

## K.P. ENERGY LIMITED

CIN: L40100GJ2010PLC059169

KPEL/BM/MAY/2019/O-150

May 25, 2019

To,  
BSE Limited,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai - 400 001

Ref: **Scrip Code: 539686**

Sub: **Outcome of the Board Meeting and Submission of the Audited Standalone and Consolidated Financial Results for the Quarter and year ended March 31, 2019.**

Dear Sir(s),

We wish to inform you that the Board of the Company at its meeting held today, commenced at 3:00 p.m. and concluded at 4:15 p.m., *inter alia* has:

- 1 Approved Standalone and Consolidated audited financial results of the Company for the Quarter and year ended March 31, 2019.

Pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015, we are enclosing following:

- a. Statement showing the Audited financial results (Standalone and Consolidated) for the Quarter and year ended March 31, 2019.
  - b. Auditors Report with unmodified opinion on Standalone and Consolidated Audited Financial Results for the year ended March 31, 2019.
- 2 Recommended final dividend at 10% i.e. Re. 1/- per Equity Share of Rs. 10/- each for the financial year ended March 31, 2019.
  - 3 Appointed M/s. RHA & Co. (FRN: 142551W) Chartered Accountants as Internal Auditor of the Company for FY 2019-20 to conduct the internal audit of the Company.
  - 4 Appointed M/s. SJV & Associates, Practicing Company Secretaries, as a Secretarial Auditor for the FY 2019-20 to conduct the secretarial audit of the Company.

We shall inform in due course the date on which the Company will hold Annual General Meeting for the year ended March 31, 2019 and the date from which dividend, if approved by the shareholders, will be paid to the shareholders.

Kindly take the same on your records and acknowledge a receipt of the same.

Thanking You,  
Yours faithfully,  
For K.P. Energy Limited

  
**Ashish A Mithani**  
Whole Time Director  
(DIN: 00152771)

Encl.: a/a



**Reg. Office:**

A-1/2, Firdos Tower, Behind Fazal Shopping Center, Adajan Patia,  
Surat - 395009, Gujarat, INDIA.

Phone: +91-261-2764757, Fax: +91-261-2774757

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

ISO 14001 : 2015, ISO 9001 : 2015 and BS OHSAS 18001 : 2007 Certified Company

**BSE** Listed Company



**K.P. ENERGY LIMITED**  
CIN: L40100GJ2010PLC059169

Reg. Office: A-1/2, Firdos Tower , Behind Fazal Shopping Center, Adajan Patia, Surat - 395009  
Tele Fax - 02612764757 , Email - info@kpenergy.in, Website - www.kpenergy.in

**STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2019**  
(Rs. in Lacs)

Sr. No.	Particulars	Quarter ended			Year ended	
		31-03-2019 (Audited)	31-12-2018 (Unaudited)	31-03-2018 (Audited)	31-03-2019 (Audited)	31-03-2018 (Audited)
I	<b>Revenue</b>	6,792.22	3,923.02	1,572.72	15,841.00	6,009.44
	Net Sales/income from Operations					
	(i) Revenue from Infrastructure Development	6,507.73	3,715.64	1,421.50	14,751.58	5,632.55
	(ii) Revenue from Sale of Power	254.72	175.04	133.46	986.12	318.27
	(iii) Revenue from Operation & Maintenance Services	29.77	32.35	17.76	103.30	58.63
II	Other Income	24.96	2.76	6.19	47.36	14.31
III	<b>Total Income (a+b)</b>	<b>6,817.18</b>	<b>3,925.78</b>	<b>1,578.91</b>	<b>15,888.36</b>	<b>6,023.75</b>
IV	<b>Expenses:</b>					
	a) Cost of Materials consumed	4,338.64	2,518.82	77.70	9,613.25	3,157.98
	b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	-	-	-	-	-
	c) Employee benefits expense	242.60	113.54	247.12	772.05	551.70
	d) Finance Costs	112.86	103.76	138.71	458.04	342.54
	e) Depreciation and amortisation expense	118.43	87.15	113.57	383.99	287.95
	f) Other expenses	1,292.51	325.57	594.40	2,170.12	1,305.21
	<b>Total Expenses (a to f)</b>	<b>6,105.04</b>	<b>3,148.83</b>	<b>1,171.50</b>	<b>13,397.45</b>	<b>5,645.37</b>
V	<b>Profit/ (Loss) before Exceptional items and tax (III-IV)</b>	<b>712.14</b>	<b>776.95</b>	<b>407.41</b>	<b>2,490.91</b>	<b>378.38</b>
VI	<b>Tax Expense</b>					
	Current Tax	(220.62)	207.43	(12.25)	551.80	-
	Mat Credit Entitlement	-	-	-	(285.96)	-
	Deferred Tax	256.48	8.72	47.58	281.38	190.33
	Taxation pertaining to earlier years	-	-	-	-	-
	Exceptional items/Prior Period Items	-	-	-	-	0.22
	<b>Total Tax Expense</b>	<b>35.86</b>	<b>216.15</b>	<b>35.33</b>	<b>547.22</b>	<b>190.55</b>
VII	<b>Profit/ Loss for the period (V-VI)</b>	<b>676.28</b>	<b>560.80</b>	<b>372.08</b>	<b>1,943.69</b>	<b>187.83</b>
VIII	<b>Other comprehensive Income (after Tax)</b>					
	A) Items that will not be reclassified to profit and loss	-	-	-	-	-
	Income Tax on above	-	-	-	-	-
	B) Items that will be reclassified to profit and loss	-	-	-	-	-
	Income tax on above	-	-	-	-	-
	<b>Total Other Comprehensive Income (Net of Tax)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
IX	<b>Total Comprehensive Income for the period comprising Net Profit/ (Loss) for the period &amp; Other Comprehensive Income (VII+VIII)</b>	<b>676.28</b>	<b>560.80</b>	<b>372.08</b>	<b>1,943.69</b>	<b>187.83</b>
	<b>Paid-up equity share capital (Face Value: Rs. 10/- each )</b>	<b>1,111.50</b>	<b>1,111.50</b>	<b>855.00</b>	<b>1,111.50</b>	<b>855.00</b>
	<b>Basic &amp; Diluted Earnings per share (Rs) (Face value of Rs. 10 each-not annualised)</b>	<b>6.08</b>	<b>5.05</b>	<b>4.35</b>	<b>17.49</b>	<b>2.19</b>

**Notes:**

- (1) The above unaudited Standalone Financial Results have been prepared in accordance with Indian accounting Standards (Ind AS) notified under section 133 of the Companies Act 2013, read with the Companies (Indian Accounting Standards) Rules, 2015.
- (2) The above Standalone Financial Results have been reviewed by the Audit committee and approved by the Board of Directors of the Company at their respective meeting held on May 25, 2019.
- (3) Previous year's/period's figures have been regrouped/reclassified/recasted wherever necessary to confirm to classification of current year/period.
- (4) There are no Investor complaints received/pending as on March 31, 2019.

*Benghai*

Date: 25/05/2019  
Place: Surat



For K.P. Energy Limited

*Ashish A Mithani*  
Ashish A Mithani  
Whole Time Director  
(DIN: 00152771)

*Farukh Gulambhai Patel*  
Farukh Gulambhai Patel  
Managing Director  
(DIN : 00414045)

**K.P. ENERGY LIMITED**  
**Standalone Audited Balance sheet as at March 31, 2019**

(Rs. In Lacs)

Particulars	As at 31-03-2019	As at 31-03-2018
<b>ASSETS</b>		
<b>(1) Non-current assets</b>		
(a) Property, Plant and Equipment	8,282.34	8,451.01
(b) Capital work-in-progress	24.14	24.14
(c) Other intangible assets	-	-
(d) Financial Assets	-	-
(i) Investments	124.25	122.25
(ii) Loans	-	-
(iii) Other financial assets	27.24	18.81
(e) Deferred tax assets (Net)	-	-
(f) Other non-current assets	28.10	24.68
<b>Total Non- Current Assets</b>	<b>8,486.07</b>	<b>8,640.89</b>
<b>(2) Current assets</b>		
(a) Inventories	2,650.00	972.77
(b) Financial Assets	-	-
(i) Investments	-	-
(ii) Trade receivables	2,752.73	2,340.99
(iii) Cash and cash equivalents	20.95	3.04
(iv) Bank Balnces other than (iii) above	665.70	835.14
(v) Loans	44.01	1.23
(vi) Other financial assets	722.84	94.88
(c) Other current assets	1,075.63	475.62
<b>Total Current Assets</b>	<b>7,931.86</b>	<b>4,723.67</b>
<b>Total Assets (1+2)</b>	<b>16,417.93</b>	<b>13,364.56</b>
<b>EQUITY AND LIABILITIES</b>		
<b>(1) Equity</b>		
(a) Equity Share Capital	1,111.50	855.00
(b) Other Equity	4,306.54	2,619.36
<b>Total Equity (I)</b>	<b>5,418.04</b>	<b>3,474.36</b>
<b>Liabilities</b>		
<b>(2) Non-Current Liabilities</b>		
(a) Financial Liabilities	-	-
(i) Borrowings	2,529.12	3,052.28
(ii) Other Financial liabilities	-	-
(b) Provisions	-	-
(c) Other non - current Liabilities	369.36	601.71
(d) Deferred Tax (net)	1,135.33	853.96
<b>Total Non-Current Liabilities</b>	<b>4,033.81</b>	<b>4,507.95</b>
<b>(3) Current Liabilities</b>		
(a) Financial Liabilities	-	-
(i) Borrowings	495.18	554.14
(ii) Trade payables	5,130.21	3,673.14
(iii) Other Financial liabilities	595.63	643.09
(b) Other current liabilities	193.26	267.86
(c) Provisions	-	-
(d) Current tax liabilities	551.80	244.02
<b>Total Current Liabilities</b>	<b>6,966.08</b>	<b>5,382.25</b>
<b>TOTAL EQUITY AND LIABILITIES (1+2+3)</b>	<b>16,417.93</b>	<b>13,364.56</b>

*[Signature]*



Date: 25/05/2019  
Place: Surat

For K.P. Energy Limited

*[Signature]*

Ashish A Mithani  
Whole Time Director  
(DIN: 00152771)

*[Signature]*

Farukbhai Gulambhai Patel  
Managing Director  
(DIN : 00414045)





**K A SANGHAVI & CO LLP**  
**CHARTERED ACCOUNTANTS**

Auditor's Report on Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

**TO THE BOARD OF DIRECTORS OF  
K. P. ENERGY LIMITED**

1. We have audited the accompanying statement of standalone financial results of K.P. ENERGY LIMITED for the quarter ended March 31, 2019 and the year to date results for the period April 01, 2018 to March 31, 2019, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('the Regulation'), read with SEBI Circular No. CIR/CFD/FAC/62/20 16 dated July 5, 2016 ('the Circular'). The standalone financial results for the quarter and the year ended March 31, 2019 have been prepared on the basis of the interim financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 (Ind AS 34) for Interim Financial Reporting, prescribed, under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder; or by the Institute of Chartered Accountants of India, as applicable and other accounting principles generally accepted in India.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results:
  - i. are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
  - ii. give a true and fair view of the net profit and other financial information for the quarter ended 31<sup>st</sup> March, 2019 as well as the year to date results for the period from 01<sup>st</sup> April, 2018 to 31<sup>st</sup> March, 2019.

**For K A SANGHAVI & Co LLP**  
**Chartered Accountants**  
**FRN: 120846W / W100289**

**(CA Amish A. Sanghavi)**  
**Partner**  
**M. No. 101413**



**Place : SURAT**  
**Date : 25.05.2019**

**K.P. ENERGY LIMITED**  
CIN: L40100GJ2010PLC059169

Reg. Office: A-1/2, Firdos Tower , Behind Fazal Shopping Center, Adajan Patia, Surat - 395009  
Tele Fax -02612764757 , Email- info@kpenenergy.in, Website - www.kpenenergy.in

**STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31,2019**  
(Rs. in Lacs)

Sr. No.	Particulars	Quarter ended			For the Year Ended	
		31-03-2019 (Audited)	31-12-2018 (Unaudited)	31-03-2018 (Audited)	31-03-2019 (Audited)	31-03-2018 Audited
<b>I</b>	<b>Revenue</b>	6,792.22	3,923.02	1,572.72	15,841.00	6,009.44
	Net Sales/income from Operations					
	(i) Revenue from Infrastructure Development	6,507.73	3,715.64	1,421.50	14,751.58	5,632.55
	(ii) Revenue from Sale of Power	254.72	175.04	133.46	986.12	318.27
	(iii) Revenue from Operation & Maintenance Services	29.77	32.35	17.76	103.30	58.63
<b>II</b>	<b>Other Income</b>	24.96	2.76	6.19	47.36	14.31
<b>III</b>	<b>Total Income (I+II)</b>	<b>6,817.18</b>	<b>3,925.78</b>	<b>1,578.91</b>	<b>15,888.36</b>	<b>6,023.75</b>
<b>IV</b>	<b>Expenses:</b>					
	a) Cost of Materials consumed	4,128.29	2,517.66	(38.11)	9,402.90	3,038.74
	b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	-	-	-	-	-
	c) Employee benefits expense	242.60	113.54	247.12	772.05	551.70
	d) Finance Costs	118.70	103.76	138.71	463.88	342.59
	e) Depreciation and amortisation expense	118.43	87.15	113.57	383.99	287.95
	f) Other expenses	1,497.03	326.85	710.22	2,374.64	1,424.40
	<b>Total Expenses (a to f)</b>	<b>6,105.05</b>	<b>3,148.97</b>	<b>1,171.51</b>	<b>13,397.46</b>	<b>5,645.38</b>
<b>V</b>	<b>Profit/ (Loss) before tax (III-IV)</b>	<b>712.13</b>	<b>776.82</b>	<b>407.40</b>	<b>2,490.90</b>	<b>378.37</b>
<b>VI</b>	<b>Tax Expense</b>					
	Current Tax	(220.40)	207.43	(12.25)	551.80	-
	Mat Credit Entitlement	-	-	-	(285.96)	-
	Deferred Tax	256.48	8.72	47.58	281.38	190.33
	Taxation pertaining to earlier years	-	-	-	-	-
	Exceptional items/Prior Period Items	-	-	-	-	0.22
	<b>Total Tax Expense</b>	<b>36.08</b>	<b>216.15</b>	<b>35.33</b>	<b>547.22</b>	<b>190.55</b>
<b>VII</b>	<b>Profit/ Loss for the period (V-VI)</b>	<b>676.05</b>	<b>560.67</b>	<b>372.07</b>	<b>1,943.68</b>	<b>187.82</b>
<b>VIII</b>	<b>Other comprehensive Income (after Tax)</b>					
	A) Items that will not be reclassified to profit and loss	-	-	-	-	-
	Income Tax on above	-	-	-	-	-
	B) Items that will be reclassified to profit and loss	-	-	-	-	-
	Income tax on above	-	-	-	-	-
	<b>Total Other Comprehensive Income (Net of Tax)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>IX</b>	<b>Total Comprehensive Income for the period comprising Net Profit/ (Loss) for the period &amp; Other Comprehensive Income (V+VI)</b>	<b>676.05</b>	<b>560.67</b>	<b>372.07</b>	<b>1,943.68</b>	<b>187.82</b>
	<b>Paid-up equity share capital (Face Value: Rs. 10/- each )</b>	<b>1,111.50</b>	<b>1,111.50</b>	<b>855.00</b>	<b>1,111.50</b>	<b>855.00</b>
	<b>Basic Earnings per share (Rs.) (Face value of Rs. 10 each - not annualised)</b>	<b>6.08</b>	<b>5.04</b>	<b>4.35</b>	<b>17.49</b>	<b>2.20</b>
	<b>Diluted Earnings per share (Rs.) (Face value of Rs. 10 each - not annualised)</b>	<b>6.02</b>	<b>4.99</b>	<b>4.35</b>	<b>17.31</b>	<b>2.20</b>

**Notes:**

- (1) The above unaudited Consolidated Financial Results have been prepared in accordance with Indian accounting Standards (Ind AS) notified under section 133 of the Companies Act 2013, read with the Companies (Indian Accounting Standards) Rules, 2015
- (2) The above Consolidated Financial Results have been reviewed by the Audit committee and approved by the Board of Directors of the Company at their respective meeting held on May 25, 2019
- (3) Previous year's/period's figures have been regrouped/reclassified/recasted wherever necessary to confirm to classification of current year/period
- (4) There are no Investor complaints received/pending as on March 31, 2019

Date: 25/05/2019  
Place: Surat



For K.P. Energy Limited

Ashish A Mithani  
Whole Time Director  
(DIN: 00152771)

Faruk Gulambhai Patel  
Managing Director  
(DIN: 00414045)



**K.P. ENERGY LIMITED**  
**Consolidated Audited Balance sheet as at March 31, 2019**


(Rs. In Lacs)


Particulars	As at 31-03-2019	As at 31-03-2018
<b>Assets</b>		
<b>(1) Non-current assets</b>		
(a) Property, Plant and Equipment	8,282.34	8,450.97
(b) Capital work-in-progress	1,037.61	829.64
(c) Other intangible assets	-	-
(d) Financial Assets	-	-
(i) Investments	-	-
(ii) Loans	-	-
(iii) Other financial assets	27.24	18.81
(e) Deferred tax assets (Net)	-	-
(f) Other non-current assets	28.10	24.68
<b>Total Non- Current Assets</b>	<b>9,375.29</b>	<b>9,324.10</b>
<b>(2) Current assets</b>		
(a) Inventories	3,426.15	1,172.66
(b) Financial Assets	-	-
(i) Investments	-	-
(ii) Trade receivables	2,752.73	1,514.05
(iii) Cash and cash equivalents	81.04	18.08
(iv) Bank Balnces other than (iii) above	665.70	835.14
(v) Loans	10.93	1.23
(vi) Other financial assets	87.56	-
(c) Other current assets	1,521.63	947.79
<b>Total Current Assets</b>	<b>8,545.74</b>	<b>4,488.95</b>
<b>Total Assets (1+2)</b>	<b>17,921.03</b>	<b>13,813.05</b>
<b>EQUITY AND LIABILITIES</b>		
<b>(1) Equity</b>		
(a) Equity Share Capital	1,111.50	855.00
(b) Other Equity	4,869.30	2,619.36
(c) Minority Interest	2.02	2.02
<b>Total Equity (1)</b>	<b>5,982.82</b>	<b>3,476.38</b>
<b>Liabilities</b>		
<b>(2) Non-Current Liabilities</b>		
(a) Financial Liabilities	-	-
(i) Borrowings	2,530.97	3,054.13
(ii) Other Financial liabilities	-	-
(b) Provisions	-	-
(c) Other non - current Liabilities	369.36	601.71
(d) Deferred Tax (net)	1,135.33	853.96
<b>Total Non-Current Liabilities</b>	<b>4,035.66</b>	<b>4,509.80</b>
<b>(3) Current Liabilities</b>		
(a) Financial Liabilities	-	-
(i) Borrowings	1,016.49	982.65
(ii) Trade payables	5,539.64	3,673.14
(iii) Other Financial liabilities	595.63	643.09
(b) Other current liabilities	198.99	283.97
(c) Provisions	-	-
(d) Current tax liabilities	551.80	244.02
<b>Total Current Liabilities</b>	<b>7,902.55</b>	<b>5,826.87</b>
<b>TOTAL EQUITY AND LIABILITIES (1+2+3)</b>	<b>17,921.03</b>	<b>13,813.05</b>



Date: 25/05/2019  
Place: Surat

For K.P. Energy Limited

  
 Ashish A Mithani  
 Whole Time Director  
 (DIN: 00152771)

  
 Faruk Gulambhai Patel  
 Managing Director  
 (DIN: 00414045)



**K A SANGHAVI & CO LLP**  
**CHARTERED ACCOUNTANTS**

Auditor's Report on consolidated audited quarterly and year to date financial results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

**TO THE BOARD OF DIRECTORS OF  
K. P. ENERGY LIMITED**

1. We have audited the accompanying Statement of Consolidated Financial Results of K.P. ENERGY LIMITED and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") and its share of the net profit after tax and total comprehensive income of its associates and joint ventures for the quarter ended March 31, 2019 and for the period from April 01, 2018 to March 31, 2019 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been compiled from the related interim consolidated financial statements which has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such interim consolidated financial statements.

3. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act 2013. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Parent's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the Parent's internal financial control with reference to the Statement. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. 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 financial statements of branches and joint operations of the Group, subsidiaries, associates and joint ventures referred to in paragraph 5 below, the Statement:

a. includes the results of the following entities

1. EVERGREEN MAHUA WINDFARMS PRIVATE LIMITED
2. K P ENERGY MAHUA WINDFARMS PRIVATE LIMITED
3. UNGARN RENEWABLE ENERGY PRIVATE LIMITED
4. WIND FARM DEVELOPERS PRIVATE LIMITED
5. VG DTL TRANSMISSION PROJECTS PRIVATE LIMITED
6. HGV DTL TRANSMISSION PROJECTS PRIVATE LIMITED
7. BELAMPAR POWER INFRA LLP
8. HAJIPUR RENEWABLE ENERGY LLP
9. MAHUA POWER INFRA LLP







**K A SANGHAVI & CO LLP**  
**CHARTERED ACCOUNTANTS**

10. MANAR POWER INFRA LLP
11. MIYANI POWER INFRA LLP
12. VANKI RENEWABLE ENERGY LLP

b. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and

c. gives a true and fair view in conformity with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the consolidated total comprehensive income (comprising of net profit and other comprehensive income) and other financial information of the Group for the quarter ended March 31, 2019 and for the period from January 01, 2019 to March 31, 2019.

5. We have audited the interim financial statements of 12 subsidiaries included in the consolidated financial results, whose interim financial statements reflect total assets of Rs. 1503.11 lakhs as at March 31, 2019, total revenues of Rs. Nil, total net profit after tax of Rs Nil, and total comprehensive income Nil for the for the quarter ended March 31, 2019 and for the period from April 01, 2018 to March 31, 2019 respectively, as considered in the consolidated financial results.

- Our opinion on the Statement is not modified in respect of the above matters.

For K A SANGHAVI & Co LLP  
Chartered Accountants  
FRN: 120846W / W100289

(CA Amish A. Sanghavi)  
Partner  
M. No. 101413



Place : SURAT  
Date : 25.05.2019



## **Notes :**

### **1. Revenue Recognition :**

#### **Sale of Power:**

This includes Income from sale of Power generated from 8.4 MW Wind Turbine located at different Sites. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as goods and services tax and other applicable taxes etc.

Revenue from sale of power is recognized as and when significant certainty as to the measurability and collectability exists and actual billing is made to the customers once the actual consumption of power is confirmed from the regulatory authorities and customers. Revenue from the end of the last billing to the Balance Sheet date is recognized as unbilled revenues

#### **Revenue from Infrastructure development:**

This includes revenue from EPC contracting such as Land & Permits, Civil works, Electrical works, Erection Installation & Commissioning, which are generally time bound fixed price contracts, are recognized over the life of the contract using the proportionate completion method, with contract costs determining the degree of completion.

Revenue on time-and-material contracts are recognized as the related services are performed and revenue from the end of the last billing to the Balance Sheet date is recognized as unbilled revenues. Revenue from fixed-price, fixed-timeframe contracts, where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. When there is uncertainty as to the measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the current contract estimates. Costs and earnings in excess of billings are classified as unbilled revenue while billings in excess of costs and earnings are classified as unearned revenue. Deferred contract costs are amortized over the term of the contract.

#### **Operation and Maintenance Services:**

This includes income from Operation and Maintenance of assets under purview of the company from Ratdi & Matalpar Windfarm Customers.

Maintenance revenue is recognized rateably over the term of the underlying maintenance arrangement.

#### **Interest Income:**

Interest income is recognised on time proportion basis taking into account the amount outstanding and rate applicable.

For all Financial Assets measured at amortized cost, interest income is recorded using the effective interest rate (EIR) i.e. the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial assets. The future cash flows include all other transaction costs paid or received, premiums or discounts if any, etc.

### **2. Property, plant and equipment:**

Property, plant and equipment are stated at cost less accumulated depreciation and impairment, if any.

Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the Management. The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:

Building (Temporary structure) | 3 years<sup>(1)</sup>  
Building (Permenant structure) | 60 years<sup>(1)</sup>  
Computer equipment | 3 years<sup>(1)</sup>  
Electrical installation and equipment | 10 years<sup>(1)</sup>  
Furniture and fixtures | 10 years<sup>(1)</sup>  
Vehicles (Heavy) | 8 years<sup>(1)</sup>  
Vehicles (Others) | 10 years<sup>(1)</sup>  
Office equipment | 5 years<sup>(1)</sup>  
Plant and machinery | 15 years<sup>(1)</sup>  
Wind power generation plant | 22 years<sup>(1)</sup>

(1) Based on technical evaluation, the Management believes that the useful lives as given above best represent the period over which the Management expects to use these assets. Hence, the useful lives for these assets may be different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013. Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment are capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss. Assets to be disposed of are reported at the lower of the carrying value or the fair value less cost to sell.

### **3. Depreciation and amortization:**

Depreciation has been provided on the straight-line method as per the rates prescribed in Schedule II to the Companies Act, 2013 for the proportionate period of holding.

### **4. Taxes on income:**

#### **Current income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in India where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### **Deferred tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.



Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits (Minimum alternate tax credit entitlement) and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

#### **Minimum alternate tax**

Ind AS 12 defines deferred tax to include carry forward of unused tax credits. MAT credits are in the form of unused tax credits that are carried forward by the entity for a specified period of time. Accordingly, MAT credit entitlement should be shown separately in the balance sheet.

### **5. Earnings per share:**

Basic Earnings per share is computed by dividing the profit after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the period. The EPS is for the year ended on March 31, 2019.

### **6. Cash and cash equivalent:**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

### **7. Key Highlights of the Performance:**

#### **CTU Business (Central Grid):**

- By end of Q4, company has managed much of the progress from acquisition of private lands at very reasonable cost. Nearly 50% of land for the project for physical construction was achieved from acquisition of private lands to match progress.
- Development permission obtained for 155 MW at the end of Q4 and 62.5 MW under approval process, aggregating 217.5 MW (nearly 3/4<sup>th</sup> of project). The physical construction activities too have taken up swing and by the end of Quarter, 40 WTG foundations (1/3<sup>rd</sup> of project) has been casted.
- For the 73km long 220kv EHV line under construction for power evacuation of the proposed 300MW project under EPCC, company have made considerable progress in acquisition of Right of Ways. Nearly 60% of tower material is manufactured and delivered at Site and 70% of civil works, 35% of mechanical works completed. Development of Extra High Voltage (EHV) Power Transmission Infrastructure in an area where there are many similar projects under construction is a huge challenge. Despite severe development constraints, completion of this vital asset shall be achieved in Q2 of FY 2020.
- This EHV line is developed under SPV model wherein there would eventually be another 300MW project taking sharing rights. This new project development discussion are in advance stages and will get concluded in Q1 of FY2020.

- The Windfarm Pooling Substation for this Project too has achieved considerable progress on civil works (100% of equipment foundations complete) and control room, gantries at both ends completed and major equipment of both 220kv & 33kv are under erection. 2x160MVA Power transformers successfully tested and cleared for despatch.

#### **STU Business (State Grid):**

- Major development happened in Mahuva-I project in Q4. As committed in last quarter, company has completed commissioning of all balance 11 WTGs. This Project have remained a University for every team member to practically visualise the physical, social, regulatory challenges and addressing it to the final completion with perseverance. Despite physical assaults, mob damaging manpower & assets of company, it was accomplished with peace and patience.
- Mahuva-2 project of 30MW was not taken-off amongst local disturbances and will now be on full swing from Q1. The delay in initiation does not pose any financial burden on company.
- New projects under recently concluded State bid will add momentum to State business which was standstill since 2018. Discussions for nearly 150MW under development will get concluded in Q1 as 90% lands (Wind Sites) are already in possession of company and project can be put on fast track for execution.

#### **Corporate:**

- After successful evaluation of management system processes, on-site audit, technical assessment and review of pertinent records in Q4, KP Energy has been awarded **ISO 9001:2015** (Quality Management System), **ISO 14001:2015** (Environment Management System) and **ISO BS OHSAS 18001:2007** (Occupational Health & Safety Management System) certifications from Deutsch Quality System(DQS), partner of UL (Underwriters Laboratories) LLC, a global safety certification company having head quarter in Northbrook, Illinois, United States.

#### **Annual Results:**

- The trend of performance from Q2 onwards have already marked up well and have been echoing the come back from blues of previous year where there were bids but hardly any projects!
- What has been achieved in Q4 alone was better than FY2018.
- The topline of Rs. 158.89 crores from previous year of Rs. 60.23 crores and bottomline of 19.43 crores from Rs. 1.88 crore is clear display of company's capabilities to ramp up the execution and growth. These numbers are still lesser than its potential preparedness as Mahuva-2 Project that could not take off in Q4 as expected.

In a nutshell, the gusts of winds in wild stream of large projects under SECI are now slowly getting into order. The lull of work & contract availabilities during 2017-18 too have now been wiped off. It is now the right time ripened for KP Energy's conceived project pipeline close to 1GW in Gujarat to see a better commercial reward and execution feasibility. Takers are too many and like old golden days of Feed in Tariff, the choice is back with Company to decide with whom, at what time and at what costs new projects can be undertaken.

Where there is development, when there is growth, there lies the key of apropos apportionment of resources and balancing the need v/s time. Team KPE have proven its mettle in all courses of business, regulatory changes, from lull to gust and from retail to multinationals, mountains to sea coasts, Katpar to Kutch, very aggressively and positively. The new equity and funds would meet the gap and boost the progress and potential to reach newer accolades in coming times.

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