as the rupee appreciates / depreciates against these currencies.

The following table analyses foreign currency risk from financial instruments as of 31st March, 2023

(₹ in Crores)

Particulars	USD	Euro	Others	TOTAL
Loan	73.91	201.03	3.17	**278.11**
Cash & Cash Equivalents	-	-	5.14	**5.14**
Trade Receivable	1,649.05	-	651.50	**2,300.55**
Other Financials Assets	-	-	3.92	**3.92**
TOTAL ASSET	**1,722.96**	**201.03**	**663.73**	**2,587.72**
Borrowing	172.66	-	-	**172.66**
Trade Payable	911.39	17.00	645.73	**1,574.12**
Other Financials Liabilities	9.84	0.26	12.63	**22.73**
TOTAL LIABILITIES	**1,093.89**	**17.26**	**658.36**	**1,769.51**
NET ASSETS / (LIABILITIES)	**629.07**	**183.77**	**5.37**	**818.21**

The following table analyses foreign currency risk from financial instruments as of March 31, 2022

(₹ in Crores)

Particulars	USD	Euro	Others	TOTAL
Loan	4.68	107.14	3.23	**115.05**
Cash & Cash Equivalents	1.09	-	0.63	**1.72**
Trade Receivable	1,226.37	37.16	287.24	**1,550.77**
Other Financials Assets	28.18	4.56	40.27	**73.01**
TOTAL ASSET	**1,260.32**	**148.86**	**331.37**	**1,740.55**
Borrowing	18.10	-	3.32	**21.42**
Trade Payable	703.36	26.18	330.71	**1,060.25**
Other Financials Liabilities	2.45	2.86	9.88	**15.19**
TOTAL LIABILITIES	**723.91**	**29.04**	**343.91**	**1,096.86**
NET ASSETS / (LIABILITIES)	**536.41**	**119.82**	**(12.55)**	**643.69**

Note: The company is mainly exposed to USD and Euro. Other currencies comprises of 30-35 currencies. Sensitivity analysis of unhedged USD and Euro is given below :

Sensitivity Analysis

For the year ended March 31, 2023 and March 31, 2022, increase / decrease of 5% in the exchange rate between the Indian rupee and USD/EURO would impact company's profit before tax by approximately 1.03% and 1.96% respectively.

Sensitivity rate of 5% is used while reporting foreign currency risk internally to key management personnel and represent management's assessment of the reasonably possible change in foreign exchange rate.

Derivative Financial Instruments

The Company holds derivative financial instruments such as foreign currency forward contracts and commodity future contracts to mitigate the risk of changes in exchange rates on foreign currency exposures and changes in price of commodities. The counter party for these contracts is generally a multinational banks, financial institution or exchange. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the marketplace. Mark to Market gain or loss on derivative instruments is part of other current financial assets or liabilities.

Notes forming part of Standalone Financial Statement

for the year ended 31st March, 2023

43. FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (Contd.)

As at 31st March, 2023

Outstanding Contracts	Average Exchange Rate (In equivalent ₹)	Amount in Foreign currency (In Crores)	Nominal Amount (₹ in Crores)	MTM Value (₹ in Crores)
Cash Flow Hedges (Routed through OCI)				
Sell USD Buy INR				
Maturing less than 3 months	81.46	USD 2.78	226.53	(2.92)
Maturing in 3 months to 6 months	81.64	USD 2.36	192.94	(3.20)
Maturing in 6 months to 9 months	82.14	USD 2.70	222.11	(3.56)
Maturing in 9 months to 12 months	82.91	USD 3.12	258.59	(3.33)
Maturing more than 12 months	87.82	USD 11.32	994.04	(2.76)
TOTAL/AVERAGE	**85.00**	**USD 22.29**	**1,894.22**	**(15.77)**
Buy INR Sell USD				
Maturing less than 3 months	82.27	USD 0.31	25.48	0.03
TOTAL/AVERAGE	**82.27**	**USD 0.31**	**25.48**	**0.03**
Buy EUR Sell USD				
Maturing less than 3 months	89.43	EUR 1.45	129.63	0.48
TOTAL/AVERAGE	**89.43**	**EUR 1.45**	**129.63**	**0.48**
Other Hedges (Routed through Profit & Loss)				
Sell USD Buy INR				
Maturing less than 3 months	81.46	USD 2.36	192.38	(2.31)
Maturing in 3 months to 6 months	80.76	USD 2.71	219.22	(5.93)
Maturing in 6 months to 9 months	80.72	USD 0.75	60.54	(2.07)
Maturing in 9 months to 12 months	81.76	USD 1.40	114.47	(3.15)
More than 12 Months	84.97	USD 2.11	179.56	(1.23)
TOTAL/AVERAGE	**82.04**	**USD 9.34**	**766.18**	**(14.68)**
Sell EUR Buy USD				
Maturing less than 3 months	81.83	USD 0.07	5.72	-
TOTAL/AVERAGE	**81.83**	**USD 0.07**	**5.72**	**-**
Buy USD Sell INR				
Maturing less than 3 months	83.42	USD 2.36	196.96	(1.01)
TOTAL/AVERAGE	**83.42**	**USD 2.36**	**196.96**	**(1.01)**
Sell EURO Buy INR				
More than 12 Months	92.19	EUR 0.94	86.42	(1.09)
TOTAL/AVERAGE	**92.19**	**EUR 0.94**	**86.42**	**(1.09)**

Notes forming part of Standalone Financial Statement

for the year ended 31st March, 2023

43. FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (Contd.)

As at 31st March, 2022

Outstanding Contracts	Average Exchange Rate (In equivalent ₹)	Amount in Foreign currency (In Crores)	Nominal Amount (₹ in Crores)	MTM Value (₹ in Crores)
Cash Flow Hedges (Routed through OCI)				
Sell USD Buy INR				
Maturing less than 3 months	76.92	USD 2.47	189.75	1.62
Maturing in 3 months to 6 months	78.24	USD 1.42	111.33	1.56
Maturing in 6 months to 9 months	78.55	USD 5.74	450.72	4.54
Maturing in 9 months to 12 months	79.76	USD 2.98	237.86	3.32
Maturing more than 12 months	82.02	USD 13.87	1,137.44	12.89
TOTAL / AVERAGE	**80.34**	**USD 26.48**	**2,127.10**	**23.92**
Sell USD Buy SEK				
Maturing less than 3 months	7.84	SEK 6.80	53.35	2.14
TOTAL / AVERAGE	**7.84**	**SEK 6.80**	**53.35**	**2.14**
Other Hedges (Routed through Profit & Loss)				
Sell USD Buy INR				
Maturing less than 3 months	77.09	USD 1.84	141.73	1.75
Maturing in 3 months to 6 months	77.29	USD 2.01	154.97	0.98
Maturing in 6 months to 9 months	79.39	USD 1.98	157.22	3.01
Maturing in 9 months to 12 months	80.12	USD 0.66	52.53	1.21
More than 12 Months	79.64	USD 0.98	78.39	0.02
TOTAL/AVERAGE	**78.36**	**USD 7.46**	**584.84**	**6.97**
Sell EUR Buy USD				
Maturing less than 3 months	86.04	EUR 0.15	13.17	0.26
TOTAL/AVERAGE	**86.04**	**EUR 0.15**	**13.17**	**0.26**
Buy USD Sell INR				
Maturing less than 3 months	75.77	USD 0.02	1.44	-
Maturing in 3 months to 6 months	77.20	USD 1.91	147.62	(0.15)
Maturing in 9 months to 12 months	78.63	USD 0.96	75.75	(0.21)
TOTAL/AVERAGE	**77.67**	**USD 2.89**	**224.81**	**(0.36)**
Sell EURO Buy INR				
More than 12 Months	94.23	EUR 0.93	87.63	8.41
TOTAL/AVERAGE	**94.23**	**EUR 0.93**	**87.63**	**8.41**

Reconciliation of Hedge Reserve

The following table provides the reconciliation of cash flow hedge reserve for the year ended 31st March, 2023 and 31st March, 2022:

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Balance at the beginning of the year	46.07	26.93
Add: Gain/(Loss) recognised in OCI during the year (net)	(58.08)	19.14
Less: Tax impact on above	3.19	(11.42)
Balance at the end of the year (Gross)	12.01	(46.07)
Balance at the end of the year (Net of Tax)	(8.82)	34.65

Notes forming part of Standalone Financial Statement

for the year ended 31st March, 2023

43. FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (Contd.)

Loan and Borrowings: Financial Covenants

The company is required to comply with the few financial covenants as per terms of respective sanctions. In case of breach of financial covenants, there can be adverse impact.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, investment securities and other receivables. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments. Credit risk in respect of other receivables mainly comprises of loan to components which are managed by the Company, by way of assessing financial condition, current economic trends and ageing of other receivables . The Company considers the probability of default and whether there has been a significant increase in the credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk, the Company compares the risk of default occurring on financial assets as on the reporting date.

The portion of the payments retained by the customer until final contract settlement is not considered a significant financing component since it is usually intended to provide customer with a form of security for Company's remaining performance as specified under the contract, which is consistent with the industry practice.

Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows:

(₹ in Crores)

Particulars	Undisputed Trade receivable considered good		Disputed Trade receivable considered good	
	As on 31st March, 2023	As on 31st March, 2022	As on 31st March, 2023	As on 31st March, 2022
Not Due	3,076.81	2,567.61	16.55	-
Less than 6 months	1,377.78	944.64	0.20	9.96
6 months to 1 year	187.37	322.56	5.02	-
From 1 year to 2 years	206.29	231.07	20.23	1.49
From 2 year to 3 years	118.14	165.85	22.44	48.52
Above 3 years	78.51	85.49	151.11	106.27
	5,044.90	**4,317.22**	**215.55**	**166.24**

Trade receivable does not contain any trade receivable which has significant increase on credit risk.

Expected credit loss assessment for customers

Most of customers are PSU and as per past experience, there has been no credit loss on account of customer's inability to pay i.e. there has been no material bad debts in past and therefore, no provision is generally made on this account. Provision for expected delay in realisation of trade receivables beyond contractual terms. The company has used a practical expedient by computing the expected credit loss allowance for trade receivables on a provision matrix. The expected credit loss on the aging of the days the receivables are due and the rates as given in the provision matrix.

Notes forming part of Standalone Financial Statement

for the year ended 31st March, 2023

43. FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (Contd.)

On the above basis, the company estimates the following provision matrix at the reporting date:

Particulars	Expected Credit Loss %	
	As at 31st March, 2023	As at 31st March, 2022
Upto 180 days	-	0 % to 0.70%
From 181 days to 1 year	2.13%	6.24 % to 7.92%
Above 1 year	8.5% to 25.50%	12 % to 100%

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows:

(₹ in Crores)

Particulars	2022-23	2022-23
	Trade receivable	Contract Assets
Balance as at 31st March, 2022	**159.59**	**26.70**
Provision created / (reversal) -Net	(23.48)	(9.65)
Balance as at 31st March, 2023	**136.11**	**17.05**

Credit risk on derivative financial instruments is limited because the counterparties are banks with high credit rating assigned by rating agencies.

In addition, company is also exposed to credit risk in relation to corporate guarantee / letter of comfort (LOC) given to banks by the company. The company's exposure in this respect has been disclosed in Note 29.

Liquidity Risk

The Table below provides details regarding the contractual maturities of significant financial liabilities.

(₹ in Crores)

Particulars	As at 31st March, 2023		
	Less than 1 year	More than 1 year	Total
Financial Liabilities			
(i) Trade Payable	4,582.47	161.40	4,743.87
(ii) Borrowings	2,011.21	928.13	2,939.34
(iii) Other financial liabilities	571.68	39.89	611.57
TOTAL			**8,294.78**

(₹ in Crores)

Particulars	As at 31st March, 2022		
	Less than 1 year	More than 1 year	Total
Financial Liabilities			
(i) Trade Payable	3,756.64	325.72	4,082.36
(ii) Borrowings	1,852.96	805.19	2,658.15
(iii) Other financial liabilities	595.71	58.52	654.23
TOTAL			**7,394.74**

The above table does not include liability on account of future interest obligation.

The company had undrawn borrowing facilities from banks amounting to ₹ 692.87 Crores (Previous Year ₹ 453.27 Crores), which may be drawn at any time.

Notes forming part of Standalone Financial Statement

for the year ended 31st March, 2023

43. FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (Contd.)

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

Interest Rate Sensitivity Analysis

For the year ended 31st March, 2023 and 31st March, 2022, a 100 basis point increase / decrease in interest rate on floating rate liabilities would impact company's profit before tax by approximately 2.9% and 3.18 % respectively.

Commodity Price Risk

The Company is affected by the price volatility of certain commodities like Steel, Zinc, Copper and Aluminium. Its operating activities require the on-going purchase or continuous supply of these materials. The Company holds derivative financial instruments such as commodity future contract to mitigate the risk of changes in Zinc, Copper and Aluminium prices.

The sensitivity analysis have been determined based on the exposure to changes in commodity prices. The analysis is prepared assuming the quantity of exposure outstanding at the end of the reporting period was outstanding for the whole year. A 5% increase or decrease is used when reporting commodity price risk internally to key management personnel and represents management's assessment of the reasonable possible changes in commodity prices and the impact of the possible change on the company's profit before tax is 11.84% for FY 2022-23 and 16.49% for FY 2021-22.

(₹ in Crores)

Commodity	Fixed/variable	Open Exposure	Value at Risk on price variation of 5 %	
			Increase	Decrease
Exposure as on 31st March, 2023				
Aluminium	Fixed Price Contracts	408.30	20.42	(20.42)
Zinc	Fixed Price Contracts	75.43	3.77	(3.77)
Steel	Fixed Price Contracts	1,156.11	57.81	(57.81)
Copper	Fixed Price Contracts	109.67	5.48	(5.48)
TOTAL		**1,749.51**	**87.48**	**(87.48)**

(₹ in Crores)

Commodity	Fixed/variable	Open Exposure	Value at Risk on price variation of 5 %	
			Increase	Decrease
Exposure as on 31st March, 2022				
Aluminium	Fixed Price Contracts	766.57	38.33	(38.33)
Zinc	Fixed Price Contracts	203.68	10.18	(10.18)
Steel	Fixed Price Contracts	568.65	28.43	(28.43)
Copper	Fixed Price Contracts	109.00	5.45	(5.45)
TOTAL		**1,647.90**	**82.39**	**(82.39)**

44. The details of the due amount which are expected by Company to be recovered or settled after twelve months in respect of assets and liabilities in relation to long term contracts which are classified as under:

(₹ in Crores)

Particulars	Note	As at 31st March, 2023	As at 31st March, 2022
Trade Receivable	7	115.45	**184.34**

Notes forming part of Standalone Financial Statement

for the year ended 31st March, 2023

45. TRADE PAYABLES AGEING SCHEDULE

(₹ in Crores)

Particulars	Not due	Outstanding for following periods from due date of payment				TOTAL
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
FY 2022-23						
(i) MSME	63.90	83.28	2.16	0.11	0.29	149.74
(ii) Others	1,009.37	1,592.88	40.42	33.39	7.12	2,683.18
(iii) Disputed dues – MSME	0.01	0.32	0.84	-	-	1.16
(iv) Disputed dues - Others	9.44	1.98	0.49	0.46	0.28	12.65
(v) Unbilled	1,897.14	-	-	-	-	1,897.14
TOTAL	**2,979.85**	**1,678.46**	**43.91**	**33.96**	**7.69**	**4,743.87**
FY 2021-22						
(i) MSME	33.19	73.15	2.41	0.38	45.57	154.69
(ii) Others	1,014.63	1,393.83	135.15	61.03	58.66	2,663.30
(iii) Disputed dues – MSME	1.64	1.21	0.01	-	-	2.86
(iv) Disputed dues - Others	0.61	0.29	-	0.06	1.96	2.91
(v) Unbilled	1,258.59	-	-	-	-	1,258.59
TOTAL	**2,308.66**	**1,468.47**	**137.56**	**61.46**	**106.18**	**4,082.35**

46. LOANS OR ADVANCES TO SPECIFIED PERSONS

(₹ in Crores)

Type of Borrower	As at 31st March, 2023		As at 31st March, 2022	
	Amount of loan outstanding	Percentage to the total loans	Amount of loan outstanding	Percentage to the total loans
Subsidiaries - Interest free and repayable on demand	3.43	0.31%	8.16	0.77%

47. CAPITAL WORK IN PROGRESS AGEING SCHEDULE

(₹ in Crores)

Particulars	Amount in CWIP for a period of				TOTAL
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
FY 22-23					
Projects in progress	42.41	5.95	-	-	48.36
Projects temporarily suspended	-	-	-	-	-
FY 21-22					
Projects in progress	19.22	0.44	-	-	19.66
Projects temporarily suspended	-	-	-	-	-

Capex expenditure of the Company is within the overall capex budget and are expected to be completed within the given timelines.

Capital Work in Progress whose completion is overdue or has exceeded its cost compared to its original plan :

(₹ in Crores)

Particulars	Amount in CWIP for a period of				TOTAL
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
FY 22-23					
AUC-Raipur-P&M-2021-Fire Hydrant System	1.60	-	-	-	**1.60**
AUC-Raipur-P&M-2021-Rooftop Solar PV	4.35	-	-	-	**4.35**

Notes forming part of Standalone Financial Statement

for the year ended 31st March, 2023

48. RATIOS

Particulars		FY 22-23	FY 21-22
Current ratio	Times	1.27	1.45
Debt-Equity Ratio	Times	0.55	0.54
Debt Service Coverage Ratio	Times	1.45	1.23
Return on Equity Ratio (Annualised)	Percent	10.4%	7.4%
Inventory turnover ratio (Annualised)	Days	56.57	56.02
Trade Receivables turnover ratio (Annualised)	Days	120.27	134.93
Trade payables turnover ratio (Annualised)	Days	132.76	140.58
Net capital turnover ratio (Annualised)	Times	15.74	13.44
Net profit ratio	Percent	3.71%	2.82%
Return on Capital employed (Annualised)	Percent	13.0%	10.4%
Return on investment (Annualised)	Percent	5.6%	8.2%

There has been increase in Debt Service Coverage Ratio, Net Profit ratio, Return on Capital employed and Return on Equity Ratio by more than 25% on account of higher profits mainly due to improved margins. Return on investment is lower by more than 25% due to lower dividends on investments.

Formula:

Current Ratio = Current Assets / Current Liabilities

Debt-Equity Ratio = Total Debt / Shareholder's Equity

Debt Service Coverage Ratio = Earnings available for debt service / Debt Service

Return on Equity Ratio = Net Profit after taxes / Average shareholder's Equity

Inventory turnover ratio = Cost of goods sold / Average Inventory

Trade Receivables turnover ratio = Net Sales / Average Account Receivables

Trade payables turnover ratio = Net Purchases / Average Trade Payable

Net capital turnover ratio = Net Sales / Average Working Capital

Net Profit ratio = Net Profit after Taxes / Net Sales

Return on Capital employed = Earning before interest and taxes / Average Capital Employed

Return on investment = Dividend from Investment / Average Investments

(Investment includes Investment in Listed Equity Instruments measured at FVTPL)

49. UTILISATION OF BORROWED FUNDS OR SECURITIES PREMIUM OR OTHER SOURCES OF FUNDS

a. During the year, the Company has advanced loans or made investment in two of its subsidiary company namely Kalpataru Power Do Brasil Participações Ltda ('KPBPL') and Kalpataru Power Transmission Sweden AB ("KPT Sweden") for further grant of loans or acquisition of further equity stake in their respective subsidiaries namely Fasttel Engenharia S.A. ('Fasttel') and Linjemontage i Grästorp Aktiebolag ("LMG). Details are as under

Particulars	Name of Entity	Date	Amount in Crores	Details of Entity	
				Relationship with the Company	Registration Number
Date and Amount of fund invested in Intermediary	KPBPL	25th May, 22	23.29	Subsidiary Company	40.587.945/0001-76
Date and Amount of fund invested in Intermediary	KPBPL	27th May, 22	23.27	Subsidiary Company	40.587.945/0001-76

Notes forming part of Standalone Financial Statement

for the year ended 31st March, 2023

49. UTILISATION OF BORROWED FUNDS OR SECURITIES PREMIUM OR OTHER SOURCES OF FUNDS (Contd.)

Particulars	Name of Entity	Date	Amount in Crores	Details of Entity	
				Relationship with the Company	Registration Number
Date and Amount of fund further invested by Intermediary to beneficiary	Fasttel	2nd Jun, 22	46.56	Step down Subsidiary Company	80.527.104/0001-98
Date and Amount of fund invested in Intermediary	KPT Sweden	5th Jul, 22	94.79	Subsidiary Company	559192-7271
Date and Amount of fund further invested by Intermediary to beneficiary	LMG	7th Jul, 22	90.95	Step down Subsidiary Company	556464-7575

The Company has complied with relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and Companies Act 2013 and the transactions are not violative of the Prevention of Money-Laundering act, 2002 (15 of 2003).

b. 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 :

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

50. The company has following transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956

Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding (₹in Crores)		Relationship with the Struck off company, if any, to be disclosed
		As at 31st March, 2023	As at 31st March, 2022	
Rupc Enterprises Private Limited	Trade payable	0.01	0.01	NA
Shivasha Realtech India Private Limited	Trade payable	0.12	0.12	NA
J A Projects Private Limited	Trade payable	0.14	0.14	NA
Thiruvishnu Sabarisha Construction Private Limited	Trade payable	0.01	0.01	NA
Utkarsh & Aradhya Builders And Construction Private Limited	Trade payable	0.01	0.01	NA
N A Fabrication And Engineering Work Private Limited	Trade payable	0.09	0.12	NA
T. K. Construction And Services Private Limited	Trade payable	0.01	-	NA
Laxmi Engineering Consultancy Private Limited	Trade payable	0.02	-	NA
Skumar Infratech Private Limited	Trade payable	0.26	-	NA

51. Company has taken borrowings from banks on the basis of security of current assets and quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts.

Notes forming part of Standalone Financial Statement

for the year ended 31st March, 2023

52. BUSINESS COMBINATION

The Ahmedabad bench of Hon'ble National Company Law Tribunal (NCLT) has approved the Scheme of amalgamation ('the Scheme') of JMC Projects (India) Limited ('JMC'), an engineering, procurement and construction company, with the Company and their respective shareholders vide its Order dated 21st December, 2022. A certified copy of the Order was filed with the Registrar of Companies on 4th January, 2023 and the scheme became effective. The appointed date as per the Scheme is 1st April, 2022.

Post approval of the scheme, on 16th January, 2023, 13,536,944 equity shares have been issued to eligible shareholders with an exchange ratio of 1 (one) equity shares of ₹ 2/- each credited as fully paid up shares of the Company for every 4 (four) equity shares of ₹ 2/- each to shareholders of JMC, except to the Company, whose names are recorded in the register of members on 11th January, 2023 ('Record date').

As per guidance on accounting for common control transactions contained in Ind AS 103 "Business Combinations" the merger has been accounted for using the pooling of interest method. The previous year figures have therefore been restated to include the impact of the merger. The Company has recorded the assets and liabilities pertaining to amalgamated entity vested in the Company at their respective carrying values appearing in the books. The difference between the net identifiable assets acquired and consideration paid on amalgamation has been accounted as capital reserve.

Pursuant to the Scheme of amalgamation, shares of Kalpataru Power Transmission Limited issued to the public shareholders of JMC, is presented under other equity as shares pending issuance for the comparative period.

52.1 Goodwill

Goodwill is acquired under the scheme of amalgamation of JMC Projects (India) Limited with the Company and their respective shareholders as explained in Note 52.

Goodwill is tested for impairment annually or based on an indicator and provides for impairment if the carrying amount of goodwill exceeds its recoverable amount.

Following is a summary of changes in the carrying amount of goodwill.

(₹ in Crores)

Particulars	Goodwill	
	As at 31st March, 2023	As at 31st March, 2022
Balance at the beginning of the year	20.07	20.07
BALANCE AT THE END OF THE YEAR	**20.07**	**20.07**

The Company did not identify any impairment based on internal cashflow forecast.

53. DISCLOSURE IN RESPECT OF SECURITY CREATED ON ASSETS OF THE COMPANY AGAINST BORROWINGS.

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Property, Plant and Equipments	1,207.42	974.02
Inventories	1,070.32	904.47
Financial Assets		
Trade Receivables	5,117.36	4,316.64
Loans	537.86	474.20
Cash & cash equivalents	754.00	862.82
Other Balances with Banks	99.00	122.57
Other Current Assets	5,941.78	4,552.92
TOTAL	**14,727.74**	**12,207.64**

Notes forming part of Standalone Financial Statement

for the year ended 31st March, 2023

54. The amount outstanding to Micro, Small and Medium Enterprises is based on the information received and available with the company.

(₹ in Crores)

		2022-23	2021-22
a)	The Principal amount and interest due thereon remaining unpaid to supplier as at the end of accounting year	154.15	169.32
b)	The interest due thereon remaining unpaid to supplier as at the end of accounting year	-	-
c)	The amount of interest paid in terms of Section 16, along with the amounts of the payment made to the supplier beyond the appointed day during the year	-	-
d)	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 this Act.	-	-
e)	The amount of interest accrued during the year and remaining unpaid at the end of the accounting year	2.76	2.01
f)	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.	0.10	0.18

55. The Company is primarily engaged in the business of Engineering, Procurement and Construction (EPC) relating to infrastructure comprising Buildings and Factories, power transmission & distribution, Roads and Bridges, Water pipe lines, railway track laying & electrification, oil & gas pipelines laying, etc. Information reported to and evaluated regularly by the chief operating decision maker (CODM) for the purposes of resource allocation and assessing performance focuses on the business as a whole and accordingly, in the context of Operating Segment as defined under the Indian Accounting Standard 108, there is single reportable segment.

Further, The company operates in Geographical Segment- India (Country of Domicile) and Outside India.

Segment Information

(a) Revenue from Operations

(₹ in Crores)

Particulars	2022-23	2021-22
Within India	10,547.16	9,496.42
Outside India	3,789.66	2,910.72
TOTAL	**14,336.82**	**12,407.14**

(b) Non Current Assets *

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Within India	1,374.29	1,324.04
Outside India	459.82	128.13
TOTAL	**1,834.11**	**1,452.17**

* Excludes Goodwill, Intangible, Financial Assets and Deferred tax Asset.

Notes forming part of Standalone Financial Statement

for the year ended 31st March, 2023

55.1 Revenue from major customers - Public sector undertakings in India, is ₹ 6,372.42 Crores (Previous Year ₹ 4,269.72 Crores). Revenue from other individual customer is less than 10% of total revenue.

56. (i) During the previous year, Kurukshetra Expressway Private Limited ("KEPL" or "Concessionaire"), a Joint venture (49.57%) of the Company, issued a notice of termination of Concession Agreement ("CA") vide letter dated 7th October, 2021 to the National Highway Authority of India ("NHAI") on account of continuous disruption and blockade of traffic on National Highway-71 due to farmer agitation with stoppage of toll collection. The provisions of Concession Agreement provides for termination where events which are not in control of KEPL, and obliges NHAI paying KEPL for repayment of Debt Due along with Adjusted Equity after necessary adjustments. During the pervious year, the Company had made provision for impairment of ₹ 98.27 Crores against equity investment in KEPL, which was presented as exceptional items and for Expected credit loss of ₹ 179.36 Crores against loans given to KEPL / others. Further, the Promoters of KEPL have, jointly and severally given 'shortfall undertakings' to the Senior Lenders, should there be any shortfall between amounts received from NHAI and that payable to KEPL's lenders, KEPL has received copy of the letter dated 3rd February, 2022 sent by an independent Engineer ("IE") appointed by NHAI in which the IE has sought to limit the amount payable (net of other deductions) as "Termination Payment". Accordingly, in light of the above the Company has made further provision for Expected Credit Loss of ₹ 47.79 Crores. The Company has also recognized ₹ 39.77 Crores towards their share (49.57%) being a potential shortfall, if any, which is disclosed as an exceptional item in previous year. The Company has made above provisions without prejudice to it's and KEPL legal rights and claims against NHAI and will continue to pursue these amounts against KEPL. Further, the Company will seek KEPL to pursue their claims and termination payment against NHAI notwithstanding the above recognition. During the year KEPL has invoked arbitration proceedings against NHAI in terms of the concession agreement.

(ii) Exceptional gain for the year ended 31st March, 2023 includes

1. ₹ 109 crores (net) in respect of an award obtained by an erstwhile power transmission subsidiary and is contractually receivable by the Company.
2. Provision of ₹ 55 crores towards impairment in value of its investment in two wholly owned subsidiaries namely Kalpataru Power Transmission (Mauritius) Limited and Shree Shubham Logistics Limited due to changes in market conditions and demand forcasts.

(iii) Exceptional gain for the year ended 31st March, 2022, includes gain of ₹ 262.41 Crore (including fair value gain) on sale of stake in Kohima Mariani Transmission Limited and provision of ₹ 60.43 Crores towards impairment in value of its investments in Energylink (India) Limited and Wainganga Expressway Private Limited, wholly owned subsidiaries of the Company.

57. Performance obligations unsatisfied or partially satisfied amounts to ₹ 43,769 crores (Previous Year ₹ 29,323 crores)as at 31st March, 2023 for which revenue is expected to be recognized in future over the period of 1 to 8 years.

58. NOTE ON SUBSIDIARIES AND JOINT VENTURES

a. Particulars of Subsidiaries and Joint Ventures

Name of Subsidiaries	With Effect From	Country of Incorporation	% Voting power As at 31st March, 2023	% Voting power As at 31st March, 2022
Subsidiaries Held Directly				
Adeshwar Infrabuild Limited	11th August,2009	India	100.00%	100.00%
Amber Real Estate Limited	16th May,2008	India	100.00%	100.00%
Energylink India Limited	30th January,2007	India	100.00%	100.00%
Shree Shubham Logistics Limited	19th March,2007	India	100.00%	100.00%

Notes forming part of Standalone Financial Statement

for the year ended 31st March, 2023

58. NOTE ON SUBSIDIARIES AND JOINT VENTURES (Contd.)

Name of Subsidiaries	With Effect From	Country of Incorporation	% Voting power	
			As at 31st March, 2023	As at 31st March, 2022
Kalpataru Metfab Private Limited	31st March,2015	India	100.00%	100.00%
Alipurduar Transmission Limited (upto 25th November, 2020)*	6th January,2016	India	26.00%	51.00%
Kalpataru Power Transmission (Mauritius) Limited	8th January,2009	Mauritius	100.00%	100.00%
Kalpataru Power Transmission - USA, Inc	11th September,2009	USA	100.00%	100.00%
LLC Kalpataru Power Transmission Ukraine	6th November,2012	Ukraine	100.00%	100.00%
Kalpataru IBN Omairah Company Limited	1st June,2015	Saudi Arabia	65.00%	65.00%
Kalpataru Power Transmission Sweden AB	28th January,2019	Sweden	100.00%	100.00%
Kalpataru Power Senegal SARL	10th August, 2020	Senegal	100.00%	100.00%
Kalpataru Power do Brasil Participações Ltda	27th January, 2021	Brazil	100.00%	100.00%
Kalpataru Power Chile SpA	28th February, 2022	Chile	100.00%	100.00%
Brij Bhoomi Expressway Private Limited	6th December,2010	India	100.00%	100.00%
JMC Mining and Quarries Limited	6th February,2007	India	100.00%	100.00%
Vindhyachal Expressway Private Limited	16th January,2012	India	100.00%	100.00%
Wainganga Expressway Private Limited	2nd June,2011	India	100.00%	100.00%
Subsidiaries Held Indirectly				
Saicharan Properties Limited	30th June,2009	India	100.00%	100.00%
Kalpataru Power DMCC	3rd August,2011	UAE	100.00%	100.00%
Punarvasu Financial Services Private Limited	31st December,2014	India	100.00%	100.00%
Linjemontage i Grästorp Aktiebolag	29th April,2019	Sweden	100.00%	85.00%
Linjemontage Service Nordic AB	29th April,2019	Sweden	100.00%	85.00%
Linjemontage AS	29th April,2019	Norway	100.00%	85.00%
Fasttel Engenharia S.A.	7th April,2021	Brazil	51.00%	51.00%

b. Particulars of Joint Venture Entities

Name of Joint Ventures	With Effect From	Country of Incorporation	% Voting power	
			As at 31st March, 2023	As at 31st March, 2022
Kohima-Mariani Transmission Limited (Upto 20th December, 2021)*	2nd May, 2018	India	26.00%	51.00%
Kurukshetra Expressway Private Limited	29th March, 2010	India	49.57%	49.57%

* The Company has completed transfer of 25% of total equity shares in Alipurduar Transmission Limited and Kohima Mariani Transmission Limited w.e.f 13th October 2022 and 24th February 2023 respectively. Hence, both these entities ceased to be a subsidiary of the Company in terms of section 2 (87) of the Companies Act, 2013 from the said dates.

59. Advance taxes paid, including tax deducted at sources are shown as assets net of provision of tax including foreign tax. Provision for tax (including foreign tax) is made after considering depreciation, deductions and allowances as per applicable tax statutes and regulations there under.

Notes forming part of Standalone Financial Statement

for the year ended 31st March, 2023

60. The Company is executing projects in Afghanistan, which are currently on hold due to Force Majeure event. The Company is closely monitoring the situation and expect to resume work once the geopolitical environment in Afghanistan is resolved. The Company does not expect any material financial impact due to this event as the projects are funded by multilateral funding agencies and the company has covered the exposure of credit risk through insurance cover. Further, the bank guarantee issued for the aforesaid ongoing projects cannot be enforced as per the terms and conditions of the underlying contracts.

61. The Board of Directors have recommended a dividend of ₹ 7.00 per equity share for the financial year 2022-23, subject to approval by shareholders at the Annual General Meeting and if approved, would result in cash outflow of ₹ 113.71 Crores, which has not been included as liability in these standalone financial statements.

In terms of our report attached

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No : 101248W/W-100022

Vikas R Kasat
Partner
Membership No : 105317

Mumbai : 08th May, 2023

For and on behalf of the Board of Directors

Ram Patodia
Chief Financial Officer

Shweta Girotra
Company Secretary

Manish Mohnot
Managing Director & CEO
DIN : 01229696

Sanjay Dalmia
Executive Director
DIN : 03469908

Mumbai : 08th May, 2023

CONSOLIDATED FINANCIAL STATEMENTS

Independent Auditor's Report

To

The Members of Kalpataru Power Transmission Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the consolidated financial statements of Kalpataru Power Transmission Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its joint venture and joint operation, which comprise the consolidated balance sheet as at 31 March 2023, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate/consolidated financial statements of such subsidiaries, joint venture and joint operation as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its joint venture and joint operation as at 31 March 2023, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, its joint venture and joint operation in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of report of the other auditor referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

KEY AUDIT MATTER

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.

Recognition of contract revenue and margin

See Note 23 to consolidated financial statements

The key audit matter	How the matter was addressed in our audit
The Group enters into Engineering, Procurement and Construction (EPC) contracts, which are complex in nature and span over a number of reporting periods. Ind AS 115, Revenue from Contracts with Customers, requires an entity to select a single measurement method for the relevant	In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence: • Assessed compliance of the group policies in respect of revenue recognition with the applicable standards.

The key audit matter	How the matter was addressed in our audit
performance obligation which depicts the entity's performance in transferring goods or services. In case of onerous contract, present obligations are recognized and measured as provisions. The Group is recognizing contract revenue and margin for these contracts based on input method, in accordance with the requirement of the standard. It relies on management's estimates of the final outcome of each contract, and involves management judgement, particularly in forecasting the cost to complete a contract, valuing contract variations, claims and liquidated damages. We identified contract accounting as a key audit matter because the estimation of total revenue and total cost to complete the contract is inherently subjective, complex and require significant management judgement. The same may get subsequently changed due to change in prevailing circumstances, assumptions, contract variations etc., and could result in significant variance in the revenue and profit or loss from contract for the reporting period.	• Selected a sample of contracts to test, using a risk¬ based criteria which included individual contracts with: i. Significant revenue recognised during the year; ii. Significant unbilled work in progress (WIP) balances held at the year-end; or iii. Low profit margins. • Obtained an understanding of management's process for analyzing long term contracts, the risk associated with the contract and any key judgements. • Evaluated the design and implementation of key internal controls over the contract revenue and cost estimation process through the combination of procedures involving inquiry, observations, re-performance and inspection of evidence. • Verified underlying documents such as contract, and its amendments, key contract terms and milestones, etc. for verifying the estimation of contract revenue and costs and / or any change in such estimation. • Evaluated retrospective results for contracts completed during the current year. Compared the final outcome of the contracts with previous estimates made for these contracts to assess the reliability of management forecasting process. • Considered the adequacy of the disclosures in note 23 to the consolidated financial statements.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and auditor's reports thereon. The Company's annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Company's annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its joint venture and joint operation in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group and of its joint venture and joint operation are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and of its joint venture and joint operation are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its joint venture and joint operation are responsible for overseeing the financial reporting process of each company.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.

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

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

- Obtain sufficient appropriate audit evidence regarding the financial statements of such entities or business activities within the Group and its joint venture and joint operation to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

OTHER MATTERS

a. We did not audit the financial statements of one joint operation whose financial statements/financial information reflects total assets (before consolidation adjustments) of Rs. 72.80 crores as at 31 March 2023, total revenues (before consolidation adjustments) of Rs. 70.64 crores and net cash outflows (before consolidation adjustments) amounting to Rs. 0.99 crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports has been furnished to us by the Management, and our opinion on the consolidated financial statements in so far as it relates to the amounts and disclosures included in respect of this joint operation, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid joint operation, is based solely on the reports of the other auditor.

   We did not audit the financial statements of twenty subsidiaries, whose financial statements reflects total assets (before consolidation adjustments) of Rs. 2,809.43 crores as at 31 March 2023, total revenues (before consolidation adjustments) of Rs. 1,504.30 crores and net cash outflows (before consolidation adjustments) amounting to Rs. 2.65 crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit (and other comprehensive profit) of Rs. Nil for the year ended 31 March 2023, in respect of one joint venture, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint venture is based solely on the reports of the other auditors.

   Certain of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the reports of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

   Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to our reliance on the work done and the reports of the other auditors.

b. The financial statements of three subsidiaries, whose financial statements reflects total assets (before consolidation adjustments) of Rs. 550.84 crores as at 31 March 2023, total revenues (before consolidation adjustments) of Rs. 438.91 crores and net cash inflows (before consolidation adjustments) amounting to Rs. 6.46 crores for the year ended on that date, as considered in the consolidated financial statements, have not been audited either by us or by other auditors. These unaudited financial statements have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

   Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to the financial statements certified by the Management.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate/consolidated financial statements of such subsidiaries and joint venture as were audited by other auditors, as noted in the "Other Matters" paragraph, we report, to the extent applicable, that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those and the reports of the other auditors.

   c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements .

   d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

   e. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and joint venture company incorporated in India, none of the directors of the Group companies and joint venture company incorporated in India is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.

   f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies and joint venture company incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with 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 and based on the consideration of the reports of the other auditors on separate/ consolidated financial statements of the subsidiaries and joint venture, as noted in the "Other Matters" paragraph:

   a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2023 on the consolidated financial position of the Group and its joint venture. Refer Note 34 to the consolidated financial statements.

   b. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Note 32 and 36 to the consolidated financial statements in respect of such items as it relates to the Group and its joint venture.

   c. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies and joint venture company incorporated in India during the year ended 31 March 2023.

   d (i) The respective management of the Holding Company and its subsidiaries and joint venture company incorporated in India whose financial statements has been audited under the Act has represented to us and the other auditors of such subsidiary companies and joint venture company respectively that, to the best of their knowledge and belief, other than as disclosed in the Note 57(a) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company and its subsidiary companies and joint venture company incorporated in India to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company and its subsidiary companies and joint venture company incorporated in India ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The respective management of the Holding Company and its subsidiaries and joint venture company incorporated in India whose financial statements has been audited under the Act has represented to us and the other auditors of such subsidiary companies and joint venture company respectively that, to the best of their knowledge and belief, as disclosed in the Note 57(b) to the consolidated financial statements, no funds have been received by the Holding Company and its subsidiary companies and joint venture company incorporated in India from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company and its subsidiary companies and joint venture company incorporated in India shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiary companies and joint venture company incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The final dividend paid by the Holding Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 59 to the consolidated financial statements, the respective Board of Directors of the Holding Company has proposed final dividend for the year which is subject to the approval of the respective members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Holding Company and its subsidiary companies and joint venture company incorporated in India only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

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

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies and joint venture company incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiary companies and joint venture company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary companies and joint venture company is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Vikas R Kasat
Partner
Membership No.: 105317
ICAI UDIN:23105317BGVTNM4891

Place: Mumbai
Date: 08 May 2023

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Kalpataru Power Transmission Limited for the year ended 31 March 2023

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(xxi) In our opinion and according to the information and explanations given to us, following companies incorporated in India and included in the consolidated financial statements, have unfavourable remarks, qualification or adverse remarks given by the respective auditors in their reports under the Companies (Auditor's Report) Order, 2020 (CARO):

Sr. No.	Name of the entities	CIN	Subsidiary/ Joint Venture	Clause number of the CARO report which is unfavourable or qualified or adverse
1	Kurukshetra Expressway Private Limited	U45400HR2010PTC040303	Joint Venture	Clause (ix)(a) Clause (xvii) Clause (xix)
2	Wainganga Expressway Private Limited	U45203MH2011PTC264642	Subsidiary	Clause (ix)(a)

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Vikas R Kasat
Partner
Membership No.: 105317
ICAI UDIN:23105317BGVTNM4891

Place: Mumbai
Date: 08 May 2023

Annexure B to the Independent Auditor's Report on the consolidated financial statements of Kalpataru Power Transmission Limited for the year ended 31 March 2023

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

OPINION

In conjunction with our audit of the consolidated financial statements of Kalpataru Power Transmission Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Holding Company and such companies incroporated in India under the Act which are its subsidiary companies and joint venture company , as of that date.

In our opinion and based on the consideration of reports of the other auditors on internal financial controls with reference to financial statements of subsidiary companies and joint venture company, as were audited by the other auditors, the Holding Company and such companies incorporated in India which are its subsidiary companies and its joint venture company, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR INTERNAL FINANCIAL CONTROLS

The respective Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the branch auditors and other auditor(s) of the relevant branch/branches, subsidiary [company/companies], associate [company/companies], joint venture [company/companies] and joint operation [company/companies] in terms of their report(s) referred to in the Other Matter(s) paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include 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 consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OTHER MATTERS

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to ten subsidiary companies and one joint venture company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of above matters.

For **B S R & Co. LLP**
Chartered Accountants
Firm’s Registration No.:101248W/W-100022

Vikas R Kasat
Partner
Membership No.: 105317
ICAI UDIN:23105317BGVTNM4891

Place: Mumbai
Date: 08 May 2023

Consolidated Balance Sheet

as at 31st March, 2023

(₹ in Crores)

Particulars	Note	As at 31st March, 2023	As at 31st March, 2022
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipments	5(i)	1,980.78	1,626.61
(b) Capital Work in Progress		52.28	19.91
(c) Right of Use Assets	44	106.16	133.70
(d) Investment Property	51	-	0.82
(e) Goodwill	47	183.61	184.21
(f) Other Intangible Assets	5(ii)	853.88	1,613.23
(g) Intangible Assets Under Development		-	4.72
(h) Financial Assets			
(i) Investments	6	1.55	1.49
(ii) Trade Receivables	7(i)	188.79	213.82
(iii) Others	9(i)	156.34	160.50
(i) Deferred Tax Assets (net)	10	178.43	198.02
(j) Non-Current Tax Assets (net)	15(i)	0.59	7.18
(k) Other Non-Current Assets	11(i)	127.19	133.54
		3,829.60	**4,297.75**
Current Assets			
(a) Inventories	12	1,228.47	1,096.03
(b) Financial Assets			
(i) Investments	6.2	3.08	3.20
(ii) Trade Receivables	7(ii)	5,251.25	4,578.77
(iii) Cash and Cash Equivalents	13	956.43	1,061.76
(iv) Bank Balances other than (iii) above	14	103.44	132.26
(v) Loans	8(i)	57.52	151.34
(vi) Others	9(ii)	422.87	271.75
(c) Current Tax Assets (net)	15(ii)	185.78	122.20
(d) Other Current Assets	11(ii)	6,519.77	4,979.58
(e) Assets classified as held for sale	6.3	1,022.64	516.87
		15,751.25	**12,913.76**
TOTAL ASSETS		**19,580.85**	**17,211.51**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	16	32.49	29.78
(b) Other Equity	16(i)	4,688.13	4,248.79
Equity Attributable to Owners of the Company		**4,720.62**	**4,278.57**
(c) Non-Controlling Interests	17	(26.76)	138.90
		4,693.86	**4,417.47**
Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18(i)	1,214.83	1,553.45
(ia) Lease Liabilities	44	54.80	74.31
(ii) Trade Payables	19(i)		
(a) total outstanding dues of micro enterprises and small enterprises		-	-
(b) total outstanding dues of creditors other that micro enterprises and small enterprises		161.40	325.72
(iii) Other Financial Liabilities	20(i)	393.17	444.60
(b) Provisions	21 (i)	76.05	92.65
(c) Deferred Tax Liabilities (net)	10	60.21	95.71
(d) Other Non-Current Liabilities	22(i)	326.51	673.77
		2,286.97	**3,260.21**
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18(ii)	2,467.63	2,155.49
(ia) Lease Liabilities	44	48.87	54.53
(ii) Trade Payables	19(ii)		
(a) total outstanding dues of micro enterprises and small enterprises		153.40	159.09
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		4,750.44	4,094.24
(iii) Other Financial Liabilities	20(ii)	563.21	699.44
(b) Other Current Liabilities	22(ii)	3,613.30	1,908.85
(c) Provisions	21 (ii)	416.60	433.78
(d) Current Tax Liabilities (net)	15(iii)	121.90	28.41
(e) Liabilities directly associated with assets held for sale		464.67	-
		12,600.02	**9,533.83**
TOTAL EQUITY AND LIABILITIES		**19,580.85**	**17,211.51**
Significant Accounting Policies and Notes forming part of the Consolidated Financial Statements	1 to 60		

In terms of our report attached

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No : 101248W/W-100022

Vikas R Kasat
Partner
Membership No : 105317

Mumbai : 8th May, 2023

For and on behalf of the Board of Directors

Ram Patodia
Chief Financial Officer

Shweta Girotra
Company Secretary

Manish Mohnot
Managing Director & CEO
DIN : 01229696

Sanjay Dalmia
Executive Director
DIN : 03469908

Mumbai : 8th May, 2023

Consolidated Statement of Profit and Loss

for the year ended 31st March, 2023

(₹ in Crores)

Particulars	Note	2022-23	2021-22
Revenue from Operations	23	16,361.44	14,777.38
Other Income	24	39.70	88.92
TOTAL INCOME		**16,401.14**	**14,866.30**
EXPENSES			
Cost of Materials Consumed	25	6,983.77	6,421.34
Changes in Inventories of Finished goods and Work in Progress	26	(13.46)	24.66
Erection, Sub-Contracting and Other Project Expenses	41	5,413.50	4,693.16
Employee Benefits Expenses	27	1,446.88	1,299.08
Finance Costs	28	466.75	396.33
Depreciation and Amortisation Expenses	5 & 44	391.75	350.78
Expected credit losses provision for loans and advances given to JV	32	2.81	95.26
Other Expenses	29	1,158.40	1,054.32
TOTAL EXPENSES		**15,850.40**	**14,334.93**
Profit Before share of profit / (loss) of Joint venture and Exceptional Item		**550.74**	**531.37**
Share of Profit/ (Loss) from Joint Venture		-	(19.89)
Profit Before Exceptional Item and tax		**550.74**	**511.48**
Exceptional items - Gain / (loss) (net)	55	90.78	184.93
Profit Before Tax		**641.52**	**696.41**
Tax Expenses			
Current Tax		265.64	191.59
Deferred Tax		(59.14)	(30.24)
PROFIT FOR THE YEAR		**435.02**	**535.06**
Other Comprehensive Income			
Items that will not be reclassified subsequently to Profit or Loss			
Actuarial Gain / (Loss) on Defined Plan Liability		1.99	0.71
Income tax on Actuarial Gain / (Loss)		(0.50)	(0.18)
		1.49	**0.53**
Items that will be reclassified subsequently to Profit or Loss			
Exchange difference in translating foreign operations		(15.46)	36.13
Gain / (Loss) on hedging instruments		(58.08)	19.14
Income tax on above items		16.38	(11.88)
		(57.16)	43.39
Total Other Comprehensive Income		(55.67)	43.92
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**379.35**	**578.98**
Profit for the year attributable to			
Owners of the Company		440.75	540.30
Non-controlling interests		(5.73)	(5.24)
PROFIT FOR THE YEAR		**435.02**	**535.06**
Total Other Comprehensive Income attributable to			
Owners of the Company		(42.34)	34.22
Non-controlling interests		(13.33)	9.70
TOTAL OTHER COMPREHENSIVE INCOME FOR THE YEAR		**(55.67)**	**43.92**
Total Comprehensive Income for the year attributable to			
Owners of the Company		398.41	574.52
Non-controlling interests		(19.06)	4.46
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**379.35**	**578.98**
Earnings per Share (EPS) of ₹ 2 each			
Basic and Diluted (₹)	37	29.06	36.28
Significant Accounting Policies and			
Notes forming part of the Consolidated Financial Statements	1 to 60		

In terms of our report attached

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No : 101248W/W-100022

Vikas R Kasat
Partner
Membership No : 105317

Mumbai : 8th May, 2023

For and on behalf of the Board of Directors

Ram Patodia
Chief Financial Officer

Shweta Girotra
Company Secretary

Manish Mohnot
Managing Director & CEO
DIN : 01229696

Sanjay Dalmia
Executive Director
DIN : 03469908

Mumbai : 8th May, 2023

Consolidated Statement of Changes in Equity

for the year ended 31st March, 2023

A EQUITY SHARE CAPITAL

(₹ in Crores)

Particulars	Amount
Balance as at 1st April, 2021	29.78
Balance as at 31st March, 2022	**29.78**
Add: Shares Issue during the year	2.71
BALANCE AS AT MARCH 31st, 2023	**32.49**

B OTHER EQUITY

(₹ in Crores)

Particulars	Reserve & Surplus								Other Comprehensive Income / (Loss)			Total Attributable to Owners of the Company	Non-Controlling Interest	Total other Equity
	Debenture Redemption Reserve	Securities Premium	Capital Reserve	General Reserve	Statutory Reserve	Capital Redemption reserve	Reserve Fund as per Section 45IC of RBI Act, 1934	Retained Earnings	Effective portion of Cash Flow Hedges	Exchange differences of foreign operation	Remeasurement of defined benefit obligations			
Balance as at 1st April, 2021	**74.55**	**692.61**	**-**	**476.85**	**0.26**	**1.16**	**0.97**	**2,473.55**	**20.32**	**(30.67)**	**(0.88)**	**3,708.72**	**120.44**	**3,829.16**
Profit for the year 2021-22	-	-	-	-	-	-	-	540.30	-	-	-	540.30	(5.24)	535.06
Other Comprehensive income for the year (net of tax)	-	-	-	-	-	-	-	-	11.63	22.10	0.49	34.22	9.70	43.92
Dividends paid including tax thereon	-	-	-	-	-	-	-	(34.45)	-	-	-	(34.45)	(3.79)	(38.24)
Transfer to General Reserve / Reserve Fund from Retained Earnings	-	-	-	10.00	-	-	0.20	(10.20)	-	-	-	-	-	-
Transfer to General Reserve From Debenture Redemption Reserve	(34.87)	-	-	34.87	-	-	-	-	-	-	-	-	-	-
Acquisition of non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	-	8.43	8.43
Non-controlling interest changes during the year	-	-	-	-	-	-	-	-	-	-	-	-	9.36	9.36
Balance as at 31st March, 2022	**39.68**	**692.61**	**-**	**521.72**	**0.26**	**1.16**	**1.17**	**2,969.20**	**31.95**	**(8.57)**	**(0.39)**	**4,248.79**	**138.90**	**4,387.69**
Profit for the year 2022-23	-	-	-	-	-	-	-	440.75	-	-	-	440.75	(5.73)	435.02
Other Comprehensive income for the year (net of tax)	-	-	-	-	-	-	-	-	(34.35)	(9.46)	1.47	(42.34)	(13.33)	(55.67)
Dividends paid	-	-	-	-	-	-	-	(96.77)	-	-	-	(96.77)	(5.43)	(102.20)
Transfer to General Reserve / Reserve Fund from Retained Earnings	-	-	-	10.00	-	-	0.21	(10.21)	-	-	-	-	-	-
Transfer to General Reserve From Debenture Redemption Reserve	(35.65)	-	-	35.65	-	-	-	-	-	-	-	-	-	-

(₹ in Crores)

Particulars	Reserve & Surplus								Other Comprehensive Income / (Loss)			Total Attributable to Owners of the Company	Non-Controlling Interest	Total other Equity
	Debenture Redemption Reserve	Securities Premium	Capital Reserve	General Reserve	Statutory Reserve	Capital Redemption reserve	Reserve Fund as per Section 45IC of RBI Act, 1934	Retained Earnings	Effective portion of Cash Flow Hedges	Exchange differences of foreign operation	Remeasurement of defined benefit obligations			
Acquisition of non-controlling interest	-	-	137.70	-	-	-	-	-	-	-	-	137.70	(140.41)	(2.71)
Non-controlling interest changes during the year	-	-	-	-	-	-	-	-	-	-	-	-	(0.76)	(0.76)
Balance as at 31st March, 2023	**4.03**	**692.61**	**137.70**	**567.37**	**0.26**	**1.16**	**1.38**	**3,302.97**	**(2.40)**	**(18.03)**	**1.08**	**4,688.13**	**(26.76)**	**4,661.37**

(i) Securities premium is used to record the premium on issue of shares. This can be utilised in accordance with the provisions of the Companies Act, 2013.

(ii) Debenture Redemption Reserve is created as required under the provisions of the Companies Act, 2013 and rules framed thereunder.

(iii) The General Reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. General Reserve is created by the transfer from one component of equity to another and is not an item of other comprehensive income. This can be utilised in accordance with the provisions of Companies Act, 2013.

(iv) Statutory Reserve is created as required under article 176 of the regulations for Companies in Saudi Arabia. This reserve is not available for dividend distribution.

(v) Capital Redemption Reserve is in accordance with section 69 of the Indian Companies Act, 2013. The Company creates capital redemption reserve equal to the nominal value of the shares bought back as an appropriation from general reserve.

(vi) Exchange differences of foreign operations arising on translation of the foreign operation are recognised in other comprehensive income and accumulated in a separate reserve within equity. The cumulative amount reclassified to profit or loss when the net investment is disposed-off.

(vii) The cash flow hedge reserve is used to recognize the effective portion of gains or losses on derivative that are designated and qualify as cash flow hedges.

(viii) Reserve for remeasurement of defined benefit obligations represents the effects of remeasurement of defined benefit obligations on account of actuarial gains and losses.

(ix) Reserve fund created on net profit in accordance with the section 45-IC of the Reserve Bank of India Act, 1934.

(x) Retained earnings represents accumulated profit of the Company as on reporting date. The reserve can be utilised in accordance with the provision of the Companies Act, 2013

(xi) Capital reserve was created on account of merger of JMC Projects (India) Limited with the Company pursuant to the Scheme of Amalgamation.

Also refer Significant Accounting Policies and Notes forming part of the Consolidated Financial Statements

In terms of our report attached

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No : 101248W/W-100022

Vikas R Kasat
Partner
Membership No : 105317

Mumbai : 8th May, 2023

For and on behalf of the Board of Directors

Ram Patodia
Chief Financial Officer

Shweta Girotra
Company Secretary

Manish Mohnot
Managing Director & CEO
DIN : 01229696

Sanjay Dalmia
Executive Director
DIN : 03469908

Mumbai : 8th May, 2023

Consolidated Statement of Cash Flows

for the year ended 31st March, 2023

(₹ in Crores)

Particulars	2022-23	2021-22
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit for the year	435.02	535.06
Adjustments for :		
Tax Expenses	206.50	161.35
Share of Loss of Joint Venture	-	19.89
Depreciation and Amortization Expenses	391.75	350.78
Finance Costs	466.75	396.33
Impairment loss on Property, Plant and Equipments	18.22	37.71
Gain on sale of subsidiary and joint venture (net)	-	(262.41)
Dividend Income	(0.08)	(0.10)
Interest Income	(34.05)	(35.28)
Gain on disposal of Property, Plant and Equipments (net)	6.65	(18.61)
Bad Debt written off	-	0.25
Liabilities Written Back	(0.57)	(21.67)
Allowance for Expected Credit Losses	(10.27)	39.26
Expected credit losses provision for loans given to JV and others	2.81	95.26
Impairment loss on asset held for sale	0.05	0.68
Unrealised Foreign Exchange (Gain) / Loss (net)	(9.76)	(29.27)
Net Gain arising on financial assets	(0.14)	(0.30)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	**1,472.88**	**1,268.93**
Adjustments for:		
Trade and other Receivables	(2,321.71)	(950.18)
Inventories	(132.44)	13.50
Trade, other payables and provisions	1,864.60	644.87
CASH GENERATED FROM OPERATIONS	**883.33**	**977.12**
Income Tax Paid	(226.94)	(263.46)
NET CASH GENERATED FROM OPERATING ACTIVITIES	**656.39**	**713.66**
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Capital expenditure on Property, Plant and Equipment & Intangible assets (after adjustment of increase / decrease in capital work-in-progress and advances for capital expenditure)	(771.48)	(308.10)
Proceeds from disposal of Property, Plant and Equipment	52.13	46.68
Proceeds from sale of Subsidiary and Joint Venture (net)	273.72	156.71
Investments in / Proceeds from sale Mutual Funds (net)	0.20	(3.26)
Loans (given to) / received back from Joint Ventures (net)	(2.81)	(17.43)
Loans (given to) / received back from others	99.11	22.26
Interest received	34.05	35.28
Dividend Received	0.08	0.10
Payment for acquisition of Subsidiary	-	(62.24)
Deposits with Banks (net)	(11.13)	(125.02)
CASH GENERATED FROM / (USED IN) INVESTING ACTIVITIES	**(326.13)**	**(255.02)**
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Issue of shares to Minority Shareholders	-	8.00
Purchase of Equity Instruments from Minority Shareholders	(93.60)	-
Proceeds from Current / Non Current Borrowings	227.76	479.97
Proceeds from Issue of Non Convertible Debentures	274.00	200.00
Redemption of Non Convertible Debentures	(278.32)	(233.33)
Repayment of Current/Non Current Borrowings	(608.19)	(313.15)
Net increase / (decrease) in short-term borrowings	696.80	380.11
Payment of lease liability	(62.44)	(53.02)

Consolidated Statement of Cash Flows (Contd.)

for the year ended 31st March, 2023

(₹ in Crores)

Particulars		2022-23	2021-22
	Finance Costs Paid	(491.69)	(405.35)
	Dividend Paid	(96.77)	(22.34)
	Dividend Paid to Minority Shareholders	(5.43)	(15.90)
	CASH GENERATED FROM / (USED IN) FINANCING ACTIVITIES	**(437.88)**	**24.99**
D.	Effect of exchange rate changes on the balance of cash and cash Equivalents held in foreign currencies	3.37	-
E.	**NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C+D)**	**(104.25)**	**483.63**
F.	**CASH AND CASH EQUIVALENTS ACQUIRED IN BUSINESS COMBINATION**	**-**	**40.60**
G.	**REDUCTION IN CASH AND CASH EQUIVALENTS ON LOSS OF CONTROL OF SUBSIDIARY**	**-**	**-**
H.	**OPENING CASH AND CASH EQUIVALENTS**	**1,061.76**	**537.53**
I.	**CLOSING CASH AND CASH EQUIVALENTS (E+F+G+H)**	**957.51**	**1,061.76**

NOTES:

(i) Cash and Cash Equivalents at the end of the year comprises:

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(a) Cash on hand	3.79	2.41
(b) Cheques on hand	-	0.02
(c) Balances with Banks		
(i) In current accounts	944.17	995.68
(ii) In Fixed Deposit Accounts	9.55	63.65
CASH AND CASH EQUIVALENTS AS PER STATEMENT OF CASH FLOWS*	**957.51**	**1,061.76**

*Cash and Cash Equivalent includes ₹ 1.08 Crores (previous year ₹ Nil Crores) pertaining to assets held for sale.

(ii) Reconciliation of liabilities arising from financing activities:

(₹ in Crores)

Particulars	As at 01st April, 2022	Cash Flow	Non-Cash Changes	As at 31st March, 2023
Borrowings^	3,708.94	312.05	18.10	**4,039.09**

^Borrowing includes ₹ 356.63 Crores (previous year ₹ Nil Crores) pertaining to assets held for sale.

(iii) The statement of cash flows has been prepared under the "Indirect method" as set out in Indian Accounting Standard 7- "Statement of Cash Flows".

Also refer Significant Accounting Policies and Notes forming part of the Consolidated Financial Statements

In terms of our report attached

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No : 101248W/W-100022

Vikas R Kasat
Partner
Membership No : 105317

Mumbai : 8th May, 2023

For and on behalf of the Board of Directors

Ram Patodia
Chief Financial Officer

Shweta Girotra
Company Secretary

Manish Mohnot
Managing Director & CEO
DIN : 01229696

Sanjay Dalmia
Executive Director
DIN : 03469908

Mumbai : 8th May, 2023

Notes forming part of Consolidated Financial Statement

for the year ended 31st March, 2023

1. CORPORATE INFORMATION

Kalpataru Power Transmission Limited (referred to as the "Company") is a global EPC player with diversified interest in Buildings and Factories, power transmission & distribution, Roads and Bridges, Water pipe lines, railway track laying & electrification, oil & gas pipelines laying, etc.

The Company is public limited company incorporated and domiciled in India having its registered office at Plot No. 101, Part-III, GIDC Estate, Sector -28, Gandhinagar 382028, Gujarat, India.

The Company together with its subsidiaries is herein after referred to as the 'Group'.

2.(A) BASIS OF PREPARATION OF FINANCIAL STATEMENT

The financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

The consolidated financial statements have been presented in India rupees (INR) which is also the functional currency of the Company. All amounts have been rounded-off to the nearest crores, unless otherwise stated.

These consolidated financial statements were approved by the Company's Board of Directors and authorised for issue on 8th May, 2023.

The consolidated financial statements have been prepared on historical cost basis, except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in accounting policies below.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

(B) PRINCIPLES OF CONSOLIDATION

The consolidated financial statements relate to the Kalpataru Power Transmission Limited ("The Company" / "The Holding Company"), its Subsidiary Companies and Joint Venture Entities. The consolidated financial statements have been prepared on the following basis;

(i) The financial statement of the Subsidiary Companies and Joint Venture Entities used in the consolidation are drawn up to the same reporting date as of the parent.

(ii) The financial statements of the Company and its subsidiaries have been combined on line-by-line basis by adding together, the book value of like items of assets, liabilities, income and expenses after eliminating intra group balances, intra group transactions and unrealized profits or losses, unless cost cannot be recovered.

(iii) The excess of cost to the Company of its investments in subsidiary companies over its share of equity of the subsidiary companies at the dates on which the investments in the subsidiary companies were made, is recognized as "Goodwill" being an asset in the consolidated financial statements and is tested for impairment on annual basis.

(iv) Non-controlling interest in the net assets of consolidated subsidiaries consists of the amount of equity attributable to the non-controlling shareholders at the date on which investments in the subsidiary companies were made and further movement in their share in the equity, subsequent to the dates of investments. Net profit / loss and other comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests.

Notes forming part of Consolidated Financial Statement

for the year ended 31st March, 2023

(v) Interest in Joint Venture Entities are incorporated in these consolidated financial statements using the equity method of accounting. Under equity method of accounting, an investment in joint venture is initially recognised at cost and adjusted thereafter to recognise the group's share of profit or loss and other comprehensive income of the joint venture.

3. USE OF ESTIMATES

The preparation of the consolidated financial statements in conformity with recognition and measurement principles of Ind AS requires the Management to make estimates and assumptions that affect the reported balance of assets and liabilities, disclosure relating to contingent liabilities as at the date of the financial statements and the reported amount of income and expense for the period. Estimates and underlying assumptions are reviewed on ongoing basis.

The estimates and underlying assumptions made by management are explained under respective policies. Revisions to accounting estimates include useful lives of property, plant and equipment & intangible assets, allowance for expected credit loss, future obligations in respect of retirement benefit plans, expected cost of completion of contracts, provision for rectification costs, fair value/ recoverable amount measurement, etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

4. SIGNIFICANT ACCOUNTING POLICIES

A. Revenue Recognition

(i) Revenue from construction contracts

Performance obligations with reference to construction contracts are satisfied over the period of time, and accordingly, Revenue from such contracts is recognized based on progress of performance determined using input method with reference to the cost incurred on contract and their estimated total costs. Revenue, measured at transaction price, is adjusted towards liquidated damages, time value of money and price variations/escalation, wherever, applicable. Variation in contract work and other claims are included to the extent that the amount can be measured reliably and it is agreed with customer.

Estimates of revenue and costs are reviewed periodically and revised, wherever circumstances change, resulting increases or decreases in revenue determination, is recognized in the period in which estimates are revised.

The Company evaluates whether each contract consists of a single performance obligation or multiple performance obligations. Where the Company enters into multiple contracts with the same customer, the Company evaluates whether the contract is to be combined or not by evaluating various factors.

(ii) Revenue from other contracts

Revenue from sale of products is recognized upon satisfaction of performance obligations based on an assessment of the transfer of control as per the terms of the contract.

(iii) Service concession arrangement

Concession arrangements are recognized in accordance with Appendix C of Ind AS 115, Service Concession Arrangements. It is applicable to concession arrangements comprising a public service obligation and satisfying all of the following criteria:

- the concession grantor controls or regulates the services to be provided by the operator using the asset, the infrastructure, the beneficiaries of the services and prices applied;
- the grantor controls the significant residual interest in the infrastructure at the end of the term of the arrangement. As per Ind AS 115, such infrastructures are not recognized in assets of the operator as property, plant and equipment but in financial assets ("financial asset model") and/ or intangible assets ("intangible asset model") depending on the remuneration commitments given by the grantor.

  Construction or upgrade services provided under a service concession arrangement, recognised based on the stage of completion of the work performed, consistent with the Group's accounting policy on recognising revenue on construction contracts. Consideration under service concession arrangements is accounted on accrual basis in accordance with appendix C of Ind AS 115. Operation and maintenance revenue is recognised in the period in which the services are provided by the Group.

(iv) Warehousing

Revenues from warehousing facilities are recognized when services are rendered, which coincides with agreement entered with customers and other entities.

Notes forming part of Consolidated Financial Statement

for the year ended 31st March, 2023

(v) Real Estate Development

The Group has evaluated the timing of revenue recognition on sale of completed units based on the rights and obligations given in the terms of contracts. The Group generally concluded that contracts relating to the completed units are recognised at a point in time when control transfers. For unconditional exchanges, control is generally expected to transfer to the customer together with the legal title. For conditional exchanges, this is expected to take place when all the significant conditions are satisfied.

With respect to the services provided to the lessees including Common Area Maintenance (CAM) services (Such as housekeeping, security services, etc) as part of the lease agreements entered by the Group, the Group has determined that the promise is the overall property management service and that the service performed each day is distinct and substantially the same. Therefore, the Group concluded that the services to lessees represent a series of daily services that are individually satisfied over time, using a time elapsed measure of progress, because lessees simultaneously receive and consume the benefits provided by the Group.

The sale of completed units constitutes a single performance obligation and it is satisfied at the point in time when control transfers, which generally occurs when legal title transfers to the customer.

(vi) Operation and maintenance Income

The Company recognises revenue from Operations and Maintenance services using the time-elapsed measure of progress i.e. input method on a straight line basis.

(vii) Others

Dividend are recognized when right to receive payment is established.

Interest income on investments and loans is accrued on a time basis by reference to the principal outstanding and the effective interest rate including interest on investments classified as fair value through profit or loss or fair value through other comprehensive income. Interest receivable on customer dues is recognised as income in the Statement of Profit and Loss on accrual basis provided there is no uncertainty of realisation.

Export benefits are accounted as revenue on accrual basis as and when export of goods take place and where there is a reasonable assurance that the benefit will be received and the Company will comply with all the attached conditions.

B. Onerous contract

Present obligations arising under onerous contracts are recognized and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

C. Business Combinations

Business combinations are accounted using the acquisition method under the provisions of Ind AS 103 'Business Combinations'. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition are recognised at their fair values at the acquisition date.

Purchase consideration paid in excess of the fair value of net assets acquired is recognised as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair value of the net assets and contingent liabilities, the excess is recognised as capital reserve.

Acquisition related cost are recognised in the statement of profit or loss as incurred.

Business combinations arising from the transfer of interest in entities under common control are accounted at historical cost. The difference between the consideration given and the aggregate historical carrying amount of assets and liabilities of the acquired entity is recorded in shareholder's equity.

D. Operating cycle

(i) In case of long-term contracts executed by the Holding Company, Operating Cycle covers the duration of the specific project/contract including the defect liability period, wherever applicable and extend up to the realization of receivables (including retention monies) within the agreed credit period.

(ii) Assets and Liabilities other than those relating to long-term contracts executed by the Holding Company are classified as current if it is expected to realize or settle within 12 months after the balance sheet date.

Notes forming part of Consolidated Financial Statement

for the year ended 31st March, 2023

E. Lease

The Group considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition the Group assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group.
- the Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract.
- the Group has the right to direct the use of the identified asset throughout the period of use. The Group assesses whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Measurement and recognition of leases as a lessee

At lease commencement date, the Group recognizes a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist. At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate.

The Group has elected to account for short-term leases using the practical expedients. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in profit or loss on a straight-line basis over the lease term.

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities include these options when it is reasonably certain that the option will be exercised.

F. Foreign Currency

Transactions in foreign currencies are recognised at rate of exchange prevailing for the month on the dates of the transactions.

Foreign currency monetary assets and liabilities, remaining unsettled at reporting date are translated at the exchange rate prevailing at the end of the year.

Foreign exchange gain and losses resulting from the settlement of such transactions and from translation of monetary assets and liabilities denominated in foreign currency at the year end exchange rate are generally recognised in profit or loss.

Foreign currency non-monetary assets and liabilities, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

The results and financial position of foreign operations and foreign subsidiaries that have a functional currency different from the presentation currency are translated in to presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of reporting
- income and expenses at the exchange rate prevailing on the date of transaction
- resulting exchange difference for the period are recognised in other comprehensive income and accumulated in the foreign currency translation reserve in the statement of changes in equity.

G. Income taxes

Income tax expense comprises current tax and deferred tax. Current and Deferred Tax are recognised in Profit or Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Notes forming part of Consolidated Financial Statement

for the year ended 31st March, 2023

Current income taxes

The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period in the countries where the Company, its branches and jointly controlled operations operate and generate taxable income

Deferred income taxes

Deferred tax is recognized on temporary differences between the carrying amounts of Assets and Liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Minimum Alternate Tax (MAT) paid in accordance with tax laws, which give rise to future economic benefits in the form of adjustment of future tax liability, is recognized as an asset only when, based on convincing evidence, it is probable that the future economic benefits associated with it will flow to the Group and the assets can be measured reliably.

H. Inventories

Raw materials, fuel, semi-finished goods, finished goods, scrap, construction work in progress, construction materials and other stores and spares, tools are stated at lower of cost and net realizable value. Cost of purchased material is determined on the weighted average basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Scrap is valued at net realisable value.

Cost of work-in-progress and finished goods includes material cost, labour cost, and manufacturing overheads absorbed on the basis of normal capacity of production.

Finished goods of real estate inventories includes cost of land / development rights, construction costs, allocated borrowing costs and expenses incidental to the development.

I. Employee Benefits

a) Defined benefit plan

Gratuity liability is provided under a defined benefit plan and covered by payment thereof to gratuity fund under Group Gratuity Cash Accumulation Scheme of IRDA approved insurer under an irrevocable trust. The Group's liability towards gratuity is determined on the basis of actuarial valuation done by an independent actuary, taking effect of actuarial gains and losses which is recognised in Other Comprehensive Income.

b) Defined contribution plan

Contribution to Provident Fund, a defined contribution plan is charged to the Consolidated Statement of Profit and Loss.

c) Compensated absence

Provision for compensated absences is made on actuarial valuation as at the Balance Sheet date.

d) Short-term employee benefits

Short-term employee benefits are recognized as an expense at the undiscounted amount in the Consolidated Statement of Profit and Loss for the year in which the related service is rendered.

J. Non-current assets held for sale

Assets and Liabilities related to disposal group classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. The determination of fair value net of cost to sell includes use of management estimates and assumptions.

Assets and Liabilities related to disposal group are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the disposal group is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset and its sale is highly probable.

Notes forming part of Consolidated Financial Statement

for the year ended 31st March, 2023

K. Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of such assets. All other borrowing costs are recognized as expense in the period in which they are incurred.

Interest Income earned on the temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

L. Provisions and Contingent Asset /Liabilities

Provisions are recognised when there is present obligation (legal or constructive) as a result of a past event, it is probable that group will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognized as expenses for legal claims, service warranties and other obligations are the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no disclosure is made.

Contingent Assets are not recognised but disclosed in the Consolidated Financial Statements when economic inflow is probable.

M. Government Grant

Government grants are not recognized until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognized in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

N. Joint Operations

A joint operation is a Jointly controlled arrangement whereby the parties have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. When a group entity undertakes its activities under joint operations, the Company as a joint operator recognises for the assets, liabilities, revenues, and expenses relating to its interest in a joint operation in accordance with the Ind AS applicable to the particular assets.

Transactions with the Joint operation by the Group are recognized in the consolidated financial statements only to the extent of other parties' interests in the joint operation.

O. Financial instruments

Financial instrument is a contract that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Classification:

The Group classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

All financial liabilities are classified as subsequently measured at amortised cost except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives, are subsequently measured at fair value, with any gains or losses arising on re-measurement recognised in profit or loss.

Initial recognition and measurement

Financial Assets and Financial Liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than Financial asset and liabilities at fair value through profit & loss) are added to or deducted from the fair value measured on initial recognition of the financial assets or financial liabilities. Trade receivable that do not contain a significant financing component are measured at transaction price.

Notes forming part of Consolidated Financial Statement

for the year ended 31st March, 2023

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost using effective interest rate method, if:

(a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and

(b) 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.

Financial asset at fair value through other comprehensive income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within business whose objective is achieved by both collecting contractual cash flow and selling asset financial asset and the contractual terms of financial asset give rise on specific dates to cash flows that are solely payment of principal and interest on principal amount outstanding.

Financial asset at fair value through profit or loss (FVTPL)

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or fair value through other comprehensive income. Financial assets under this category are measured initially as well as at each reporting period at fair value with all changes recognised in the consolidated statement of profit and loss.

Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset.

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

Financial liabilities and equity instruments

Classification as debt or equity

Financial instruments are classified as a liability or equity according to the substance of the contractual arrangement and not its legal form.

Equity instruments

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

Financial liabilities

All financial liabilities are subsequently measured at amortised cost. Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

Derivative Contracts

The Group enters into derivative financial instruments to hedge foreign currency / price risk on unexecuted firm commitments and highly probable forecast transactions.

Such derivatives financial instruments are initially recognized at fair value on the date on which the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in the statement of profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

Notes forming part of Consolidated Financial Statement

for the year ended 31st March, 2023

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by a Group entity are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognized less, when appropriate, the cumulative amount of income recognized in accordance with the principles of Ind AS 115.

P. Property, Plant and Equipment & Intangible Assets

Property, Plant and Equipment are stated at cost or deemed cost applied on transition to Ind AS, less accumulated depreciation / amortization and impairment loss if any. Cost of acquisition/construction includes all direct cost net of recoverable taxes and expenditures incurred to bring the asset to its working condition and location for its intended use. All costs, including finance costs and adjustment arising from exchange rate variations attributable to fixed assets till assets are ready to put to use, are capitalized.

Q. Depreciation and Amortisation

Depreciation is provided on all depreciable property, plant and equipment over the useful life prescribed under schedule II to the Companies Act, 2013 except that:

a) Depreciation on plant and machinery of bio-mass energy plants is provided considering the useful life of plant as 20 years, as specified in Central Electricity Regulatory Commission and Rajasthan Electricity Regulatory Commission.

b) Depreciation on assets of overseas projects is provided at the rates and methods as per the best estimates of the management which is also in accordance with requirement of laws of respective foreign countries as detailed below:

Plant & Machineries	:	9% - 33%
Furniture & Fixtures, and Office Equipment	:	10 % - 33%
Computers	:	10% - 50%
Vehicles	:	10% - 50%
Buildings	:	20% - 33.33%

c) Depreciation on Plant & Machinery and Shuttering Materials of a subsidiary is provided taking useful life of 10 years and 3 years respectively based on technical evaluation.

d) Depreciation on Furniture & Fixtures and certain Plant & Machineries at construction sites of the Holding Company is provided considering the useful life of 3 years and 5 years respectively based on past experience.

e) Depreciation on fumigation covers and dunnages is provided taking useful life of 5 years and 3 years respectively

f) Depreciation on transmission line of one of the subsidiary is provided considering 40 years of useful life.

Depreciation is provided on Straight Line Method (SLM) except on assets pertaining to Research and Development Centre, one of the unit of the Group, Real Estate and mining activities is provided on the basis of written down value method.

Intangible Assets

a) Intangible assets with definite useful life is amortised using straight line method over the useful life.

b) Other Intangible assets are amortized over a period of three to five years on straight line basis.

R. Impairment

a) Financial asset

Group applies, as per Ind AS 109, expected credit loss model for recognizing impairment loss on trade receivables, other contractual rights to receive cash or other financial asset.

b) Non-Financial asset

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognized, if the carrying amount of these assets exceeds their recoverable amount.

Intangible assets with indefinite life are tested for impairment at every period end. Impairment is recognized, if the carrying amount of these assets exceeds their recoverable amount.

Notes forming part of Consolidated Financial Statement

for the year ended 31st March, 2023

The recoverable amount is the higher of the fair value less cost of disposal and their value in use. Value in use is arrived at by discounting the future cash flows to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the asset for which the estimates of future cash flows have not been adjusted. When there is indication that an impairment loss recognized for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss.

S. Earnings Per share

Basic earnings per share are computed by dividing profit or loss of the Group attributable to the owners of the Company by weighted average number of equity shares outstanding during the period. The Group did not have any dilutive potential securities in the period presented.

T. Cash and Cash Equivalents

For the purpose of presentation in statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with Banks/financial institutions, with original maturities of 3 months or less that are readily convertible to known amount of cash and which are subject to an insignificant risk of change in value.

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

Ind AS 1- Presentation of Financial Statements – This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after 1st April 2023.

Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors –This amendment has introduced a definition of accounting estimates and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after 1st April 2023.

Ind AS 12 – Income Taxes- This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after 1st April 2023.

The Company is evaluating the impact of the amendments on the financial statement.

Notes forming part of Consolidated Financial Statement

for the year ended 31st March, 2023

5. (A) PROPERTY, PLANT, EQUIPMENT AND INTANGIBLE ASSETS FINANCIAL YEAR 2022-23

(₹ in Crores)

Particulars	GROSS BLOCK						DEPRECIATION / AMORTISATION						NET BLOCK
	As at 1st April, 2022	Additions	Deductions/ Adjustments	Acquired under business combination	Foreign Currency Translation Reserve	As at 1st April, 2023	As at 1st April, 2022	For the Year	Deductions/ Adjustments	Acquired under business combination	Foreign Currency Translation Reserve	As at 31st March, 2023	As at 31st March, 2023
(i) Property, Plant and Equipments													
Leasehold Land	35.82	-	0.01	-	-	35.81	-	-	-	-	-	-	35.81
Freehold Land	134.89	0.70	(0.19)	-	(0.01)	135.77	6.37	-	-	-	-	6.37	129.40
Buildings	706.07	155.96	57.65	-	0.61	804.99	174.18	74.87	23.42	-	(0.37)	225.26	579.73
Plant and Equipment	1,518.23	435.67	211.93	-	14.74	1,756.71	695.50	154.78	181.53	-	9.44	678.19	1,078.52
Electrical Installation	15.91	1.41	0.41	-	(0.05)	16.86	7.71	1.35	0.23	-	0.01	8.84	8.02
Furniture and Fixtures	30.11	1.37	1.39	-	0.07	30.16	18.67	1.97	1.20	-	0.08	19.52	10.64
Office Equipment	84.31	5.57	14.82	-	0.21	75.27	59.67	12.56	13.53	-	0.13	58.83	16.44
Vehicles	145.10	80.30	8.86	-	8.22	224.76	81.73	22.88	7.45	-	5.38	102.54	122.22
TOTAL (i)	**2,670.44**	**680.98**	**294.88**	**-**	**23.79**	**3,080.33**	**1,043.83**	**268.41**	**227.36**	**-**	**14.67**	**1,099.55**	**1,980.78**
(ii) Other Intangible Assets													
Toll Collection Rights	1,748.56	1.64	742.26	-	-	1,007.94	257.01	44.39	49.97	-	-	251.43	756.51
Copyright and Trade Mark	37.34	-	-	-	(0.17)	37.17	0.20	0.11	-	-	-	0.31	36.86
Customer relationship	88.84	-	-	-	(0.46)	88.38	28.31	17.37	-	-	0.97	46.65	41.73
Software (Other than internally generated)	57.70	3.58	16.14	-	-	45.14	35.62	7.44	15.22	-	-	27.84	17.30
Non-compete	2.40	-	-	-	0.04	2.44	0.47	0.44	-	-	0.05	0.96	1.48
TOTAL (ii)	**1,934.84**	**5.22**	**758.40**	**-**	**(0.59)**	**1,181.07**	**321.61**	**69.75**	**65.19**	**-**	**1.02**	**327.19**	**853.88**
TOTAL (i) + (ii)	**4,605.28**	**686.20**	**1,053.28**	**-**	**23.20**	**4,261.40**	**1,365.44**	**338.16**	**292.55**	**-**	**15.69**	**1,426.74**	**2,834.66**

Notes forming part of Consolidated Financial Statement

for the year ended 31st March, 2023

(A) PROPERTY, PLANT, EQUIPMENT AND INTANGIBLE ASSETS

FINANCIAL YEAR 2021-22

(₹ in Crores)

Particulars	GROSS BLOCK						DEPRECIATION / AMORTISATION						NET BLOCK
	As at 1st April, 2021	Additions	Deductions/ Adjustments	Acquired under business combination	Foreign Currency Translation Reserve	As at 31st March, 2022	As at 1st April, 2021	For the Year	Deductions/ Adjustments	Acquired under business combination	Foreign Currency Translation Reserve	As at 31st March, 2022	As at 31st March, 2022
(i) Property, Plant and Equipments													
Leasehold Land	35.82	-	-	-	-	35.82	-	-	-	-	-	-	35.82
Freehold Land	145.79	-	10.90	-	-	134.89	6.37	-	-	-	-	6.37	128.52
Buildings	711.41	58.58	80.30	14.25	2.13	706.07	151.73	80.91	58.64	0.30	(0.12)	174.18	531.89
Plant and Equipment	1,376.65	191.97	56.17	12.03	(6.25)	1,518.23	599.58	134.86	39.40	4.20	(3.74)	695.50	822.73
Electrical Installation	15.48	0.62	0.19	-	-	15.91	6.56	1.30	0.16	-	0.01	7.71	8.20
Furniture and Fixtures	34.42	0.79	5.65	0.49	0.06	30.11	19.67	2.85	4.29	0.39	0.05	18.67	11.44
Office Equipment	73.50	12.97	2.63	0.63	(0.16)	84.31	50.78	11.13	2.36	0.31	(0.19)	59.67	24.64
Vehicles	131.66	17.81	16.80	12.18	0.25	145.10	68.01	20.60	13.26	5.61	0.77	81.73	63.37
TOTAL (i)	**2,524.73**	**282.74**	**172.64**	**39.58**	**(3.97)**	**2,670.44**	**902.70**	**251.65**	**118.11**	**10.81**	**(3.22)**	**1,043.83**	**1,626.61**
(ii) Other Intangible Assets													
Toll Collection Rights	1,748.56	-	-	-	-	1,748.56	202.12	54.89	-	-	-	257.01	1,491.55
Copyright and Trade Mark	22.49	-	-	13.05	1.80	37.34	0.10	0.11	-	-	(0.01)	0.20	37.14
Customer relationship	55.24	-	-	29.69	3.91	88.84	10.62	16.77	-	-	0.92	28.31	60.53
Software (Other than internally generated)	40.55	17.79	0.84	0.18	0.02	57.70	29.06	7.17	0.80	0.17	0.02	35.62	22.08
Non-compete	-	-	-	1.99	0.41	2.40	-	0.41	-	-	0.06	0.47	1.93
TOTAL (ii)	**1,866.84**	**17.79**	**0.84**	**44.91**	**6.14**	**1,934.84**	**241.90**	**79.35**	**0.80**	**0.17**	**0.99**	**321.61**	**1,613.23**
TOTAL (i) + (ii)	**4,391.57**	**300.53**	**173.48**	**84.49**	**2.17**	**4,605.28**	**1,144.60**	**331.00**	**118.91**	**10.98**	**(2.23)**	**1,365.44**	**3,239.84**

Notes :

(a) Refer note 33 for security created on property plant & equipment and other intangible assets.

(b) Deductions / adjustments includes assets reclassified to / from assets held for sale. Depreciation pertaining to assets held for sale is ₹ 6.11 Crores

(c) Depreciation / Amortisation includes impairment on plant and machineries, building and Toll Collection Rights amounting to ₹ Nil crores (Previous year ₹18.32 crores), ₹ 6.63 crores (Previous year ₹ 3.96 crores) and ₹ Nil crores (Previous year ₹15.43 crores) respectively.

(b) Capital Work in Progress

(₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Balance at the beginning of the year	19.91	29.03
Additions	134.68	68.93
Capitalised during the year	102.31	78.05
BALANCE AT THE END OF THE YEAR	**52.28**	**19.91**

(c) Leasehold land of which significant risk and reward is transferred to Company is treated as freehold land.

Notes forming part of Consolidated Financial Statement

for the year ended 31st March, 2023

6. INVESTMENTS - NON CURRENT

(₹ in Crores)

Particulars	Face Value		No. of Shares / Units		Amount	
	Currency	Per Share/ Unit	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
A. Investments - Carried at cost						
(a) In Equity Instruments of Joint Venture, Unquoted, Fully Paid						
Kurukshetra Expressway Private Limited	INR	10	5,16,82,990	5,16,82,990	98.27	98.27
Less: Impairment in value of investment					(98.27)	(98.27)
TOTAL INVESTMENT CARRIED AT COST					-	-
B. Investment - Carried at fair value through profit or loss (FVTPL)						
(i) Quoted, Fully Paid						
(a) In Equity instruments						
Power Grid Corporation of India Limited	INR	10	64,488	64,488	1.46	1.40
					1.46	**1.40**
(ii) Unquoted,						
In Equity instruments, Fully paid						
Alipurduar Transmission Limited [refer Note 6.1 (i) and (ii)]	INR	10	1,44,64,066	2,83,71,824	-	-
Kohima-Mariani Transmission Limited [refer Note 6.1 (i) and (iii)]	INR	10	1,90,63,044	3,73,92,893	-	-
Agri Warehousing Service Providers (INDIA) Association	INR	10	90,000	90,000	0.09	0.09
Total investment carried at fair value through profit or loss					**1.55**	**1.49**
TOTAL					**1.55**	**1.49**
Aggregate carrying amount of Quoted Investments					1.46	1.40
Market Value of Quoted Investments					1.46	1.40
Aggregate amount of Unquoted Investments					0.09	0.09

Note:

6.1 (i) 1,44,64,066 (Previous Year - 2,83,71,824) Equity shares of Alipurduar Transmission Limited (ATL) and 1,75,96,055 (Previous Year - 3,73,92,893) shares of Kohima-Mariani Transmission Limited are pledged.

(ii) Alipurduar Transmission Limited ("ATL") ceased to be subsidiary of the company w.e.f 25th November, 2020 in accordance with IndAS 110 "Consolidated Financial Statements". However, based on company's equity stake it continued to be subsidiary in terms of section 2 (87) of the Companies Act, 2013. Subsequently, during the current year, the Company has completed transfer of 25% of total equity shares w.e.f 13th October, 2022 and hence ATL ceased to be a subsidiary of the Company in terms of section 2 (87) of the Companies Act, 2013 from the said date.

(iii) Kohima-Mariani Transmission Limited ("KMTL") ceased to be Joint Venture of the company w.e.f 20th December, 2021 in accordance with IndAS 28 "Investments in Associates and Joint Ventures". However, based on company's equity stake it continued to be subsidiary in terms of section 2 (87) of the Companies Act, 2013. Subsequently, during the current year, the Company has completed transfer of 25% of total equity shares w.e.f 24th February, 2023 and hence KMTL ceased to be a subsidiary of the Company in terms of section 2 (87) of the Companies Act, 2013 from the said date.

Notes forming part of Consolidated Financial Statement

for the year ended 31st March, 2023

6.2 Investments -Current

(₹ in Crores)

Particulars	Face Value		No. of Shares / Units		Amount	
	Currency	Per Share/ Unit	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
Investment- carried at fair value through profit or loss (FVTPL)						
Mutual Fund						
HDFC Liquid Fund - Growth	INR	4,384	3,507	7,713	1.54	3.20
ABSL Liquid Fund - Growth	INR	360	42,754	-	1.54	-
					3.08	**3.20**

6.3 Assets classified as held for sale

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
In Equity Instruments [refer Note 6.3 (i) and (ii)]	233.95	489.57
Property, Plant and Equipment [refer Note 6.3 (iii)]	27.41	27.30
Developmental Assets [refer Note 6.3 (iv)]	761.28	-
TOTAL	**1022.64**	**516.87**

Assets Held for Sales

(i) During the FY 2020-21, the Company has completed the transfer of 49% stake along with the transfer of control of Alipurduar Transmission Limited (ATL) to the Buyer with effect from 26th November, 2020 . Subsequently, during the current year, the Company has completed transfer of additional 25% of total equity shares on 13th October, 2022 and balance 26% stake will be transferred after obtaining requisite approval. Investment in Equity Instruments amounting to ₹ 90.84 Crores (Previous year ₹ 187.11 Crores) represents fair value of retained equity stake in ATL.

(ii) During the FY 2021-22, the Company has completed the transfer of 23% stake along with the transfer of control of Kohima Mariani Transmission Limited (KMTL) to the Buyer with effect from 20th December, 2021 . Subsequently, during the current year, the Company has completed transfer of additional 25% of total equity shares on 24th February, 2023 and balance 26% stake will be transferred after obtaining requisite approval. Investment in Equity Instruments amounting to ₹ 143.11 Crores (Previous year ₹ 302.46 Crores) represents fair value of retained equity stake in KMTL.

(iii) One of the Subsidiary Company has classified a parcel of freehold and certain property, plant and equipments, under "held for sale", as it intends to dispose the same. The Subsidiary has recognised impairment loss for of ₹ 18.21 Crores (Previous year ₹ 22.95 Crores).

(iv) The Company initiated identification and evaluation of potential buyers for its subsidiary Vindhyachal Expressway Private Limited ("VEPL") . Accordingly assets and liabilities amounting to ₹ 761.28 Crores and ₹ 463. 70 Crores respectively related to VEPL has been classified under held for sale as management is committed for sale of the asset which is highly probable.

Notes forming part of Consolidated Financial Statement

for the year ended 31st March, 2023

7. TRADE RECEIVABLES* (UNSECURED, CONSIDERED GOOD)

(₹ in Crores)

Particulars	As at 31st March , 2023	As at 31st March, 2022
(i) Non-Current	225.27	219.32
Less : Allowance for expected credit loss	(36.48)	(5.50)
TOTAL	**188.79**	**213.82**
(ii) Current	5,366.03	4,747.84
Less : Allowance for expected credit loss	(114.78)	(169.07)
TOTAL	**5,251.25**	**4,578.77**

*Refer Note 32 for Trade receivables ageing

8. LOANS (UNSECURED CONSIDERED GOOD, UNLESS OTHERWISE STATED)

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(i) Current		
Joint Venture Companies [JV] (refer note 40)	301.68	298.87
Others^	65.27	159.09
Less : Expected credit losses for loans to JV and others	(309.43)	(306.62)
TOTAL	**57.52**	**151.34**

^ Secured Rs. 8.54 Crores (Previous year Rs. 7.85 Crores)

9. OTHER FINANCIAL ASSETS

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(i) Non-Current		
Fixed Deposit with Banks #	45.58	65.39
Security Deposits	108.71	94.07
Interest accrued on Fixed Deposit	1.83	1.04
Others	0.22	-
TOTAL	**156.34**	**160.50**
(ii) Current		
Fixed Deposit with Banks **	118.22	58.46
Accrued Income	26.91	27.01
Security Deposits	90.59	87.55
Subsidy Deposit ^^	2.75	5.76
Others ##	184.40	92.97
TOTAL	**422.87**	**271.75**

Includes ₹ 42.69 Crores (Previous year ₹ 65.24 Crores) held as margin money and towards other commitments.

** Includes ₹ 90.56 Crores (Previous year ₹ 51.45 Crores) held as margin money and towards other commitments.

^^ Subsidy deposit of ₹ 2.75 Crores have been received from National Bank for Agriculture and Rural Development (NABARD). However, the same has been recalled and kept on hold by NABARD at the bank due to some compliance issues. During the year, Special Civil Application has been allowed by the Hon'ble Gujarat High Court and NABARD has been directed to release final subsidy deposit of ₹ 1.00 Crores which pertains to Gujarat along with an interest of 6% p.a. However, NABARD has filed an appeal against the order of Hon'ble Gujarat High Court and subsidiary have discussed the further steps with appointed counsel. In case of Rajasthan, an application has been filed for hearing in Hon'ble Rajasthan High Court, Jaipur for ₹ 1.75 Crores.

Others mainly include Mark to market on derivative contracts and other receivables from customers.

Notes forming part of Consolidated Financial Statement

for the year ended 31st March, 2023

10. DEFERRED TAX ASSETS/LIABILITIES (NET)

(₹ in Crores)

Particulars	As at 1st April, 2022	Recognised in profit or loss *	Recognised in other comprehensive income	Acquired under business combination	Others	As at 31st March, 2023
Deferred tax (liabilities)/ assets in relation to:						
a. Property, Plant and Equipment and on intangible assets	(103.71)	(13.97)	-		(0.35)	(118.03)
b. Expense deductible / income taxable in different tax accounting period and change in fair value	(29.12)	44.48	11.08		(0.22)	26.22
c. Allowance for expected credit losses	162.69	(7.06)	-	-	-	155.63
d. Carry Forward Tax Losses	67.72	42.97	-	-	-	110.69
e. Change in method of determining revenue	(20.50)	-	-	-	-	(20.50)
f. Other Tax effect	16.17	(7.28)	(0.53)	-	3.70	12.06
SUB-TOTAL	**93.25**	**59.14**	**10.55**	**-**	**3.13**	**166.07**
MAT Credit Entitlement	9.06	-	-	-	-	9.06
TOTAL	**102.31**	**59.14**	**10.55**	**-**	**3.13**	**175.13**

*Includes deferred tax Assets of ₹ 56.91 Crores pertaining to assets held for sales

(₹ in Crores)

Particulars	As at 1st April, 2021	Recognised in profit or loss	Recognised in other comprehensive income	Acquired under business combination	Others	As at 31st March, 2022
Deferred tax (liabilities)/ assets in relation to:						
a. Property, Plant and Equipment and on intangible assets	(71.54)	(11.90)	-	(20.79)	0.52	(103.71)
b. Expense deductible / income taxable in different tax accounting period and change in fair value	49.89	(73.99)	(4.51)	0.60	(1.11)	(29.12)
c. Allowance for expected credit losses	55.29	107.40	-	-	-	162.69
d. Carry Forward Tax Losses	52.87	14.85	-	-	-	67.72
e. Change in method of determining revenue	(20.50)	-	-	-	-	(20.50)
f. Other Tax effect	22.36	(6.12)	(0.19)	-	0.12	16.17
SUB-TOTAL	**88.37**	**30.24**	**(4.70)**	**(20.19)**	**(0.47)**	**93.25**
MAT Credit Entitlement	9.06	-	-	-	-	9.06
TOTAL	**97.43**	**30.24**	**(4.70)**	**(20.19)**	**(0.47)**	**102.31**

Notes forming part of Consolidated Financial Statement

for the year ended 31st March, 2023

10. DEFERRED TAX ASSETS/ LIABILITIES (NET) (Contd..)

The following is the analysis of deferred tax assets / (liabilities) presented in the consolidated balance sheet :

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Deferred tax assets	178.43	198.02
Deferred tax liabilities	(60.21)	(95.71)
NET DEFERRED TAX ASSET	118.22	102.31
Assets / (Liabilities) directly associated with assets held for sale	56.91	-
NET DEFERRED TAX ASSET INCLUDING PERTAINING TO ASSETS HELD FOR SALE	175.13	102.31

11. OTHER ASSETS

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(i) Non-Current		
Capital Advances	66.65	72.36
Prepaid Expenses	30.94	33.82
VAT Credit and WCT Receivable	28.39	26.13
Taxes Paid Under Protest	1.21	1.23
TOTAL	127.19	133.54
(ii) Current		
Taxes and duties Recoverable	87.24	87.54
VAT Credit and WCT Receivable	107.86	120.64
GST Receivable	450.52	498.85
Export Benefits Receivable	-	10.94
Taxes Paid Under Protest	7.40	7.27
Advance to Suppliers	347.47	370.65
Prepaid Expenses	84.88	67.38
Amount Due from Customers under Construction and other Contracts (Contract assets)	5,433.71	3,816.25
Others	0.69	0.06
TOTAL	6,519.77	4,979.58

11.1 Amount due from/ (to) Customers under Construction Contracts in progress at the end of the reporting period

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Recognised as amount due:		
from Customers under Construction Contract	5,450.76	3,842.95
to Customers under Construction Contract (refer note 22)	(600.62)	(370.28)
Less : Allowance for expected credit losses	(17.05)	(26.70)
	4,833.09	3,445.97

11.2 The contract assets represents amount due from customer, primarily relate to the Company's rights to consideration for work executed but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional, that is when invoice is raised on achievement of contractual milestones. This usually occurs when the Company issues an invoice to the customer. The contract liabilities represents amount due to customer, primarily relate to invoice raised on customer on achivement of milestones for which revenue to be recognised over the period of time and it is not considered as a significant financing component since it is used to meet working capital requirements at the time of project mobilization stage.

Notes forming part of Consolidated Financial Statement

for the year ended 31st March, 2023

11. OTHER ASSETS (Contd..)

11.3 Increase in contract assets is mainly due to increase in business activities and in certain contracts on account of contractual milestones not achieved. During the year ended 31st March, 2023 ₹ 2,365.98 Crores (Previous year ₹ 1,886.10 Crores) of contract assets as at the beginning of the year has been reclassified to Trade receivables upon billing to customers on completion of milestones.

11.4 Revenue recognised for the current period includes ₹ 303.53 Crores (Previous year ₹ 417.89 Crores), that was classified as amount due to customer at the beginning of the year.

11.5 In case of EPC contracts, amount in the range of 10-20% of the contract value is paid as an advance and 10-20% amount released at the end of project and balance amount is paid progressively based on the agreed milestones in the contract.

12. INVENTORIES

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Raw Materials and Components	173.53	203.20
(including goods in transit ₹ 0.21 Crores) (Previous Year ₹ 2.99 Crores)		
Work-in-progress Tower Parts	24.99	33.13
Finished goods Tower Parts	131.75	110.73
Store, Spares, Construction Materials and Tools	776.23	591.00
Scrap	6.60	6.02
Finished Goods of Real Estate Assets	88.79	78.79
Semi-finished Goods of Real Estate Assets	26.58	73.16
TOTAL	**1,228.47**	**1,096.03**

12.1 Refer note 4 (H) for accounting policy related to valuation of inventories

13. CASH AND CASH EQUIVALENTS

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Balances With Banks		
In Current Accounts	943.11	995.68
In Fixed Deposit	9.55	63.65
(with original maturity of less than 3 months)		
Cheques on hand	-	0.02
Cash on hand	3.77	2.41
TOTAL	**956.43**	**1,061.76**

14. OTHER BALANCES WITH BANKS

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Unpaid Dividend Accounts	0.69	0.59
Deposits with original maturity more than 3 months but less than 12 months **	102.75	131.67
TOTAL	**103.44**	**132.26**

** Includes ₹ 99.02 Crores (Previous year ₹ 126.75 Crores) held as margin money and towards other commitments.

Notes forming part of Consolidated Financial Statement

for the year ended 31st March, 2023

15. CURRENT TAX

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(i) Non-Current Tax Assets (net)		
Advance Income Tax and TDS (net of provisions)	0.59	7.18
TOTAL	**0.59**	**7.18**
(ii) Current Tax Assets (net)		
Advance Income Tax and TDS (net of provisions)	185.78	122.20
TOTAL	**185.78**	**122.20**
(iii) Current Tax Liabilities (net)		
Provisions for Tax (net of Advance Income Tax and TDS)	121.90	28.41
TOTAL	**121.90**	**28.41**

16. EQUITY SHARE CAPITAL

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
AUTHORISED :		
42,50,00,000 (Previous year 17,50,00,000) Equity Shares of ₹ 2 each	85.00	35.00
TOTAL	**85.00**	**35.00**
ISSUED, SUBSCRIBED AND PAID-UP:		
16,24,46,152 (Previous year 14,89,09,208) Equity Shares of ₹ 2 each fully paid up	32.49	29.78
TOTAL	**32.49**	**29.78**

16.1 Reconciliation of the Equity shares outstanding at the beginning and at the end of the year

Equity Shares	As at 31st March, 2023		As at 31st March, 2022	
	No. of shares	₹ in Crores	No. of shares	₹ in Crores
Shares outstanding at the beginning of the year	14,89,09,208	29.78	14,89,09,208	29.78
Add: Shares Issue during the year (Refer Note 54)*	1,35,36,944	2.71	-	-
Shares outstanding at the end of the year	16,24,46,152	32.49	14,89,09,208	29.78

*Shares issued for consideration other than cash

16.2 The Company has only one class of Equity Shares having par value of ₹ 2 per share. Each holder of Equity Shares is entitled to one vote per share. The dividend is declared and paid on being proposed by the Board of Directors after the approval of the Shareholders in the ensuing Annual General Meeting, except in case of Interim dividend.

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 liabilities. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

16.3 During the financial year 2019-2020, the Company has acquired 19.94% stake in Shree Shubham Logistics Limited (SSL) for a consideration of ₹ 64.66 crores. The consideration is paid through a non-cash equity swap transaction, in which 12,54,900 equity shares of the Company issued at the value of ₹ 515.25 per share.

Notes forming part of Consolidated Financial Statement

for the year ended 31st March, 2023

16. EQUITY SHARE CAPITAL (Contd..)

16.4 Shareholding of promoters

Promoter Name	As at 31st March, 2023		As at 31st March, 2022		% Change during the year
	No. of shares held	% of Holding	No. of shares held	% of Holding	
Mr. Mofatraj Pukharaj Munot	1,63,43,218	10.06	1,63,43,218	10.98	(0.91)
Mr. Parag Mofatraj Munot	79,63,615	4.90	79,63,615	5.35	(0.45)

16.5 Details of shareholders holding more than 5% shares in the Company

Name of Shareholder	As at 31st March, 2023		As at 31st March, 2022	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mr. Mofatraj Pukharaj Munot	1,63,43,218	10.06	1,63,43,218	10.98
Mr. Parag Mofatraj Munot	79,63,615	4.90	79,63,615	5.35
Kalpataru Construction Private Limited	2,33,50,000	14.37	2,33,50,000	15.68
K. C. Holdings Private Limited	2,11,42,600	13.02	2,11,42,600	14.20
HDFC Trustee Company Limited	1,59,65,131	9.83	1,42,73,822	9.59
ICICI Prudential Value Discovery Fund	1,29,26,520	7.96	1,36,83,153	9.19
SBI Small Cap Fund	1,32,05,365	8.13	1,07,96,419	7.25
Kotak Mahindra Trustee Co Ltd A/C Kotak Multicap Fund	94,71,561	5.83	53,37,459	3.58

16(i) OTHER EQUITY (EXCLUDING NON CONTROLLING INTEREST)

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Securities Premium Reserve	692.61	692.61
Capital Reserve	137.70	-
Debentures Redemption Reserve	4.03	39.68
Capital Redemption Reserve	1.16	1.16
General Reserve	567.37	521.72
Reserve Fund as per Section 45-IC of the Reserve Bank of India Act, 1934	1.38	1.17
Statutory Reserve	0.26	0.26
Retained Earnings	3,302.97	2,969.20
Other Comprehensive Income/ (Loss)		
Effective portion of Cash Flow Hedges	(2.40)	31.95
Exchange differences of foreign operations	(18.03)	(8.57)
Remeasurement of defined benefit obligations	1.08	(0.39)
TOTAL	**4,688.13**	**4,248.79**

Notes forming part of Consolidated Financial Statement

for the year ended 31st March, 2023

17. NON CONTROLLING INTEREST

(₹ in Crores)

Particulars	Name of Subsidiaries			TOTAL
	JMC Projects (India) Limited	Fasttel Engenharia S.A. (Indirect Subsidiary)	Kalpataru IBN Omairah Company Limited	
Balance as at 1st April, 2021	120.48	-	(0.04)	120.44
Share of total comprehensive Income/ (loss) for the year	15.50	(2.64)	(8.40)	4.46
Acquired under business combination	-	8.43	-	8.43
Shares Issue during the year	-	8.00	-	8.00
Exchange difference	-	1.36	-	1.36
Distribution of dividend	(3.79)	-	-	(3.79)
Balance as at 31st March, 2022	**132.19**	**15.15**	**(8.44)**	**138.90**
Share of total comprehensive Income/ (loss) for the year	13.65	(10.29)	(22.42)	(19.06)
Acquired under business combination	(140.41)	-	-	(140.41)
Exchange difference	-	(0.76)	-	(0.76)
Distribution of dividend	(5.43)	-	-	(5.43)
Balance as at 31st March, 2023	**0.00**	**4.10**	**(30.86)**	**(26.76)**
Proportion of Interest				
As at 31st March, 2023	0.00%	49.00%	35.00%	
As at 31st March, 2022	32.25%	49.00%	35.00%	

17.1 Summarised financial information of major subsidiaries-

Summarised financial information in respect of each of the Group's subsidiaries that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations included in the Group's consolidated financial statement.

(a) JMC Projects (India) Limited

(₹ in Crores)

Particulars	As at 31st March, 2023*	As at 31st March, 2022
Total Assets	-	6,159.13
Total Liabilities	-	5,632.36
TOTAL EQUITY	**-**	**526.77**

(₹ in Crores)

Particulars	2022-23*	2021-22
Revenue	-	5,518.82
Total comprehensive Income/ (loss) for the year	-	48.58
Net cash inflow /(outflow)	-	(50.13)

*During the current year, the Company has acquired non-controlling interest of JMC Projects (India) Limited ("JMC") and completed Amalgamation of the business of JMC with the Company w.e.f 4th January, 2023. Accordingly, JMC ceased to exist from the said date.

Notes forming part of Consolidated Financial Statement

for the year ended 31st March, 2023

18 (i) NON CURRENT BORROWINGS

(₹ in Crores)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Non-Current	Current	Non-Current	Current
Secured (at amortised cost)				
Non-Convertible Redeemable Debentures	-	75.00	75.00	45.00
Term Loans				
From Banks	708.58	280.42	764.18	280.81
From NBFC	151.04	49.97	201.94	47.64
Other Loans	233.95	-	215.85	273.72
Unsecured (at amortised cost)				
Non-Convertible Redeemable Debentures	423.00	150.00	299.00	233.34
Less : Unamortised Transaction Cost of Borrowings	(3.63)	(1.07)	(2.52)	(0.25)
Term Loans				
Others	-	-	-	0.21
Amount disclosed under the head "Current Borrowing" (Refer note 18 (ii))	-	(495.81)	-	(880.47)
Amount disclosed under the head "Liabilities held for sales"	(298.11)	(58.51)	-	-
TOTAL	**1,214.83**	**-**	**1,553.45**	**-**

18.1 Details of Debentures:

(₹ in Crores)

Redemption Profile	As at 31st March, 2023	As at 31st March, 2022	Interest	Date of Allotment
a. Secured Non-Convertible Redeemable Debentures of one of the Subsidiary Company :				
Series III NCDs redeemable on 28.08.2023	75.00	75.00	9.95%	28th August, 2018
Series II NCDs redeemable on 27.08.2022	-	45.00	9.95%	28th August, 2018
b. Unsecured Non-Convertible Redeemable Debentures (NCD) :				
Redeemable at face value in 1 equal annual instalment starting from 09.12.2025	99.00	-	Repo rate + Margin	9th December, 2022
NCDs redeemable on 04.11.2025	50.00	-	Repo rate + Margin	4th November, 2022
NCDs redeemable on 17.10.2025	37.50	-	Repo rate + Margin	17th October, 2022
NCDs redeemable on 13.12.2024	24.00	24.00	9.80%	15th December, 2021
NCDs redeemable on 04.11.2024	50.00	-	Repo rate + Margin	4th November, 2022
NCDs redeemable on 17.10.2024	37.50	-	Repo rate + Margin	17th October, 2022
NCDs redeemable on 14.06.2024	25.00	25.00	9.80%	15th December, 2021
Redeemable at face value in 2 equal annual instalments starting from 12.01.2024	200.00	200.00	6.15%	12th January, 2022
NCDs redeemable on 15.12.2023	25.00	25.00	9.80%	15th December, 2021
NCDs redeemable on 15.06.2023	25.00	25.00	9.80%	15th December, 2021
NCDs redeemable on 21.10.2022	-	100.00	10.55%	23rd October, 2019

Notes forming part of Consolidated Financial Statement

for the year ended 31st March, 2023

18 (i) NON CURRENT BORROWINGS (Contd..)

(₹ in Crores)

Redemption Profile	As at 31st March, 2023	As at 31st March, 2022	Interest	Date of Allotment
Redeemable at premium on 12.09.2022 (Yield 9%)	-	50.00	Zero	12th December, 2018
Redeemable at face value in 2 equal annual instalments starting from 27.09.2021	-	50.00	8.11%	27th December, 2017
Redeemable at face value in 3 equal annual instalments starting from 25.05.2020	-	33.34	8.45%	25th May, 2017

18.2 Term Loans from Banks, NBFC and Other Loans :

(a) ₹ 356.63 Crores (Previous Year ₹ 405.91 Crores) carries interest base rate + Spread charged by bank from time to time, is secured by

i) first charge on all movable and immovable assets and receivables except the project assets and all the intangibles of one of the subsidiary company.

ii) first charge by way of assignment or otherwise creation of security Interest in all the right, title, interest, benefits, claims and demands whatsoever of one of the subsidiary company in accordance with the provisions of the substitution agreement and the Concession Agreement and by way of assignment or creation of security interest of all the rights, title, interest, benefits, claims and demands whatsoever of one of the subsidiary company in the Project Documents.

iii) pledge of equity shares held by the Promoter aggregating to 51% (fifty one percent) of paid up and voting equity share capital of the Borrower. Repayable in quarterly unequal instalments ending on 31st January, 2028.

(b) ₹ 60.82 Crores (Previous Year ₹ 84.29 Crores) carries interest base rate + spread charged by bank from time to time, is secured by

i) first charge on all movable and immovable assets and receivables except the project assets and all the intangibles of one of the subsidiary company

ii) first charge by way of assignment or otherwise creation of security interest in all the right, title, interest, benefits, claims and demands whatsoever of one of the subsidiary company in accordance with the provisions of the substitution agreement and the concession agreement and by way of assignment or creation of security interest of all the rights, title, interest, benefits, claims and demands whatsoever of one of the subsidiary company in the Project Documents.

iii) pledge of equity shares held by the Promoter aggregating to 51% (fifty one percent) of paid up and voting equity share capital of the Borrower. Repayable in quarterly unequal instalments ending on 30th June, 2024.

(c) Term loan amounting to ₹ 200.77 Crores (Previous Year ₹ 256.00 Crores) carries interest base rate + spread charged by bank from time to time, is secured by first charge on all movable and immovable assets except the project assets of one of the subsidiary company. Repayable in quarterly unequal instalments ending on 31st December, 2026.

(d) ₹ 0.40 Crores (Previous Year ₹ 0.80 Crores) carries interest in range of 7.4% - 9.25% p.a. and is repayable in range of 1 to 38 equal monthly instalments along with interest. The Loan is secured by hypothecation of specific Vehicles.

(e) ₹ 75.00 Crores (Previous Year ₹ 132.50 Crores) carries interest of 8.95% p.a, linked to RBI repo rate secured by pari passu charges on movable and immovable fixed assets of transmission & distribution and infrastructure division of the Company to the extent of 1.25 times of outstanding facility. It is repayable in 16 quarterly instalments ending on 1st June, 2024.

Notes forming part of Consolidated Financial Statement

for the year ended 31st March, 2023

18 (i) NON CURRENT BORROWINGS (Contd..)

18.2 Term Loans from Banks, NBFC and Other Loans (Contd..):

(f) Term loan from a bank amounting to ₹ 100.00 Crores (Previous Year ₹ NIL) is secured exclusive charge on movable fixed assets funded out of the said facility. Term loan is repayable in 17 unequal quarterly instalments with 29th July, 2027 as maturity date with varying interest rate linked to 3M MCLR of bank from time to time.

(g) Term loan from a bank amounting to ₹ NIL (Previous Year ₹ 39.88 Crores) is secured by first pari passu charge on entire movable Property, plant and equipment excluding assets charged exclusively to the Term Lenders. Term loan is repayable in 16 unequal quarterly instalments to be paid at the end of each financial quarter, with 31st March, 2023 as a date of maturity and interest payable on monthly basis at varying interest rate linked to 1 year MCLR.*

(h) Term loan from a bank amounting to ₹ 100.00 Crores (Previous Year ₹ NIL) is secured exclusively by first charge on movable fixed assets (excluding assets been already charged on specific basis to exiting term lenders). Term loan is repayable in 18 equal quarterly instalments ending in 7th September, 2027 as maturity date with varying interest rate linked to 1 Month T-bill from time to time.*

(i) Term loan from a bank amounting to ₹ 1.18 Crores (Previous Year ₹ 3.61 Crores) is secured exclusively by first charge on movable Property, plant and equipment funded out of the said facility. Term loan is repayable in unequal quarterly instalments ending in 30th June, 2025 with fixed interest rate.

(j) Term loan from a bank amounting to ₹ NIL (Previous Year ₹ 14.06 Crores) is secured exclusively by first charge on movable Property, plant and equipment funded out of the said facility. Term loan is repayable in unequal quarterly instalments with 30th November, 2022 as maturity date with varying interest rate linked to base rate of bank from time to time.

(k) Term loan from a bank amounting to ₹ 17.50 Crores (Previous Year ₹ 21.25 Crores) is secured by first pari passu charge on entire movable fixed assets to the extent of 1.10 times of security cover of outstanding facility. Term loan is repayable in unequal quarterly instalments with 31st March, 2025 as maturity date with varying interest rate linked to 1 Yr MCLR of bank from time to time.*

(l) Term loan from a bank amounting to ₹ 0.38 Crores (Previous Year ₹ 1.12 Crores) is secured exclusively by first charge on movable equipment funded out of the said facility. Term loan is repayable in unequal monthly instalments with 31st October, 2023 as maturity date with fixed interest rate.

(m) Term loan from a bank amounting to ₹ 5.00 Crores (Previous Year ₹ 9.95 Crores) is secured exclusively by first charge on movable fixed assets funded out of the said facility. Term loan is repayable in equal quarterly instalments with 31st March, 2024 as maturity date with varying interest rate linked to 1 Year MCLR rate of bank from time to time.

(n) Term loan from a bank amounting to ₹ NIL (Previous Year ₹ 1.87 Crores) is secured exclusively by first charge on entire current assets and second charge on movable Property, plant and equipment excluding assets charged exclusively to the Term Lenders. Term loan is repayable in equal monthly instalments with 31st July, 2022 as maturity date with varying interest rate linked to base rate of bank from time to time.*

(o) Term loan from a bank amounting to ₹ NIL (Previous Year ₹ 1.07 Crores) is secured exclusively by first charge on entire current assets and second charge on movable Property, plant and equipment excluding assets charged exclusively to the Term Lenders. Term loan is repayable in unequal monthly instalments with 31st August, 2022 as maturity date with varying interest rate linked to base rate of bank from time to time.*

(p) Term loan from a bank amounting to ₹ NIL (Previous Year ₹ 2.28 Crores) is secured exclusively by first charge on entire current assets and second charge on movable Property, plant and equipment excluding assets charged exclusively to the Term Lenders. Term loan is repayable in unequal monthly instalments with 30th June, 2022 as maturity date with varying interest rate linked to base rate of bank from time to time.*

Notes forming part of Consolidated Financial Statement

for the year ended 31st March, 2023

18 (i) NON CURRENT BORROWINGS (Contd..)

18.2 Term Loans from Banks, NBFC and Other Loans (Contd..):

(q) Term loan from a bank amounting to ₹ 2.84 Crores (Previous Year ₹ 3.65 Crores) is secured exclusively by first charge on movable equipment funded out of the said facility. Term loan is repayable in unequal monthly instalments with 28th February, 2026 as maturity date with fixed interest rate.

(r) Term loan from a bank amounting to ₹ 11.92 Crores (Previous Year ₹ 10.06 Crores) is secured exclusively by first charge on movable equipment funded out of the said facility. Term loan is repayable in unequal monthly instalments with March 2027 as maturity date with fixed interest rate.

(s) Term loan from a bank amounting to ₹ 47.50 Crores (Previous Year ₹ 49.98 Crores) is secured exclusivecharge on specific movable fixed assets funded out of the said facility and DSRA of 10% of facility amount. Term loan is repayable in unequal quarterly instalments with 25th January, 2027 as maturity date with varying interest rate linked to 1 Year Banks MCLR of bank from time to time.

(t) Term loan from a bank amounting to ₹ 36.75 Crores (Previous Year ₹ 39.50 Crores) is secured exclusive charge on specific movable fixed assets funded out of the said facility and DSRA 10% of facility amount . Term loan is repayable in unequal quarterly instalments with 30th June, 2026 as maturity date with varying interest rate linked to 1 Year MCLR of bank from time to time.

(u) Term loan from a bank amounting to ₹ 9.18 Crores (Previous Year ₹ 9.88 Crores) is secured exclusive charge on specific movable fixed assets funded out of the said facility and DSRA of 10% of facility amount. Term loan is repayable in unequal quarterly instalments with 30th June, 2026 as maturity date with varying interest rate linked to 1 Year MCLR of bank from time to time.

(v) Term loan from NBFC amounting to ₹ 1.52 Crores (Previous Year ₹ 4.50 Crores) is secured by exclusive charge by way of hypothecation for equipment financed by them. Term loans is repayable in 20 equal quarterly instalments with interest payable quarterly at fixed interest rate.*

(w) Term loan from NBFC amounting to ₹ 6.25 Crores (Previous Year ₹ 12.47 Crores) is secured by first pari passu charge on entire movable fixed assets (excluding capital expenditure assets charged exclusively to corresponding capital expenditure lender) of the borrower providing minimum FACR of 1.25 times . Term loan is repayable in 16 equal quarterly instalments, 31st March, 2024 as a date of maturity and interest payable on monthly basis at varying interest rate linked to long term reference rate of NBFC from time to time.*

(x) Term loan from NBFC amounting to ₹ 6.25 Crores (Previous Year ₹ 12.44 Crores) is secured by first pari passu charge on entire movable fixed assets (excluding capital expenditure assets charged exclusively to corresponding capital expenditure lender) of the borrower providing minimum FACR of 1.25 times . Term loan is repayable in 16 equal quarterly instalments, 31st March, 2024 as a date of maturity and interest payable on monthly basis at varying interest rate linked to long term reference rate of NBFC from time to time.*

(y) Term loan from NBFC amounting to ₹ Nil Crores (Previous Year ₹ 0.21 Crores) is unsecured. Term loans is repayable in 20 unequal quarterly instalments with interest payable monthly at varying interest rate linked to base rate of NBFC from time to time.*

(z) ₹ 150.12 Crores (Previous Year ₹ 177.50 Crores) is secured by the assets at warehouses, including land and building, in Rajasthan. Term loans are repayable in balance 15-71 structured installments with varying interest rate linked to base rate of banks.

(aa) ₹ 233.95 Crores (Previous Year ₹ 489.57 Crores) interest free loan is secured by pledge of Equity shares of Alipurduar Transmission Limited and Kohima Mariani Transmission Limited The loan is repayable in 1 to 5 years.

Notes forming part of Consolidated Financial Statement

for the year ended 31st March, 2023

18(ii) CURRENT BORROWINGS

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Secured (at amortised cost)		
Working Capital Facilities from Banks	1,847.12	1,257.78
Current maturities of long term debt	345.81	647.07
Unsecured (at amortised cost)		
Short Term Loans from Banks	117.70	0.25
Working Capital Facilities from Banks	-	16.99
Others	7.00	-
Current maturities of long term debt	150.00	233.40
TOTAL	**2,467.63**	**2,155.49**

(a) Working Capital Facilities of the holding company of ₹ 1,217.98 Crores (Previous year ₹ 722.97 Crores) from Banks are secured in favour of consortium of bankers by hypothecation of stocks, stores and spares, book debts, bills receivable and all other movable assets on pari passu basis and also secured by movable and immovable fixed assets (including land and building situated at Gandhinagar, Gujarat) of transmission and distribution division and infrastructure division of Company. Working Capital Facilities carries interest in range of 2% to 10%.

(b) Working Capital Facilities from Banks amounting to ₹ 417.74 Crores (Previous year ₹ 421.94) are secured by First charge against hypothecation of stocks, work in progress, cash and cash equivalents, stores and spares, trade receivables, book debts, other current assets and second charge on all movable property, plant and equipments of the Erstwhile JMC Projects (India) Limited.*

*During the year, JMC Project (India) Limited, an Erstwhile subsidiary of the Company, is merged with the Company as per the terms of the scheme approved by National Company Law Tribunal (NCLT).

(c) Working capital facilities of one of the Subsidiary of ₹ 31.42 Crores (Previous year ₹ 15.92 Crores) is secured by first charge on current assets and second charge on plant and equipments and immovable properties at Rajasthan and Gujarat of one of the Subsidiary Company.

(d) Working Capital and Equipment Financing Facilities of one of the Subsidiary of ₹ 179.98 Crores (Previous Year ₹ 96.95 Crores) from local banks and Exim banks are secured in favor of bankers by hypothecation of stocks, stores and spares, Clients receivables, newly movable assets acquired from Exim bank equipment loan, and Stand by letter of credit / corporate guarantee / personal guarantee from the shareholders and its affiliates. Working Capital Facilities carries interest in range of 8% to 24%.

19. TRADE PAYABLES *

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(i) Non Current		
Others	161.40	325.72
TOTAL	**161.40**	**325.72**
(ii) Current		
total outstanding dues of micro enterprises and small enterprises	153.40	159.09
Others	4,750.44	4,094.24
TOTAL	**4,903.84**	**4,253.33**

* Refer Note 56(i) for Trade payables ageing

All Trade payables are non interest bearing and current Trade payable are to be settled within normal operating cycle of the Company.

Notes forming part of Consolidated Financial Statement

for the year ended 31st March, 2023

20. OTHER FINANCIAL LIABILITIES

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(i) Non Current		
Security Deposits	6.06	4.99
Additional concession fees	387.11	410.57
Liability for option to purchase Non controlling interest	-	29.04
TOTAL	**393.17**	**444.60**
(ii) Current		
Interest accrued but not due on borrowings	16.30	39.63
Interest Accrued and due on borrowings	6.12	7.73
Unpaid Dividend	0.68	0.59
Unclaimed matured deposits and interest accrued thereon	0.02	0.02
Liability for option to purchase Non controlling interest	-	105.32
Security Deposits	235.67	232.96
Creditors for capital expenditure	29.76	94.54
Additional concession fees	51.74	62.26
Others*	222.92	156.39
TOTAL	**563.21**	**699.44**

*Others mainly includes employee liabilities

21. PROVISIONS

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(i) Non-Current		
Employee benefits (Refer Note 38)	35.97	39.84
Performance Warranties (Refer Note 36)	40.08	27.63
Major maintenance expense (Refer Note 36)	-	25.18
TOTAL	**76.05**	**92.65**
(ii) Current		
Employee benefits (Refer Note 38)	16.06	11.66
Performance Warranties (Refer Note 36)	256.93	252.86
Expected Loss on Long Term Contracts (Refer Note 36)	103.82	128.68
Major maintenance expense (Refer Note 36)	14.17	14.17
Others	25.62	26.41
TOTAL	**416.60**	**433.78**

22. OTHER LIABILITIES

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(i) Non Current		
Advance from Customers	272.12	616.84
Deposit from Customers	0.25	0.31
Deferred Income	12.84	15.18
Others	41.30	41.44
TOTAL	**326.51**	**673.77**

Notes forming part of Consolidated Financial Statement

for the year ended 31st March, 2023

22. OTHER LIABILITIES (Contd..)

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(ii) Current		
Amount Due to Customers under Construction Contracts (Contract liabilities) (Refer Note 11.1 & 11.2)	600.62	370.28
Advance from Customers	2,767.10	1,291.56
Statutory Liabilities	243.34	244.13
Deferred Income	0.38	0.51
Others	1.86	2.37
TOTAL	**3,613.30**	**1,908.85**

23. REVENUE FROM OPERATIONS

(₹ in Crores)

Particulars	2022-23	2021-22
Revenue from Contracts with Customers		
Sale of Products		
Tower Parts & Components	673.50	583.16
Agro Commodities	6.45	2.51
Others*	173.18	131.58
Income from EPC Contracts	15,060.31	13,616.17
Income from Services	300.42	285.45
Other Operating Income		
Sale of Scrap	113.74	141.98
Certified Emission Reduction Receipts	-	1.66
Export Benefits	31.09	13.87
Others	2.75	1.00
TOTAL	**16,361.44**	**14,777.38**

*Other mainly includes revenue from sale of electricity and real estate units

24. OTHER INCOME

(₹ in Crores)

Particulars	2022-23	2021-22
Interest Income		
On financial assets carried at amortised cost		
On Fixed Deposits	10.57	8.79
On Loans	12.15	20.68
Others	5.85	5.81
On Non-Financial Assets	5.48	-
Dividend Income		
Dividend from investment measured at FVTPL	0.08	0.10
Other non operating income		
Rent Income	6.07	4.71
Grant Received	-	0.18
Insurance Claims	1.32	5.26
Liabilities Written Back	0.57	21.67
Miscellaneous Income	1.54	1.90

Notes forming part of Consolidated Financial Statement

for the year ended 31st March, 2023

24. OTHER INCOME (Contd..)

(₹ in Crores)

Particulars	2022-23	2021-22
Other Gains and Losses		
Gain / (Loss) on Investments designated at FVTPL	0.14	0.30
Gain / (Loss) on disposal of property, plant and equipments (net)	(6.65)	18.61
Other	2.58	0.91
TOTAL	**39.70**	**88.92**

25. COST OF MATERIAL CONSUMED

(₹ in Crores)

Particulars	2022-23	2021-22
Raw Materials		
Steel	788.27	775.84
Zinc	157.11	135.18
Components & Accessories, etc.	2,099.65	2,435.32
Agricultural Residues	41.67	42.32
Construction Materials	3,897.07	3,031.92
Others	-	0.76
TOTAL	**6,983.77**	**6,421.34**

26. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS

(₹ in Crores)

Particulars	2022-23	2021-22
STOCK AT BEGINNING OF THE YEAR		
Finished Goods	110.73	131.01
Semi-Finished Goods	33.13	39.56
Scrap	6.02	3.97
	149.88	**174.54**
STOCK AT CLOSE OF THE YEAR		
Finished Goods	131.75	110.73
Semi-Finished Goods	24.99	33.13
Scrap	6.60	6.02
	163.34	**149.88**
TOTAL	**(13.46)**	**24.66**

27. EMPLOYEE BENEFITS EXPENSES

(₹ in Crores)

Particulars	2022-23	2021-22
Salaries, Wages, Bonus	1,194.08	1,087.66
Contributions to Provident and Other Funds	159.98	130.14
Employees' Welfare Expenses	92.82	81.28
TOTAL	**1,446.88**	**1,299.08**

Notes forming part of Consolidated Financial Statement

for the year ended 31st March, 2023

28. FINANCE COSTS

(₹ in Crores)

Particulars	2022-23	2021-22
Interest Expenses	440.45	384.44
Other Borrowing Costs	18.22	9.33
Exchange Rate variation	8.08	2.56
TOTAL	**466.75**	**396.33**

29. OTHER EXPENSES

(₹ in Crores)

Particulars	2022-23	2021-22
Job Charges	40.81	52.01
Power and Fuel	25.92	27.07
Repairs and Maintenance:		
Plant and Machinery	4.48	5.07
Buildings	9.68	11.88
Others	5.12	4.36
Freight and Forwarding Expenses	247.51	240.71
Stores, Spares and Tools Consumed	17.24	19.73
Vehicle/ Equipment Running and Hire Charges	17.61	12.89
Testing Expenses	1.58	1.05
Pollution Control Expenses	2.12	2.16
Insurance	59.21	67.03
Rent	62.69	65.75
Rates, Taxes and Duties	84.02	74.89
Stationery, Printing and Drawing Expenses	9.84	9.58
Telecommunication Expenses	9.25	8.33
Travelling Expenses	122.18	73.77
Legal and Professional Expenses	170.80	113.24
Bank Commission and Charges (including ECGC Premium)	154.42	125.66
Allowance for Expected Credit Losses	(10.27)	39.26
Impairment loss on asset held for sale	0.05	0.68
Loss / (Gain) on Exchange Rate Variation	5.02	(62.83)
Sitting Fees and Commission to Non-Executive Directors	9.00	6.73
Corporate Social Responsibility Expenses	9.46	9.85
Carbon Credit Expenses	0.01	0.28
Fair Value changes of Financial Instrument	(34.43)	44.49
Miscellaneous Expenses	135.08	100.68
TOTAL	**1,158.40**	**1,054.32**

30. (a) Particulars of Subsidiaries included in Consolidation

Name of Subsidiaries	with effect from	Country of Incorporation	% voting power	
			As at 31st March, 2023	As at 31st March, 2022
Subsidiaries Held Directly				
Adeshwar Infrabuild Limited	11th August, 2009	India	100.00%	100.00%
Amber Real Estate Limited	16th May, 2008	India	100.00%	100.00%
Energylink India Limited	30th January, 2007	India	100.00%	100.00%
JMC Projects (India) Limited#	6th February, 2007	India	-	67.75%
Shree Shubham Logistics Limited	19th March, 2007	India	100.00%	100.00%

Notes forming part of Consolidated Financial Statement

for the year ended 31st March, 2023

30. (a) Particulars of Subsidiaries included in Consolidation (Contd..)

Name of Subsidiaries	with effect from	Country of Incorporation	% voting power	
			As at 31st March, 2023	As at 31st March, 2022
Kalpataru Metfab Private Limited	31st March, 2015	India	100.00%	100.00%
Brij Bhoomi Expressway Private Limited #	6th December, 2010	India	100.00%	67.75%
JMC Mining and Quarries Limited #	6th February, 2007	India	100.00%	67.75%
Vindhyachal Expressway Private Limited #	16th January, 2012	India	100.00%	67.75%
Wainganga Expressway Private Limited #	2nd June, 2011	India	100.00%	67.75%
Alipurduar Transmission Limited (upto 25th November, 2020)*	6th January, 2016	India	26.00%	51.00%
Kalpataru Power Transmission (Mauritius) Limited	8th January, 2009	Mauritius	100.00%	100.00%
Kalpataru Power Transmission - USA, Inc	11th September, 2009	USA	100.00%	100.00%
LLC Kalpataru Power Transmission Ukraine	6th November, 2012	Ukraine	100.00%	100.00%
Kalpataru IBN Omairah Company Limited	1st June, 2015	Saudi Arabia	65.00%	65.00%
Kalpataru Power Transmission Sweden AB	28th January, 2019	Sweden	100.00%	100.00%
Kalpataru Power Senegal SARL	10th August, 2020	Senegal	100.00%	100.00%
Kalpataru Power do Brasil Participações Ltda	27th January, 2021	Brazil	100.00%	100.00%
Kalpataru Power Chile SpA	28th February, 2022	Chile	100.00%	100.00%
Subsidiaries Held Indirectly				
Saicharan Properties Limited	30th June, 2009	India	100.00%	100.00%
Kalpataru Power DMCC	3rd August, 2011	UAE	100.00%	100.00%
Punarvasu Financial Services Private Limited	31st December, 2014	India	100.00%	100.00%
Linjemontage i Grästorp Aktiebolag	29th April, 2019	Sweden	100.00%	85.00%
Linjemontage Service Nordic AB	29th April, 2019	Sweden	100.00%	85.00%
Linjemontage AS	29th April, 2019	Norway	100.00%	85.00%
Fasttel Engenharia S.A.	7th April, 2021	Brazil	51.00%	-

* Refer note 6.1 (ii)

#During the current year, JMC Projects (India) Limited ("JMC") has amalgamated with the Company w.e.f 4th January, 2023. Accordingly, JMC ceased to exist from the said date and all the direct subsidiaries of JMC are now direct subsidiaries of the Company. (Refer Note 54)

(b) Particulars of Joint Venture Entities included in Consolidation

Name of Joint Ventures	with effect from	Country of Incorporation	% voting power	
			As at 31st March, 2023	As at 31st March, 2022
Kohima-Mariani Transmission Limited (upto 19th December, 2021)**	2nd May, 2018	India	26.00%	51.00%
Kurukshetra Expressway Private Limited	29th March, 2010	India	49.57%	33.59%

** Refer note 6.1 (iii)

The above Joint Ventures have been accounted for in these consolidated financial statements using Equity Method and other applicable guidelines.

Notes forming part of Consolidated Financial Statement

for the year ended 31st March, 2023

(c) Summarised financial information in respect of the Group's material joint venture is set out below. The summarised financial information below represents amounts shown in the joint venture's financial statements prepared in accordance with Ind AS.

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Non-current Assets	995.45	994.67
Current Assets	3.66	5.14
Non-current Liabilities	812.45	975.50
Current Liabilities	454.27	290.38
NET ASSETS	**(267.61)**	**(266.07)**
The above amounts of Assets and Liabilities include the following:		
Cash and Cash Equivalents	2.34	1.85
Current Financial Liabilities (excluding trade payables and provisions)	451.79	287.53
Non-current Financial Liabilities (excluding trade payables and provisions)	758.94	921.98
Contingent Liabilities	45.99	45.99

(₹ in Crores)

Particulars	2022-23	2021-22
Revenue	-	18.25
Profit / (Loss) for the year	(1.61)	(40.13)
Other Comprehensive Income	-	-
Total Comprehensive Income / (Loss) for the year	(1.61)	(40.13)
Dividends received from the Joint Ventures during the year	-	-
The above profit / (loss) for the year include the following :		
Depreciation and amortisation expenses	-	3.16
Interest income	-	0.06
Finance costs	-	47.72
Income tax expense (net)	-	(1.60)

Reconciliation of the above summarised financial information to the carrying amount of the interest in the joint venture recognised in the consolidated financials statements :

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Carrying amount of the Group's interest in the Joint Venture	-	-

31. RECONCILIATION OF INCOME TAX EXPENSES WITH THE ACCOUNTING PROFIT

(₹ in Crores)

Particulars	2022-23	2021-22
Profit Before Tax	641.52	696.41
Income tax calculated at 25.168% (Previous year 25.168%)	161.46	175.27
Tax effect of adjustment to reconcile reported income tax expenses		
Tax incentives / concessions / disallowance	1.23	6.31
Deferred tax not recognised on unused tax losses	38.25	(31.77)
Difference in tax rates and others	5.56	11.54
Income tax expenses recognized in the statement of profit and loss	**206.50**	**161.35**

Notes forming part of Consolidated Financial Statement

for the year ended 31st March, 2023

32. FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT

Capital Management

The group manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

(₹ in Crores)

Gearing ratio	As at 31st March, 2023	As at 31st March, 2022
Debt *	3,687.16	3,711.71
Cash and Cash Equivalents	(956.43)	(1,061.76)
NET DEBT	**2,730.73**	**2,649.95**
Total Equity	4,693.86	4,417.47
NET DEBT TO EQUITY RATIO	**0.58**	**0.60**

* Debt is defined as long-term borrowings, short-term borrowings and current maturities of long term debt.

Financial Instruments by category

The following table shows the carrying amounts and fair values of financial assets and financial liabilities. The Group consider that the carrying values of financial assets and financial liabilities recognized in the financial statements approximate their fair value.

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Financial Assets		
Measured at Fair Value through Profit and Loss		
(i) Investments - (Level I)	1.55	1.49
(ii) Investments under held for sale (Level II)	233.95	489.57
Measured at Amortized Cost		
(i) Trade receivables	5,440.04	4,792.59
(ii) Loans	57.52	151.34
(iii) Cash and cash equivalents	956.43	1,061.76
(iv) Other balances with Bank	103.44	132.26
(v) Others	579.21	432.25
	7,372.14	**7,061.26**
Financial Liabilities		
Measured at Amortised Cost		
(i) Borrowings	3,682.46	3,708.94
(ii) Trade payables	5,529.91	4,579.05
(iii) Other financial liabilities	1,060.05	1,272.88
	10,272.42	**9,560.87**

Financial Risk Management

Financial Risk factors

The group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The group's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the group is foreign exchange risk. The group uses derivative financial instruments to mitigate foreign exchange related risk exposures.

Notes forming part of Consolidated Financial Statement

for the year ended 31st March, 2023

32. FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (Contd..)

Market Risk

The group operates internationally and a major portion of the business is transacted in several currencies and consequently the group is exposed to foreign exchange risk through its sales and services and purchases from overseas suppliers in various foreign currencies. The group holds derivative financial instruments such as foreign exchange forward and commodity contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The exchange rate between the rupees and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the results of the group's operations are affected as the rupee appreciates /depreciates against these currencies.

The following table analyses foreign currency risk from financial instruments as at 31st March, 2023

(₹ in Crores)

Particulars	USD	Euro	Others	TOTAL
Cash & Cash Equivalents	0.56	0.43	6.74	7.73
Trade Receivables	1,649.05	-	657.12	2,306.17
Other Financials Assets	-	-	4.04	4.04
TOTAL ASSET	**1,649.61**	**0.43**	**667.90**	**2,317.94**
Borrowings	172.66	-	-	172.66
Trade Payables	911.47	18.87	648.17	1,578.51
Other Financial Liabilities	9.84	0.26	18.37	28.47
TOTAL LIABILITIES	**1,093.97**	**19.13**	**666.54**	**1,779.64**
NET ASSETS / (LIABILITIES)	**555.64**	**(18.70)**	**1.36**	**538.30**

The following table analyses foreign currency risk from financial instruments as at 31st March, 2022

(₹ in Crores)

Particulars	USD	Euro	Others	TOTAL
Cash & Cash Equivalents	5.18	0.77	4.06	10.01
Trade Receivables	1,226.38	37.16	291.32	1,554.86
Other Financials Assets	28.18	4.56	10.49	43.23
TOTAL ASSET	**1,259.74**	**42.49**	**305.87**	**1,608.10**
Borrowings	18.10	-	3.32	21.42
Trade Payables	679.41	31.75	334.87	1,046.03
Other Financials Liabilities	2.45	2.86	11.12	16.43
TOTAL LIABILITIES	**699.96**	**34.61**	**349.31**	**1,083.88**
NET ASSETS / (LIABILITIES)	**559.78**	**7.88**	**(43.44)**	**524.22**

The group is mainly exposed to USD and Euro. Other currencies comprises of 30-35 currencies. Sensitivity analysis of unhedged USD and Euro is given below:

Sensitivity Analysis

For the year ended 31st March, 2023 and 31st March, 2022, increase / decrease of 5% in the exchange rate between the Indian rupee and USD/Euro would impact group's profit before tax by approximately 0.55% and 0.88% respectively. Sensitivity rate of 5% is used while reporting foreign currency risk internally to key management personnel and represent management's assessment of the reasonably possible change in foreign exchange rate.

Derivative Financial Instruments

The group holds derivative financial instruments such as foreign currency Forward contracts and commodity Future contracts to mitigate the risk of changes in exchange rates on foreign currency exposures and changes in price of commodities. The counter party for these contracts is generally a multinational bank, financial institution or exchange. These derivative financial

Notes forming part of Consolidated Financial Statement

for the year ended 31st March, 2023

32. FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (Contd..)

instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the marketplace. Mark to Market gain or loss on derivative instruments is part of other current financial assets or liabilities.

As at 31st March, 2023

Outstanding Contracts	Average Exchange Rate (In equivalent ₹)	Amount in Foreig currency (In Crores)	Nominal Amount (₹ in Crores)	MTM Value (₹ in Crores)
Cash Flow Hedges (Routed through OCI)				
Sell USD Buy INR				
Maturing less than 3 months	81.46	USD 2.78	226.53	(2.92)
Maturing in 3 months to 6 months	81.64	USD 2.36	192.94	(3.20)
Maturing in 6 months to 9 months	82.14	USD 2.70	222.11	(3.56)
Maturing in 9 months to 12 months	82.91	USD 3.12	258.59	(3.33)
Maturing more than 12 months	87.82	USD 11.32	994.04	(2.76)
TOTAL/AVERAGE	**85.00**	**USD 22.29**	**1,894.22**	**(15.76)**
Buy INR Sell USD				
Maturing less than 3 months	82.27	USD 0.31	25.48	0.03
TOTAL/AVERAGE	**82.27**	**USD 0.31**	**25.48**	**0.03**
Buy EUR Sell USD				
Maturing less than 3 months	89.43	USD 1.45	129.63	0.48
TOTAL/AVERAGE	**89.43**	**USD 1.45**	**129.63**	**0.48**
Other Hedges (Routed through Profit & Loss)				
Sell USD Buy INR				
Maturing less than 3 months	81.46	USD 2.36	192.38	(2.31)
Maturing in 3 months to 6 months	80.76	USD 2.71	219.22	(5.93)
Maturing in 6 months to 9 months	80.72	USD 0.75	60.54	(2.07)
Maturing in 9 months to 12 months	81.76	USD 1.40	114.47	(3.15)
More than 12 Months	84.97	USD 2.11	179.56	(1.23)
TOTAL/AVERAGE	**82.04**	**USD 9.34**	**766.17**	**(14.69)**
Sell EUR Buy USD				
Maturing less than 3 months	81.83	USD 0.07	5.72	0.00
TOTAL/AVERAGE	**81.83**	**USD 0.07**	**5.72**	**0.00**
Buy USD Sell INR				
Maturing less than 3 months	83.42	USD 2.36	196.96	(1.01)
TOTAL/AVERAGE	**83.42**	**USD 2.36**	**196.96**	**(1.01)**
Sell EURO Buy INR				
More than 12 Months	92.19	EUR 0.94	86.42	(1.09)
TOTAL/AVERAGE	**92.19**	**EUR 0.94**	**86.42**	**(1.09)**
Buy CHF Sell SEK				
Maturing less than 3 months	89.71	0.08 CHF	7.04	(0.02)
Maturing in 3 months to 6 months	91.53	0.03 CHF	3.19	0.00
Maturing in 9 months to 12 months	92.60	0.01 CHF	0.94	0.00
TOTAL/AVERAGE	**90.46**	**0.12 CHF**	**11.17**	**(0.02)**
Buy EURO Sell SEK				
Maturing less than 3 months	83.45	EUR 0.07	6.21	(0.44)
Maturing in 3 months to 6 months	87.90	EUR 0.03	2.69	(0.05)
Maturing in 9 months to 12 months	87.42	EUR 0.00	0.09	(0.00)
TOTAL/AVERAGE	**84.77**	**SEK 0.11**	**8.99**	**(0.49)**

Notes forming part of Consolidated Financial Statement

for the year ended 31st March, 2023

32. FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (Contd..)

As at 31st March, 2022

Outstanding Contracts	Average Exchange Rate (in equivalent ₹)	Amount in Foreign currency (In Crores)	Nominal Amount (₹ in Crores)	Marked to Market (MTM) Value
Cash Flow Hedges (Routed through OCI)				
Sell USD Buy INR				
Maturing less than 3 months	76.21	USD 2.47	188.00	1.62
Maturing in 3 months to 6 months	76.99	USD 1.42	109.55	1.56
Maturing in 6 months to 9 months	76.69	USD 5.74	440.07	4.54
Maturing in 9 months to 12 months	77.74	USD 2.98	231.86	3.32
Maturing more than 12 months	79.15	USD 13.88	1,098.44	12.89
TOTAL/AVERAGE	**78.07**	**USD 26.49**	**2,067.92**	**23.93**
Sell USD Buy SEK				
Maturing less than 3 months	7.84	SEK 6.80	53.35	2.14
TOTAL/AVERAGE	**7.84**	**SEK 6.80**	**53.35**	**2.14**
Other Hedges (Routed through Profit & Loss)				
Sell USD Buy INR				
Maturing less than 3 months	76.96	USD 1.83	141.17	1.75
Maturing in 3 months to 6 months	76.48	USD 2.01	153.35	0.98
Maturing in 6 months to 9 months	79.39	USD 1.98	157.22	3.01
Maturing in 9 months to 12 months	80.12	USD 0.66	52.53	1.21
More than 12 Months	79.64	USD 0.98	78.39	0.02
TOTAL/AVERAGE	**78.11**	**USD 7.46**	**582.66**	**6.97**
Sell EUR Buy USD				
Maturing less than 3 months	86.04	EUR 0.15	13.17	0.26
TOTAL/AVERAGE	**86.04**	**EUR 0.15**	**13.17**	**0.26**
Buy USD Sell INR				
Maturing less than 3 months	75.77	USD 0.02	1.44	0.00
Maturing in 3 months to 6 months	77.20	USD 1.91	147.62	(0.15)
Maturing in 9 months to 12 months	78.63	USD 0.96	75.75	(0.21)
TOTAL/AVERAGE	**77.67**	**USD 2.89**	**224.81**	**(0.36)**
Sell EURO Buy INR				
More than 12 Months	94.23	EUR 0.93	87.63	8.41
TOTAL/AVERAGE	**94.23**	**EUR 0.93**	**87.63**	**8.41**

Reconciliation of Hedge Reserve

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Balance at the beginning of the year	46.07	26.93
Add: Gain/(Loss) recognised in OCI during the year	(58.08)	19.14
Tax impact on above	3.20	(11.42)
Non Controlling Interest	6.41	(2.70)
Balance at the end of the year (Gross)	(12.01)	46.07
BALANCE AT THE END OF THE YEAR (NET OF TAX)	**(2.40)**	**31.95**

Notes forming part of Consolidated Financial Statement

for the year ended 31st March, 2023

32. FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (Contd..)

Loan and Borrowings: Financial Covenants

The group is required to comply with the few financial covenants as per terms of respective sanctions. In case of breach of financial covenants, there can be adverse impact.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers , investment securities and other receivables .

Trade receivables and other receivable

The group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the group grants credit terms in the normal course of business. The Group establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments. Credit risk in respect of other receivables mainly comprises of loan to components which are managed by the group, by way of assessing financial condition, current economic trends and ageing of other receivables . The group considers the probability of default and whether there has been a significant increase in the credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk, the group compares the risk of default occurring on financial assets as at the reporting date.

The portion of the payments retained by the customer until final contract settlement is not considered a significant financing component since it is usually intended to provide customer with a form of security for Company's remaining performance as specified under the contract, which is consistent with the industry practice.

Summary of the group's exposure to credit risk by age of the outstanding from various customers is as follows:

(₹ in Crores)

Particulars	Undisputed Trade Receivable As at		Disputed Trade Receivable As at	
	31st March, 2023	31st March, 2022	31st March, 2023	31st March, 2022
Not Due	3,308.92	2,760.07	16.55	-
Less than 6 months	1,417.87	1,016.69	0.23	10.00
From 6 months to 1 year	231.21	353.94	5.04	-
From 1 year to 2 years	207.98	401.14	20.30	1.79
From 2 year to 3 years	132.68	166.58	22.81	49.06
Above 3 years*	75.66	101.14	152.05	106.75
	5,374.32	**4,799.56**	**216.98**	**167.60**

*Includes Trade receivable amounting to ₹ 13.22 Crores (Previous year ₹ 12.85 Crores) which have significant increase in credit risk.

Expected credit loss assessment for customers

The Group has used a practical expedient by computing the allowance for expected credit losses for trade receivables on a provision matrix.

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

(₹ in Crores)

Particulars	2022-23 Trade receivable	2022-23 Contract Assets
Balance as at 1st April, 2022	**174.57**	**26.70**
Provision created / (reversal) -Net	(23.31)	(9.65)
Balance as at 31st March, 2023	**151.26**	**17.05**

Notes forming part of Consolidated Financial Statement

for the year ended 31st March, 2023

32. FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (Contd..)

Expected credit loss assessment for customers (Contd..)

Credit risk on derivative financial instruments is limited because the counterparties are banks with high credit rating assigned by rating agencies.

In addition, group is also exposed to credit risk in relation to corporate guarantee/letter of comfort (LOC) given to banks by the group. The company's exposure in this respect has been disclosed in Note 34.

Loans, investments in group companies

During previous year, Kurukshetra Expressway Private Limited ("KEPL" or "Concessionaire"), a joint venture (49.57%) of the Company, issued a notice of termination of Concession Agreement ("CA") vide letter dated 7th October, 2021 to the National Highway Authority of India ("NHAI") on account of continuous disruption and blockade of traffic on National Highway-71 due to farmer agitation with stoppage of toll collection. The provisions of Concession Agreement provides for termination where events which are not in control of KEPL, and obliges NHAI paying KEPL for repayment of Debt Due along with Adjusted Equity after necessary adjustments. During the previous year, the Company had recognized provision towards Expected credit loss of ₹ 48.95 Crores against loans given to KEPL / others.

Further, the Promoters of KEPL have, jointly and severally given 'shortfall undertakings' to the Senior Lenders, should there be any shortfall between amounts received from NHAI and that payable to KEPL's lenders. KEPL received copy of the letter dated 3rd February, 2022 sent by an Independent Engineer ("IE") appointed by NHAI in which the IE has sought to limit the amount payable (net of other deductions) as "Termination Payment". Accordingly, in light of the above the Company had made further provision for Expected Credit Loss of ₹ 46.29 Crores. The Company had also recognized ₹ 39.77 crores towards their share (49.57%) being a potential shortfall, if any, which was disclosed as an exceptional item in the previous year. The Company made above provisions without prejudice to its and KEPL legal rights and claims against NHAI and will continue to pursue these amounts against KEPL. Further, it will seek KEPL to pursue their claims and termination payment against NHAI notwithstanding the above recognition. During the year KEPL has invoked arbitration proceedings against NHAI in terms of the concession agreement.

Liquidity Risk

The Table below provides details regarding the contractual maturities of significant liabilities

(₹ in Crores)

Particulars	As at 31st March, 2023			As at 31st March, 2022		
	Less than 1 year	More than 1 year	Total	Less than 1 year	More than 1 year	Total
Financial Liabilities						
(i) Trade Payables	5,368.51	161.40	5,529.91	4,253.33	325.72	4,579.05
(ii) Borrowings	2,468.70	1,218.46	3,687.16	2,155.74	1,555.97	3,711.71
(iii) Other financial liabilities	612.08	447.97	1,060.05	753.97	518.91	1,272.88
TOTAL			**10,277.12**			**9,563.64**

Note- The above table does not include liability on account of future interest obligation.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The group's exposure to the risk of changes in market interest rates relates primarily to the group's long-term debt obligations with floating interest rates.

Notes forming part of Consolidated Financial Statement

for the year ended 31st March, 2023

32. FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT (Contd..)

Interest Rate Sensitivity Analysis

For the year ended 31st March, 2023 and 31st March, 2022, a 100 basis point increase / decrease in interest rate on floating rate liabilities would impact group's profit before tax by approximately 4.5% and 2.60 % respectively.

Commodity Price Risk

The group is affected by the price volatility of certain commodities like Steel, Zinc, Copper and Aluminum. Its operating activities require the on-going purchase or continuous supply of these materials. The group holds derivative financial instruments such as commodity future contract to mitigate the risk of changes in Zinc and Aluminum prices.

The sensitivity analysis have been determined based on the exposure to changes in commodity prices. The analysis is prepared assuming the quantity of exposure outstanding at the end of the reporting period was outstanding for the whole year. A 5% increase or decrease is used when reporting commodity price risk internally to key management personnel and represents management's assessment of the reasonable possible changes in commodity prices and the impact of the possible change on the group's profit before tax is 13.63 % for FY 2022-23 and 11.83 % for FY 2021-22.

Exposure As at 31st March, 2023

(₹ in Crores)

Commodity	Fixed/variable	Open Exposure	Value at Risk on price variation of 5 %	
			Increase	Decrease
Aluminum	Fixed Price Contracts	408.30	20.41	(20.41)
Zinc	Fixed Price Contracts	75.43	3.77	(3.77)
Steel	Fixed Price Contracts	1,156.11	57.81	(57.81)
Copper	Fixed Price Contracts	109.67	5.48	(5.48)
TOTAL		**1,749.51**	**87.47**	**(87.47)**

Exposure As at 31st March, 2022

(₹ in Crores)

Commodity	Fixed/variable	Open Exposure	Value at Risk on price variation of 5 %	
			Increase	Decrease
Aluminum	Fixed Price Contracts	766.57	38.33	(38.33)
Zinc	Fixed Price Contracts	203.68	10.18	(10.18)
Steel	Fixed Price Contracts	568.65	28.43	(28.43)
Copper	Fixed Price Contracts	109.00	5.45	(5.45)
TOTAL		**1,647.90**	**82.39**	**(82.39)**

33. DISCLOSURE IN RESPECT OF SECURITY CREATED ON ASSETS OF THE GROUP AGAINST BORROWINGS.

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Property, Plant and Equipments (including CWIP)	1,534.20	1,333.65
Intangible Assets	1,397.65	1,491.59
Inventories	1,070.96	906.49
Financial Assets (Non-current & current)		
Trade Receivables	5,176.62	4,274.00
Loans	-	50.27
Cash & Bank Balances	754.01	866.21
Other Balances with Banks	99.00	122.57
Other Assets	5,927.68	4,582.74
TOTAL	**15,960.12**	**13,627.52**

Notes forming part of Consolidated Financial Statement

for the year ended 31st March, 2023

34. CONTINGENT LIABILITIES IN RESPECT OF :

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(a) Bank guarantees	36.59	20.96
(b) Claims against the group not acknowledged as debt	41.55	50.99
(c) Demands by Service Tax/ Excise/Income Tax and other tax/ revenue authorities, under disputes	202.22	240.31

35. CAPITAL & OTHER COMMITMENTS

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Estimated amount of contracts remaining to be executed for tangible capital assets and not provided for (net of advances)	124.27	165.62

36 THE DISCLOSURE AS REGARDS TO PROVISION AS PER IND AS 37 " PROVISIONS, CONTINGENT LIABILITY AND CONTINGENT ASSETS

(₹ in Crores)

A. Particulars	Major Maintenance*		Performance Warranties	
	2022-23	2021-22	2022-23	2021-22
Carrying amount at the beginning of the year	39.35	52.80	280.49	351.51
Add: Provision/Expenses during the year (net)	43.54	(13.45)	109.27	88.68
Less : Utilisation / Reversal during the year	43.54	-	92.75	159.81
Less : Discounting during the year	-	-	-	(0.11)
CARRYING AMOUNT AT THE END OF THE YEAR	**39.35**	**39.35**	**297.01**	**280.49**

*Carrying amount as at 31st March 2023 includes ₹ 25.18 Crores pertaining to assets held for sales

(₹ in Crores)

B. Particulars	Other Provisions		Expected Loss on contracts	
	2022-23	2021-22	2022-23	2021-22
Carrying amount at the beginning of the year	26.39	26.47	128.68	150.15
Add: Provision/Expenses during the year	(0.79)	(0.08)	71.84	85.34
Less : Utilisation / Reversal of Provisions	-	-	96.70	106.81
CARRYING AMOUNT AT THE END OF THE YEAR	**25.60**	**26.39**	**103.82**	**128.68**

37. EARNING PER SHARE

Particulars	2022-23	2021-22
No. of Equity Shares at the beginning of the year	14,89,09,208	14,89,09,208
Add: Equity Shares issued during the year	1,35,36,944	-
No. of Equity Shares at the end of the year	16,24,46,152	14,89,09,208
Weighted Average No. of Equity Shares	15,16,90,772	14,89,09,208
Profit for calculation of EPS(₹ in Crores)	440.75	540.30
Basic and Diluted Earnings Per Share (₹)	29.06	36.28
Nominal value of Equity Share (₹)	2.00	2.00

Notes forming part of Consolidated Financial Statement

for the year ended 31st March, 2023

38. DISCLOSURES PURSUANT TO IND AS 19 EMPLOYEE BENEFITS

(a) Defined contribution Plans

The Group made contributions towards provident fund, a defined contribution retirement benefit plan for qualifying employees. The provident fund plan is operated by the Regional Provident Fund Commissioner. The Group recognized ₹ 34.00 Crores (Previous Year ₹ 32.59 Crores) for provident fund contributions and ₹ 0.38 Crores (Previous Year ₹ 0.53 Crores) for ESIC contribution in the statement of Profit and Loss. The contributions payable to these plans by the Group are at rates specified in the rules of the scheme.

(b) Defined benefit plans

The Group offers the following employee benefit schemes to its employees.

(i) Gratuity

The Group made annual contributions to the IRDA approved insurers towards funded defined benefit plan for qualifying employees. The Scheme provides for payment to vested employees at retirement/death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service as per the provisions of the Gratuity Act, 1972.

(ii) Compensated absences

The Scheme is non-funded.

(c) The following tables summarises the components of net benefit expense recognised in the statement of profit or loss and the amounts recognised in the balance sheet in respect of Gratuity.

(₹ in Crores)

Particulars	2022-23	2021-22
(i) Expenses recognised during the year		
In the statement of Profit & Loss	11.41	9.55
In Other Comprehensive Income	(1.99)	(0.71)
TOTAL	**9.42**	**8.84**
(ii) Expenses recognised in the statement of Profit & Loss		
Current Service Cost	8.38	8.01
Net Interest Cost	3.03	1.54
TOTAL	**11.41**	**9.55**
(iii) Expenses recognised in other comprehensive income		
Actuarial (gains) / losses		
change in financial assumptions	(3.22)	(0.89)
experience variance	1.19	0.11
Return on plan assets	0.04	0.07
TOTAL	**(1.99)**	**(0.71)**

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(iv) Net Liability recognised in the Balance Sheet		
Present value of obligation	65.52	60.09
Fair value of plan assets	37.38	35.16
Assets / (Liability) recognised in the Balance Sheet	**(28.14)**	**(24.93)**

Notes forming part of Consolidated Financial Statement

for the year ended 31st March, 2023

38. DISCLOSURES PURSUANT TO IND AS 19 EMPLOYEE BENEFITS (Contd..)

(c) The following tables summarises the components of net benefit expense recognised in the statement of profit or loss and the amounts recognised in the balance sheet in respect of Gratuity. (Contd..)

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(v) Changes in Present Value of Obligations		
Present value of obligation at the beginning of the year	60.09	54.99
Current Service Cost	8.38	8.01
Interest Cost (Gross)	5.38	3.11
Actuarial (gains) / losses arising from:		
changes in financial assumptions	(3.22)	(0.89)
changes in experience assumptions	1.19	0.11
Liability transferred	(0.10)	-
Benefits paid	(6.20)	(5.24)
Present value of obligation at the end of the year	**65.52**	**60.09**
(vi) Changes in Fair Value of Plan Assets		
Fair value of Plan Assets at the beginning of the year	35.16	28.40
Interest Income	2.35	1.57
Return on Plan Assets	(0.04)	(0.07)
Contributions by Employer	6.11	10.50
Benefits paid	(6.20)	(5.24)
Fair value of Plan Assets at the end of the year	**37.38**	**35.16**
(vii) Bifurcation of present value of obligations into current and non-current		
Current Liability	11.83	5.40
Non-current Liability	16.31	19.53
(viii) Actuarial assumptions used in determining the obligation are		
Discount rate	7.23% - 7.60%	5.60%-6.90%
Salary Escalation Rate	6.00%	5.00%-8.00%
Mortality Rate	As per Indian Assured Lives Mortality (2012-14) Table	
Withdrawal Rate	2.00%-21.00%	2.00%-25.00%
Retirement Age	58 - 60 years	
Expected Return on Asset	7.23% - 7.60%	5.60%-6.90%
(ix) Maturity Profile of Defined benefit obligation		
1 year	12.66	10.67
2 year	9.02	8.31
3 year	8.29	8.52
4 year	7.27	8.41
5 year	7.04	7.97
after 5 years	25.90	34.26
(x) Quantitative Sensitivity Analysis for Significant Assumptions		
Defined Benefits Obligation (Base) (₹ in Crores)	65.52	60.09
Impact of change in discount rate		
Revised obligation at the end of the year		
due to increase of 0.50%	59.07	58.24
due to decrease of 0.50%	62.31	61.62
Impact of change in salary increase		
Revised obligation at the end of the year		
Impact due to increase of 0.50%	62.04	61.32
Impact due to decrease of 0.50%	59.31	58.45

Sensitivities due to mortality & withdrawals are insignificant & hence ignored. Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

Notes forming part of Consolidated Financial Statement

for the year ended 31st March, 2023

38. DISCLOSURES PURSUANT TO IND AS 19 EMPLOYEE BENEFITS (Contd..)

(d) Characteristics of defined benefit plans and risks associated with them:

Valuations of defined benefit plan are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary over time. Thus, the Group is exposed to various risks in providing the above benefit plans which are as follows:

a Interest Rate risk: The plan exposes the Group to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (i.e. value of defined benefit obligation).

b. Salary Escalation Risk: The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

c. Demographic Risk: The Group has used certain mortality and attrition assumptions in valuation of the liability. The Group is exposed to the risk of actual experience turning out to be worse compared to the assumption.

d. Investment Risk: The Company has funded with well established Govt. of India undertaking & other IRDA approved agency and therefore, there is no material investment risk.

39. Advance taxes paid, including tax deducted at sources are shown as assets net of provision of tax including foreign tax. Provision for tax (including foreign tax) is made after considering depreciation, deductions and allowances as per applicable tax statutes and regulations there under.

40. RELATED PARTY DISCLOSURE AS REQUIRED BY IND AS 24 IS AS BELOW :

List of Related Parties

(a)	**Joint Ventures**	
	Kurukshetra Expressway Private Limited	
	Kohima-Mariani Transmission Limited (upto 19th December, 2021)*	
(b)	**Key Management Personnel**	
	Mr. Mofatraj P. Munot (Upto 31st March 2022)^	Promoter Director & Non-Executive Chairman
	Mr. Manish Mohnot	Managing Director & CEO
(c)	**Individuals having significant influence and their relatives:**	
	Mr. Mofatraj P. Munot	Promoter Director & Non-Executive Chairman
	Mr. Parag Munot	Promoter Director
	Ms. Sudha Golechha	Relative of Promoter Director
	Ms. Sunita Choraria	Relative of Promoter Director
(d)	**Enterprises having Significant influence and having transactions with the group**	
	Kalpataru Properties Private Limited	
	Property Solution (India) Private Limited	
	Kalpataru Limited	
	Kalpataru Construction Private Limited	
	K C Holdings Private Limited	
	Kalpataru Viniyog LLP	
	Kalpataru Holdings Private Limited	
	Kiyana Ventures LLP	
	Gurukrupa Developers	
	Kalpataru Retail Ventures Private Limited	
	Agile Real Estate Private Limited	

Notes forming part of Consolidated Financial Statement

for the year ended 31st March, 2023

40. RELATED PARTY DISCLOSURE AS REQUIRED BY IND AS 24 IS AS BELOW: (Contd..)

List of Related Parties (Contd..)

Abacus Real Estate Private Limited
Argos Arkaya Power Solutions LLP
BGK Infrastructure Developers Private Limited
Kalpataru Urbanscape LLP
Kalpataru Foundation
Dynacraft Machine Company Limited
Kalpataru Plus Sharyans
Kalpataru Business Solutions Private Limited

^Executive Chairman upto 31st March 2022 & Non-Executive Charirman w.e.f. 2nd May 2022

*The Company has completed transfer of 25% of total equity shares Kohima Mariani Transmission Limited (KMTL) w.e.f 24th February 2023. Hence, KMTL ceased to be a subsidiary of the Company in terms of section 2 (87) of the Companies Act, 2013 from the said dates.

Transactions with Related Parties in ordinary course of business are:

(₹ in Crores)

Particulars		Relationship	2022-23	2021-22
1	**Net Loans and advances given/ (repaid)**			
	Kohima-Mariani Transmission Limited	Joint Venture	-	(36.06)
	Kurukshetra Expressway Private Limited*	Joint Venture	2.81	59.35
	*Impairment on Loan during the year ₹ 2.81 Crores (previous year ₹ 59.35 Crores)			
2	**Other Expenses / Service Charges**			
	Kalpataru Limited	Enterprises having significant influence	-	0.27
	Property Solution (India) Private Limited	Enterprises having significant influence	4.11	2.35
	Gurukrupa Developers	Enterprises having significant influence	0.18	-
	Kalpataru Business Solutions Private Limited	Enterprises having significant influence	0.25	-
3	**Reimbursement of Expenses Payable / (Receivable)**			
	Agile Real Estate Private Limited	Enterprises having significant influence	0.64	0.93
	Kohima-Mariani Transmission Limited	Joint Venture	-	(3.70)
	Kalpataru Limited	Enterprises having significant influence	0.71	0.44
	Kiyana Ventures LLP	Enterprises having significant influence	-	0.02
4	**Rent Expenses**			
	Kalpataru Limited*	Enterprises having significant influence	17.84	18.34
	BGK Infrastructure Developers Private Limited	Enterprises having significant influence	0.04	0.56
	K C Holdings Private Limited	Enterprises having significant influence	0.05	0.06
	Dynacraft Machine Company Limited	Enterprises having significant influence	0.56	0.56
	*During Previous year units of Kalpataru Retail Ventures Private Limited merged with Kalpataru Limited			
5	**Revenue from Operations**			
	Kohima-Mariani Transmission Limited	Joint Venture	-	64.59
	Abacus Real Estate Private Limited	Enterprises having significant influence	14.25	0.99
	Agile Real Estate Private Limited	Enterprises having significant influence	82.52	31.02
	Kalpataru Urbanscape LLP	Enterprises having significant influence	37.94	28.27
	Kalpataru Plus Sharyans	Enterprises having significant influence	-	0.04
	Kalpataru Retail Ventures Private Limited	Enterprises having significant influence	-	0.13
6	**Other Income**			
	Kohima-Mariani Transmission Limited	Joint Venture	-	2.76
	Kalpataru Limited	Enterprises having significant influence	0.08	0.08

Notes forming part of Consolidated Financial Statement

for the year ended 31st March, 2023

40. RELATED PARTY DISCLOSURE AS REQUIRED BY IND AS 24 IS AS BELOW: (Contd..)

Transactions with Related Parties in ordinary course of business are: (Contd..)

(₹ in Crores)

Particulars	Relationship	2022-23	2021-22
7 Purchase of Property, Plant and Equipments			
Gurukrupa Developers	Enterprises having significant influence	2.19	-
8 Salary and Commission *			
Mr. Mofatraj P. Munot	Promoter Director & Non-executive Chairman	1.50	11.38
Mr. Manish Mohnot	Key Management Personnel	12.42	13.92
Mr. Parag Munot	Promoter Director	2.40	2.25
* break up of Compensation to key managerial personnel			
Short term employment benefits		12.42	25.30
9 Dividend Paid			
Kalpataru Properties Private Limited	Enterprises having significant influence	-	1.61
Kalpataru Construction Private Limited	Enterprises having significant influence	15.18	3.50
K C Holdings Private Limited	Enterprises having significant influence	13.74	3.17
Kalpataru Viniyog LLP	Enterprises having significant influence	0.86	0.20
Kalpataru Holdings Private Limited	Enterprises having significant influence	0.22	0.05
Mr. Mofatraj P. Munot	Promoter Director & Non-executive Chairman	10.62	1.50
Mr. Parag Munot	Promoter Director	5.18	1.19
Ms. Sudha Golechha	Relative of Promoter Director	0.57	0.13
Ms. Sunita Choraria	Relative of Promoter Director	0.57	0.13
10 Security Deposit paid			
Kalpataru Limited	Enterprises having significant influence	4.20	-
11 Security Deposit Received back			
Kalpataru Limited	Enterprises having significant influence	0.64	-
12 Advance from Customers received / (adjusted) (net)			
Abacus Real Estate Private Limited	Enterprises having significant influence	6.67	-
Agile Real Estate Private Limited	Enterprises having significant influence	4.36	2.38
Kalpataru Urbanscape LLP	Enterprises having significant influence	(3.45)	(4.34)
13 Advances given / (Adjusted) (net)			
Gurukrupa Developers	Enterprises having significant influence	(0.20)	-
14 Purchase / (Sales) of Materials			
Agile Real Estate Private Limited	Enterprises having significant influence	0.40	-
Argos Arkaya Power Solutions LLP	Enterprises having significant influence	7.39	4.11
15 Corporate Social Responsibility			
Kalpataru Foundation	Enterprises having significant influence	7.61	6.46

Balances with Related parties as at 31st March, 2023

(₹ in Crores)

Particulars	Relationship	As at 31st March 2023	As at 31st March 2022
1 Advances Given			
Gurukrupa Developers	Enterprises having significant influence	0.67	0.87
Kalpataru Properties Private Limited	Enterprises having significant influence	32.31	32.31
2 Loans Given			
Kurukshetra Expressway Private Limited*	Joint Venture	301.68	298.87
*Impairment on Loan ₹ 301.68 Crores (previous year ₹ 298.87 Crores)			

Notes forming part of Consolidated Financial Statement

for the year ended 31st March, 2023

40. RELATED PARTY DISCLOSURE AS REQUIRED BY IND AS 24 IS AS BELOW: (Contd..)

Balances with Related parties as at 31st March, 2023 (Contd..)

(₹ in Crores)

Particulars	Relationship	As at 31st March 2023	As at 31st March 2022
3 Security Deposit Given			
Kalpataru Limited	Enterprises having significant influence	97.76	94.20
Dynacraft Machine Company Limited	Enterprises having significant influence	0.56	0.56
4 Trade and Other Payable			
Kalpataru Limited	Enterprises having significant influence	0.74	14.79
Agile Real Estate Private Limited	Enterprises having significant influence	-	0.97
Kalpataru Retail Ventures Private Limited	Enterprises having significant influence	0.05	0.05
Property Solution (India) Private Limited	Enterprises having significant influence	0.64	0.42
BGK Infrastructure Developers Private limited	Enterprises having significant influence	-	0.03
Argos Arkaya Power Solutions LLP	Enterprises having significant influence	0.86	-
Kiyana Ventures LLP	Enterprises having significant influence	0.02	-
Mr. Mofatraj P. Munot	Promoter Director & Non-executive Chairman	1.50	6.90
Mr. Manish Mohnot	Key Management Personnel	8.24	10.15
Mr. Parag Munot	Promoter Director	2.40	2.25
Kalpataru Business Solutions Private Limited	Enterprises having significant influence	0.25	-
5 Trade and Other Receivables			
Kiyana Ventures LLP	Enterprises having significant influence	19.40	19.38
Abacus Real Estate Private Limited	Enterprises having significant influence	9.39	1.06
Agile Real Estate Private Limited	Enterprises having significant influence	40.38	43.50
Kalpataru Limited	Enterprises having significant influence	0.02	-
Kalpataru Urbanscape LLP	Enterprises having significant influence	64.43	44.15
6 Advances From Customers			
Kiyana Ventures LLP	Enterprises having significant influence	0.71	0.71
Kalpataru Urbanscape LLP	Enterprises having significant influence	-	3.45
Agile Real Estate Private Limited	Enterprises having significant influence	6.74	2.38
Abacus Real Estate Private Limited	Enterprises having significant influence	6.67	-
7 Guarantee Outstanding			
Kalpataru Foundation	Enterprises having significant influence	0.01	0.01

Note: Transactions with the related parties are at Arm's length prices. The amount outstanding are unsecured and will be settled in cash.

41. ERECTION, SUBCONTRACTING AND OTHER PROJECT EXPENSES COMPRISES OF :

(₹ in Crores)

Particulars	2022-23	2021-22
Subcontracting Expenses	4,080.65	3,596.28
Construction material, Stores and Spares Consumed	577.70	463.52
Power and Fuel	226.36	133.34
Freight and Forwarding Expenses	45.56	38.29
Vehicle and Equipment Hire Charges	281.20	273.11
Custom Duty, Clearing & Handling Charges	39.30	20.52
Others	162.73	168.10
TOTAL	**5,413.50**	**4,693.16**

Notes forming part of Consolidated Financial Statement

for the year ended 31st March, 2023

42. (a) One of the Subsidiary Company has filed a writ petition dated 6th May, 2009 before the Rajasthan High Court, Jaipur against the Board of Revenue, Revenue Appellate Authority, the Sub-Divisional Officer, Ramgarh and others, challenging their orders dated 1st April, 2009, 20th August, 2008 and 5th February, 2008, respectively, pursuant to which the revenue authorities had invalidated the transfer of land measuring 1.895 hectares situated at Ramgarh district Alwar, to the subsidiary Company, alleging contravention of the Rajasthan Land Revenue (Conversion of Agricultural land for Non- Agricultural Purposes in Rural Areas) Act, 1992. The subsidiary company has prayed inter-alia, for an order quashing the orders dated 1st April, 2009, 20th August, 2008, and 5th February, 2008, and declaring the entire proceedings initiated by the Sub-Divisional Officer as illegal, arbitrary and unconstitutional, or in the alternative, remanding the case to the Sub-Divisional Officer, on the grounds that the order was passed without providing an opportunity to be heard. The High Court through its interim order dated 11th May, 2009 granted an interim stay against the operation of the challenged orders. The value of the land and building, involved in the matter, at book value is ₹8.32 Crores. The matter is currently pending and the subsidiary Company does not expect any liability on account of the same. In the instant matter, the subsidiary company has been successful to obtain stay order form the Hon'ble High Court, Rajasthan, Bench Jaipur. The matter is pending for hearing at High Court.

(b) One of the Subsidiary Company had received a letter from its term lender for projects in Rajasthan and Gujarat stating that the subsidy applied under Scheme of Development / Strengthening of Agriculture Marketing Infrastructure, Grading and Standardization (AMIGS) for its Agri Logistics Parks has not been approved on technical grounds as stated in the Joint Monitoring Committee report and has recalled the advance subsidy of INR 2.25 Crores. The said advance capital subsidy received by the subsidiary Company is credited to the relevant fixed assets in the year of receipt. The subsidiary Company has represented the matter to National Bank for Agriculture and Rural Development (NABARD) and Directorate of Marketing & Inspection (DMI), Delhi. DMI has initiated the process for reviewing the same in the light of submissions made by the subsidiary Company. The subsidiary Company believes that the projects are well qualified under the said subsidy scheme and the same would be approved by the relevant sanctioning authorities. The Empowered Committee of India has observed that cold storage of Ramganj mandi (Rajasthan) and Deesa (Gujarat) are eligible for release of final subsidy of ₹ 0.25 Crores each (Total ₹ 0.50 Crores). Both Rajasthan and Gujarat locations related subsidy matters are pending before the Hon'ble High Court Rajasthan, Bench Jaipur and Hon'ble Gujarat High Court, Ahmedabad, respectively. The Hon'ble High Courts of Rajasthan and Gujarat have already granted stay order in favour of the subsidiary company. Stay is continuing till the final disposal of the writ petitions. As per judgement dated 29th March, 2022 Hon'ble Gujarat High Court has decided the Subsidiary company's Special Civil Application and directed NABARD to release the balance subsidy amount along with 6% interest per annum. However, NABARD has filed an appeal against the order of Hon'ble Gujarat High Court. In case of Rajasthan, an application for hearing has been filed by the subsidiary company.

43. (a) The Group has entered into service concession agreements with grantors viz: National Highways Authority of India (NHAI) and The Madhya Pradesh Road Development Corporation Ltd. (MPRDC) for construction and maintenance of the toll roads for a specified period (concession period) and has received a right to collect a fee for using the toll road during that agreed concession period. The Group has to pay a guaranteed minimum annual payment to the grantor for each year that the toll road in operation, as per agreement, for 2 toll roads. At the end of concession period, the ownership of the toll roads will vest with grantor. The service concession agreement does not contain a renewal option. In terms of para 17 of appendix C to Ind AS 115, cost on construction of roads has been recognised as "intangible assets" and being amortised over concession period.

(b) Financial summary of above concession agreements is given below.

(₹ in Crores)

Particulars	Toll Roads	
	2022-23	**2021-22**
Revenue accounted during the year	200.56	179.13
Loss before tax	(30.02)	(48.60)

Notes forming part of Consolidated Financial Statement

for the year ended 31st March, 2023

44. LEASES

1 The Group's significant leasing / licensing arrangements are mainly in respect of residential / office premises and equipments. Leases generally have a lease term ranging from 14 months to 108 months. Most of the leases are renewable by mutual consent on mutually agreeable terms.

2 Right-of-use assets by class of assets is as follows.

Financial Year 2022-23

(₹ in Crores)

Particulars	GROSS BLOCK					AMORTISATION					NET BLOCK
	As at 1st April 2022	Additions	Deductions	Foreign Currency Translation Reserve	As at 31st March, 2023	As at 1st April 2022	For the Year	Deductions	Foreign Currency Translation Reserve	As at 31st March, 2023	As at 31st March, 2023
TANGIBLE ASSETS											
Land	3.37	-	0.89	-	2.48	0.36	0.25	0.42	-	0.19	2.29
Buildings	146.33	25.54	59.60	(0.39)	111.88	80.67	36.54	55.12	(0.32)	61.77	50.11
Plant & Equipments	63.95	5.91	1.67	(0.06)	68.13	13.03	16.73	1.67	(0.02)	28.07	40.06
Vehicles	26.75	9.35	10.44	(0.51)	25.15	12.67	6.68	7.50	(0.39)	11.46	13.69
Furniture and Fixture	0.04	-	-	-	0.04	0.01	0.02	-	-	0.03	0.01
TOTAL	240.44	40.80	72.60	(0.96)	207.68	106.74	60.22	64.71	(0.73)	101.52	106.16

Financial Year 2021-22

(₹ in Crores)

Particulars	GROSS BLOCK					AMORTISATION					NET BLOCK
	As at 1st April 2021	Additions	Deductions	Foreign Currency Translation Reserve	As at 31st March, 2022	As at 1st April 2021	For the Year	Deductions	Foreign Currency Translation Reserve	As at 31st March, 2022	As at 31st March, 2022
TANGIBLE ASSETS											
Land	2.44	1.28	0.35	-	3.37	0.17	0.19	-	-	0.36	3.01
Buildings	118.83	42.01	13.78	(0.73)	146.33	52.61	40.11	11.53	(0.52)	80.67	65.66
Plant & Equipments	26.79	37.50	0.20	(0.14)	63.95	2.70	10.56	0.18	(0.05)	13.03	50.92
Vehicles	25.68	4.36	2.24	(1.05)	26.75	8.47	6.62	1.76	(0.66)	12.67	14.08
Furniture and Fixture	-	0.04	-	-	0.04	-	0.01	-	-	0.01	0.03
TOTAL	173.74	85.19	16.57	(1.92)	240.44	63.95	57.49	13.47	(1.23)	106.74	133.70

3. Finance costs includes interest expense amounting to ₹ 9.03 Crores (previous year ₹ 8.57 Crores) on lease liablity accounted in accordance with Ind AS 116 'Leases'.

4. Rent expense in Note No.29 represents lease charges for short term

5. Lease liabilities

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Maturity analysis - Undiscounted cash flows		
Less than one year	53.73	59.86
More than one year	60.95	83.95
TOTAL UNDISCOUNTED LEASE LIABILITIES	**114.68**	**143.81**
Lease liabilities included in financial position		
Current	48.87	54.53
Non current	54.80	74.31

Notes forming part of Consolidated Financial Statement

for the year ended 31st March, 2023

45. Additional information as required by paragraph 2 of the general instruction for preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

Name of Enterprise	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit or (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % Net Asset	Amount (₹ in Crores)	As % Profit or (Loss)	Amount (₹ in Crores)	As % Profit or (Loss)	Amount (₹ in Crores)	As % Profit or (Loss)	Amount (₹ in Crores)
Parent								
Kalpataru Power Transmission Limited	112.71%	5,320.64	120.90%	532.88	111.31%	(47.13)	121.92%	485.75
Subsidiaries								
Indian								
Adeshwar Infrabuild Limited	-0.01%	(0.24)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Amber Real Estate Limited	0.02%	1.07	0.02%	0.07	0.00%	-	0.02%	0.07
Energylink India Limited	2.28%	107.79	0.00%	0.01	0.00%	-	0.00%	0.01
Shree Shubham Logistics Limited	2.09%	98.48	-6.78%	(29.90)	0.12%	(0.05)	-7.52%	(29.95)
Kalpataru Metfab Private Limited	0.31%	14.41	-0.02%	(0.11)	0.00%	-	-0.03%	(0.11)
Brij Bhoomi Expressway Private Limited	-0.64%	(30.06)	0.23%	1.01	0.05%	(0.02)	0.25%	0.99
JMC Mining and Quarries Limited	0.05%	2.46	-0.01%	(0.04)	0.00%	-	-0.01%	(0.04)
Saicharan Properties Limited	2.30%	108.65	0.34%	1.52	-0.02%	0.01	0.38%	1.53
Vindhyachal Expressway Private Limited	-0.47%	(22.22)	1.17%	5.15	0.05%	(0.02)	1.29%	5.13
Wainganga Expressway Private Limited	-6.27%	(295.85)	-8.52%	(37.55)	0.02%	(0.01)	-9.43%	(37.56)
Punarvasu Financial Services Private Limited	0.46%	21.75	0.24%	1.06	0.00%	-	0.27%	1.06
Foreign								
Kalpataru Power Transmission (Mauritius) Limited	-0.11%	(5.20)	-1.61%	(7.10)	0.00%	-	-1.78%	(7.10)
Kalpataru Power Transmission - USA, INC	0.11%	4.96	0.32%	1.41	-0.83%	0.35	0.44%	1.76
LLC Kalpataru Power Transmission Ukraine	-0.03%	(1.32)	0.00%	(0.01)	-0.47%	0.20	0.05%	0.19
Kalpataru Power DMCC, UAE	-0.07%	(3.14)	0.01%	0.03	0.59%	(0.25)	-0.06%	(0.22)
Kalpataru IBN Omairah Company Limited	-1.78%	(84.16)	-13.33%	(58.73)	12.59%	(5.33)	-16.08%	(64.06)
Kalpataru Power Transmission Sweden AB	1.14%	54.03	-0.50%	(2.20)	0.00%	-	-0.55%	(2.20)
Linjemontage i Grästorp Aktiebolag	2.76%	130.39	10.24%	45.12	0.00%	-	11.33%	45.12
Linjemontage Service Nordic AB	0.41%	19.30	1.11%	4.90	0.00%	-	1.23%	4.90
Linjemontage AS	-0.11%	(5.19)	-0.91%	(4.03)	0.00%	-	-1.01%	(4.03)
Kalpataru Power Senegal SARL	0.25%	11.91	-1.02%	(4.50)	-1.49%	0.63	-0.97%	(3.87)
Kalpataru Power DO Brasil Participacoes Ltda	2.26%	106.91	-0.51%	(2.23)	0.00%		-0.56%	(2.23)
Fasttel Engenharia S.A.	-0.60%	(28.54)	-9.40%	(41.44)	1.16%	(0.49)	-10.52%	(41.93)
Kalpataru Power Chile SpA	0.08%	3.64	0.42%	1.86	-0.66%	0.28	0.54%	2.14
Non Controlling interest in all subsidiaries	0.57%	26.76	1.30%	5.73	-31.48%	13.33	4.78%	19.06
Joint Venture (as per equity consolidation method)								
Kurukshetra Expressway Private Limited	0.00%	-	-0.64%	(2.81)	0.00%	-	-0.71%	(2.81)
Adjustment arising out of consolidation	-17.73%	(836.61)	6.95%	30.65	9.06%	(3.84)	6.73%	26.81
TOTAL	**100.00%**	**4,720.62**	**100.00%**	**440.75**	**100.00%**	**(42.34)**	**100.00%**	**398.41**

46. BUSINESS COMBINATION

During previous year, On 7th April, 2021, the Company's wholly owned Subsidiary Company, Kalpataru Power do Brasil Participações Ltda had acquired 51% stake in Fasttel Engenharia S.A. (Fasttel). The Company has paid ₹ 62.24 Crores (BRL 47 million) to acquire 51% stake in Fasttel.

Notes forming part of Consolidated Financial Statement

for the year ended 31st March, 2023

46. BUSINESS COMBINATION (Contd..)

The Holding Company had accounted for transaction under Ind AS 103, "Business Combinations" and allocated the Purchase consideration paid for this acquisition as follows :

(₹ in Crores)

Particulars	2021-22
Net assets excluding deferred tax liabilities	(22.40)
Intangible assets	44.73
Goodwill	60.70
Deferred tax liabilities	(20.79)
TOTAL CONSIDERATION PAID	**62.24**

47. GOODWILL AND TRADEMARK WITH INDEFINITE LIFE

Goodwill represents the cost of acquired business as established at the date of acquisition of the business in excess of the acquirer's interest in the net fair value of the identifiable asset.

The useful life of trademark has been determined to be indefinite as the Company expects to generate future economic benefits indefinitely from the asset.

Goodwill and Trademark are tested for impairment annually or based on an indicator and provides for impairment if the carrying amount of goodwill / Trademark exceeds its recoverable amount.

Following is a summary of changes in the carrying amount of goodwill / trademark

(₹ in Crores)

Particulars	Goodwill		Trademark	
	As at 31st March 2023	As at 31st March, 2022	As at 31st March 2023	As at 31st March, 2022
Balance at the beginning of the year	**184.21**	**114.76**	**36.68**	**21.81**
Acquired on business combination during the year	-	60.70	-	13.05
Foreign currency translation difference	(0.60)	8.75	0.18	1.82
BALANCE AT THE END OF THE YEAR	**183.61**	**184.21**	**36.86**	**36.68**

The Holding Company did not identify any impairment based on internal cashflow forecast.

48. SEGMENT REPORTING

Group's reportable segments are as under :

(a) Engineering, Procurement and Construction (EPC) : It comprises of infrastructure projects relating to power transmission and distribution, civil construction, railway track laying and electrification, oil and gas pipelines laying, etc.

(b) Developmental Project : It comprises of development, operation and maintenance of infrastructure project.

Operating segment disclosures are consistent with the information provided to and reviewed by the chief operating decision maker (CODM) for the purpose of resource allocation and assessing performance.

Summarised segment information are as follows :

Notes forming part of Consolidated Financial Statement

for the year ended 31st March, 2023

48. SEGMENT REPORTING (Contd..)

(a) Business Segment

(₹ in Crores)

Particulars	EPC		Developmental Projects		Others		TOTAL	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
(i) Segment Revenue	15,978.59	14,442.59	271.80	212.80	116.87	124.34	16,367.26	14,779.73
Less: Inter-Segmental Revenue							5.82	2.35
REVENUE FROM OPERATIONS							**16,361.44**	**14,777.38**
(ii) Segment Results (before finance cost and interest income)	963.86	977.65	111.74	103.05	(1.38)	(3.35)	1,074.22	1,077.35
Add: Interest income							34.05	35.28
Less: Finance Costs							466.75	396.33
Share of Loss from Joint Venture							-	(19.89)
Profit Before Tax							**641.52**	**696.41**
Current Tax							265.64	191.59
Deferred Tax							(59.14)	(30.24)
NET PROFIT FOR THE YEAR							**435.02**	**535.06**
(iii) Other Information								
Depreciation and Amortisation Expenses							391.75	350.78
Impairment of assets	-	-	-	15.43	18.22	22.28	18.22	37.71

(₹ in Crores)

Particulars	EPC	Developmental Projects	Others	TOTAL
(iv) Segment Assets and Liabilities				
As at 31st March, 2023				
Segment Assets	17,147.71	2,313.22	476.18	19,937.11
Less: Inter segmental assets	-	356.26	-	356.26
NET SEGMENT ASSETS	**17,147.71**	**1,956.96**	**476.18**	**19,580.85**
Segment Liabilities	13,395.93	1,274.45	364.44	15,034.82
Less: Inter segmental liabilities	-	5.40	142.43	147.83
NET SEGMENT LIABILITIES	**13,395.93**	**1,269.05**	**222.01**	**14,886.99**
As at 31st March, 2022				
Segment Assets	14,733.14	2,300.55	517.35	17,551.04
Less: Inter segmental assets	335.92	-	3.61	339.53
NET SEGMENT ASSETS	**14,397.22**	**2,300.55**	**513.74**	**17,211.51**
Segment Liabilities	11,206.45	1,559.45	371.40	13,137.30
Less: Inter segmental liabilities	3.59	199.15	140.52	343.26
NET SEGMENT LIABILITIES	**11,202.86**	**1,360.30**	**230.88**	**12,794.04**

Notes forming part of Consolidated Financial Statement

for the year ended 31st March, 2023

48. SEGMENT REPORTING (Contd..)

(b) Geographical Segment

(₹ in Crores)

Particulars	2022-23	2021-22
Revenue from Operations		
Within India	10,917.13	9,828.86
Outside India^	5,444.31	4,948.52
TOTAL	**16,361.44**	**14,777.38**

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Non Current Assets*		
Within India	1,708.24	1,720.98
Outside India^	558.17	192.78

* excludes Intangibles, Financial assets, Non current tax and Deferred tax assets.

^ None of the geographies outside India contributes to more than 10% of the gross revenue in current year and previous year.

49. Revenue from major customers - Public sector undertakings in India, is ₹ 6,372.42 Crores (Previous Year ₹ 4,269.72 Crores). Revenue from other individual customer is less than 10% of total revenue.

50. Performance obligations unsatisfied or partially satisfied amounts to ₹ 45,918 Crores (Previous Year ₹ 29,323 Crores) as at 31st March, 2023 for which revenue is expected to be recognized in future over the period of 1 to 8 years.

51. INVESTMENT PROPERTIES :

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Investment Properties - at Cost	-	0.82
Investment Properties - at Fair Value	-	13.32

Fair Valuation Technique: Previous year, the fair value of Investment property has been determined by independent external Government registered property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of property being valued. Valuation of the subject property has been done by Sales Comparison Method under Market Approach at last year balance sheet date.

52. The Group has following transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

(₹ in Crores)

Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding		Relationship with the Struck off company, if any, to be disclosed
		As at 31st March, 2023	As at 31st March, 2022	
Rupc Enterprises Private Limited	Trade Payable	0.01	0.01	NA
Shivasha Realtech India Private Limited	Trade Payable	0.12	0.12	NA
J A Projects Private Limited	Trade Payable	0.14	0.14	NA

Notes forming part of Consolidated Financial Statement

for the year ended 31st March, 2023

52. The Group has following transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956. (Contd..)

(₹ in Crores)

Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding		Relationship with the Struck off company, if any, to be disclosed
		As at 31st March, 2023	As at 31st March, 2022	
Utkarsh & Aradhya Builders And Construction Pvt Ltd	Trade Payable	0.01	0.01	NA
Thiruvishnu Sabarisha Construction Private Limited	Trade Payable	0.01	0.01	NA
N A Fabrication And Engineering Work Private Limited	Trade Payable	0.09	0.12	NA
T. K. Construction And Services Private Limited	Trade Payable	0.01	-	NA
Laxmi Engineering Consultancy Private Limited	Trade Payable	0.02	-	NA
Skumar Infratech Private Limited	Trade Payable	0.26	-	NA

53. LOANS OR ADVANCES TO SPECIFIED PERSONS

(₹ in Crores)

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Subsidiaries - Interest free and repayable on demand	3.43	0.93%	8.16	1.78%

54. The Ahmedabad bench of Hon'ble National Company Law Tribunal (NCLT) has approved the Scheme of amalgamation ('the Scheme') of JMC Projects (India) Limited ('JMC') with the Company and their respective shareholders vide its Order dated 21st, December 2022. A certified copy of the Order was filed with the Registrar of Companies on 4th January, 2023 and the scheme became effective. The appointed date as per the Scheme is 1st April, 2022.

Consequently, the Company has alloted 1 (one) equity shares of ₹ 2/- each credited as fully paid up shares of the Company for every 4 (four) equity shares of ₹ 2/- each to shareholders of JMC, except to the Company, whose names are recorded in the register of members on 11th January, 2023 ('Record date').

The Impact of amalgamation has been accounted for as per Ind AS 110 – 'Consolidated Financial Statements'. Since, non-controlling shareholder of JMC became shareholders of the Company, non-controlling interest stands extinguished and correspondingly there is increase in equity share capital and capital reserve.

55. EXCEPTIONAL ITEMS

(i) Exceptional gain (net) for the year ended 31st March, 2023 includes :

1. ₹ 109.00 crores (net) in respect of claims relating to transmission asset divested in earlier year.
2. Provision of ₹ 18.21 crores towards impairment in value of Properties, Plant and Equipments in Shree Shubham Logistics Limited, a subsidiary Company.

Notes forming part of Consolidated Financial Statement

for the year ended 31st March, 2023

55. EXCEPTIONAL ITEMS (Contd..)

(ii) Exceptional gain (net) for the year ended 31st March, 2022 includes :

(a) Gain (including fair value gain) on sale of stake in Kohima Mariani Transmission Limited amounting to ₹ 262.41 Crores.

(b) Provision for impairment of ₹ 15.43 Crores in value of intangible assets of a subsidiary namely Wainganga Expressway Private Limited.

(c) Impairment loss of ₹ 22.28 Crores on Property, Plant and Equipments of a subsidiary namely Shree Shubham Logistics Limited.

During previous year, Kurukshetra Expressway Private Limited ("KEPL" or "Concessionaire"), a joint venture (49.57%) of the Company, issued a notice of termination of Concession Agreement ("CA") vide letter dated 7th October, 2021 to the National Highway Authority of India ("NHAI") on account of continuous disruption and blockade of traffic on National Highway-71 due to farmer agitation with stoppage of toll collection. The provisions of Concession Agreement provides for termination where events which are not in control of KEPL, and obliges NHAI paying KEPL for repayment of Debt Due along with Adjusted Equity after necessary adjustments. During the previous year, the Company had recognized provision towards Expected credit loss of ₹ 48.95 Crores against loans given to KEPL / others. Further, the Promoters of KEPL have, jointly and severally given 'shortfall undertakings' to the Senior Lenders, should there be any shortfall between amounts received from NHAI and that payable to KEPL's lenders. KEPL received copy of the letter dated 3rd February, 2022 sent by an Independent Engineer ("IE") appointed by NHAI in which the IE has sought to limit the amount payable (net of other deductions) as "Termination Payment". Accordingly, in light of the above the Company had made further provision for Expected Credit Loss of ₹ 46.29 Crores. The Company had also recognized ₹ 39.77 crores towards their share (49.57%) being a potential shortfall, if any, which was disclosed as an exceptional item in the previous year. The Company made above provisions without prejudice to its and KEPL legal rights and claims against NHAI and will continue to pursue these amounts against KEPL. Further, it will seek KEPL to pursue their claims and termination payment against NHAI notwithstanding the above recognition. During the year KEPL has invoked arbitration proceedings against NHAI in terms of the concession agreement.

56. ADDITIONAL DISCLOSURES PURSUANT TO SCHEDULE III TO THE COMPANIES ACT

(i) Trade Payables ageing schedule

(₹ in Crores)

Particulars	Not due	Outstanding for following periods from due date of payment				TOTAL
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
FY 2022-23						
(i) MSME	64.03	85.61	2.17	0.13	0.29	152.23
(ii) Others	1,095.63	1,616.46	76.84	33.57	7.77	2,830.27
(iii) Disputed dues – MSME	0.01	0.32	0.84	-	-	1.17
(iv) Disputed dues - Others	9.44	1.98	0.49	0.51	0.28	12.70
(v) Unbilled	2,068.87	-	-	-	-	2,068.87
TOTAL	**3,237.98**	**1,704.37**	**80.34**	**34.21**	**8.34**	**5,065.24**
FY 2021-22						
(i) MSME	33.30	74.58	2.42	0.37	45.57	156.24
(ii) Others	1,201.72	1,687.79	137.85	61.38	59.91	3,148.65
(iii) Disputed dues – MSME	1.64	1.20	0.01	-	-	2.85
(iv) Disputed dues - Others	0.61	0.29	0.05	0.06	1.96	2.97
(v) Unbilled	1,264.25	4.09	-	-	-	1,268.34
TOTAL	**2,501.52**	**1,767.95**	**140.33**	**61.81**	**107.44**	**4,579.05**

Notes forming part of Consolidated Financial Statement

for the year ended 31st March, 2023

56. ADDITIONAL DISCLOSURES PURSUANT TO SCHEDULE III TO THE COMPANIES ACT (Contd..)

ii. Company has taken borrowings from banks on the basis of security of current assets and quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts.

57. UTILISATION OF BORROWED FUNDS OR SECURITIES PREMIUM OR OTHER SOURCES OF FUNDS

(a) During the year, the Company has advanced loans or made investment in two of its subsidiary company namely Kalpataru Power Do Brasil Participações Ltda ('KPBPL') and Kalpataru Power Transmission Sweden AB ("KPT Sweden") for further grant of loans or acquisition of further equity stake in their respective subsidiaries namely Fasttel Engenharia S.A. ("Fasttel") and Linjemontage i Grästorp Aktiebolag ("LMG"). Details are as under :

Particulars	Name of Entity	Date	Amount in Crores	Details of Entity	
				Relationship with the Company	Registration Number
Date and Amount of fund invested in Intermediary	KPBPL	May 25, 2022	23.29	Subsidiary Company	40.587.945/0001-76
Date and Amount of fund invested in Intermediary	KPBPL	May 27, 2022	23.27	Subsidiary Company	40.587.945/0001-76
Date and Amount of fund further invested by Intermediary to beneficiary	Fasttel	June 02, 2022	46.56	Step down Subsidiary Company	80.527.104/0001-98
Date and Amount of fund invested in Intermediary	KPT Sweden	July 05, 2022	94.79	Subsidiary Company	559192-7271
Date and Amount of fund further invested by Intermediary to beneficiary	LMG	July 07, 2022	90.95	Step down Subsidiary Company	556464-7575

The Company has complied with relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and Companies Act 2013 and the transactions are not violative of the Prevention of Money-Laundering act, 2002 (15 of 2003).

(b) 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 :

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Notes forming part of Consolidated Financial Statement

for the year ended 31st March, 2023

58. Vindhyachal Expressway Private Limited ("VEPL" or "Concessionaire") and Wainganga Expressway Private Limited ("WEPL" or "Concessionaire"), subsidiaries of one of the subsidiary Company, have invoked arbitration / dispute resolution proceedings under the terms of respective Concession agreements and made certain claims due to various issues including but not limited to the development of alternate routes around the Project Highway, lack of timely development of feeder roads, economic slowdown, Implementation of GST and suspension of toll due to implementation of demonetization, which resulted in substantial reduction in toll revenue. The said proceedings are still pending for resolution. During the year, arbitration award in case of VEPL is received in favor of the Company, however, the amount of award is yet to be finalised.

59. The Board of Directors have recommended a dividend of ₹ 7.00 per equity share for the financial year 2022-23, subject to approval by shareholders at the Annual General Meeting and if approved, would result in cash outflow of ₹ 113.71 Crores, which has not been included as liability in these consolidated financial statements.

60. The Company is executing projects in Afghanistan, which are currently on hold due to Force Majeure event. The Company is closely monitoring the situation and expect to resume work once the geopolitical environment in Afghanistan is resolved. The Company does not expect any material financial impact due to this event as the projects are funded by multilateral funding agencies and the company has covered the exposure of credit risk through insurance cover. Further, the bank guarantee issued for the aforesaid ongoing projects cannot be enforced as per the terms and conditions of the underlying contracts.

For and on behalf of the Board of Directors

In terms of our report attached

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No : 101248W/W-100022

Vikas R Kasat
Partner
Membership No : 105317

Mumbai : 8th May, 2023

Ram Patodia
Chief Financial Officer

Shweta Girotra
Company Secretary

Manish Mohnot
Managing Director & CEO
DIN : 01229696

Sanjay Dalmia
Executive Director
DIN : 03469908

Mumbai : 8th May, 2023

ANNEXURE PURSUANT TO FIRST PROVISO TO SUB SECTION (3) OF SECTION 129 READ WITH RULE 5 OF COMPANIES (ACCOUNTS) RULES, 2014 STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/ ASSOCIATE COMPANIES/ JOINT VENTURES - AOC-1

Part "A": Subsidiaries

Sr. No.	Name of the Subsidiary	Reporting currency	Share Capital	Other Equity	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of shareholding
1	Shree Shubham Logistics Limited	INR	104.06	(5.58)	442.80	364.29	19.97	107.71	(29.88)	0.02	(29.90)	-	100.00%
2	Energylink (India) Limited	INR	153.96	(46.17)	2.07	0.43	106.15	0.24	0.01	-	0.01	-	100.00%
3	Saicharan Properties Limited	INR	151.15	(42.50)	264.37	155.72	-	72.18	2.23	0.71	1.52	-	100.00%
4	Adeshwar Infrabuild Limited (footnote 5)	INR	0.05	(0.29)	-	0.24	-	-	(0.01)	-	(0.01)	-	100.00%
5	Amber Real Estate Limited	INR	0.99	0.08	1.19	0.12	-	-	0.09	0.02	0.07	-	100.00%
6	Kalpataru Power Transmission - USA, Inc.	USD	2.28	2.68	6.30	1.34	-	5.58	1.78	0.37	1.41	-	100.00%
7	Kalpataru Power Transmission (Mauritius) Limited	USD	2.90	(8.10)	0.01	5.21	-	-	(7.10)	-	(7.10)	-	100.00%
8	LLC Kalpataru Power Transmission Ukraine	UAH	0.27	(1.59)	1.01	2.33	-	-	(0.01)	-	(0.01)	-	100.00%
9	Kalpataru IBN Omairah Company Limited	SAR	0.85	(85.01)	127.26	211.42	-	95.16	(58.65)	0.08	(58.73)	-	65.00%
10	Kalpataru Metfab Private Limited	INR	30.01	(15.60)	14.44	0.03	-	-	(0.11)	-	(0.11)	-	100.00%
11	Kalpataru Power DMCC, UAE	AED	1.39	(4.53)	2.67	5.81	-	2.36	0.03	-	0.03	-	100.00%
12	JMC Mining & Quarries Limited	INR	3.00	(0.54)	3.22	0.76	-	-	(0.04)	-	(0.04)	-	100.00%
13	Brij Bhoomi Expressway Pvt. Limited (footnote 5)	INR	22.76	(52.82)	157.99	188.05	-	36.15	1.52	0.51	1.01	-	100.00%
14	Wainganga Expressway Pvt. Limited (footnote 5)	INR	30.00	(325.85)	592.18	888.03	-	82.10	(36.19)	1.36	(37.55)	-	100.00%
15	Vindhyachal Expressway Pvt. Limited (footnote 5)	INR	27.05	(49.27)	761.28	783.50	-	81.36	4.64	(0.51)	5.15	-	100.00%
16	Punarvasu Financial Services Pvt. Limited	INR	19.38	2.37	21.83	0.08	-	0.98	1.37	0.32	1.05	0.78	100.00%
17	Kalpataru Power Transmission Sweden AB (footnote 5)	SEK	52.49	1.54	14.83	202.68	241.88	-	(2.19)	0.01	(2.20)	-	100.00%
18	Linjemontage i Grastorp AB	SEK	0.16	130.23	323.10	195.41	2.70	804.06	59.96	14.84	45.12	-	100.00%
19	Linjemontage Service Nordic AB	SEK	0.08	19.22	58.21	38.91	-	191.71	6.21	1.31	4.90	-	100.00%
20	Linjemontage AS	NOK	0.25	(5.44)	7.33	12.52	-	26.78	(4.03)	-	(4.03)	-	100.00%
21	Kalpataru Power Senegal SARL	XOF	18.41	(6.50)	114.66	102.75	-	40.05	0.98	5.48	(4.50)	-	100.00%
22	Kalpataru Power do Brasil Participações Ltda	BRL	95.43	11.48	56.84	34.70	84.77	-	(2.23)	-	(2.23)	-	100.00%
23	Fasttel Engenharia S.A.	BRL	13.71	(42.25)	398.79	427.33	-	439.04	(66.10)	(24.66)	(41.44)	-	51.00%
24	Kalpataru Power Chile SpA	CLP	0.74	2.90	101.67	98.03	-	76.79	2.54	0.69	1.85	-	100.00%

Notes:

1 Exchange rates at the year end considered for conversion : 1 USD = Rs. 82.2169; 1 AED = Rs. 22.3878; 1 UAH = Rs. 2.2275; 1 SAR= Rs. 21.9046; 1 SEK = Rs. 7.9237; 1 XOF = Rs.0.1369; 1 BRL = Rs. 16.2391

2 Average exchange rates for the year considered for conversion : 1 USD = Rs. 77.4681; 1 AED = Rs. 21.0779; 1 UAH = Rs. 2.5255; 1 SAR= Rs. 20.6269; 1 SEK = Rs. 8.10; 1 XOF = Rs. 0.1296; 1 BRL = Rs. 14.7935

3 There are no Subsidiaries which is yet to commence commercial operations.

4 There are no Subsidiaries which are liquidated during the year.

5 Sub-ordinate debt is considered as part of Liability.

6 Alipurduar Transmission Limited ("ATL") ceased to be subsidiary of the company w.e.f November 25, 2020 in accordance with IndAS 110 "Consolidated Financial Statements". However, based on company's equity stake it continued to be subsidiary in terms of section 2 (87) of the Companies Act, 2013. Subsequently, during the current year, the Company has completed transfer of 25% of total equity shares w.e.f 13th October 2022 and hence ATL ceased to be a subsidiary of the Company in terms of section 2 (87) of the Companies Act, 2013 from the said date.

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/ ASSOCIATE COMPANIES/ JOINT VENTURES (CONTD...)

Part "B": Associates and Joint Ventures

(₹ in Crores)

Name of Associates / Joint Ventures		Kurukshetra Expressway Private Limited
1 Latest audited Balance Sheet Date		31st March 2023
2 Shares of Associate/Joint Ventures held by the Company on the year end		
(a) Numbers		51,682,990
(b) Amount of Investment in Associates/Joint Venture	(₹ In Crores)	98.27
(c) Extend of Holding %		49.57%
3 Description of how there is significant influence		Holding 20% or more Share Capital
4 Reason why the Associate/Joint Venture is not Consolidated		-
5 Networth attributable to Shareholding as per latest audited / unaudited Balance Sheet	(₹ In Crores)	(132.70)
6 Profit / (Loss) for the year		
(a) Considered in Consolidation	(₹ In Crores)	-
(b) Not Considered in Consolidation (Note 3)	(₹ In Crores)	-

Notes:

1 There are no Associate or Joint Venture which are yet to commence operations

2 Kohima-Mariani Transmisssion Limited ("KMTL") ceased to be Joint Venture of the company w.e.f December 20, 2021 in accordance with IndAS 28 "Investments in Associates and Joint Ventures". However, based on company's equity stake it continued to be subsidiary in terms of section 2 (87) of the Companies Act, 2013. Subsequently, during the current year, the Company has completed transfer of 25% of total equity shares w.e.f 24th February 2023 and hence KMTL ceased to be a subsidiary of the Company in terms of section 2 (87) of the Companies Act, 2013 from the said date.

Corporate Information

Auditors

M/s. B S R & Co. LLP

Bankers

Indian Bank
Punjab National Bank
State Bank of India
Union Bank of India
Export Import Bank of India
Axis Bank
Yes Bank
IDBI Bank
ICICI Bank
IndusInd Bank
HSBC
HDFC Bank
Indian Overseas Bank
Standard Chartered Bank
Societe Generale
Federal Bank
IDFC FIRST Bank
Karnataka Bank
Karur Vysya Bank

Company Secretary

Ms. Shweta Girotra

Registered Office

Plot No. 101, Part III,
G.I.D.C Estate, Sector 28,
Gandhinagar - 382 028, Gujarat, India
Tel No.: +91-79-2321 4000
Fax No.: +91-79-2321 1966 / 68 / 71
Email: mktg@kalpatarupower.com

Corporate Office

'Kalpataru Synergy',
7th Floor, Opp. Grand Hyatt Hotel,
Vakola, Santacruz (E),
Mumbai - 400 055, India.
Tel No.: +91-22-3064 5000
Fax No.: +91-22-3064 3131
Website: www.kalpatarupower.com

KALPA-TARU®

KALPATARU PROJECTS INTERNATIONAL LIMITED
(Formerly Kalpataru Power Transmission Limited)

www.kalpatarupower.com

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POWER TRANSMISSION LIMITED

KALPATARU POWER TRANSMISSION LIMITED

Regd. Office: Plot No. 101, Part III, G.I.D.C. Estate, Sector – 28, Gandhinagar – 382 028, Gujarat, India.

Tel.: +91 79 232 14000 **Fax:** +91 79 232 11966

Email: cs@kalpatarupower.com

Web: www.kalpatarupower.com

CIN: L40100GJ1981PLC004281

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 42nd Annual General Meeting ("AGM" or "Meeting") of the members of Kalpataru Power Transmission Limited will be held on **Monday, July 17, 2023 at 11.00 A.M. IST** through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS :

1. **To receive, consider and adopt:**

   (a) the Audited Financial Statements of the Company for the financial year ended March 31, 2023, the Reports of the Board of Directors and Auditors thereon; and

   (b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2023 and the report of Auditors thereon.

2. To declare final dividend on equity shares at the rate of ₹ 7/- per equity share for the financial year ended March 31, 2023.

3. To appoint a Director in place of Mr. Sanjay Dalmia (DIN: 03469908), who retires by rotation and being eligible offers himself for re-appointment.

4. **Re-appointment of Statutory Auditors of the Company**

   To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution :**

   "**RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s. B S R & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W-100022) be and are hereby re-appointed as the Statutory Auditors of the Company for a second term of 5 (five) consecutive years to hold office from the conclusion of this Annual General Meeting till the conclusion of the 47th Annual General Meeting to be held in the year 2028, at such remuneration as shall be fixed by the Board of Directors of the Company."

SPECIAL BUSINESS :

5. **Ratifying remuneration of Cost Auditor for the Financial Year 2023-24**

   To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution :**

   "**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), consent of the Company be and is hereby accorded to the remuneration payable to M/s K. G. Goyal & Associates, Cost Auditors (FRN: 000024) appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year ending March 31, 2024, as set out in the Statement annexed to the Notice convening this Annual General Meeting."

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

By Order of the Board
For **Kalpataru Power Transmission Limited**

Place: Mumbai
Date: May 08, 2023

Shweta Girotra
Company Secretary

NOTES :

A. The Ministry of Corporate Affairs, Government of India ("MCA") vide its General Circular Nos. 20/2020 and 10/2022 dated 05 May, 2020 and 28 December, 2022 respectively, and other circulars issued in this respect ("MCA Circulars") allowed, inter-alia, conduct of AGMs through Video Conferencing / Other Audio-Visual Means ("VC/OAVM") facility. The Securities and Exchange Board of India ("SEBI") also vide its Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 05 January, 2023 ("SEBI Circular") has provided certain relaxations from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). In compliance with these Circulars, provisions of the Companies Act, 2013 ("the Act") and the Listing Regulations, the 42nd AGM of the Company is being conducted through VC/OAVM facility, which does not require physical presence of members at a common venue. The deemed venue for the 42nd AGM shall be the Registered Office of the Company.

B. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this notice.

C. The Explanatory Statement setting out the material facts, pursuant to Section 102 of the Act in respect of the special business is annexed hereto. The Board of Directors of the Company at its meeting held on May 08, 2023 considered that the special businesses being considered unavoidable, be transacted at the AGM of the Company.

D. All documents referred to in the Notice and the Explanatory Statement and other Statutory Registers shall be available for inspection by the Members at the registered office of the Company on all working days between 11.00 a.m. and 1.00 p.m. (i.e. except Saturdays, Sundays and public holidays) up to the date of the Meeting. Such documents will also be available electronically for inspection by the members from the date of circulation of this notice upto the date of AGM and during the AGM. Members seeking to inspect such documents can send an email to cs@kalpatarupower.com.

E. Institutional shareholders/corporate shareholders (i.e. other than individuals, HUF's, NRI's, etc.) are required to send a scanned copy of their respective Board or governing body Resolution/Authorization etc., authorizing their representative to attend the AGM through VC/OAVM on their behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by e-mail on its registered e-mail address to csurmilved@gmail.com. Institutional shareholders (i.e. other than individuals, HUF's, NRI's etc.) can also upload their Board Resolution/Power of Attorney/ Authority Letter etc. by clicking on "Upload Board Resolution/Authority Letter" displayed under "e-Voting" tab in their login.

F. Information as required under Regulation 36 of the Listing Regulations with respect to brief resume of Director proposed to be re-appointed, nature of his expertise in specific functional areas, names of Listed companies in which he holds directorships and the Memberships of Board Committees, shareholding and relationships between directors inter-se and Listed entities from which he has resigned in the past three years, are provided in the Annexure to the explanatory statement attached to this Notice.

G. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

H. **RECORD DATE:**

The Company has fixed Thursday, July 06, 2023 as the "Record Date" for determining entitlement of Members to final dividend for the financial year ended March 31, 2023, if approved at the AGM.

I. **DIVIDEND:**

If the final dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend subject to deduction of tax at source will be made on or before Monday, August 14, 2023 as under:

i. To all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL"), collectively "Depositories", as of end of day on Thursday, July 06, 2023. Members may note that the bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrar and Transfer Agent ("RTA") cannot act on any request received directly from the Members holding shares in dematerialised mode for any change of bank particulars or bank mandates. Hence, such changes in bank details, ECS mandate, address or e-mail id are to be furnished by the Members to their Depository Participant only.

ii. To all Members in respect of shares held in physical form as of the close of business hours on Thursday, July 06, 2023. In order to avoid any fraudulent encashment of dividend, the Member(s) holding shares in physical mode are requested to submit, if not already submitted, particulars of their Bank Accounts (Bank Account number, the name of the Bank, the Branch, IFSC etc.) in 'Form ISR – 1' along with supporting documents. These details can be furnished by the first/ sole shareholder directly to Company's RTA i.e. M/s. Link Intime India Private Limited ("LIPL").

J. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.:

 i. **For shares held in electronic form:** to their Depository Participants (DPs)

 ii. **For shares held in physical form:** to the Company/ RTA in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/ MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023. SEBI has mandated the submission of PAN, KYC details and nomination by holders of physical securities on or before October 01, 2023, and linking of PAN with Aadhaar vide its circular dated March 16, 2023. In the absence of any of the required documents/details in a folio, on or after October 01, 2023, the folio shall be frozen by the RTA. The formats of Form ISR-1 and other forms are available on the Company's website at https://kalpatarupower.com/shareholder-services/ and on the website of the Company's RTA, LIPL at https://linkintime.co.in/. If the securities continue to remain frozen as on December 31, 2025, the RTA/ Company shall refer such securities to the administering authority under the Benami Transactions (Prohibitions) Act, 1988, and / or the Prevention of Money Laundering Act, 2002.

K. Members may please note that SEBI vide its Circular No. SEBI/ HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4. It may be noted that any service request can be processed only after the folio is KYC Compliant.

 Physical shareholders are requested to register the specimen signature for their corresponding folio numbers. To register/update the specimen signature, the Members are requested to make service requests by submitting a duly filled and signed Form ISR – 2.

 The formats of applicable forms are available on the Company's website at https://kalpatarupower.com/ shareholder-services/ and on the website of the Company's RTA, LIPL at https://linkintime.co.in/.

L. **SEBI has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or LIPL, for assistance in this regard**.

M. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or LIPL, the details of such folios together with the share certificates along with the requisite KYC Documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.

N. As per the provisions of Section 72 of the Act and relevant SEBI Circular(s) issued from time to time, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website https://kalpatarupower.com/ shareholder-services/ and on the website of the Company's RTA, LIPL at https://linkintime.co.in/. Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to LIPL in case the shares are held in physical form.

O. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company as on the cut-off date will be entitled to vote during the AGM.

P. **Communication through e-mail:** In compliance with the aforesaid MCA Circulars and applicable SEBI Circular(s) and other relevant circulars and notifications issued in this regard, Notice of the AGM along with the Annual Report 2022-23 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report 2022-23 will also be available on the Company's website www.kalpatarupower.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and on the website of CDSL https://www.evotingindia.com.

To support green initiative of the Government in full measure, Members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses.

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

a. In respect of electronic holdings with the Depository through their concerned Depository Participants. However, the members may temporarily register the same with the Company's RTA at https://web.linkintime.co.in/EmailReg/Email_Register.html on their website www.linkintime.co.in in the Investors service tab by providing details such as Name, DP ID, Client ID, PAN, Aadhar, mobile number and email address.

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

b. Members who hold shares in physical form are requested to register their e-mail ID/Mobile No. with the Company's Registrar and Share Transfer Agent M/s. Link Intime India Private Limited at https://web.linkintime.co.in/EmailReg/Email_Register.html on their website www.linkintime.co.in in the Investors service tab by providing details such as Name, Folio No., Certificate number, PAN, Aadhar, mobile number and email address and also upload the image of share certificate in PDF or JPEG format (upto 1 MB).

Q. Members who have neither received nor encashed their dividend warrant(s) for the financial years from 2015-16 up to 2021-22, are requested to write to the Company / RTA, mentioning the relevant Folio number or DP ID and Client ID, along with Bank account details and cancelled cheque to update the securities holder's data, if the same is not updated. The unpaid dividend shall be paid only via electronic bank transfer. The original cancelled cheque should bear the name of the shareholder failing which shareholder should submit copy of bank passbook /statement attested by the bank. RTA shall then update the bank details in its records after due verification.

R. The Company has transferred the unpaid or unclaimed dividends declared up to financial year 2014-15 to the Investor Education and Protection Fund (IEPF) established by the Central Government. The Company has uploaded the details of unpaid and unclaimed dividends lying with the Company on the website of the Company www.kalpatarupower.com. The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: www.iepf.gov.in.

S. Members who have not exchanged their pre-split share certificate of face value of ₹ 10 each with new share certificate of face value of ₹ 2 each are requested to send request to the Company / RTA for issuance of letter of confirmation.

T. Adhering to the various requirements set out in the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, the Company has transferred to the IEPF Authority all shares in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more. Details of shares transferred to the IEPF Authority are available on the website of the Company www.kalpatarupower.com. The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: www.iepf.gov.in.

   Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from IEPF. Concerned members/investors are advised to visit the weblink: http://www.iepf.gov.in/IEPF/refund.html

U. The instructions for Members attending and voting electronically are as under:

   (i) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of Listing Regulations 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) for facilitating voting through electronic means, as the authorized e-Voting agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

   (ii) 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.

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

(iv) Pursuant to the MCA Circulars, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.

(v) In line with the MCA Circulars, the Notice calling the AGM has been uploaded on the website of the Company at www.kalpatarupower.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.

(vi) **Process for those shareholders whose email ids are not registered:** The shareholders who have not registered their email ids are requested to get the same registered by following the process stated in note (P) above.

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

(viii) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09 December, 2020, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

i. The instructions for E-voting are as under:

- Remote e-voting timeline:

Commencement of e-voting	09:00 a.m. (IST) on Thursday, July 13, 2023
Conclusion of e-voting	05:00 p.m. (IST) on Sunday, July 16, 2023

During this period, Members of the Company, holding shares either in physical form or in dematerialised form, as on Cut-off date i.e. July 10, 2023 may cast their votes electronically. The E-voting module shall be disabled by CDSL for voting thereafter.

- In terms of SEBI circular 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 e-mail address in their demat accounts in order to access the E-voting facility.

- Once the Shareholder has exercised the vote, whether partially or otherwise, the Shareholder shall not be allowed to change it subsequently or cast the vote again.

- The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date i.e., July 10, 2023.

ii. Procedure for attending and Voting electronically

A) **For Individual shareholders holding in demat mode**

The Company has enabled 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 CDSL (E-Voting Service Provider – ESPs), thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process. Shareholders are advised to update their mobile number and e-mail Id in their demat accounts in order to access e-voting facility.

Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with **CDSL**	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by company. On clicking the e-Voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with **NSDL**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their **Depository Participants (DP)**	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 Forgot User ID and Forgot Password option available at abovementioned website.

1. After successfully logging by following above process, Members will be able to see EVSN of all companies in which they held shares and whose voting cycle is active.
2. Click on the EVSN for your "Company Name" on which you choose to vote.
3. 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.
4. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
5. 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.
6. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
7. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with **CDSL**	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

B) **For Other than Individual shareholders and Physical Shareholders**

Login method for e-voting and joining virtual meeting for shareholders other than individual shareholders holding shares in demat form & physical shareholders.

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

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

7. After entering these details appropriately, click on "SUBMIT" tab.

8. 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.

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

10. Click on the EVSN for your <Company Name> on which you choose to vote.

11. 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.

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

13. 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.

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

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

16. 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.

iii. INSTRUCTIONS FOR SHAREHOLDERS VOTING ON THE DAY OF THE AGM ON E-VOTING SYSTEM ARE AS UNDER:

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

2. Only those Members/ shareholders, who will be 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 in the AGM.

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

4. Members who have voted through Remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

iv. OTHER 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 Remote 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 Remote 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 during the period July 04, 2023 to July 11, 2023 mentioning their name, demat account number/folio number, email id, mobile number at Company email id: cs@kalpatarupower.com. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of questions and number of speakers, depending on the availability of time as appropriate for smooth conduct of the AGM.

8. Members desirous for any information or queries on accounts / financial statements or relating thereto or any matter to be placed at the AGM may send their questions in advance during the period July 04, 2023 to July 11, 2023 mentioning their name, demat account number/folio number, email id, mobile number at Company email id: cs@kalpatarupower.com. The same will be replied by the Company suitably.

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

v. NOTE FOR NON – INDIVIDUAL MEMBERS AND CUSTODIANS

- Non-Individual Members (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details, a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- A scanned copy of the valid 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 mandatorily to send the relevant Board Resolution/ Authority letter / Power of Attorney etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer on csurmilved@gmail.com and to the Company on cs@kalpatarupower.com, if voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

vi. In case you have any queries or issues regarding attending AGM & e-voting from CDSL e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800225533.

vii. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Senior Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800225533.

V. **Tax Deductible at Source / Withholding tax on Dividend:**

We are pleased to inform you that the Board of Directors of the Company at their meeting held on May 08, 2023, have recommended a final dividend of ₹ 7/- per equity share of the face value of ₹ 2/- each for the Financial Year 2022-23.

Pursuant to the requirement of Income Tax Act, 1961 (hereinafter referred as ‘the Act’), as amended vide the Finance Act, 2020, with effect from April 01, 2020, Dividend is now taxable in the hands of shareholders and accordingly, the Company is required to withhold taxes (including cess and surcharge) on the dividend paid to its shareholders at the prescribed rates as per the applicable provisions of the Act. The withholding tax rate would vary depending on the residential status of the shareholder and documents submitted by shareholder with the Company/ RTA / Depository Participant.

A. RESIDENT SHAREHOLDERS:

A1. Tax Deductible at Source for Resident Shareholders:

Sr. No. (1)	Particulars (2)	Withholding Tax Rate (3)	Documents required (if any) (4)
1	Valid PAN updated in the Company's Register of Members	10%	No document required
2	No PAN/Valid PAN not updated in the Company's Register of Members	20%	No document required
3	Specified Person u/s. 206AB (Not Filed Income Tax Return for AY 2022-2023 & aggregate TDS / TCS is ₹ 50,000 or more in each of such AY)	20%	No document required
4	Availability of valid lower/ nil tax deduction certificate issued by Income Tax Department u/s 197 of the Act	Rate specified in the certificate	Lower/Nil tax deduction certificate obtained from Income Tax Authority

Note: No tax shall be deducted at source on payment / aggregate of payment of dividend if the amount of dividend paid during the financial year 2023-24 does not exceed INR 5,000 in case the recipient is a resident individual shareholder.

A2. No Tax Deductible at Source on dividend payment to resident shareholders if the Shareholders submit and register following documents as mentioned in column no. 4 of the below table.

Sr. No. (1)	Particulars (2)	Withholding Tax Rate (3)	Documents required (if any) (4)
1	Submission of Form 15G/ Form 15H	NIL	Declaration in Form No. 15G (applicable to an individual who is below 60 years) / Form 15H (applicable to an individual who is 60 years and above), fulfilling certain conditions
2	Shareholders to whom section 194 of the Act does not apply viz. LIC, GIC, Other insurer, specified business trust, notified person by Central Government	NIL	Declaration that it has full beneficial interest with respect to the shares owned by it along with PAN along with certificate of incorporation, if any
3	Shareholder covered u/s 196 of the Act such as Government, RBI, corporations established by Central Act & mutual funds.	NIL	Documentary evidence identifying such exempt entity for coverage u/s 196 of the Act including SEBI Registration certificate for registered Mutual Fund
4	Category I and II Alternative Investment Fund	NIL	SEBI registration certificate to claim benefit under Section 197A (1F) of the Act
5	- Approved provident funds - Approved superannuation fund - Approved gratuity fund	NIL	Certificate under Income Tax Act issued by Income Tax Authority in respect of approval of such funds

Sr. No. (1)	Particulars (2)	Withholding Tax Rate (3)	Documents required (if any) (4)
6	New Pension System Trust established on 27th February 2008	NIL	Certificate of incorporation under Indian Trust Act, 1882
7	Any resident shareholder claiming exemption from TDS under any other provisions of the Act or by any other law or notification	NIL	Necessary documentary evidence substantiating the claim of exemption from deduction of TDS

B. NON-RESIDENT SHAREHOLDERS:

Applicable withholding tax on dividend payment to non-resident shareholders as mentioned in below table.

Sr. No.	Particulars	Withholding Tax Rate	Documents required (if any) for Nil/lower withholding of tax
1	Non-resident shareholders (including SEBI registered FPI and FII, Indian Branch of Foreign Banks)	20% (plus applicable surcharge and cess) OR Tax Treaty Rate whichever is beneficial	To avail beneficial rate of tax treaty following tax documents would be required: • Valid Tax Residency certificate issued by revenue authority of country of residence of shareholder for the year in which dividend is received • PAN, if any • Form 10F filled* & duly signed • Self-declaration for non-existence of permanent establishment/ fixed base in India (Note:1 - Application of beneficial Tax Treaty Rate shall depend upon the completeness of the documents submitted by the Non-Resident shareholder and review to the satisfaction of the Company) (Note:2 – In case of FPI / FII, copy of SEBI Registration Certificate shall be required)
2	Any non-resident having valid certificate issued by Income Tax Department for Nil/lower deduction of tax on dividend income	Rate specified in such certificate	Copy of valid Nil/lower tax deduction certificate obtained from Income Tax Authority
3	Any non-resident shareholder exempted from WHT deduction as per the provisions of the Act or any other law such as The United Nations (Privileges and Immunities) Act 1947, etc.	NIL	Necessary extract of applicable law giving such exemption, detailed note for such claim of exemption supported with third party opinion, if any

*The Central Board of Direct Taxes ('CBDT') vide Notification No. 3/2022 dated 16th July 2022 has mandated e-filing of Form 10F. However, non-resident taxpayers not having PAN or who are not required to obtain PAN have been exempted from such requirement by CBDT till 30th September 2023. Accordingly, all the non-resident shareholders having PAN in India are required to file Form 10F electronically through their web account on the income tax web-portal www.incometax.gov.in for availing the benefits of applicable DTAA.

In case all necessary documents are not submitted, then the TDS/ Withholding tax will be deducted @ 20% (plus applicable surcharge and cess).

Further, in case, non-resident shareholders having Permanent Establishment in India who were liable to file tax returns and has not filed the same for Assessment Year 2022-23 in case the aggregate amount of TDS and TCS is ₹ 50,000 or more in such year, the rate of withholding tax would be increased to twice the rate of applicable TDS in view of section 206AB of the Act.

Shareholders will be able to download Form 26AS from the Income Tax Department's website www.incometax.gov.in

- The aforesaid documents such as Form 15G/ 15H, documents under sections 196, 197A, FPI Registration Certificate, Tax Residency Certificate, Lower Tax certificate etc. needs to be mandatorily uploaded on the link https://web.linkintime.co.in/formsreg/submission-of-form-15g-15h.html on or before July 03, 2023 to enable the Company to determine the appropriate TDS / withholding tax rate applicable. Any communication on the tax determination/deduction received after July 03, 2023 or through any other mode shall not be considered. Formats of Form 15G / Form 15H / Form 10F are available on the website of the RTA and can be downloaded from the General tab on https://linkintime.co.in/client-downloads.html

- Application of TDS rate is subject to necessary verification by the Company of the shareholder details as available in Register of Members as on the Record Date, and other documents available with the Company/ RTA.

- In case TDS is deducted at a higher rate, an option is still available with the shareholder to file the return of income and claim an appropriate refund.

- No TDS will be deducted in case of resident individual shareholders who furnish their PAN details and whose dividend does not exceed ₹ 5,000 during the financial year. However, where the PAN is not updated in Company/RTA/ Depository Participant records or in case of an invalid PAN, the Company will deduct TDS without considering the exemption limit of ₹ 5,000/-.

Rule 37BA u/s 199

- In case where dividend is assessable in the hands of person other than in the name of shareholder, credit for tax deducted at source in aforesaid manner shall be given to such other person only on submission of a declaration as required under section 199 of the Income-tax Act, 1961 from the recipient to the effect giving details of name, address, permanent account number of the person to whom credit is to be given, payment or credit in relation to which credit is to be given and reasons for giving credit to such person. Upon receipt of such declaration, the company will verify the details stated therein and when same is found satisfactory, the same can be considered.

- All the shareholders are requested to update their PAN with their Depository Participant (if shares are held in electronic form) and Company / RTA (if shares are held in physical form) against all their folio holdings on or before July 03, 2023.

- In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided by the shareholder, such shareholder will be responsible to indemnify the Company and also, provide the Company with all information / documents and co-operation in any appellate proceedings.

- This Communication is not exhaustive and does not purport to be a complete analysis or listing of all potential tax consequences in the matter of dividend payment. Shareholders should consult their tax advisors for requisite action to be taken by them.

- This Communication cannot be construed as advise to any shareholders for taxation of divided income in their hands.

Other information

(A) The Company has appointed Mr. Urmil Ved, Practicing Company Secretary, (Membership No. 8094) to act as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner.

(B) The Scrutinizer shall, after the conclusion of voting at the General Meeting, unblock the votes cast through remote e-voting and voting during the AGM in the presence of at least two witnesses not in the employment of the Company and shall make no later than 2 working days of the conclusion of the meeting a Consolidated Scrutinizer's Report of the total votes cast in favour or against and invalid votes if any, forthwith to the Chairman of the Company or the person authorized by him, who shall countersign the same and declare the result of the voting forthwith.

(C) The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.kalpatarupower.com and on the website of CDSL. The results shall simultaneously be communicated to the Stock Exchanges.

(D) The resolutions shall be deemed to be passed on the date of the Meeting, subject to receipt of sufficient votes.

By Order of the Board
For **Kalpataru Power Transmission Limited**

Place: Mumbai
Date: May 08, 2023

Shweta Girotra
Company Secretary

EXPLANATORY STATEMENT

Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013

ITEM NO. 4

In terms of the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s. B S R & Co. LLP, Chartered Accountants, Mumbai (Firm Registration No. 101248W/W-100022) were appointed as the Statutory Auditors of the Company at the 37th Annual General Meeting (AGM) of the Company held on August 07, 2018 to hold office for a term of 5 (five) years i.e. from the conclusion of 37th AGM till the conclusion of 42nd AGM of the Company. Accordingly, M/s. B S R & Co. LLP, Chartered Accountants will complete their current term on conclusion of this AGM in terms of said approval and Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014.

The Board of Directors of the Company at its meeting held on May 08, 2023, has considering the experience and expertise, on the recommendation of the Audit Committee, had recommended for the approval of the Members, the re-appointment of M/s. B S R & Co. LLP, Chartered Accountants as the Statutory Auditors of the Company for the second term of 5 (five) consecutive years i.e. from the conclusion of this AGM till the conclusion of the 47th AGM of the Company to be held in the year 2028 at such remuneration as shall be fixed by the Board of Directors of the Company.

B S R & Co. was constituted on March 27, 1990 as a partnership firm having Firm Registration No. as 101248W. It was converted into limited liability partnership i.e. B S R & Co. LLP on October 14, 2013 thereby having a new Firm Registration No. 101248W/W-100022.

B S R & Co. LLP is a member entity of B S R & Affiliates, a network registered with the Institute of Chartered Accountants of India. B S R & Co. LLP has over 4,000 staff, 140+ Partners. B S R & Co. LLP audits various companies listed on stock exchanges in India including companies in the infrastructure sector.

M/s. B S R & Co. LLP, Chartered Accountants have given their consent to act as the Statutory Auditors of the Company and have confirmed that the said re-appointment, if made, will be in accordance with the conditions prescribed under Sections 139 and 141 of the Act. They have further confirmed that they are not disqualified to act as the Statutory Auditors in terms of the Act and the rules made thereunder.

The proposed remuneration to be paid to Auditors for the financial year 2023-24 is ₹ 2.98 Crore. The said remuneration excludes applicable taxes and out of pocket expenses. The remuneration for the subsequent year(s) of their term shall be fixed by the Board of Directors of the Company based on the recommendation of the Audit Committee.

None of the Directors or any key managerial personnel of the Company or any of their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 4.

The Board recommends the passing of an Ordinary Resolution as set out at Item No. 4 of the accompanying Notice.

ITEM NO. 5

In its meeting held on May 08, 2023, the Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. K. G. Goyal & Associates (FRN: 000024) as Cost Auditors to conduct the audit of the cost records maintained by the Company for the financial year ending March 31, 2024, for a remuneration of ₹ 1,50,000/- (Rupees One Lakh Fifty Thousand only) plus applicable taxes and reimbursement of out of pocket expenses.

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 Members is sought for passing an ordinary resolution as set out at Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2024.

None of the Directors or any key managerial personnel of the Company or any of their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 5.

Your Board recommends the resolution at Item No. 5 as an Ordinary Resolution for approval of the members.

By Order of the Board
For **Kalpataru Power Transmission Limited**

Place: Mumbai
Date: May 08, 2023

Shweta Girotra
Company Secretary

Important Communication to Members

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its Members. To support this green initiative of the Government, Members who have not registered their e-mail address, so far, are requested to get their e-mail addresses registered, in respect of electronic holding with the Depository through their concerned Depository Participants and in respect of physical holding, with the Registrar and Transfer agent of the Company. Members who hold shares in Physical form, are also requested to get their shares dematerialized.

ANNEXURE TO THE EXPLANATORY STATEMENT

Information pursuant to Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) of Director seeking re-appointment at the forthcoming Annual General Meeting

I. MR. SANJAY DALMIA

Name	Mr. Sanjay Dalmia
Age (as on March 31, 2023)	60 Years
Date of first appointment on the Board	August 08, 2018
Brief resume/ Qualification/ Expertise in specific functional area/Experience	Mr. Sanjay Dalmia has more than three decades of experience in areas related to power, infrastructure, textiles, mining and business development. He has earlier worked in diverse geographies like Far East, Africa, C.I.S. and Middle East, and has experience of working with multicultural people. He is a qualified Chartered Accountant and Company Secretary. He has also done Senior Executive Leadership Program from Harvard University, U.S.
No. of shares held in the Company including shareholding as a beneficial owner	28,600 Equity shares
Relationship with other Directors and Key Managerial Personnel	None
Listed entities from which Mr. Sanjay Dalmia has resigned in the past three years	None

List of directorship of other listed entities (as on 31 March, 2023)	Chairmanship / Membership of Committees of the Board in such companies
Nil	Nil

Notes