



# KKV AGRO POWERS LIMITED

Regd. Office : Vivaaga Building, # 637, Oppanakara Street, Coimbatore - 641 001.

Phone : 0422 - 2303880, Fax : 0422 - 2303881, Mobile : +91 77087 12888

E-mail : cs@kkvagropowers.com, Website : www.kkvagropowers.com

CIN : L40108TZ2012PLC018332, PAN : AAECN0204G

Ref: KKVAPL/NSE/012/2022-23

Date: 12.08.2022  
Coimbatore

The Manager,  
Listing Department (NSE Emerge)  
National Stock Exchange of India Limited,  
Exchange Plaza, Plot No. C/1, G Block,  
Bandra - Kurla Complex, (Bandra East)  
Mumbai - 400 051

Symbol: **KKVAPOW**

Dear Sir/Madam,

**Sub: Intimation of 10<sup>th</sup> Annual General Meeting and Annual Report of the Company for the Financial Year 2021 - 2022**

This is to intimate you that the 10<sup>th</sup> Annual General Meeting of Members of the Company is scheduled to be held on Saturday, the 3<sup>rd</sup> day of September, 2022 at 11:00 AM through Video Conferencing / Other Audio Visual Means as facilitated by Linkintime to transact the business as set out in the notice convening the AGM which has been sent to the Members of the Company at their respective E-Mail address as registered with the Company.

Further, pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a copy of the Annual Report for the Financial Year 2021 - 2022 sent to the Shareholders along with the Notice of the Annual General Meeting is enclosed herewith this intimation.

Copies of the Notice of 10<sup>th</sup> AGM and Annual Report for FY 2021 - 2022 are also available in the website of the Company.

Kindly acknowledge the receipt and take the same in your records.

**For KKV Agro Powers Limited**

TIRUPUR

KULANDAIVEL

CHANDIRAN

Digitally signed by

TIRUPUR

KULANDAIVEL

CHANDIRAN

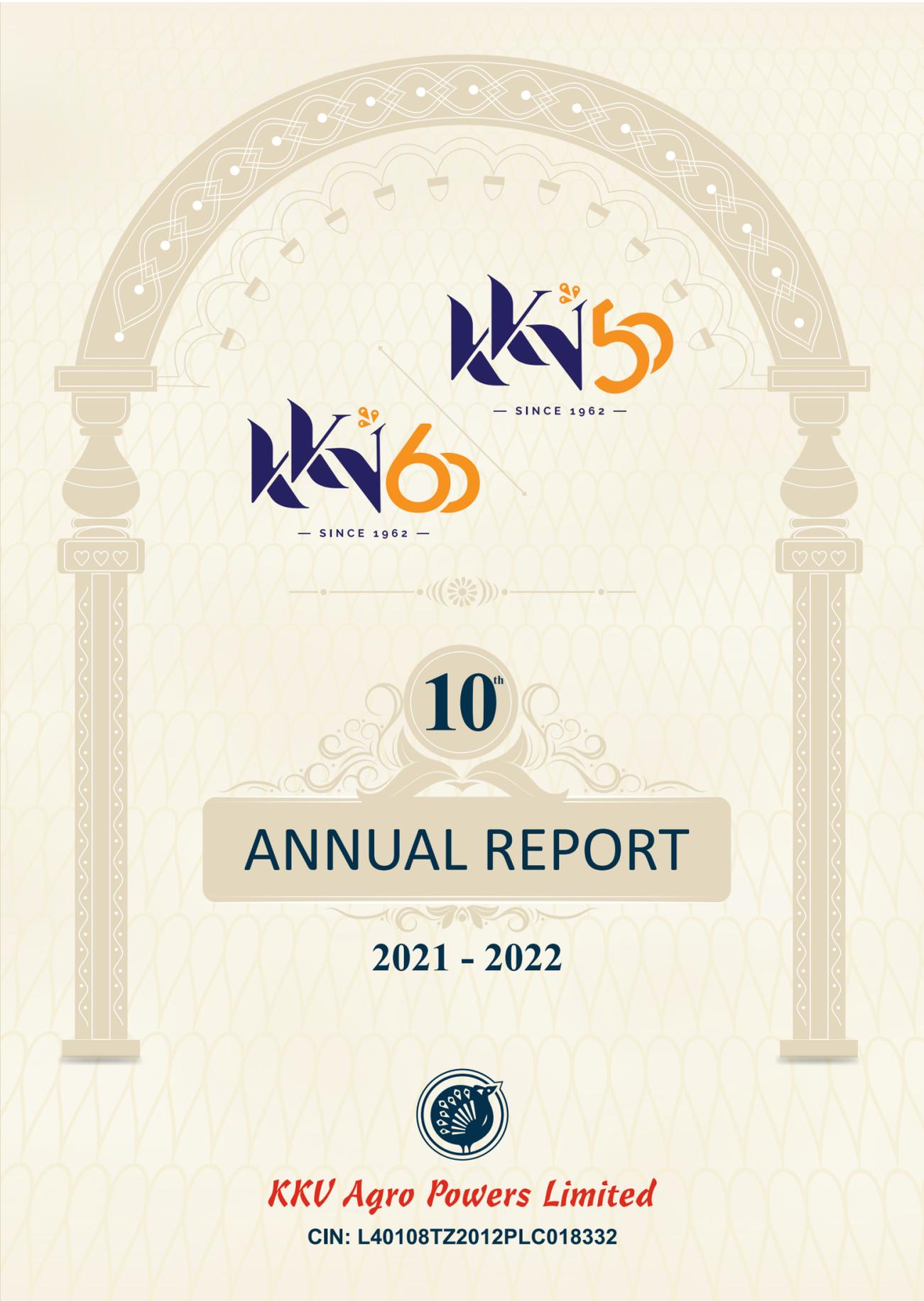
Date: 2022.08.12

16:56:42 +05'30'

**T.K. Chandiran**  
**Managing Director**  
**DIN:00031091**



**Registered Office**  
**637, Vivahaa Building, Oppanakara Street,**  
**Coimbatore - 641001**  
**Website : [www.kkvagropowers.com](http://www.kkvagropowers.com)**  
**Email : [cs@kkvagropowers.com](mailto:cs@kkvagropowers.com)**  
**Ph : 0422 - 2303880**



**10<sup>th</sup>**

**ANNUAL REPORT**

**2021 - 2022**



***KKV Agro Powers Limited***

**CIN: L40108TZ2012PLC018332**

**KKV AGRO POWERS LIMITED**

Registered Office: Vivagaa Building  
# 637, Oppanakara Street, Coimbatore - 641 001  
E-Mail: [cs@kkgropowers.com](mailto:cs@kkgropowers.com), Website: [www.kkgropowers.com](http://www.kkgropowers.com)  
Tel No: +91 422-2303880, Fax No.: +91 422-2303881  
CIN: L40108TZ2012PLC018332

**NOTICE TO SHAREHOLDERS**

**Notice** is hereby given that the 10<sup>th</sup> Annual General Meeting of the Members of M/s. KKV Agro Powers Limited (CIN: L40108TZ2012PLC018332) will be held on Saturday, the 3<sup>rd</sup> day of September, 2022 at 11:00A.M for transacting the following businesses, through Video Conferencing / Other Audio Visual Means in conformity with the regulatory provisions and the Circulars issued by the Ministry of Corporate Affairs, Government of India:-

**ORDINARY BUSINESS:-**

1. To receive, consider and adopt the Audited Financial Statements as at 31<sup>st</sup> March 2022 together with the Directors' Report and Auditors' Report thereon.
2. To declare Dividend for the year ended 31<sup>st</sup> March, 2022.
3. To appoint a Director in the place of Mr. A.C. Vineethkumar (DIN: 06756745), who retires by rotation and being eligible, offers himself for re-appointment.

**SPECIAL BUSINESS:**

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

**RESOLVED THAT** pursuant to the provisions of Sections 196, 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), approval of the members of the Company be and is hereby accorded for the continuation of the appointment of Mr. T.K. Chandiran (DIN: 00031091) as a Managing Director designated as Chairman of the Company on attaining the age of 70 years on 09.05.2023 for the remaining period of his term of 3 years i.e. until 03.04.2024 on the same terms of appointment and remuneration as approved by the shareholders at the 09<sup>th</sup> Annual General Meeting of the Company held on 23rd September, 2021.

**RESOLVED FURTHER THAT** any one of Directors of the Company be and is hereby authorised to take all such actions and to give all such directions and to do all such acts, deeds, matters and things as may be necessary and/or expedient in that behalf.

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

**RESOLVED THAT** in supersession of all the earlier resolutions passed and pursuant to the provisions of Section 197, 198 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and based on the recommendation of Nomination and Remuneration Committee and the Board of Directors, the approval of the members of the Company be and is hereby accorded for payment of remuneration of Rs. 80,000/- per month to Mr. A.C. Vineethkumar (DIN: 06756745), Non-Executive Director of the Company for the Financial Years from 2022-2023 to 2024-2025.

**RESOLVED FURTHER THAT** any one of Directors of the Company be and is hereby authorised to take all such actions and to give all such directions and to do all such acts, deeds, matters and things as may be necessary and/or expedient in that behalf.

**Place: Coimbatore**  
**Date: 26.05.2022**

**By order of the Board**

**sd/-**  
**T.K. Chandiran**  
**Chairman and**  
**Managing Director**  
**(DIN: 00031091)**

**NOTES:**

1. The explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the Special Business as set out in the notice is annexed hereto.
2. In view of the continuing restrictions on the movement of people at several places in the country, due to outbreak of COVID-19, the Ministry of Corporate Affairs (MCA), vide its General Circular No.14/2020 dated 08.04.2020, General Circular No. 17/2020 dated 13.04.2020, General Circular No.18/2020 dated 21.04.2020, General Circular No. 20/2020 dated 05.05.2020, General Circular No.02/2021 dated 13.01.2021, circular 21/2021 dated 14/12/2021, circular 2/2022 dated 05/05/2022 and other applicable circulars issued by the Securities and Exchange Board of India (SEBI), has allowed the Companies to conduct the AGM through Video Conferencing(VC) or Other Audio Visual Means (OAVM) till the calendar year 2021. In accordance with the said circulars of MCA, SEBI and applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the 10<sup>th</sup>AGM of the Company shall be conducted through VC / OAVM. National Securities Depository Limited (NSDL) will be providing facility for voting through remote e-voting, for participation in the AGM through VC / OAVM facility and e-voting during the AGM. The procedure for participating in the meeting through VC / OAVM is explained at Note No. 21 below and is also available on the website of the Company at [www.kkvagropowers.com](http://www.kkvagropowers.com).
3. As this Annual General Meeting (AGM) will be held through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM'), (a) Members will not be able to appoint proxies for the meeting, and (b) Attendance Slip & Route Map are not being annexed to this Notice. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes.

4. Corporate Members are requested to send a scanned copy (in PDF / JPG format) of the Board Resolution authorizing their representatives to attend this AGM, pursuant to Section 113 of the Act, through e-mail at [cs@kqvagropowers.com](mailto:cs@kqvagropowers.com).
5. In view of the prevailing circumstances due to the COVID-19 pandemic, and also in conformity with the applicable regulatory requirements, the Notice of this AGM and the Report and Accounts 2022 are being sent only through electronic mode to those Members who have registered their e-mail addresses with the Company or with the Depositories. The Notice of AGM along with Annual Report for the financial year 2021-2022, is available on the website of the Company at [www.kqvagropowers.com](http://www.kqvagropowers.com).
6. The Company, in compliance with Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, will be webcasting the proceedings of the AGM on its corporate website [www.kqvagropowers.com](http://www.kqvagropowers.com).
7. Any member who needs any clarification on accounts or operations of the Company shall write to the Ms. Ankita.N.Raichura, Company Secretary and Compliance Officer so as to reach him at least 7 days before the meeting, so that the information required can be made available at the meeting.
8. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
9. 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.
10. The Registrar and Share transfer agent of the Company is M/s. S.K.D.C. Consultants Ltd., Kanapathy Towers, 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore - 641 006.
11. It is reiterated that the request for Dematerialisation and Rematerialisation are to be made only to the DP with whom you have opened an account and not to the Company or its depository / transfer agent.
12. International Securities Identification Number given to your Company is INE239T01016.
13. Members holding shares in Demat form are requested to intimate change of address notifications, e-mail ID and updation of Bank Account details to their respective Depository Participants.
14. The Register of Directors and Key Managerial Personnel and their shareholding under Section 170 of the Act, the Register of contracts with related party, and contracts and bodies etc. in which Directors are interested under Section 189 of the Act will remain available for inspection through electronic mode during the AGM, for which purpose Members are required to send an e-mail to the Ms. Ankita. N. Raichura, Secretarial Officer at [cs@kqvagropowers.com](mailto:cs@kqvagropowers.com).

15. The Company has fixed 27.08.2022 as the Record date for determining the entitlement of the members whose names appear in the Register of Members to the final dividend and voting at the Annual General Meeting for the Financial Year ending on March 31, 2022.
16. The payment of final dividend, upon approval by the Members at the forthcoming Annual General Meeting, will be made within a period of 30 days of declaration. To all those beneficial owners holding shares in electronic form as per the beneficial ownership data as may be available to the Company by National Securities Depository Limited (“NSDL”) and Central Depository Services Limited (“CDSL”) as at the end of the day fixed for the purpose.
17. The particulars recorded with the Depository Participants will be considered for making the payment of Dividend.
18. Members may note that the Income Tax Act, 1961, (“the IT Act”) as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a company after April 01, 2020 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source (TDS) at the time of making the payment of final dividend. In order to enable us to determine the appropriate TDS rate as applicable, members are requested to submit the following documents in accordance with the provisions of the IT Act.
19. For Resident Shareholders, TDS shall be made under Section 194 of the Income Tax Act, 1961 at 10% on the amount of Dividend declared and paid by the Company during financial year 2022-23 provided PAN is registered by the Shareholder. If PAN is not registered, TDS would be deducted @ 20% as per Section 206AA of the Income Tax Act, 1961. However, no tax shall be deducted on the Dividend payable to a resident individual if the total dividend to be received by them during financial year 2022-23 does not exceed Rs.5,000/-. Please note that this includes the future dividends if any which may be declared by the Board in the financial year 2022-2023. Separately, in cases where the shareholder provides Form 15G (applicable to any person other than a Company or a Firm) / Form15H (applicable to an individual above the age of 60 years), provided that the eligibility conditions are being met, no TDS shall be deducted.
20. The remote e-voting period begins on 31.08.2022 at 09:00 A.M. and ends on 02.09.2022 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 27.08.2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 27.08.2022.

21. **INSTRUCTIONS FOR SHAREHOLDERS FOR ATTENDING THE AGM THROUGH VC/OAVM AND EVOTING DURING THE AGM:**

**Step 1: Access to NSDL e-Voting system**

**A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility. Login method for Individual shareholders holding securities in demat mode is given below:

**Process and manner for attending the Annual General Meeting through InstaMeet:**

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>

▶ Select the “**Company**” and ‘**Event Date**’ and register with your following details: -

**A. Demat Account No. or Folio No:** Enter your 16 digit Demat Account No. or Folio No

- Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
- Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
- Shareholders/ members holding shares in **physical form shall provide Folio Number** registered with the Company

**B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

**C. Mobile No.:** Enter your mobile number.

**D. Email ID:** Enter your email id, as recorded with your DP/Company.

▶Click “Go to Meeting” (You are now registered for InstaMeet and your attendance is marked for the meeting).

Please refer the instructions (annexure)for the software requirements and kindly ensure to install the same on the device which would be used to attend the meeting. Please read the instructions carefully and participate in the meeting. You may also call upon the InstaMeet Support Desk for any support on the dedicated number provided to you in the instruction/ InstaMEET website.

### **Instructions for Shareholders/ Members to Speak during the Annual General Meeting through Insta Meet:**

1. Shareholders who would like to speak during the meeting must register their request 3 days in advance with the company on the specific email id ([cs@kkvagropowers.com](mailto:cs@kkvagropowers.com)).
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

### **Instructions for Shareholders/ Members to Vote during the Annual General Meeting through InstaMeet:**

Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting “Cast your vote”
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
3. After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.
4. Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘Favour/Against’.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet 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 facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

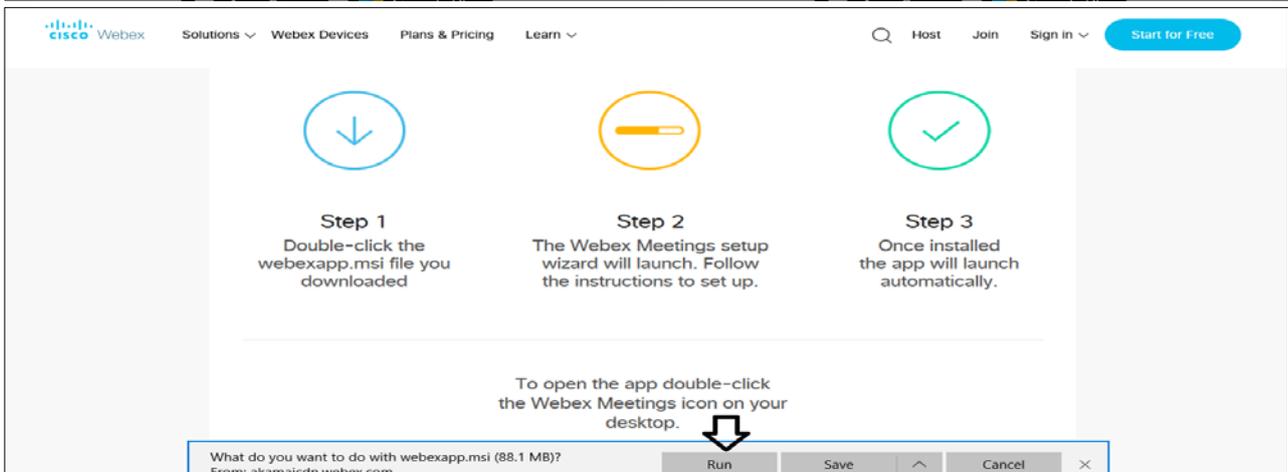
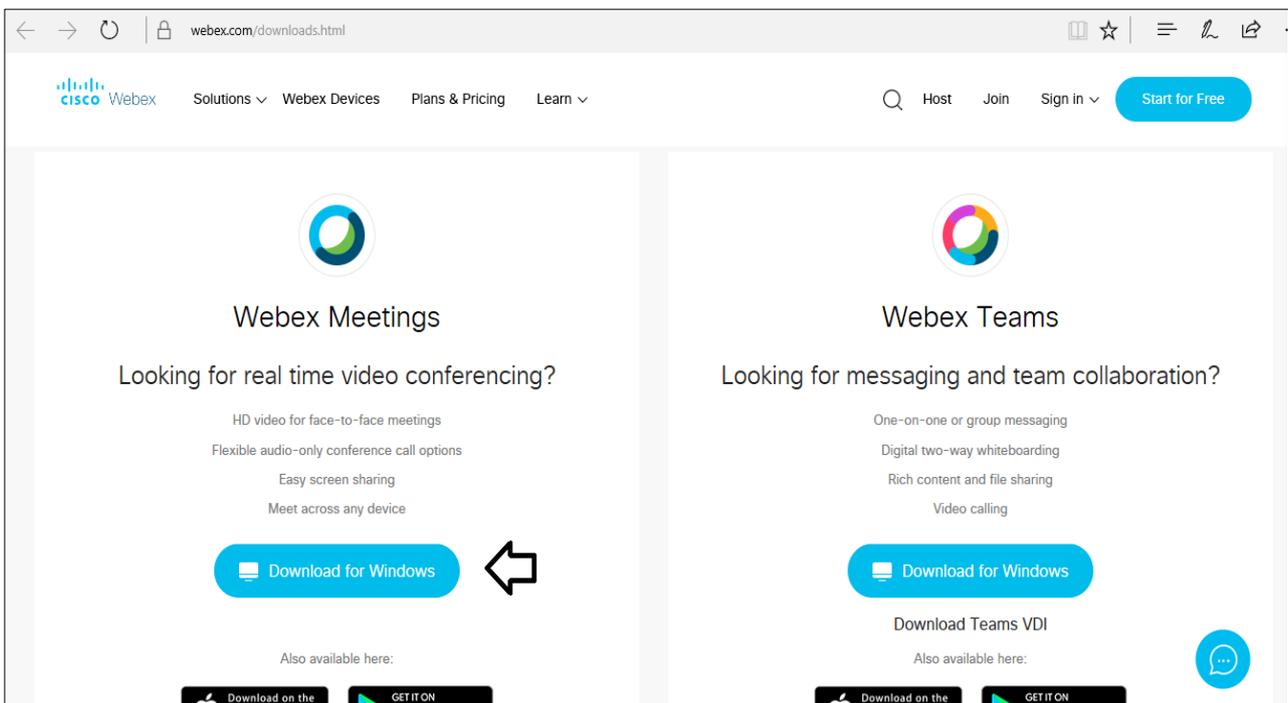
In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or contact on: - Tel: 022-49186175.

## InstaMeet Support Desk: Link Intime India Private Limited

### Guidelines to attend the AGM proceedings of Link Intime India Pvt. Ltd.: InstaMEET

For a smooth experience of viewing the AGM proceedings of Link Intime India Pvt. Ltd. InstaMEET, shareholders/ members who are registered as speakers for the event are requested to download and install the Webex application in advance by following the instructions as under:

- a) Please download and install the Webex application by clicking on the link <https://www.webex.com/downloads.html/>



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**Step 1**  
Double-click the webexapp.msi file downloaded.

Cisco Webex Meetings - InstallShield Wizard

**Welcome to the InstallShield Wizard for Cisco Webex Meetings**

The InstallShield(R) Wizard will install Cisco Webex Meetings on your computer. To continue, click Next.

WARNING: This program is protected by copyright law and international treaties.



**Step 3**  
Once installed app will launch automatically.

To open the app double-click the Webex Meetings icon on your

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**Step 1**  
Double-click the webexapp.msi file downloaded.

Cisco Webex Meetings - InstallShield Wizard

**License Agreement**

Please read the following license agreement carefully.

**CISCO WEBEX LLC LICENSE AGREEMENT (AS APPLICABLE TO THE PARTICULAR DOWNLOAD)**

**IMPORTANT NOTICE--PLEASE READ PRIOR TO USING THIS SOFTWARE:** This license agreement ("License Agreement") is a legal agreement between you (either an individual or an entity) and Cisco Webex LLC ("Webex") for the use of Webex software you may be required to download and install to use certain Webex services (such software, together with the underlying documentation if made available to you, the "Software"). By clicking on the button containing the "I accept" language, by installing the Software or by otherwise using the Software, you agree to be bound by the terms of this License Agreement. IF YOU DO NOT AGREE TO THE TERMS OF THIS LICENSE AGREEMENT, CLICK ON THE BUTTON

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**Step 3**  
Once installed app will launch automatically.

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**Step 1**  
Double-click the webexapp.msi file downloaded.

Cisco Webex Meetings - InstallShield Wizard

**Ready to Install the Program**

The wizard is ready to begin installation.

Click Install to begin the installation.

If you want to review or change any of your installation settings, click Back. Click Cancel to exit the wizard.



**Step 3**  
Once installed app will launch automatically.

or

If you do not want to download and install the Webex application, you may join the meeting by following the

Step 1	Enter your First Name, Last Name and Email ID and click on Join Now.
1 (A)	If you have already installed the Webex application on your device, join the meeting by clicking on Join Now
1 (B)	If Webex application is not installed, a new page will appear giving you an option to either Add Webex to chrome or <a href="#">Run a temporary application</a> . Click on <a href="#">Run a temporary application</a> , an exe file will be downloaded. Click on this exe file to run the application and join the meeting by clicking on Join Now

process mentioned as under:

### Remote e-Voting Instructions for shareholders:

1. Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>

**Those who are first time users of LIPL e-voting platform or holding shares in physical mode have to mandatorily generate their own Password, as under:**

► Click on “Sign Up” under ‘SHARE HOLDER’ tab and register with your following details: -

**B. User ID:** Enter your User ID

- Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
- Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
- Shareholders/ members holding shares in **physical form shall provide Event No + Folio Number** registered with the Company

**B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

**C. DOB/DOI:** Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

**D. Bank Account Number:** Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

- Shareholders/ members holding shares in **CDSL demat account shall provide either 'C' or 'D', above**
- Shareholders/ members holding shares in **NSDL demat account shall provide 'D', above**
- Shareholders/ members holding shares in **physical form** but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above

▶ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter).

▶ Click "confirm" (Your password is now generated).

NOTE: If Shareholders/ members are holding shares in demat form and have registered on to e-Voting system of LIPL: <https://instavote.linkintime.co.in>, and/or voted on an earlier event of any company then they can use their existing password to login.

2. Click on 'Login' under '**SHARE HOLDER**' tab.

3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on '**Submit**'.

4. After successful login, you will be able to see the notification for e-voting. Select '**View**' icon.

5. E-voting page will appear.

6. Refer the Resolution description and cast your vote by selecting your desired option '**Favour / Against**' (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link).

7. After selecting the desired option i.e. Favour / Against, click on '**Submit**'. A confirmation box will be displayed. If you wish to confirm your vote, click on '**Yes**', else to change your vote, click on 'No' and accordingly modify your vote.

8. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as '**Custodian / Mutual Fund / Corporate Body**'. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the '**Custodian / Mutual Fund / Corporate Body**' login for the Scrutinizer to verify the same.

**If you have forgotten the password:**

- Click on '**Login**' under '**SHARE HOLDER**' tab and further Click '**forgot password?**'
- Enter **User ID**, select **Mode** and Enter Image Verification (CAPTCHA) Code and Click on '**Submit**'.

• In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address.

• Shareholders/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.

• The password should contain minimum 8 characters, at least one special character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter.

• It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in the Notice.

During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

Shareholders/ members holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.

In case shareholders/ members have any queries regarding e-voting, they may refer the **Frequently Asked Questions ('FAQs')** and **InstaVote e-Voting manual** available at <https://instavote.linkintime.co.in>, under **Help** section or send an email to [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or contact on: - Tel: 022 -4918 6000.

**InstaVote Support Desk**

**Link Intime India Private Limited**

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

22. The Company has appointed M/s. G.V. and Associates, Practicing Company Secretaries, Coimbatore to act as the Scrutinizer, to scrutinize the e-voting process in a fair and transparent manner.
23. The Results of voting will be declared within two working days from the conclusion of the AGM and the Resolutions will be deemed to be passed on the date of the AGM, subject to receipt of requisite number of votes. The declared Results, along with the Scrutinizer's Report, will be available forthwith on the Company's website [www.kkvagropowers.com](http://www.kkvagropowers.com) under the section 'Investor Relations' and on the website of NSDL; such Results will also be forwarded to the National Stock Exchange of India Limited where the Company's shares are listed.

**Place: Coimbatore**

**Date: 26.05.2022**

**By order of the Board**

**-SD-**

**T.K. Chandiran**  
**Chairman and Managing Director**  
**(DIN: 00031091)**

**EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIESACT, 2013**

**Item No.4**

Mr. T.K. Chandiran is a promoter and Managing Director of the Company. He was re-appointed for three years as a Managing Director of the Company at the same remuneration in the last Annual General Meeting held on 23.09.2021.

As per provisions of Section 196(3) of the Companies Act, 2013, no Company shall re-appoint a person who has attained the age of 70 years as Managing Director unless it is approved by the Shareholders by way of special resolution. Mr. T.K. Chandiran will attain the age of 70 years on 09.05.2023. Hence, it is proposed to obtain approval of the shareholders as per the provisions of Section 196(3) of Companies Act, 2013 for continuation of his employment as a Managing Director, on the same terms of appointment and remuneration as approved by members in the Annual General Meeting held on 23.09.2021 by way of Special Resolution at Item No.4 of the Notice.

He has over forty six years of experience in the business of retail jewelry and textiles showrooms as well as power generation plants. He is the guiding force behind the strategic decisions of our Company and has been instrumental in planning and formulating the overall business strategy and developing business relations for our Company. It would be in the interest of the Company to continue the employment of Mr. T.K. Chandiran as Managing Director designated as Chairman of the Company.

The Board recommends the Special Resolution for approval by the members.

The details of Mr. T.K. Chandiran as per Secretarial Standards on General Meeting and Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as follows:

<b>Information about the Appointee Managing Director</b>	
Name of the Director	Mr. T.K. Chandiran
DIN	00031091
Age	69 years
Qualification	He is an alumnus of Sri Venkateshwara University, Andhra Pradesh and holds a master's Degree in Commerce and BGL
Job profile and his suitability / Experience / Brief Resume/Qualification	He has over forty six years of experience in the business of retail jewellery and textiles showrooms as well as power generation plants. He is the guiding force behind the strategic decisions of our Company and has been instrumental in planning and formulating the overall business strategy and developing business relations for our Company.
Remuneration Last Drawn (including sitting fees if any) (FY 2021-2022)	Rs.28,12,500/-
Proposed remuneration (Same as last year)	2,50,000/- per month

Date of First Appointment on the Board	05.06.2012
Shareholding in the Company as on 26.05.2022	2,19,893 equity shares
Relationship with other Directors/KMP	1. Husband of Mrs. Selvi, Whole Time Director 2. Father of Mr. A.C. Vineethkumar, Director
No. of Board Meetings attended in the year	9/9
Directorships of other Boards as on date	6
Names of listed entities in which the person also holds the directorship and the membership of Committees	Nil
Membership/Chairmanship of Committees of other Boards as on Date	Membership - 3 Companies Chairman - 1 Company
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	Considering the responsibilities shouldered by him, the proposed remuneration is commensurate with industry standards as compared with similarly sized business.

None of the directors other than Mr. T.K. Chandiran, Managing Director, Mrs. C. Selvi, Whole-Time Director and Mr. A.C. Vineeth Kumar, Director are concerned or interested in this resolution.

#### Item No.5

Mr. A.C. VineethKumar (DIN: 06756745) presently designated as Non-Executive Director of the Company. Considering his contribution to the efficiency and growth of the Company, it was proposed to pay a remuneration not exceeding Rs. 80,000/- per month. The same was recommended by the Nomination and Remuneration Committee and approved by the Board of Directors at their meeting held on 11.11.2020 under the provisions of Section 188 of the Companies Act, 2013. Now it is proposed pay the same remuneration of Rs. 80,000 to the said Director under the provisions of Section 197 read with Schedule V and other applicable provisions thereof which requires the approval of members of the Company. Hence, the Board seeks approval from the members in this Annual General Meeting to for fixing the remuneration under the said provisions of the Companies Act, 2013.

The details of Mr. A.C. Vineethkumar as per Secretarial Standards on General Meeting, Schedule V of the Companies Act, 2013 and Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as follows:

<b>Information about the Appointee Director</b>	
Name of the Director	Mr. A.C.Vineethkumar
DIN	06756745
Age	27 years
Qualification	B.Sc Fashion Technology Masters in International Business Management Psychology
Job profile and his suitability / Experience / Brief Resume/Qualification	7 Years in Retail Sale of Jewellery and Textiles

Terms & Conditions of Re-appointment	Non-Executive Director liable to retire by rotation
Remuneration Last Drawn (including sitting fees if any) (FY 2021-2022)	Rs.9,20,000/-
Proposed Remuneration	Rs.80,000 p.m.
Date of First Appointment on the Board	14.12.2013
Shareholding in the Company as on 26.05.2022	503 equity shares
Relationship with other Directors/KMP	Son of the Mr. T.K.Chandiran, Managing Director Mrs.C.Selvi, Whole-Time Director
No. of Board Meetings attended in the year	9/9
Directorships of other Boards as on date	4
Names of listed entities in which the person also holds the directorship and the membership of Committees	Nil
Membership/Chairmanship of Committees of other Boards as on Date	Membership - 3 Companies Chairman - 1 Company
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	Considering the responsibilities shouldered by him, the proposed remuneration is commensurate with industry standards as compared with similarly sized business.

None of the directors other than Mr. T.K. Chandiran, Managing Director, Mrs. C. Selvi, Whole-Time Director and Mr. A.C. Vineeth Kumar, Director are concerned or interested in this resolution.

**Item No. 4 & 5:**

The details as per Schedule V of the Companies Act, 2013 are as follows:

**General Information of the Company:**

**1. Nature of Industry:**

Wind and Solar power renewable energy generation and Bullion Trading.

**2. Date of commencement of commercial production:**

05/06/2012

**3. Financial performance:**

The Company has earned a Total Revenue from its Operations of Rs. 44,752.63 Lakhs. After providing all the expenditure the Company has earned a Net Profit of Rs. 119.08 Lakhs during the financial year ended 31.03.2022.

**4. Foreign Investment or collaborations: Nil**

**Other Information:**

**5. Reason for inadequate profits:**

The Company is in its growth stage of operation and having aspirations to grow big in the field of renewable energy sector and allied services and has maintained to achieve a Net Profit during the year. The Company aims at achieving higher profits in the upcoming years.

**6. Steps taken or proposed to be taken for improvement:**

The Company is proposing to initiate new projects, further the management is hopeful that the Company will enhance revenue during the course of the current financial year which will reflect in the bottom line of the future years.

**7. Expected increase in productivity and profits in measurable terms:**

The Management aims at achieving the of Rs. 1.27 Crores for the year 2022-2023 and a considerable increase in the subsequent years.

**By order of the Board**

**Sd/-**

**T.K. Chandiran**

**Managing Director and Chairman**

**DIN:00031091**

**Place: Coimbatore**

**Date: 26.05.2022**

**DIRECTORS' REPORT**

To

The Members,

Your Directors have pleasure in presenting the 10<sup>th</sup> Annual Report of your Company together with the Audited Financial Statement for the Financial Year ended 31<sup>st</sup> March, 2022.

**1. FINANCIAL RESULTS:**

Particulars	(Rs. in Lakhs)	
	Current Year 2021-22	Previous Year 2020-21
Income from Operations	44,752.63	31,962.16
Gross Receipts (including other Income)	44,763.97	31,965.80
Less: Total Expenditure including interest	44,561.82	31,903.96
Profit/(Loss) before taxation for the year	202.15	61.84
Less: Current tax Expenses	40.82	20.75
Less: Deferred Tax Liability/Asset	42.25	(7.61)
Less: Earlier years	-	2.95
Profit/(Loss) after taxation for the year	119.08	45.75

**2. OPERATIONS**

As on 31st March 2022, the operating capacity of the Company was 10.6 MW, consisting of 3 MW of Solar plants and 7.6 MW of Wind plants.

The Company had planned to commission a new solar plant in upcoming year which had added 2 MW to the operating portfolio. The plant was commissioned on 18/11/2021. The company is now looking forward for optimum generation with the existing energy units.

The company also had opened a retail gold outlet at Cumbum dealing in retail jewellery. This has opened new avenues for the company and is further looking into getting more such outlets across various cities in Tamil Nadu.

There was no change in the nature of business of the Company during the financial year ended 31st March, 2022.

**3. PERFORMANCE OF THE COMPANY:**

During the year, the Company has earned income of Rs. 44,763.97 Lakhs (Previous year Rs. 31,965.80 Lakhs). After providing for expenditure and tax the Company has earned Net profit of Rs. 119.08 Lakhs (Previous year company earned Net profit of Rs. 45.75 Lakhs).

**4. DETAILS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANY**

The company does not have any holding, subsidiary, associate or joint venture company.

**5. CHANGE IN NATURE OF BUSINESS**

During the year, there was no change in the nature of business of the company. The Company has expanded its business operations and the same is detailed under the head "Operations".

**6. DIVIDEND:**

Based on the Company's performance, the Board of Directors are pleased to recommend a Dividend of Rs.5.00/- per Equity Share (i.e. 50%) for the Financial Year 2021-2022 subject to the approval of the Shareholders of the Company at the 10th Annual General Meeting AGM. The Board of Directors has also approved a Dividend of 3% on the Redeemable Cumulative Preference Shares.

**7. TRANSFER TO RESERVES:**

The Company has not transferred any amount to reserves during the year.

**8. BUSINESS REVIEW:**

The company is making efforts to improve the business and your Directors are optimistic of better performance during the year.

**9. SHARE CAPITAL:**

During the Year, the Company has allotted 113,375 Equity shares by way of bonus issue in the proportion of 1 (One) new fully paid-up equity share of Rs.10/- each for every 4 (Four) existing fully paid up equity share of Rs.10/- each held by the existing shareholders of the Company by Capitalizing a sum of Rs.11,33,750/- out of Securities Premium Reserve of the Company on 19.10.2021. The Company has allotted 78,830 equity shares as a part of bonus issue to its promoter and promoter group.

Accordingly, the paid-up equity share capital of the Company has been increased from Rs. 45,35,000/- to Rs. 56,68,750/-. However, there was no change in the preference share capital of the Company during the year.

**KKV AGRO POWERS LIMITED**  
**CIN: L40108TZ2012PLC018332**  
**REGISTERED OFFICE: Registered Office: Vivagaa Building**  
**No. 637, Oppanakara Street, Coimbatore - 641 001**  
**E-Mail: cs@kkvagropowers.com, Website: www.kkvagropowers.com**  
**Tel No: +91 422-2303880, Fax No.: +91 422-2303881**

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The Authorized Share Capital of the Company as on March 31,2022 stands at Rs.12,00,00,000/- divided into 1,10,00,000 Equity Shares of Rs. 10/- each aggregating to Rs.11,00,00,000/- and 1,00,000 Preference Shares of Rs.100/- each aggregating to Rs.1,00,00,000/-.

The Paid up Share Capital of the Company as on March 31,2022 stands at Rs. 1,46,68,750/- divided into 5,66,875 Equity Shares of Rs.10/- each aggregating to Rs.56,68,750/- and 90,000 Preference Shares of Rs.100/- each aggregating to Rs.90,00,000/-.

#### **10. DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

Your Company has an optimum combination of Executive and Non-Executive Directors. Your Company is led by an experienced team of Directors alongside a talented management which has vast experience, knowledge, and expertise in this field. Each member in our group contributes to the Company's growth.

Mr. T.K Chandiran (DIN: 00031091) was re-appointed as a Managing Director of the Company for a period of 3 years with effect from 03.04.2021 approved by the shareholders at the meeting held on 23.09.2021. Mr. T.K Chandiran (DIN: 00031091) will attain the age of 70 years on 09.05.2023. Hence, members approval is sought by way of Special Resolution for continuation of employment of Mr. T.K Chandiran as the Managing Director for remaining period of his office upto 03.04.2024 on attaining 70 years of age on 09.05.2023.

Mrs. C Selvi (DIN: 00032962) was re-appointed as a Whole time director of the Company for a period of 3 years with effect from 03.04.2021 approved by the shareholders at the meeting held on 23.09.2021.

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. A.C. Vineethkumar (DIN: 06756745), retires by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment. The Board recommends his re-appointment.

Ms. Ankita.N.Raichura was appointed as Company Secretary and Compliance Officer of the Company at the Board Meeting held on 13.09.2021 during the year.

The elements of remuneration package of the Directors except Independent directors includes perquisites like HRA, Medical Reimbursement, LTA for self and Family, Entertainment Expenditure reimbursement etc. in accordance with the policy of the Company. These elements forms part of the remuneration approved by the shareholders.

#### **11. STATUTORY AUDITORS:**

In terms of provisions of Section 139 (1) of the Companies Act 2013, M/s. VKS Aiyer & Co. (Firm Reg. No. 000066S), have been appointed as a Statutory Auditors of the Company for a term of 5 years at the Annual General Meeting held on 14.09.2018 to audit the account of the Company from 01.04.2018 to 31.03.2023.

**12. DEPOSIT:**

During the year, the Company has not accepted any Deposits within the meaning of the provisions of Section 2 (31) of the Companies Act, 2013.

**13. MONEY RECEIVED FROM DIRECTOR OR RELATIVE OF DIRECTOR**

During the year, the Company has obtained unsecured loan amounting to Rs. 1,15,19,240/- from Mr. T. K. Chandiran, Managing Director of the Company during the Financial Year 2021-2022.

**14. ANNUAL RETURN:**

Pursuant Section 92 (3) and Section 134(3)(a) of the Companies Act, 2013, the Company has placed a copy of Annual Return as at 31.03.2022 on the Company's website [www.kkvagropowers.com](http://www.kkvagropowers.com).

**15. BOARD MEETINGS AND ATTENDANCE:**

During the year, (9) Board Meetings were held as per the details provided below:

S.No	Date of Board Meetings	No. of Directors entitled to attend the Meeting	No. of Directors attended the Meeting
1.	28.04.2021	5	5
2.	29.06.2021	5	5
3.	14.08.2021	5	5
4.	21.08.2021	5	5
5.	13.09.2021	5	5
6.	19.10.2021	5	5
7.	12.11.2021	5	5
8.	19.01.2022	5	5
9.	09.02.2022	5	5

**ATTENDANCE OF BOARD OF DIRECTORS:**

S. No	Name of the Directors	No. of Meetings entitled to attend	No. of meetings attended
1	Mr. T. K. Chandiran	9	9
2	Mrs. C. Selvi	9	9
3	Mr.A.C. Vineethkumar	9	9
4	Mr. V. Chandrasekaran	9	9
5	Mr.B.Mohan	9	9

**16. AUDIT COMMITTEE:**

The Composition of Audit Committee are as follows:

1. Mr. B.Mohan - Chairman
2. Mr. T.K. Chandiran - Member
3. Mr. V.Chandrasekaran - Member

During the year, (5) Audit Committee Meetings were held as per the details provided below:

S.No	Date of Audit Committee Meetings	No. of members entitled to attend the Meeting	No. of members attended the Meeting
1	28.04.2021	3	3
2	29.06.2021	3	3
3	14.08.2021	3	3
4	12.11.2021	3	3
5	09.02.2022	3	3

**ATTENDANCE OF AUDIT COMMITTEE MEMBERS:**

S. No	Name of the Committee Members	No. of Meetings entitled to attend	No. of meetings attended
1	Mr. B.Mohan	5	5
2	Mr. T.K. Chandiran	5	5
3	Mr. V.Chandrasekaran	5	5

**17. NOMINATION AND REMUNERATION COMMITTEE:**

The Composition of Nomination and Remuneration Committee are as follows:

1. Mr. B.Mohan - Chairman
2. Mr. V.Chandrasekaran - Member
3. Mr. A.C. VineethKumar – Member
4. Mr. T.K. Chandiran - Member

During the year, 2 Nomination and Remuneration Committee Meetings were held as per the details provided below:

S.No	Date of Nomination and Remuneration Committee Meetings	No. of members entitled to attend the Meeting	No. of members attended the Meeting
1	28.04.2021	4	4
2	13.09.2021	4	4

**ATTENDANCE OF NOMINATION AND REMUNERATION COMMITTEE MEMBERS:**

<b>S. No</b>	<b>Name of the Committee Members</b>	<b>No. of Meetings entitled to attend</b>	<b>No. of meetings attended</b>
1	Mr. B.Mohan	2	2
2	Mr. V.Chandrasekaran	2	2
3	Mr. A.C. VineethKumar	2	2
4	Mr. T.K. Chandiran	2	2

**18. STATEMENT ON DECLARATION BY INDEPENDENT DIRECTORS:**

Independent Directors have given declaration that they meet the criteria of independence as laid down under Section 149(6) and complied with the code as prescribed in Schedule IV of the Companies Act, 2013.

**19. PARTICULARS OF LOANS OR INVESTMENTS BY THE COMPANY:**

During the year, the Company has made investment in M/s. Profit Mart Private Limited for the purpose of hedging. However, the Company has not given any loan or guarantee or provided any security within the meaning of the provisions of Section 186 of the Companies Act, 2013.

The details of the investment made by the Company are disclosed in point No. 2.13 of notes to the Financial Statements.

**20. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The Company monitors auxiliary consumption at its plants and takes measures to reduce it through use of energy efficient appliances, prudent use of resources, natural ventilation, etc.

**A) Conservation of energy:**

(i) The steps taken or impact on conservation of energy: Strict vigilance is maintained over usage of Energy by constant monitoring and educating the need to conserve energy.

(ii) The steps taken by the company for utilising alternate sources of energy: The Company generates energy for captive consumption using environmental friendly wind technology through its windmills and Solar Plant in the States of Tamil Nadu and Andhra Pradesh.

(iii) The capital investment on energy conservation equipments: Nil

**B) Technology absorption:**

The Company ensures that its equipment vendors share their supplier details, design drawings and train Company personnel in operation and maintenance of the equipment.

(i) The efforts made towards technology absorption: Technology absorption is a continuous process and the Company has been deriving various benefits which cannot be attributed to any specific area. In all the Company stands to gain on various fronts on account of continuous technology absorption.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution: Nil

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) : Nil

(a) the details of technology imported: Nil

(b) the year of import: Nil

(c) whether the technology been fully absorbed: Nil

(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof: Nil

(iv) The expenditure incurred on Research and Development: Nil

**C) Foreign exchange earnings and Outgo:**

Foreign exchange earnings : Nil

Foreign exchange outgo : Rs. 61.44 Lakhs/-

**21. PERFORMANCE EVALUATION:**

The evaluation of all the Directors and the Board as whole was conducted based in the criteria and framework adopted by the Board.

The company presents below the table with reference to the ratios and for the year 2022 in comparison to 2021, along with the reason for variance:-

S. No.	Ratios	Numerator	Denominator	March 31, 2022	March 31, 2021	% Change	Reason for Variance
1	Current Ratio	Current Assets	Current Liabilities	0.94	0.61	54.10	New Retail Venture started during the year in Cumbam, hence there is a increase in Variance.

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2	Debt Equity Ratio	Total Debt	Shareholders fund	0.26	0.17	53.50	New Retail Venture started during the year in Cumbam, hence there is a increase in Variance.
3	Debt Service Coverage Ratio	Earnings available for debt services = Net Profit after taxes + Depreciation and Amortisation expenses+Interest	Debt Service = Interest+ +principal repayment of term loans (Excluding prepayments )	1.67	0.25	562.80	New Retail Venture started during the year in Cumbam, hence there is a increase in Variance.
4	Return on Equity Ratio	Net profit after taxes - Preference dividend	Average Shareholders' Equity	0.06	0.02	162.33	New Retail Venture started during the year in Cumbam, hence there is a increase in Variance.
5	Inventory Turnover Ratio	Net Sales	Average Inventory	46.82	7,499.63	(99.38)	New Retail Venture started during the year in Cumbam, hence there is a increase in Variance.
6	Trade Receivables turnover Ratio	Net Sales	Average Trade receivables	217.01	180.65	20.13	Not Applicable
7	Trade payables turnover Ratio	Cost of Materials Consumed+Purchases of Stock-in-Trade+Change in Inventory	Average Trade Payables	8.02	2.13	275.73	New Retail Venture started during the year in Cumbam, hence there is a increase in Variance.
8	Working capital turnover Ratio	Net Sales	Working capital = Current Assets - Current Liabilites(Excluding current maturities of Long term borrowings)	(2,282.04)	(145.88)	1,464.33	New Retail Venture started during the year in Cumbam, hence there is a increase in Variance.
9	Net Profit Ratio	Profit after taxes	Net Sales	0.003	0.001	85.88	New Retail Venture started during the year in Cumbam, hence there is a increase in Variance.
10	Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Networth+To	0.10	0.03	233.33	New Retail Venture started during the year in Cumbam, hence there is a increase in

			tal debt+ Deferred Tax Liabilities				Variance.
11	Return on Investment	Interest (Finance Income)	Average Investments	-	-	-	Not Applicable

**22. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES:**

The Company has devised a vigil mechanism in the form of a Whistle Blower Policy in pursuance of provisions of Section 177(10) of the Companies Act, 2013 and the policy is posted on the website of Company and can be accessed at the link [www.kkvagropowers.com](http://www.kkvagropowers.com). During the year under review, there was no complaint received under this mechanism.

**23. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

All transactions with Related Parties are at arm's length and in the ordinary course of business duly approved by the Audit Committee. The details of material related party transactions at arm's length and in the ordinary course of business are detailed in Form AOC-2 and the same is furnished in Annexure - 1 to this report.

The Board has formulated Policy on Related Party Transactions and the same is uploaded on the Company's website at <http://kkvagropowers.com/investors/policies/>

**24. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:**

As per the policy, when considering the appointment and remuneration of Whole Time Directors, the Nomination & Remuneration Committee considers pay and employment conditions in the industry, merit and seniority of the person and the paying capacity of the Company.

The Board has formulated Policy on Directors' Appointment and Remuneration and the same is uploaded on the Company's website at <https://kkvagropowers.com/investors/policies/>

**25. MAINTENANCE OF COST RECORDS:**

Not applicable to the Company as per the provisions of the Companies Act, 2013.

**26. COST AUDITOR:**

Not applicable to the Company as per the provisions of the Companies Act, 2013.

**27. RISK MANAGEMENT POLICY:**

The Management has devised Risk Management Policy considering the nature of industry and associated risks pertaining to the industry. The Management is overseeing the implementation of the Policy on regular basis.

**28. SECRETARIAL AUDIT AND REPORT:**

As per the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors have appointed M/s. G. V and Associates, Company Secretaries (ICSI Unique code-P2004TN081200), Coimbatore to conduct the Secretarial Audit for the Financial Year 2021-22.

A report of Secretarial Auditors in Form MR-3 is furnished as **Annexure 2** to this report.

**29. CORPORATE SOCIAL RESPONSIBILITY:**

Not applicable to the Company as per the provisions of the Companies Act, 2013.

**30. PREVENTION OF SEXUAL HARASSMENT AT THE WORK PLACE:**

As per the requirements specified in the "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013", the Company is committed to provide a work environment that is free from sexual harassment. The Company has constituted the Internal Complaints Committee. During the year, the Company has not received any complaints.

**31. MATERIAL CHANGES:**

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year as on 31.03.2022 and the date of this Report.

**32. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL:**

There were no significant and material orders passed by the regulators or courts or tribunal which would impact the going concern status and the Company's operations in future.

**33. REPORTING OF FRAUD:**

The Auditors of the Company have not reported any fraud as specified under section 143(12) of the Companies Act, 2013.

**34. INSOLVENCY PROCEEDINGS:**

There were no application has been made by the Company or no proceedings are pending against the Company under the Insolvency and Bankruptcy Code 2016 during the year.

**35. DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF:**

The disclosure is not applicable as the Company has not undertaken any one-time settlement with the banks or financial institutions during the year.

**36. COMPLIANCE ON SECRETARIAL STANDARDS:**

The Company has complied with Secretarial Standard - 1 on Meetings of the Board of Directors and Secretarial Standard - 2 on General Meetings and Secretarial Standard – 3 on Dividend and Secretarial Standard - 4 on Board Report.

**37. CLARIFICATION ON AUDITOR’S REMARK IN THEIR REPORT:**

There were no remarks/comments/observations in the Statutory Auditor’s report and hence no clarification is required.

For the observations provided by the Secretarial Auditors the clarifications from Board of Directors are given below:

<b>Comments/remarks/Observations by the Secretarial Auditor</b>	<b>Explanation from the Board of Directors</b>
(a) As per Regulation 45 of Securities And Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has been advised to change the name, to reflect the change in activities.	The Company uses renewable energy for all the business activities. Hence the main business of the Company is based on renewable energy.
The Company has not submitted statement showing holding of securities and shareholding pattern to Stock Exchanges immediately after the issue of bonus shares under Regulation 31(C) of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulation, 2015.	The Company has not submitted statement showing holding of securities and shareholding pattern to Stock Exchanges under Regulation 31(C) of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulation, 2015. The Company inadvertently missed to update share holding pattern with the Stock Exchange after the bonus issue. However in the subsequent quarter it has been updated and latest share holding pattern is being reflected in the Stock Exchange.
The Company had only circulated the abridged version of the notice in newspaper for the Annual General Meeting held on 23.09.2021 against the Rule 20(f) of Companies	The Company has less than 200 shareholders and all the notices were circulated directly hence the abridged version was published. However we are providing full set of Annual

(Management and Administration) Rules, 2014.	report to all the stakeholders as and when called for.
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**38. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:**

The company was not required to transfer any amount to the Investor Education and Protection Fund.

**39. DIRECTORS' RESPONSIBILITY STATEMENT:**

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

1. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of profit of the company for that period;
3. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
4. the directors had prepared the annual accounts on a going concern basis; and
5. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**40. PARTICULARS OF EMPLOYEES:**

The information required pursuant to the provisions of Section 197(12) read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of the remuneration of Directors, Key Managerial Personnel and employees are enclosed as **Annexure - 3** forming part of the report.

**43. DEPOSITORY SYSTEM:**

As the Members are aware, your Company's Equity Shares are tradable compulsorily in electronic form and your Company has established connectivity with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The ISIN allotted to the Company's Equity shares is INE239T01016.

**44. LISTING WITH STOCK EXCHANGES:**

At present the Equity Shares of the Company are listed on the EMERGE-the SME Growth Platform of National Stock Exchange at Mumbai. The Company confirms that it has no dues outstanding fees payable to the National Stock Exchange for the year 2021-2022.

**45. INSIDER TRADING REGULATIONS:**

Based on the requirements under SEBI (Prohibition of Insider Trading) Regulations, 1992 read with SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the Code of Conduct for prevention of Insider Trading and the Code for Corporate Disclosures ("Code"), as approved by the Board from time to time, are in force by the Company. The objective of this Code is to protect the interest of Shareholders at large, to prevent misuse of any price sensitive information and to prevent any insider trading activity by dealing in shares of the Company by its Directors, designated employees and other employees. The Company also adopts the concept of Trading Window Closure, to prevent its Directors, Officers, designated employees and other employees from trading in the securities of the Company at the time when there is unpublished price sensitive information.

**46. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

The details of Management Discussion and Analysis Report are furnished in **Annexure - 4** to this Report.

**47. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The Company's internal financial control systems are commensurate with the nature of its business and the size and complexity of its operations. The internal control procedures have been planned and designed to provide reasonable assurance of compliance with various policies, practices and statutes in keeping with the organisation's pace of growth and achieving its objectives efficiently and economically.

The internal controls, risk management and governance processes are duly reviewed for their adequacy and effectiveness through periodic audits by the Internal Audit department. Post-audit reviews are also carried out to ensure that audit recommendations are implemented. The Audit Committee reviews the adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations, including those relating to strengthening of the Company's risk management policies and systems. The ultimate objective being, a Zero Surprise, Risk Controlled Organization.

**48. INTERNAL AUDITORS:**

**KKV AGRO POWERS LIMITED**  
**CIN: L40108TZ2012PLC018332**  
**REGISTERED OFFICE: Registered Office: Vivagaa Building**  
**No. 637, Oppanakara Street, Coimbatore - 641 001**  
**E-Mail: cs@kkvagropowers.com, Website: www.kkvagropowers.com**  
**Tel No: +91 422-2303880, Fax No.: +91 422-2303881**

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Pursuant to the Provisions of Section 138 of the Companies Act, 2013 and relevant rules made thereunder your Company has appointed M/s. Suri & Co., Chartered Accountants (FRN: 004283S) as Internal Auditors for the Financial Year 2021-22. The Audit Committee discusses and reviews with the Internal Auditors about the functions and activities of the company at periodic intervals. The Audit Committee then appraises the Board of Directors about their findings, if any.

**49. ACKNOWLEDGEMENT:**

Your Directors wish to place on record their deep gratitude and appreciation towards the Company's suppliers, customers, investors, bankers, Government of India, State Government and other regulatory authorities for their continued support during the year. Your Directors also acknowledge the commitment and the dedication of the employees at all levels who have contributed to the growth of the Company.

**For and on behalf of the Board**

**Date : 26.05.2022**

**Place: Coimbatore**

Sd/-

T.K Chandiran  
(DIN: 00031091)

Managing Director and Chairman

## Form No.AOC-2

(Pursuant to clause(h) of sub section(3) of section 134 of the Companies Act, 2013 and Rule 8 (2) of the Companies (Accounts) Rules, 2014)

## 1. Details of Material contracts or arrangement or transaction at arm's length basis:

Name of the Related Party & Nature of Relationship	Nature of transactions	Value of Transaction (Rs. In Lakhs)	Date(s) of approval by the Board, if any	Duration of transactions	Amounts paid in advance if any:
The KTM Jewellery Limited (A public company in which Mr. T.K. Chandiran is a Director and holds more than 2% of shareholding)	Sale of Bullion	13,815.99	04.03.2021	FY 2021-22	Nil
	Sales of Jewellery	Included in Above Figure			
	Purchase of Jewellery	7,235.47			
The Madras silks Private Limited (a Private Limited Company in which. relative of Mr. T.K. Chandiran is interested as Director and member)	sale of bullion	8,295.94			
SCM Creations (a firm in which relative of Mr. Mr. T.K. Chandiran is interested as Partner)	Sales of Bullion	607.28			
Shivam Traders (a firm in which relative of Mr. T.K. Chandiran is interested as Partner)	Sales of Bullion	7,913.92			

Note: A material transaction means any sales, supply, purchase of goods or materials which exceed 10% of turnover of the Company in line with Company's policy on materiality.

**2. Details of contracts or arrangement or transaction not at arm's length basis:**

<b>S. No</b>	<b>Name of the Related Party &amp; Nature of Relationship</b>	<b>Nature of transactions</b>	<b>Duration of transactions</b>	<b>Value of Transaction (in Rs.)</b>	<b>Date(s) of approval by the Board, if any</b>	<b>Amount paid as advances, if any:</b>
Nil						

**For and on behalf of the Board**

**Date : 26.05.2022**

**Place: Coimbatore**

*Sd/-*

**T.K Chandiran**

**(DIN: 00031091)**

**Managing Director and chairman**

**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**OF**  
**KKV AGRO POWERS LIMITED**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members,  
KKV Agro Powers Limited,  
Vivagaa Building, No. 637,  
Oppanakara Street, Coimbatore – 641001.

We have conducted the secretarial audit of compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. KKV Agro Powers Limited (CIN:L40108TZ2012PLC018332)**, a listed entity, listed in NSE Emerge (SME Platform) having its registered office at Vivagaa Building, No. 637, Oppanakara Street, Coimbatore – 641001, (herein after called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31.03.2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place (with respect to statutory provisions listed hereunder) to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31.03.2022 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made there under;

- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings - **Not Applicable to the Company during the Audit Period.**
- 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) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
  - (d) Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulation, 2015 (The Company being listed in SME Exchange the applicable regulation has been complied);
  - (e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (f) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - **Not Applicable to the Company during the Audit Period;**
  - (g) Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 **Not Applicable to the Company during the Audit Period;**
  - (h) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not Applicable to the Company during the Audit Period;**

- (i) 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 - **Not Applicable to the Company during the Audit Period;**
- (j) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **Not Applicable to the Company during the Audit Period.**

We have also examined compliance with the applicable clauses of the Secretarial Standards 1, 2, 3 & 4 issued by The Institute of Company Secretaries of India.

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

- (a) As per Regulation 45 of Securities And Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has been advised to change the name, to reflect the change in activities.*
- (b) The Company has not submitted statement showing holding of securities and shareholding pattern to Stock Exchanges immediately after the issue of bonus shares under Regulation 31(C) of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulation, 2015.*
- (c) The Company had only circulated the abridged version of the notice in newspaper for the Annual General Meeting held on 23.09.2021 against the Rule 20(f) of Companies (Management and Administration) Rules, 2014.*

We further report that

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

Adequate notice is given to all Directors to schedule the Board Meetings, agenda were sent in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case maybe.

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

We further report that during the audit period,

- a) Allotted 113,375 equity shares under Bonus issue on 19<sup>th</sup> October 2021.

**For G.V. and Associates  
Company Secretaries**

**SD/-  
G.Vasudevan  
Partner  
FCS No.: 6699  
C P No.: 6522**

Date: 26.05.2022

Place: Coimbatore

ICSI UDIN: F006699D000392689

**DETAILS PURSUANT TO THE PROVISIONS OF 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 ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;

Sl. No.	Name of the Director	Position	Total Remuneration for FY 2021-2022 (in Rs.)	Total Remuneration for FY 2020-2021 (in Rs.)	Ratio of Remuneration of the Director to the median Remuneration
1	T.K. Chandiran	Managing Director	28,12,500	25,00,000	19.22
2	C.Selvi	Whole Time Director	9,00,000	7,50,000	6.15
3	AC Vineeth Kumar	Director	9,20,000	4,00,000	6.28

Median remuneration for FY 2021-22 is Rs. 1,46,327/-

- (ii) the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;

Sl. No.	Name of the Director	Position	Total Remuneration for FY 2021-2022 (in Rs.)	Total Remuneration for FY 2020-2021 (in Rs.)	Increase %
1.	T.K. Chandiran	Managing Director	28,12,500	25,00,000	12.5%
2.	C.Selvi	Whole Time Director	9,00,000	7,50,000	20%
3.	AC Vineeth Kumar	Director	9,20,000	4,00,000	130%
4.	M Shankara Subramanian*	Chief Executive Officer	10,47,036	3,97,799	NA
5.	C Arun Kumar	Chief Financial Officer	8,31,741	5,70,663	45%
6.	Ankita N Raichura <sup>#</sup>	Company Secretary	4,51,944	Nil	NA

\*Mr. M Shankara Subramanian did not draw remuneration during the months of September 2020 to June 2021. Hence his increase in the remuneration is not stated.

#Ms. Ankita N Raichura was appointed on 13.09.2021. Hence the remuneration paid in FY 2020-2021 is not applicable

- (iii) The percentage increase in the median remuneration of employees in the financial year: Nil
- (iv) The number of permanent employees on the rolls of company as at March 31,2022: 12 Members
- (v) Average Percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial year and its Comparison with the percentile increase in the managerial Remuneration and justification thereof and point out if there are

any exceptional Circumstances for increase in the managerial remuneration;

The average increase granted to employees other than managerial personnel is: Nil

The increase granted to managerial personnel is: 52.06%

- (vi) The key parameters for any variable component of remuneration availed by the directors: Nil
  
- (vii) Affirmation that the remuneration is as per the remuneration policy of the Company It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.
  
- (viii) None of the employees received remuneration of above Rs. 1,02,00,000/- in the year or Rs. 8,50,000/- per month for the Financial year 2021-2022.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### I. GLOBAL ECONOMY:

A tentative recovery in 2021 has been followed by increasingly gloomy developments in 2022 as risks began to materialize. Global output contracted in the second quarter of this year, owing to downturns in China and Russia, while US consumer spending undershot expectations. Several shocks have hit a world economy already weakened by the pandemic: higher-than-expected inflation worldwide—especially in the United States and major European economies—triggering tighter financial conditions; a worse-than-anticipated slowdown in China, reflecting COVID-19 outbreaks and lockdowns; and further negative spillovers from the war in Ukraine.

### II. WORLD ECONOMIC OUTLOOK:

The war in Ukraine has triggered a costly humanitarian crisis that demands a peaceful resolution. At the same time, economic damage from the conflict will contribute to a significant slowdown in global growth in 2022 and add to inflation. Fuel and food prices have increased rapidly, hitting vulnerable populations in low-income countries hardest. Global growth is projected to slow from an estimated 6.1 percent in 2021 to 3.6 percent in 2022 and 2023. This is 0.8 and 0.2 percentage points lower for 2022 and 2023 than projected in January. Beyond 2023, global growth is forecast to decline to about 3.3 percent over the medium term. War-induced commodity price increases and broadening price pressures have led to 2022 inflation projections of 5.7 percent in advanced economies and 8.7 percent in emerging market and developing economies—1.8 and 2.8 percentage points higher than projected last January. Multilateral efforts to respond to the humanitarian crisis, prevent further economic fragmentation, maintain global liquidity, manage debt distress, tackle climate change, and end the pandemic are essential. (Source: IMF World Economic Outlook, April 2022)

### III. INDIAN ECONOMY:

As 2021 was coming to a close, there was optimism in the air. India was gearing up for a strong economic recovery—several forecasters such as the International Monetary Fund expected growth to exceed 9% this fiscal. This optimism received a jolt early this year as a wave of omicron infections swept through the country (which, thankfully, did not last long), and then in February, Russia invaded Ukraine. These events aggravated the preexisting challenges such as surging inflation, supply shortages, and shifting geopolitical realities across the world with no definite end in sight. And the subsequent confluence of headwinds such as surging commodity prices and disruption in trade and financial transactions quickly deteriorated economic fundamentals that were trending up a few months back.

### IV. INDUSTRY OVERVIEW:

India is the third-largest producer and second-largest consumer of electricity worldwide, with an installed power capacity of 401.01 GW as of April 30, 2022.

As of April 2022, India's installed renewable energy capacity stood at 158.12 GW, representing 39.43% of the overall installed power capacity. Solar energy is estimated to contribute 55.34 GW, followed by

40.53 GW from wind power, 10.68 GW from biomass, 4.85 GW from small hydropower, and 46.72 GW from hydropower. The renewable energy capacity addition stood at 8.2 GW for the first eight months of FY22 against 3.4 GW for the first eight months of FY21.

With electricity generation (including renewable sources) of 1,490.27 BU in India in FY22, the country witnessed an increase of 7.85% over the previous fiscal year.

India's gems and jewellery exports reached US\$ 39.14 billion in 2021-22, a 54.13% rise from the previous year. In FY22, cut and polished diamonds accounted for the highest share of exports (62.42%), followed by gold jewellery (23.57%) and silver jewellery (6.95%). In April 2022, India's overall gems and jewellery exports was at US\$ 3.23 billion.

The Government has permitted 100% FDI in the sector under the automatic route, wherein the foreign investor or the Indian company do not require any prior approval from the Reserve Bank or Government of India. The Government has made hallmarking mandatory for gold jewellery and artefacts and a period of one year is provided for its implementation.

As per Union Budget 2021, the Gem and Jewellery Export Promotion Council has proposed a reduction in import duty on cut and polished diamonds to 2.5%, from the existing 7.5%, in order to double exports of gems & jewellery to US\$ 70 billion by 2025.

## **V. COMPANY PROFILE:**

We develop, build, own, operate and maintain utility scale grid connected solar and wind farm projects and generate revenue through the sale of electricity. Leveraging our capabilities, we are expanding our project profile in multiple geographies all over India in solar sector. We have a strong track record of developing, constructing and operating renewable power projects, driven by in-house teams across all stages of the process.

We have a strong project site development team which identifies and selects most suitable sites based on multiple objective criteria, for future project development. We have applied for connectivity at selected wind and solar resource rich sites and is in advance stage of land control and acquisition.

The Company has also engaged in Jewellery business which provided significant contribution to the revenue of the Company during the current Financial year.

## **VI. STRATEGIC FOCUS OF THE COMPANY:**

Our Vision is to enhance our position as a leading independent renewable energy producer in India and also excel in the field of gold retail and bullion trade, executing the following:

- Scalable Green Energy Business pertaining to Wind and solar energy
- Bullion business
- Retail gold trading
- Agro based products cultivation and sales

## VII: RISKS AND CONCERNS

Functioning in a dynamic operating scenario, the Company is exposed to various business risks, which may be internal and external. It has put in place a comprehensive risk-management system, tailored to the specific requirements of the business, considering various factors such as size and nature of inherent risks and the Company's regulatory environment. The risk management system recognises and analyses risks early and takes appropriate action. The Company's senior management regularly reviews the risk management processes for regular effective risk management and mitigation.

## VIII. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate Internal Control System commensurate with its size and operations. Management has overall responsibility for the Company's Internal Control System to safeguard the assets and to ensure reliability of financial records. Audit Committee reviews all financial statements and ensures adequacy of internal control systems.

## IX. DISCUSSIONS ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Income from Operations of the Company during the Financial Year 2021-2022 raised from Rs. 31,962.16 Lakhs to Rs. 44,752.63 Lakhs and the Net Profits for the same period raised from Rs. 45.75 Lakhs to Rs. 119.08 Lakhs.

## X. SEGMENT REVIEW:

The Company operates under two broad segments viz Power Generation and Purification of Precious Metals. The Company has reported the details and performance under Segment Reporting in the Notes to Financial Statements (Note No. 2.45)

## XI. 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:

S. No	Particulars	Numerator	Denominator	FY 2021-22	FY 2020-21	% Change in Variance	Reasons for variance
1	Debtors turnover ratio	Net Credit Sales/Total sales(if credit sale not available)	Average Trade receivables/ Closing Receivables(if details not available)	217.01	180.65	20.13	Not Applicable
2	Inventory Turnover Ratio	Sales	Average Inventory	46.82	7,499.63	(99.38)	New Retail Venture started during the year in Cumbam, hence there is a increase in Variance.

S. No	Particulars	Numerator	Denominator	FY 2021-22	FY 2020-21	% Change in Variance	Reasons for variance
3	Current Ratio	Current Assets	Current Liabilities	0.94	0.61	54.10	New Retail Venture started during the year in Cumbam, hence there is a increase in Variance.
4	Debt Equity Ratio	Total Debt	Shareholders' equity	0.26	0.17	53.50	New Retail Venture started during the year in Cumbam, hence there is a increase in Variance.

## XII DETAILS OF ANY CHANGE IN RETURN ON NET WORTH AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR

The Net worth of the Company raised from Rs. 1,973.68 (Financial Year 2020-2021) to Rs. 2,067.38 Lakhs (Financial Year 2021-2022).

## XIII MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT

Human capital has always been the most important and valuable asset to the Company. The Company continued its activities during the year in a cordial atmosphere with utmost co-operation amongst employees and the management. The management is committed to promote safety, occupational health and proper environment in designing, planning, training and completion of all tasks. Trainings are imparted to workmen in various new techniques and systems. The Company has a total number of employees of 12.

## XIV SWOT Analysis

### Strength

- Qualified and experienced management team and employee base
- Pan India reach
- Established good relationship with our clients
- Technology driven
- Timely completion of awarded work
- Schemes from Government are expected to augment electrification across the country

**Weakness**

- Working capital intensive business
- Dependent on few clients

**Opportunities**

- High growth potential
- Wide market

**Threats**

- Increased competition from local & big players
- Change in Government Policy
- Rise in cost of equipments

## INDEPENDENT AUDITORS' REPORT

To the Members of KKV Agro Powers Limited

### Report on the Audit of Financial Statements

#### Opinion

We have audited the accompanying financial statements of KKV Agro Powers Limited ("the Company") which comprises the Balance Sheet as at 31<sup>st</sup> March 2022, the Statement of Profit and Loss and the Statement of Cash Flows for the year ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, (hereinafter referred to as "the Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act 2013, ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act read with Rule 7 of the Companies (Accounting) Rules, 2014, of the state of affairs of the Company as at 31<sup>st</sup> March 2022, its profit 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 Companies Act, 2013. Our responsibilities under those Standards are further described in the "*Auditor's Responsibilities for the Audit of the Financial Statements*" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Financial Statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

## **Information Other than the Financial Statements and Auditor's Report**

The Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Annual Report, for example, Board's Report including Annexures to Board's Report, but does not include the financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of our audit report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the other information, as stated above, which is expected to be received after the date of our audit 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 applicable laws and regulations.

## **Responsibility of Management and Board of Directors for the 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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls and ensuring their operating effectiveness and the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Management and Board of Directors are also responsible for overseeing the company's financial reporting process.

## Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all

relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in "Annexure 1", 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 that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March 2022, and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2022 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2".

(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:

- i) The Company does not have any pending litigations as on 31<sup>st</sup> March 2022 which would impact its financial position adversely.
- ii) The Company has made provision as required under the applicable law or accounting standards, for material foreseeable losses if any on long term contract including derivative contracts - Refer Note No. 2.13 & 2.29 to the financial statements;
- iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31<sup>st</sup> March 2022.
- iv)
  - a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, 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 persons or entities, 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.
  - b) The Management has represented, that, to the best of its knowledge and belief as disclosed in the notes to the accounts, no funds have been received by the Company from any persons or entities, 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 Party ("Ultimate Beneficiaries") or
    - Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - c) Based on the audit procedures as 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 (iv) (a) and (b) contain any material mis-statement.

- v) 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 Companies Act 2013 to the extent it applies to payment of dividend. As stated in note 2.38 to the financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.
- C) With respect to the other matter to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid\provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid under section 197 of the Companies Act.

**For VKS Aiyer & Co.**

Chartered Accountants

ICAI Firm Registration No. 000066S

Sd/-

**C S Sathyanarayanan**

Partner

Membership No. 028328

UDIN : 22028328AJQTAV7871

Place : Coimbatore

Date : 26.05.2022

## ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of **KKV Agro Powers Limited** on the financial statements for the year ended 31<sup>st</sup> March 2022]

In our Opinion and to the best of our knowledge and belief, books of accounts and records examined by us and according to the information and explanation given to us, we report that

(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.

b. The Property, Plant and Equipment were physically verified during the year by the management, which, in our opinion, provides for physical verification at reasonable intervals. No material discrepancies were noticed on such verification.

c. With respect to immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in are held in the name of the Company, except for the following:

Description of Property	As at 31.03.2022	Held in the Name of	Whether promoter, director or their relative or employee	Period range	Reason for not being held in name of Company (including Dispute)
	Gross Carrying Value				
Property, Plant & Equipment					
Land	28,77,423	Nachas Wind Energy Private Limited	No	07-08-2013 to Present	The land is being held in the erstwhile name of the company and it is in the process of updating the same.

not revalued any of its property, plant and equipment and intangible assets during the year.

e. There are no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

- (ii)
- (a) The inventories were physically verified during the year by the Management at reasonable intervals. The coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories.
  - (b) The Company has not been sanctioned any working capital facility from banks or financial institutions at any point of time during the year and hence reporting under clause (ii)(b) of the Order is not applicable.
- (iii) The Company has not made any Investments, provided any guarantee or security or granted any loans or advances in the nature of loans to companies, firms, Limited Liability Partnership or any other parties during the year and hence reporting under clause (iii) of the Order is not applicable.
- (iv) The Company has not granted any loans, made investments or provided guarantees or securities which are of the nature covered by section 185 & 186 of the Companies Act, 2013 and hence reporting under clause (iv) of the Order is not applicable.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits hence reporting under clause (v) of the Order is not applicable.
- (vi) The maintenance of cost records has not been specified for the activities of the Company by the Central Government under section 148(1) of the Companies Act, 2013.
- (vii) In respect of statutory dues:
- (a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities.
- There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.
- (b) There are no statutory dues referred in sub-clause (a) above which have not been deposited on account of disputes as on March 31, 2022.
- (viii) The Company has not surrendered or disclosed any transactions, previously unrecorded as income in the book of accounts in the tax assessments under the Income Tax Act during the year.

(ix)

- (a) The Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) Term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) The Company does not have any subsidiary or associate or joint venture during the year and hence, reporting under clause (ix)(e) & (f) of the Order is not applicable.

(x) The Company has not raised any moneys by way of Initial Public Offer or Further Public Offer (including debt instruments) and has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) hence reporting under clause (x)(a) & (b) of the Order is not applicable.

(xi)

- (a) To the best of our knowledge, no fraud by the Company or on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed by auditors in the form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) There were no whistle blower complaints received by the Company during the year

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) The transactions with related parties are in compliance with Section 177 and 188 of the Companies Act, where applicable, the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv)

- (a) The Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered the internal audit reports issued till date for the period under audit.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

- (xvi)
- (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi) (a), (b) and (c) of the Order is not applicable.
- (d) The Company is not a Core Investment Company (CIC) as defined in the regulations made by RBI and hence reporting under clause (xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The Company was not having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year and hence, provisions of Section 135 of the Act are not applicable to the Company during the year. Accordingly, reporting under clause 3(xx)(a) & (b) of the Order is not applicable for the year.

**For VKS Aiyer & Co.**

Chartered Accountants

ICAI Firm Registration No. 000066S

Sd/-

**C S Sathyanarayanan**

Partner

Membership No. 028328

UDIN : 22028328AJQTAV7871

Place : Coimbatore

Date : 26.05.2022

## **ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT**

### **Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of KKV Agro Powers Limited on the financial statements for the year ended 31<sup>st</sup> March 2022]

We have audited the Internal Financial Controls over Financial Reporting of KKV Agro Powers Limited ("the Company") as of 31<sup>st</sup> March, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (" the Act ").

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

## Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

**For VKS Aiyer & Co.**

Chartered Accountants

ICAI Firm Registration No. 000066S

**Sd/-**

**C S Sathyanarayanan**

Partner

Membership No. 028328

UDIN : 22028328AJQTAV7871

Place : Coimbatore

Date : 26.05.2022



**KKV Agro Powers Limited**  
Balance Sheet as at 31st March, 2022

(₹ In Lakhs)

Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
a) Share Capital	2.01	146.69	135.35
b) Reserves and Surplus	2.02	1,920.69	1,838.33
		<b>2,067.38</b>	<b>1,973.68</b>
<b>(2) Non-Current Liabilities</b>			
a) Long-Term Borrowings	2.03	303.09	184.08
b) Deferred Tax Liabilities (Net)	2.04	405.56	363.31
c) Long-Term Provisions	2.05	7.78	4.89
		<b>716.43</b>	<b>552.29</b>
<b>(3) Current Liabilities</b>			
a) Short-Term Borrowings	2.06	232.61	149.07
b) Trade Payables	2.07		
(i) Total Outstanding dues of Micro & Small Enterprises		2.17	-
(ii) Total Outstanding dues of creditors other than Micro and Small Enterprises		1,756.59	45.48
c) Other Current Liabilities	2.08	447.35	490.11
d) Short-Term Provisions	2.09	0.38	0.28
		<b>2,439.10</b>	<b>684.94</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>5,222.91</b>	<b>3,210.91</b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
a) Property, Plant & Equipment and Intangible Assets	2.10		
(i) Property, Plant & Equipment		2,513.28	1,641.83
(ii) Intangible Assets		3.15	4.03
(iii) Capital Work-in-Progress		68.03	430.40
(iv) Biological Assets		1.71	1.71
b) Long-Term Loans and Advances	2.11	331.87	297.30
c) Other Non-Current Assets	2.12	16.73	416.80
		<b>2,934.77</b>	<b>2,792.06</b>
<b>(2) Current Assets</b>			
a) Current Investments	2.13	11.18	-
b) Inventories	2.14	1,903.34	8.51
c) Trade Receivables	2.15	146.92	161.96
d) Cash and Cash Equivalents	2.16	37.14	96.34
e) Bank Balance other than Cash and Cash Equivalents	2.17	114.37	133.62
f) Short-Term Loans and Advances	2.18	50.04	4.54
g) Other Current Assets	2.19	25.15	13.88
		<b>2,288.14</b>	<b>418.85</b>
<b>TOTAL ASSETS</b>		<b>5,222.91</b>	<b>3,210.91</b>

Significant Accounting Policies & Notes form an integral part of the Financial Statements

As per our report of even date attached  
For **VKS Aiyer & Co.**  
Chartered Accountants  
ICAI Firm Registration No. 0000665

For and on behalf of the Board of Directors

-SD-  
**C S Sathyanarayanan**  
Partner  
Membership No. 028328

-SD-  
**T.K.Chandiran**  
Managing Director  
DIN:00031091

-SD-  
**C.Selvi**  
Director  
DIN:00032962

Place : Coimbatore  
Date : 26-05-2022

-SD-  
**C.Arun Kumar**  
Chief Financial Officer

-SD-  
**Ankita.N.Raichura**  
Company Secretary  
M. No. A66779



**KKV Agro Powers Limited**  
**Statement of Profit and Loss for the year ended 31st March, 2022**

(₹ In Lakhs)

Particulars	Note No.	2021-22	2020-21
<b>Income</b>			
I. Revenue from Operations	2.20	44,752.63	31,962.16
II. Other Income	2.21	11.34	3.64
<b>III. Total Income (I +II)</b>		<b>44,763.97</b>	<b>31,965.80</b>
<b>IV. Expenses</b>			
a) Cost of Materials Consumed	2.22	-	31,375.21
b) Purchase of Stock-in-Trade	2.23	45,616.36	23.46
c) Changes in Inventories	2.24	(1,894.83)	(8.49)
d) Power Generation Expenses	2.25	133.86	107.61
e) Manufacturing Expenses	2.26	-	8.99
f) Employee Benefits Expenses	2.27	123.53	71.43
g) Finance Costs	2.28	103.77	6.04
h) Depreciation and Amortization Expense	2.10	142.38	117.38
i) Other Expenses	2.29	336.74	202.33
<b>Total Expenses</b>		<b>44,561.82</b>	<b>31,903.96</b>
<b>V. Profit Before Tax (III-IV)</b>		<b>202.15</b>	<b>61.84</b>
<b>VI. Less:</b>			
Current tax		40.82	20.75
Excess/Short Provision for earlier years		-	2.95
Deferred tax		42.25	(7.61)
<b>VII. Profit for the year (V-VI)</b>		<b>119.08</b>	<b>45.75</b>
<b>VIII. Earnings per equity share</b>			
Basic and Diluted (In `) Face value of ` 10 each	2.30	20.53	7.59

Significant Accounting Policies & Notes form an integral part of the Financial Statements

As per our report of even date attached

**For VKS Aiyer & Co.**

Chartered Accountants

ICAI Firm Registration No. 0000665

**For and on behalf of the Board of Directors**

-SD-

**C S Sathyanarayanan**  
Partner  
Membership No. 028328

-SD-

**T.K.Chandiran**  
Managing Director  
DIN:00031091

-SD-

**C.Selvi**  
Director  
DIN:00032962

Place : Coimbatore

Date : 26-05-2022

-SD-

**C.Arun Kumar**  
Chief Financial Officer

-SD-

**Ankita.N.Raichura**  
Company Secretary  
M. No. A66779



**KKV Agro Powers Limited**  
Cash Flow Statement for the year ended 31st March, 2022

Particulars	2021-22		2020-21	
	(₹ in Lakhs)	(₹ in Lakhs)	(₹ in Lakhs)	(₹ in Lakhs)
<b>A. Cash flows from Operating activities</b>				
Net profit before taxation and extraordinary items		202.15		61.84
<b>Adjustments for:</b>				
Depreciation	142.38		117.38	
Interest income	(4.87)		(3.51)	
Loss on hedging / Futures	18.84		-	
Interest expenses	103.77	260.12	6.04	119.91
<b>Operating profit before Working Capital changes</b>		462.27		181.75
- (Increase)/decrease in Inventories	(1,894.83)		8.41	
- (Increase)/decrease in Trade Receivables	15.04		17.97	
- (Increase)/decrease in Loans and Advances	(45.49)		30.11	
- (Increase)/decrease in Other Assets	(11.28)		(25.09)	
- (Decrease)/increase in Short-Term Borrowings	83.53		(195.26)	
- (Decrease)/increase in Trade Payables	1,713.28		20.40	
- (Decrease)/increase in Liabilities and Provisions	(42.66)	(182.41)	474.54	331.08
<b>Cash generated from Operations</b>		279.86		512.83
Income taxes refund/(paid)		(40.82)		(27.09)
<b>Net cash from/(used in) Operating activities - (A)</b>		239.04		485.74
<b>B. Cash flows from Investing activities</b>				
Purchase of Property, Plant & Equipment	(650.59)		(449.51)	
Investment in Term Deposits	19.24		(133.62)	
Deposit with Commodity Exchange	(11.18)		-	
Loss on Hedging / Futures	(18.84)		-	
Adjustment for Capital advances	365.50		(367.08)	
Interest received	4.87		5.21	
<b>Net cash from / (used in) Investing activities - (B)</b>		(291.00)		(945.00)
<b>C. Cash flows from Financing activities</b>				
Proceeds/(Repayment) of long term borrowings	121.91		231.08	
Dividend Paid	(25.38)		(25.38)	
Interest paid	(103.77)		(6.04)	
<b>Net cash from/(used in) Financing activities - (C)</b>		(7.24)		199.66
<b>Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)</b>		(59.20)		(259.60)
Cash and Cash Equivalents at the beginning of the year		96.34		355.94
<b>Cash and Cash Equivalents at the end of the year</b>		37.14		96.34

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard 3 - Cash Flow Statement.

Significant Accounting Policies & Notes form an integral part of the Financial Statements

As per our report of even date attached

For VKS Aiyer & Co.

Chartered Accountants

ICAI Firm Registration No. 0000665

For and on behalf of the Board of Directors

-SD-  
C S Sathyanarayanan  
Partner  
Membership No. 028328

-SD-  
T.K.Chandiran  
Managing Director  
DIN:00031091

-SD-  
C.Selvi  
Director  
DIN:00032962

Place : Coimbatore  
Date : 26-05-2022

-SD-  
C.Arun Kumar  
Chief Financial Officer

-SD-  
Ankita.N.Raichura  
Company Secretary  
M. No. A66779



**Note No. 1**

**A About the Company:**

KKV Agro Powers Limited ("The Company") is a listed company on the SME platform of the National Stock Exchange of India Ltd (NSE Emerge) from the financial year 2016-17 and was incorporated under the provisions of the Companies Act, 1956. The Registered office of the company is located at Coimbatore.

**Nature of Operations:**

KKV Agro Powers Limited is an Independent power producer engaged in the generation, transmission, distribution of power. It has an installed capacity of 10.6 MW that includes 7.6 MW wind power and 3 MW Solar power. The company has two other divisions under its roof, i.e Jewellery Manufacturing (Sale of Gold Coins/Bullion, Purification Charges & Retail jewellery sales), Agriculture and Textile.

**B SIGNIFICANT ACCOUNTING POLICIES:**

**i) a) Basis of Preparation:**

The Financial Statements have been prepared to comply in all material respects with the accounting standards specified under Section 133 of the Companies Act read with Rule 7 of the Companies (Accounting Standards) Rules, 2014 and the relevant provisions of the companies Act, 2013. The Financial Statements have been prepared under the historical cost convention on an accrual basis. This accounting policy has been consistently applied by the company with those used in the previous year.

**b) Use of Estimates:**

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, disclosures relating to contingent liabilities and assets as at the balance sheet date and the reported amounts of income and expenses during the year. Difference between the actual amounts and the estimates are recognised prospectively in the year in which the events are materialised.

**ii) Property, Plant & Equipment, Depreciation/Amortisation and Impairment:**

a) Property, plant and equipment (PPE) being Fixed assets are tangible items held for use or for administrative purposes and are measured at cost less accumulated depreciation and any accumulated impairment. Cost comprises of the purchase price including import duties and non-refundable purchase taxes after deducting trade discounts and rebates and any costs attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the Management. Finance costs relating to acquisition of assets which take substantial period of time to get ready for intended use are also included to the extent they relate to the period up to such assets are ready for their intended use.

b) Items such as spare parts, stand-by equipment and servicing equipment are recognised if they meet the definition of property, plant and equipment.

The carrying amount of an item of PPE is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain/ loss arising from derecognition of an item of PPE is included in the statement of Profit & Loss. The gain or loss arising from the derecognition of an item of PPE would be the difference between the net disposal proceeds, if any, and the carrying amount of the item.

c) Depreciation on Property, plant and equipment are provided under straight line method as per the useful lives and manner prescribed under Schedule II to the Companies Act, 2013. Where the cost of a part of the PPE is significant to the total cost of the PPE and if that part of the PPE has a different useful life than the main PPE, the useful life of that part is determined separately for depreciation. The depreciation method applied to an asset is reviewed at each financial year-end and if there has been a significant change in the expected pattern of consumption of future economic benefits embodied in the asset, depreciation is charged to reflect the changed pattern.

d) The Useful Life prescribed in Schedule II to the Companies Act, 2013,

S.No	Class of Assets	Useful life
1	Buildings	5 Years
2	Plant and Machinery	
	- Wind Power generation plant	22 years
	- Other than continuous process plant	15 years
3	Furniture & Fittings	10 years
4	Motor Vehicles	8 years
5	Office Equipments	5 years
6	Computers	3 years
7	Electrical fittings	10 years
8	Intangible Assets	5 years

e) As at each Balance sheet date, the carrying amount of assets is tested for impairment so as to determine  
 i) The provision for impairment loss, if any, required or  
 ii) The reversal, if any, required of impairment loss recognized in previous periods.  
 Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount.

**iii) Investments:**

- a) Long-Term Investments are stated at cost.
- b) Current Investments are carried at lower of cost and fair value as on the Balance Sheet date.
- c) Provision for diminution in value of long-term investments is made, if the diminution is other than temporary.

**iv) Inventories:**

- a) Inventories are valued at lower of cost on FIFO basis and estimated net realizable value
- b) Stores and spares which do not meet definition of PPE are accounted as inventories at Cost

**v) Foreign Currency Transaction :**

- a) Foreign Currency Transactions are recorded at exchange rates prevailing on the date of such transaction.
- b) Exchange differences arising on settlement on transactions of monetary items are recognised as income / expense in the Statement of Profit & Loss in the period in which it arises.
- c) Foreign Currency assets and liabilities at the year end are realigned at the exchange rate prevailing at the year end and the difference on realignment is recognized in the Statement of profit & Loss.
- d) Premium / Discount in respect of Forward contract are amortized as expense / income over the period of contract. Exchange difference arising on forward contracts between the exchange rate on the date of the transaction and the exchange rate prevailing at the year end is recognized in the Statement of Profit & Loss.

**vi) Revenue Recognition:**

- a) Revenue is generally recognized and expenditure is accounted for on their accrual except those with significant uncertainties.
- b) Revenue from Sale of goods is recognized when the risk and rewards of ownership are passed on to the customers.
- c) Profit / Loss on hedging transactions with Multi Commodity Exchanges are accounted on closure of every transaction. The Open transaction as at the Balance sheet date are Marked to Market and the resultant Profit / Loss is accounted.
- d) Revenue by way of Sales under the various "Gold Saving Schemes" are accounted as and when the subscribers complete their purchase transactions. The amounts received from the subscribers under the monthly schemes are shown as liability against the respective subscribers till the completion of the transactions.
- e) Insurance claims are accounted, as and when settled or received.
- f) Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

**vii) Taxes on Income:**

- a) Current Tax on income is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income tax act 1961, and based on the expected outcome of assessments/appeals.
- b) Deferred tax assets are recognized and carried forward to the extent that there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets on business loss and unabsorbed depreciation are recognized and carried forward to the extent that there is virtual certainty that sufficient taxable income will be available against which such deferred tax asset can be realised.
- c) Minimum Alternative Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

**viii) Employee Benefits:**

- a) Short-term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.
- b) Payments to defined contribution schemes are charged as expense as and when incurred.
- c) Post employment and other long term, benefits, which are defined benefit plans, are recognised as an expense in the Statement of Profit and Loss for the year in which the employee has rendered service. The expense is recognised based on the present value of the obligation determined in accordance with Accounting Standard 15 on "Employee Benefits". Actuarial gains & losses are charged to the Statement of Profit and Loss.
- d) Termination benefits are recognised as an expense, as and when incurred.

**ix) Borrowing Cost:**

- a) Interest and other related costs, including amortized costs of borrowings related to the project or acquisition of qualifying assets are capitalized as part of the respective assets. All the other borrowing costs are charged to revenue.
- b) A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale.

**x) Earnings per Share:**

- a) Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity Shareholders by the weighted average number of equity shares outstanding during the period.
- b) For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**xi) Provisions and Contingencies:**

- a) A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources would be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined.
- b) A disclosure for a contingent liability is also 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 provision or disclosure is made.

**xii) Leases :**

**a) Where the company is the lessee**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

**b) Where the company is the lessor**

Leases in which the company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Asset subject to operating leases are included in fixed assets. Lease income on an operating lease is recognised in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognised as an expense in the statement of profit and loss.

**xiii) Cash And Cash Equivalentents :**

Cash flow is reported using indirect method, whereby net profit before tax is adjusted for the effects of transaction of a non cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow comprises regular revenue generating, investing and financing activities of the company. Cash and cash equivalentents in the balance sheet comprise of cash at bank and in hand and short term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.



2.01 Share Capital

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Number	(₹ In Lakhs)	Number	(₹ In Lakhs)
<b>Authorised</b>				
Equity Shares of ₹ 10/- each	110.00	1,100.00	110.00	1,100.00
3% Redeemable Cumulative preference shares of ₹ 100/- each	1.00	100.00	1.00	100.00
	<b>111.00</b>	<b>1,200.00</b>	<b>111.00</b>	<b>1,200.00</b>
<b>Issued, Subscribed &amp; fully Paid up</b>				
Equity Shares of ₹ 10/- each	5.67	56.69	4.54	45.35
3% Redeemable Cumulative preference shares of ₹ 100/- each	0.90	90.00	0.90	90.00
	<b>6.57</b>	<b>146.69</b>	<b>5.44</b>	<b>135.35</b>

a) Reconciliation of the shares outstanding at the beginning and at end of the reporting period:

Equity Shares

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Number	(₹ In Lakhs)	Number	(₹ In Lakhs)
Shares outstanding at the beginning of the year	4.54	45.35	4.54	45.35
Add: Bonus shares Issued during the year	1.13	11.34	-	-
Shares outstanding at the end of the year	<b>5.67</b>	<b>56.69</b>	<b>4.54</b>	<b>45.35</b>

3% Redeemable Cumulative Preference Shares

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Number	(₹ In Lakhs)	Number	(₹ In Lakhs)
Shares outstanding at the beginning of the year	0.90	90.00	0.90	90.00
Add: Issued during the year	-	-	-	-
Less: Bought back during the year	-	-	-	-
Shares outstanding at the end of the year	<b>0.90</b>	<b>90.00</b>	<b>0.90</b>	<b>90.00</b>

b) Terms/rights attached to equity shares:

**Voting:**

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of Equity Shares is entitled to one vote per share.

**Dividend:**

The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting.

**Liquidation:**

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Terms/rights attached to Preference Shares:

- The Preference Shares are redeemable at par at any time after the expiry of 3 years from the date of issue i.e., 31-03-2014.
- The Preference Shareholders have voting rights only in respect of matters directly affecting the rights of Preference Shareholders.
- The Preference Shareholders have preference on the distribution of the dividend.

d) Details of Shareholder's holding more than 5% of Equity Shares:

Name of Shareholder	Equity Shares			
	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mr. T.K.Chandiran	219,894	38.79%	175,915	38.79%
M/s Space Textiles Private Limited	102,710	18.12%	82,168	18.12%
M/s The KTM Jewellery Limited	46,225	8.15%	36,980	8.15%

e) Details of Shareholder's holding more than 5% of Preference Shares:

Particulars	3% Redeemable Cumulative preference shares:			
	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mr. T.K.Chandiran	90,000	100%	90,000	100%

f) During the year 2018-19, The company has issued Bonus Shares in the ratio of 1:4 by capitalisation of Securities Premium. The total number of shares issued is 90,700 having face value of ₹ 10 each.

g) During the year 2021-22, The company has issued Bonus Shares in the ratio of 1:4 by capitalisation of Securities Premium. The total number of shares issued is 1,13,375 having face value of ₹ 10 each.

h) The Bonus shares issued during the year are not eligible for the dividend of FY 21-22

i) There are no shares which are held by the holding company/ultimate holding company

j) Promoter & Promoter group Shareholding :

(i) Equity Shares of ₹ 10/- each

For the year 2021-22

Shares held by promoters at the end of the year			% Change During the year
Promoters Name	No of Shares	% of no of shares	
Mr. T K Chandiran	219,893	38.79%	25.00%
M/s. Space Textiles Private Limited	102,710	18.12%	25.00%
M/s. The KTM Jewellery Limited	46,225	8.15%	25.00%
Mrs. Selvi	24,887	4.39%	25.00%
Mr. A C Vineethkumar	503	0.09%	4091.67%
Mr. D Ramachandran	15	0.00%	25.00%

For the year 2020-21

Shares held by promoters at the end of the year			% Change During the year
Promoters Name	No of Shares	% of no of shares	
Mr. T K Chandiran	175,915	38.79%	-
M/s. Space Textiles Private Limited	82,168	18.12%	-
M/s. The Ktm Jewellery Limited	36,980	8.15%	-
Mrs. Selvi	19,910	4.39%	-
Mr. A C Vineethkumar	12	0.00%	-
Mr. D Ramachandran	12	0.00%	-

(ii) 3% Redeemable Cumulative preference shares of ₹ 100/- each

For the year 2021-22

Shares held by promoters at the end of the year			% Change During the year
Promoters Name	No of Shares	% of no of shares	
T K Chandiran	90,000	100.00%	-

For the year 2020-21

Shares held by promoters at the end of the year			% Change During the year
Promoters Name	No of Shares	% of no of shares	
T K Chandiran	90,000	100.00%	-

Note: The Percentage change has been computed with respect to the number of shares held by Promotor and Promoter group at the beginning of the year.

2.02 Reserves and Surplus

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	(₹ In Lakhs)	(₹ In Lakhs)	(₹ In Lakhs)	(₹ In Lakhs)
<b>a. Securities Premium</b>				
Opening balance		886.71		886.71
Less: Utilised for Issue of Bonus Shares (Refer Note 2.01 (g))		11.34		-
Closing balance		875.37		886.71
<b>b. Surplus in the Statement of Profit &amp; Loss:</b>				
Opening Balance		951.62		931.25
Add : Profit for the year		119.08		45.75
		1,070.70		977.00
Less: Appropriations				
Dividend paid on Equity shares	22.68		22.68	
Dividend paid on Preference Shares	2.70	25.38	2.70	25.38
Closing Balance		1,045.32		951.62
Total (a+b)		1,920.69		1,838.33

### 2.03 Long Term Borrowings

Particulars	Non Current portion		Current maturities	
	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021
	(₹ In Lakhs)	(₹ In Lakhs)	(₹ In Lakhs)	(₹ In Lakhs)
<b>Secured</b>				
Term loans from Bank	303.09	184.08	131.35	47.00
	<b>303.09</b>	<b>184.08</b>	<b>131.35</b>	<b>47.00</b>

Terms of repayment and security details for loans are given below:

Sl. No.	Description	A/c No.	Installments	Maturity	As at 31st March, 2022	As at 31st March, 2021
1	HDFC Bank Limited - Term Loan 1	031LN0621043003	Monthly equal installment of ₹ 41,666	Feb-26	19.58	24.58
2	HDFC Bank Limited - Term Loan 2	031LN06210550001	Monthly equal installment of ₹ 2,50,000	Feb-26	117.50	147.50
3	HDFC Bank Limited - Term Loan 3	031LN06210650001	Monthly equal installment of ₹ 1,00,000	Feb-26	47.00	59.00
4	HDFC Bank Limited - Term Loan 3	031LN06210970001	Monthly equal installment of ₹ 7,02,881	Feb-26	250.35	-
	Total				434.44	231.08

#### Notes:

i. The Rate of Interest is 8.89% p.a.

#### ii. Primary Security:

Immovable Fixed Assets - Lien on land measuring 6.7 acres and hypothecation of 1 MW Photo-Voltaic Solar Plant situated at SF No. 73/A1, Uthamapalayam Village, Kangeyam Taluk, Tirupur

Plant and Machinery - Plant and Machinery funded out of Term Loans

Movable Fixed Assets - Exclusive charge on Movable Fixed Assets

#### iii. Collateral Security:

Non-Agricultural Land - Lien on 10 acres of property standing in the name of the promoters of the company situated at Thogaimalai, Near Karur District

### 2.04 Deferred Tax Liabilities (Net)

Particulars	As at 31st March, 2022	Charged / (reversed) during the year	As at 31st March, 2021
	(₹ In Lakhs)	(₹ In Lakhs)	(₹ In Lakhs)
<b>A. Deferred Tax Liabilities</b>			
- On fixed assets	458.46	56.97	401.49
	458.46	56.97	401.49
<b>B. Deferred Tax Assets</b>			
- On other Differences	52.90	14.72	38.18
	52.90	14.72	38.18
<b>Net Deferred Tax Liability (A-B)</b>	<b>405.56</b>	<b>42.25</b>	<b>363.31</b>

### 2.05 Long Term Provisions

Particulars	As at 31st March, 2022	As at 31st March, 2021
	(₹ In Lakhs)	(₹ In Lakhs)
Provision for Gratuity (Refer Note No 2.43)	7.78	4.89
	<b>7.78</b>	<b>4.89</b>

## 2.06 Short Term Borrowings

Particulars	As at 31st March, 2022	As at 31st March, 2021
	(₹ In Lakhs)	(₹ In Lakhs)
<b>I. Secured Loan</b>		
From Banks		
Current maturities of long-term debt	131.35	47.00
<b>II. Unsecured Loan</b>		
From Related Parties		
Loan from Directors	101.26	102.07
	<b>232.61</b>	<b>149.07</b>

## 2.07 Trade Payables

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	(₹ In Lakhs)	(₹ In Lakhs)	(₹ In Lakhs)	(₹ In Lakhs)
Dues to Micro & Small Enterprises ( Refer Note 2.31)		2.17		-
Dues to Creditors other than Micro & Small Enterprises				
- Dues to Related parties ( Refer note no.2.42)	1,756.17		23.78	
- Dues to Others	0.42	1,756.59	21.70	45.48
<b>Total</b>		<b>1,758.76</b>		<b>45.48</b>

### Trade Payables ageing schedule as on March 31,2022

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Micro & Small enterprises under MSME Act,2006	2.17	-	-	-	2.17
(ii) Others	1,756.40	0.19	-	-	1,756.59
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Total</b>					<b>1,758.76</b>

### Trade Payables ageing schedule as on March 31,2021

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Micro & Small enterprises under MSME Act,2006	-	-	-	-	-
(ii) Others	40.98	4.50	-	-	45.48
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Total</b>					<b>45.48</b>

**Note** - The Company has disclosed the suppliers who have registered themselves under " Micro, Small and Medium Enterprises Development Act,2006" to the extent they have confirmed, which has been relied upon by auditor.

## 2.08 Other Current Liabilities

Particulars	As at 31st March, 2022	As at 31st March, 2021
	(₹ in Lakhs)	(₹ in Lakhs)
(a) Interest accrued but not due	18.05	1.61
(b) Due to Related Parties (Refer note no. 2.42)	34.57	1.82
(c) Advance from Customers	150.74	-
(d) Accrued salaries and benefits	6.74	2.83
(e) Statutory dues payable	20.26	3.74
(f) Creditors for Capital Goods	148.77	421.94
(g) Expenses Payable	68.22	58.17
	<b>447.35</b>	<b>490.11</b>

## 2.09 Short Tem Provisions

Particulars	As at 31st March, 2022	As at 31st March, 2021
	(₹ in Lakhs)	(₹ in Lakhs)
- Provision for gratuity (Refer Note No 2.43)	0.38	0.28
	<b>0.38</b>	<b>0.28</b>



**KKV Agro Powers Limited**  
Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2022

**2.10 Property, Plant & Equipment and Intangible Assets**

**I. Property, Plant & Equipment and Intangible Assets**

Particulars	Gross Block				Depreciation			Net Block	
	As at 1st April, 2021	Additions	Deletions	As at 31st March, 2022	As at 1st April, 2021	For the Year	Withdrawn	As at 31st March, 2022	As at 31st March, 2022
<b>Property, Plant &amp; Equipment</b>									
Land	34.38	-	-	34.38	-	-	-	-	34.38
Building	13.50	-	-	13.50	7.28	1.21	-	8.49	5.01
Plant and Machinery	2,230.57	997.14	-	3,227.71	643.23	133.79	-	777.02	2,450.69
Furniture & Fittings	1.04	10.03	-	11.07	0.50	0.25	-	0.75	10.32
Motor Vehicles	37.77	4.45	-	42.22	29.85	4.64	-	34.49	7.73
Office Equipments	3.30	-	-	3.30	1.62	0.45	-	2.07	1.23
Computers	5.62	1.34	-	6.96	4.77	0.58	-	5.35	1.61
Electrical Fittings	6.08	-	-	6.08	3.19	6.08	-	3.77	2.31
<b>Total (A)</b>	<b>2,332.26</b>	<b>1,012.96</b>	-	<b>3,345.22</b>	<b>690.44</b>	<b>141.50</b>	-	<b>831.94</b>	<b>2,513.28</b>
<b>Intangible Assets</b>									
Intangibles	4.38	-	-	4.38	0.35	0.88	-	1.23	3.15
<b>Total (B)</b>	<b>4.38</b>	-	-	<b>4.38</b>	<b>0.35</b>	<b>0.88</b>	-	<b>1.23</b>	<b>3.15</b>
<b>Work in Progress</b>									
Solar Power Plant	430.40	566.74	997.14	-	-	-	-	-	-
Gold Purification Machine	-	61.44	-	61.44	-	-	-	-	61.44
Melting Machine	-	6.59	-	6.59	-	-	-	-	6.59
<b>Total (C)</b>	<b>430.40</b>	<b>634.77</b>	<b>997.14</b>	<b>68.03</b>	-	-	-	-	<b>68.03</b>
<b>Biological Assets</b>									
Livestock	1.71	-	-	1.71	-	-	-	-	1.71
<b>Total (D)</b>	<b>1.71</b>	-	-	<b>1.71</b>	-	-	-	-	<b>1.71</b>
<b>Grant Total (A+B+C+D)</b>	<b>2,768.75</b>	<b>1,647.73</b>	<b>997.14</b>	<b>3,419.34</b>	<b>690.79</b>	<b>142.38</b>	-	<b>833.17</b>	<b>2,586.17</b>

**II. a. Capital work-in-progress ageing as on 31.03.2022**

Particulars	Amount in CWIP for a period of			Total
	Less than 1 year	1-2 years	More than 3 years	
- Projects in progress	68.03	-	-	68.03
- Projects temporarily suspended	-	-	-	-

**b. Capital work-in-progress ageing as on 31.03.2021**

Particulars	Amount in CWIP for a period of			Total
	Less than 1 year	1-2 years	More than 3 years	
- Projects in progress	430.40	-	-	430.40
- Projects temporarily suspended	-	-	-	-

**III. Title Deeds of Immovable Property are held in the name of the company except as follows:**

Description of item of property	Gross carrying value as at 31.03.2022	Held in the name of	Whether title deed holder is a promoter, director or their relative or employee	Period Range	Reason for not being held in the name of the company (including Dispute)
Property, Plant & Equipment Land	28.77	Nachas Wind Energy Private Limited	No	07-08-2013 to Present	The same is held in the erstwhile name of the company



**KKV Agro Powers Limited**  
Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2022

**2.10 Property, Plant & Equipment and Intangible Assets**  
Previous year figures

**I. Property, Plant & Equipment and Intangible Assets**

Particulars	Gross Block			Depreciation			Net Block	
	As at 1st April, 2020	Additions	Deletions	As at 31st March, 2021	As at 1st April, 2020	For the Year	Withdrawn	As at 31st March, 2021
<b>Property, Plant &amp; Equipment</b>								
Land	28.77	5.61	-	34.38	-	-	-	34.38
Building	7.13	6.37	-	13.50	6.77	0.51	-	6.22
Plant and Machinery	2,230.40	0.17	-	2,230.57	532.63	110.60	-	1,587.34
Furniture & Fittings	0.58	0.46	-	1.04	0.44	0.06	-	0.54
Motor Vehicles	37.77	-	-	37.77	25.36	4.49	-	7.92
Office Equipments	3.02	0.28	-	3.30	1.14	0.47	-	1.68
Computers	5.30	0.32	-	5.62	4.39	0.38	-	0.85
Electrical Fittings	6.08	-	-	6.08	2.61	0.58	-	2.89
<b>Total (A)</b>	<b>2,319.05</b>	<b>13.21</b>	<b>-</b>	<b>2,332.26</b>	<b>573.34</b>	<b>117.08</b>	<b>-</b>	<b>1,641.83</b>
<b>Intangible Assets</b>								
Intangibles	0.18	4.20	-	4.38	0.05	0.30	-	4.03
<b>Total (B)</b>	<b>0.18</b>	<b>4.20</b>	<b>-</b>	<b>4.38</b>	<b>0.05</b>	<b>0.30</b>	<b>-</b>	<b>4.03</b>
<b>Work in Progress</b>								
Solar Power Plant	-	430.40	-	430.40	-	-	-	430.40
<b>Total (C)</b>	<b>-</b>	<b>430.40</b>	<b>-</b>	<b>430.40</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>430.40</b>
<b>Biological Assets</b>								
Livestock	-	1.71	-	1.71	-	-	-	1.71
<b>Total (D)</b>	<b>-</b>	<b>1.71</b>	<b>-</b>	<b>1.71</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.71</b>
<b>Grant Total (A+B+C+D)</b>	<b>2,319.23</b>	<b>449.52</b>	<b>-</b>	<b>2,768.75</b>	<b>573.39</b>	<b>117.38</b>	<b>-</b>	<b>2,077.97</b>



#### 2.11 Long Term Loans and Advances

Particulars	As at 31st March, 2022	As at 31st March, 2021
	(₹ in Lakhs)	(₹ in Lakhs)
Unsecured, considered good		
- Security Deposits	49.69	22.19
- MAT Credit Entitlement	262.34	266.02
- Advance for Income tax (Net of provisions)	19.84	9.09
	<b>331.87</b>	<b>297.30</b>

#### 2.12 Other Non-Current Assets

Particulars	As at 31st March, 2022	As at 31st March, 2021
	(₹ in Lakhs)	(₹ in Lakhs)
- Capital Advances	16.73	416.80
	<b>16.73</b>	<b>416.80</b>

#### 2.13 Current Investments

Particulars	As at 31st March, 2022	As at 31st March, 2021
	(₹ in Lakhs)	(₹ in Lakhs)
- Investments in Futures	11.18	-
	<b>11.18</b>	<b>-</b>

#### 2.14 Inventories

Particulars	As at 31st March, 2022	As at 31st March, 2021
	(₹ in Lakhs)	(₹ in Lakhs)
- Renewable Energy Certificate	0.01	0.07
- Textile Product	-	8.44
- Precious Metals	1,903.33	-
	<b>1,903.34</b>	<b>8.51</b>

Mode of Valuation of inventories are stated in Note 1(B)(iv) of significant accounting Policies

#### 2.15 Trade Receivables

Particulars	As at 31st March, 2022	As at 31st March, 2021
	(₹ in Lakhs)	(₹ in Lakhs)
a. Unsecured, Considered good	83.30	55.28
b. Unsecured, Considered doubtful	171.18	122.50
Less: Provision for Doubtful debts	(171.18)	(122.50)
	83.30	55.28
c. Receivables from Related Party	63.62	106.68
	<b>146.92</b>	<b>161.96</b>

**Trade receivables Ageing Schedule as at 31st March 2022**

Particulars	Outstanding for following periods from due date of payment					TOTAL
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
i) Undisputed Trade receivables - considered good	96.03	35.40	0.29	-	15.20	146.92
ii) Undisputed Trade receivables - considered doubtful	-	-	-	-	-	-
iii) Disputed Trade receivables - considered good	-	-	-	-	-	-
iv) Disputed Trade receivables - considered doubtful	43.68	40.73	66.58	20.19	-	171.18
						318.10
Less: Provision for Doubtful debts						(171.18)
Total						146.92

**Trade receivables Ageing Schedule as at 31st March 2021**

Particulars	Outstanding for following periods from due date of payment					TOTAL
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
i) Undisputed Trade receivables - considered good	126.09	20.67	-	-	15.20	161.96
ii) Undisputed Trade receivables - considered doubtful	-	-	-	-	-	-
iii) Disputed Trade receivables - considered good	-	-	-	-	-	-
iv) Disputed Trade receivables - considered doubtful	46.01	61.30	15.19	-	-	122.50
						284.46
Less: Provision for Doubtful debts						(122.50)
Total						161.96

**2.16 Cash and Cash Equivalents**

Particulars	As at 31st March, 2022	As at 31st March, 2021
	(₹ in Lakhs)	(₹ in Lakhs)
a) Balances with banks		
- In current accounts	35.38	52.83
- In term deposit accounts with maturity less than 3 months at inception	-	43.19
b) Cash on hand	1.76	0.32
c) In dividend account	-	-
	37.14	96.34
Of the above, the balances that meet the definition of cash and cash equivalents as per AS 3 cash flow statement is	37.14	96.34

**2.17 Bank Balance other than Cash and Cash Equivalents**

Particulars	As at 31st March, 2022	As at 31st March, 2021
	(₹ in Lakhs)	(₹ in Lakhs)
Balances with banks		
- In term deposit accounts with maturity more than 3 months but less than 12 months at inception	114.37	133.62
	114.37	133.62

**2.18 Short-Term Loans and Advances**

Particulars	As at 31st March, 2022	As at 31st March, 2021
	(₹ in Lakhs)	(₹ in Lakhs)
Unsecured, considered good		
- Balances with government authorities	49.76	4.26
- Staff advance	0.28	0.28
	50.04	4.54

**2.19 Other Current Assets**

Particulars	As at 31st March, 2022	As at 31st March, 2021
	(₹ in Lakhs)	(₹ in Lakhs)
Unsecured, considered good		
- Prepaid expenses	21.11	11.24
- Accrued Income/ Unbilled Revenue	1.94	0.55
- Advance for Expenses	2.10	2.09
	25.15	13.88



## 2.20 Revenue from Operations

Particulars	2021-22	2020-21
	(₹ in Lakhs)	(₹ in Lakhs)
<b>Revenue from operations</b>		
Sale of Electricity	625.06	532.74
Sales & Processing charges - Precious Metals	44,046.23	31,396.56
Sale of Textiles Products	13.59	24.17
<b>Other operating revenue</b>		
Sale of Renewable Energy Certificates	55.40	1.88
Sale of Agro Products	12.35	6.81
	<b>44,752.63</b>	<b>31,962.16</b>

## 2.21 Other Income

Particulars	2021-22	2020-21
	(₹ in Lakhs)	(₹ in Lakhs)
Interest Income	4.87	3.51
Other Income & Discount received	6.47	-
No Longer Payable written back	-	0.13
	<b>11.34</b>	<b>3.64</b>

## 2.22 Cost of materials consumed

Particulars	2021-22	2020-21
	(₹ in Lakhs)	(₹ in Lakhs)
Opening Stock of Raw Materials	-	16.91
Add: Purchases of Gold & Silver Bullion	-	31,357.69
Add: Freight Charges	-	0.61
	<b>-</b>	<b>31,375.21</b>

## 2.23 Purchase of Stock-In-Trade

Particulars	2021-22	2020-21
	(₹ in Lakhs)	(₹ in Lakhs)
Textile Purchase	2.06	23.46
Purchase Gold Bullion	38,597.58	-
Purchase Silver Bullion	328.94	-
Purchase- Silver Articles	24.89	-
Purchase-Diamonds	3.59	-
Purchase-Gold Ornaments	6,377.50	-
Purchase-Platinum Ornaments	1.82	-
Purchase-Silver Ornaments	279.98	-
	<b>45,616.36</b>	<b>23.46</b>

### Details of Components Purchased (PY Consumption):

Particulars	2021-22		2020-21	
	% of Consumption	(₹ in Lakhs)	% of Consumption	(₹ in Lakhs)
Indigenous	100%	45,616.36	100%	31,398.67
Imports	-	-	-	-
	<b>100%</b>	<b>45,616.36</b>	<b>100%</b>	<b>31,398.67</b>

## 2.24 Changes in Inventories

### Inventory at the end of the year

Particulars	2021-22	2020-21
	(₹ in Lakhs)	(₹ in Lakhs)
Renewable Energy Certificates	0.01	0.07
Textile	-	8.44
Jewellery	1,903.33	-
	<b>1,903.34</b>	<b>8.51</b>
<b>Inventory at the beginning of the year</b>		
Renewable Energy Certificates	0.07	0.02
Textile	8.44	-
Jewellery	-	-
	<b>8.51</b>	<b>0.02</b>
<b>(Increase)/decrease in Inventories</b>	<b>(1,894.83)</b>	<b>(8.49)</b>

## 2.25 Power Generation Expenses

Particulars	2021-22	2020-21
	(₹ in Lakhs)	(₹ in Lakhs)
Transmission & Wheeling Charges	67.12	53.05
Operation & Maintenance Charges	15.96	14.98
Self Generation Tax	9.50	8.98
System Operating Charges	3.43	2.93
Other Operating expenses	37.00	27.58
REC Application & Trading Fees	0.86	0.09
	<b>133.86</b>	<b>107.61</b>

## 2.26 Manufacturing Expenses

Particulars	2021-22	2020-21
	(₹ in Lakhs)	(₹ in Lakhs)
Making Charges	-	8.99
	-	8.99

## 2.27 Employee benefits expenses

Particulars	2021-22	2020-21
	(₹ in Lakhs)	(₹ in Lakhs)
Salaries, Wages & Bonus	67.42	31.30
Director's Remuneration	46.32	36.50
Provident & Other Funds	3.64	1.21
Gratuity Expenses	3.00	1.45
Staff welfare expenses	3.15	0.97
	<b>123.53</b>	<b>71.43</b>

## 2.28 Finance Costs

Particulars	2021-22	2020-21
	(₹ in Lakhs)	(₹ in Lakhs)
Interest on HDFC Loan	14.96	1.88
Interest on Gold Metal Loan (ICICI Bank)	-	4.16
Interest on Loans from Related Party	88.81	-
	<b>103.77</b>	<b>6.04</b>

## 2.29 Other Expenses

Particulars	2021-22	2020-21
	(₹ in Lakhs)	(₹ in Lakhs)
Auditor's Remuneration (See Note below)	8.18	4.52
Purification Expenses & Stores and Consumables	-	0.79
Agriculture Expenses	4.38	5.94
Contract payments Charges	8.48	5.88
Advertisement Expenses	38.49	-
Power & Fuel	2.51	-
Repair & Maintenance		
- Plant & Machinery	105.98	97.95
- Vehicles	0.04	0.19
- Others	0.96	2.12
Professional Charges	5.89	5.99
Insurance	8.44	7.96
Rent	30.11	0.82
Royalty Expenses	4.48	6.38
Travelling Expenses	0.99	0.43
Donation	0.65	-
Rates & taxes	8.31	6.37
Sales Promotion Expenses	8.16	0.17
Provision for Doubtful Debts	48.68	40.73
Directors' Sitting Fee	0.35	0.20
Foreign Exchange fluctuation loss	14.46	6.47
Loss on hedging / Futures	18.84	-
Other Administrative Expenses	18.36	9.42
	<b>336.74</b>	<b>202.33</b>

### Note: Payments to Statutory Auditors (Exclusive of GST):

	2021-22	2020-21
	(₹ in Lakhs)	(₹ in Lakhs)
(a) As Auditor		
- Statutory Audit	5.50	3.60
- Tax Audit	2.00	0.92
(b) For Taxation Services	0.50	-
(b) For reimbursement of expenses	0.18	-
	<b>8.18</b>	<b>4.52</b>



## 2.30 Earnings per share:

Particulars	2021-22	2020-21
	(₹ in Lakhs)	(₹ in Lakhs)
Profit After Tax	119.08	45.75
Less : Preference Dividend	2.70	2.70
Net profit for the period attributable to equity shareholders	116.38	43.05
Equity Shares of Rs. 10 each (Nos)	5.67	4.54
Weighted Average No. of Shares Outstanding (Restated consequent to bonus issue)	5.67	5.67
<b>Earnings Per Share (Basic &amp; Diluted) (in Rs.)</b>	<b>20.53</b>	<b>7.59</b>

## 2.31 Disclosure relating to suppliers registered under Micro, Small and Medium Enterprise Development Act, 2006:

Particulars	2021-22	2020-21
	(₹ in Lakhs)	(₹ in Lakhs)
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year included in:		
Principal amount due to micro, small and medium enterprises	2.17	-
Principal amount due to medium enterprises	-	-
Interest due on above	-	-
<b>Total</b>	<b>2.17</b>	<b>-</b>
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond appointed day.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointment day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
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 for the purpose of disallowance as a deductible under section 23 of the MSMED Act, 2006.	-	-

## 2.32 Earnings &amp; Expenditures in Foreign Currency:

Particulars	2021-22	2020-21
	(₹ in Lakhs)	(₹ in Lakhs)
(a) Earnings in foreign currency	Nil	Nil
(b) (i) Revenue expenditure in Foreign Currency	-	-
(ii) Capital expenditure in Foreign Currency	61.44	430.40

## 2.33 Commitments and Contingent Liabilities:

Particulars	2021-22	2020-21
	(₹ in Lakhs)	(₹ in Lakhs)
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	50.00
Dividend on Cumulative Preference Shares	2.70	2.70

2.34 **DETAILS OF AP TRANSCO LEGAL DISPUTE -**

The Andhra Pradesh government on July 1, 2019 had directed a high-level committee to renegotiate Power Purchase Agreements (PPAs) and submit report to the state in 45 days. Later, on July 12, 2019 the Southern Andhra Power Distribution Company sent letters to 139 power plants asking them to revise tariff from Rs. 4.25 to Rs. 2.43/2.44 retrospectively. Total of 82 companies through Indian Wind Power Association which includes KKV Agro Powers Ltd filed a writ petition with High Court of Andhra Pradesh at Amravati on July 25, 2019 seeking renegotiation of wind power rates by Andhra Pradesh government. The High Court passed Order on September 24, 2019 dismissing the writ petition in favour of the Andhra Pradesh Government. The High Court also agreed with the State Government making an interim payment at Rs. 2.43 to 2.44 per Unit. In Sep 2019 the India Wind Power Association has further applied to APERC (Andhra Pradesh Electricity Regulatory Commission) for further review of the Power Purchase Agreements (PPAs). Pending such review the balance outstanding as on 31.03.2022 aggregating to Rs.150.99 Lakhs, representing the differential tariff between the amount claimed and the amount settled by AP TRANSCO (Previous year Rs. 170.31 Lakhs) has been provided as Provision for Bad & Doubtful Debts in the books of accounts.

2.35 In view of prudence/on account of the absence of the certainty of MAT credit utilisation, MAT credit for the year amounting to Rs. 28.84 Lakhs, has not been recognised.

2.36 Inventory includes Stock of Precious Metals (Bullion, Gold Ornaments, Silver Ornaments), Stock of Khadi textiles and Renewable Energy Certificates (REC) held for sale and which are valued at Cost or Net realisable value whichever is lower.

2.37 The Company does not meet any of the criteria as specified in section 135 of the companies act, 2013 in relation to Corporate social responsibility.

2.38 The Board of Directors, at their meeting held on 26th May, 2022 recommended a Equity dividend of Rs.5/- per equity share and a Preference dividend of 3% on the Face value of Rs. 90/- Lakhs for the year ended March 31, 2022, subject to approval of shareholders.

2.39 **Disclosure for raw materials, purchased goods and finished goods under broad heads**

Particulars	2021-22	2020-21
	(₹ in Lakhs)	(₹ in Lakhs)
<b>i) Sale of Products</b>		
<b>A. Manufactured/produced Goods</b>		
a) Sales & Processing Charges - Precious Metal	-	31,396.55
b) Sale of Electricity	625.06	532.74
<b>B. Traded Goods</b>		
a) Sale of Precious Metal	44,046.23	-
b) Sale of Textiles Products	13.59	24.17
c) Sale of Agro Products	12.35	6.81
d) Other Operating Revenue	55.40	1.88
	<b>44,752.63</b>	<b>31,962.15</b>
<b>ii) Purchase of Traded Goods / Cost of Materials Consumption</b>		
a) Consumption of Raw materials	-	31,375.21
b) Purchase of Precious Metal	45,614.30	-
c) Textile Products	2.06	23.46
	<b>45,616.36</b>	<b>31,398.67</b>
<b>iii) Closing Inventory</b>		
Finished Goods		
- Precious Metals	1,903.33	-
- Renewable Energy Certificate	0.01	0.07
- Textile Products	-	8.44
	<b>1,903.34</b>	<b>8.51</b>
<b>iv) Opening Inventory</b>		
Finished Goods		
- Precious Metals	-	16.90
- Renewable Energy Certificate	0.07	0.02
- Textile Products	8.44	-
	<b>8.51</b>	<b>16.92</b>
<b>v) Total value of all imported materials, spare parts and components purchased during the financial year (PY consumption) and the total value of all</b>		
Indigenous (Rs.)	45,616.36	31,398.67
(%)	100%	100%
Imported (Rs.)	-	-
(%)	-	-
<b>Total</b>	<b>45,616.36</b>	<b>31,398.67</b>

2.40 **Disclosure as required under section 186(4) of the Companies Act, 2013**  
Loans given and Guarantees furnished by the company: Nil (Previous year: Nil).

2.41 **Disclosure requirements under regulation 53(f) of SEBI (Listing Obligation Disclosure Requirement) regulation, 2015 - Nil (Previous Year - Nil).**

2.42 (i) List of Related Parties with whom transactions have taken place during the year FY 2021 - 22 and FY 2020 - 21 and relationship. (As identified by the management and relied upon by Auditors).

(a) Holding Company:

NIL

(b) Key Management Personnel:

- Mr. T.K.Chandiran
- Ms.C.Selvi
- Mr. A C Vineeth

(c) Others: (Relatives & Enterprise over which Key Management Personnel are able to exercise significant influence).

- The KTM Jewellery Limited
- Space Textiles Private Limited
- SCM Global Brands Private Limited
- The Madras Silks India Private Limited
- Gajaanandha Jewellery Maart Private Limited
- Gajaananda Jewellery Maart India Private Limited
- KKV gold N retail Limited
- SCM Garments Private Limited
- Shivam Traders
- Swathi Traders
- KKV Chakra Limited
- Chennai Silks Firm
- TCS Textile & Apparel India (P) Ltd
- KKV Golden Jubilee Foundation
- Mr.Vinayagam
- SCM Creations

(ii) Related Party Transactions:

(₹ in Lakhs)

Nature of Transactions	2021-22		2020-21	
	Key Management Personnel	Other Related Parties	Key Management Personnel	Other Related Parties
Sale of Power	-	523.07	-	437.64
Sales of bullion	-	29,458.54	-	30,417.52
Sale of Jewellery	-	3,516.73	-	-
Sale of Agro Products	-	2.52	-	3.88
Sale of Textile Products	-	13.59	-	21.71
Purchases of Bullion	-	974.61	-	49.93
Purchase of Jewellery	-	6,260.86	-	-
Advertisement expenses	-	27.60	-	-
Contract charges paid	-	8.08	-	5.88
Director's Remuneration	46.33	-	36.50	-
Preference Dividend	2.70	-	2.70	-
Equity Dividend	9.81	5.96	9.79	5.96
Reimbursement of expenses by/for (Net)	-	128.79	-	155.13
Royalty payment	-	4.48	-	6.38
Rent Paid	-	24.84	-	1.54
<b>Dues from / (to) Related Parties</b>				
<b>Opening balance</b>				
Dues from Related Parties	-	106.68	-	144.64
Loans from Directors	(102.08)	-	(84.03)	-
Dues to Related Parties	-	(25.60)	-	(25.56)
<b>Closing balance</b>				
Dues from Related Parties	-	63.62	-	106.68
Loans from Directors	(101.26)	-	(102.08)	-
Dues to Related Parties	-	(1,790.74)	-	(25.60)

2.43 Disclosure under Accounting Standard 15:

Description of the Company's defined benefit plan:

The Company operates a defined benefit plan for payment of post employment benefits in the form of gratuity. Benefits under the plan are based on pay and years of service and vested on completion of five years of service, as provided in the Payment of Gratuity Act, 1972. The terms of benefits are common for all the employees of the company.

Particulars	2021-22	2020-21
	(₹ in Lakhs)	(₹ in Lakhs)
<b>Principal actuarial assumptions used on balance sheet date:</b>		
Discount Rate	7.47%	7.06%
Salary escalation rate	6.00%	6.00%
Attrition Rate	5.00%	5.00%
Expected rate of return on plan Assets	0.00%	0.00%
Mortality	Indian Assured Lives Mortality (2012-14) Ultimate	
<b>Changes in the present value of the obligation:</b>		
Present Value of Obligations as at the beginning of the period	5.17	3.71
Interest cost	0.36	0.26
Current service cost	1.33	0.38
Benefits paid	-	-
Actuarial (Gains) / Loss on obligation	1.30	0.82
Present Value of Obligations as at the end of the period	8.16	5.17
	-	-
<b>Changes in the fair value of plan assets:</b>		
Fair value of plan assets as at the beginning of the period	-	-
Expected return on plan assets	-	-
Contributions	-	-
Benefits paid	-	-
Actuarial Gain/ (Loss) on plan assets	-	-
Fair value of plan assets as at the end of the period	-	-
<b>Amounts recognised in the balance sheet:</b>		
Present value of the obligation	8.16	5.17
Fair value of plan assets	-	-
(Asset)/Liability	8.16	5.17
Net (Asset)/Liability recognised in the balance sheet	8.16	5.17
<b>Expense recognised in the statement of profit and loss :</b>		
Current service cost	1.33	0.38
Interest cost	0.36	0.26
Expected return on plan assets	-	-
Net actuarial (gain)/ loss recognised in the year	1.30	0.82
Past service cost-vested benefits	-	-
Expenses recognised in the statement of profit and loss	3.00	1.45

Disclosure requirement pursuant to Para 120(n) of AS-15 :	(₹ in Lakhs)				
	2021-22	2020-21	2019-20	2018-19	2017-18
Present value of the obligation	8.16	5.17	3.71	2.88	2.02
Plan assets	-	-	-	-	-
Surplus/(Deficit) in plan assets	(8.16)	(5.17)	(3.71)	(2.88)	(2.02)
The experience adjustments on plan liabilities	1.51	0.90	(0.79)	0.09	(0.01)
The experience adjustments on plan assets	-	-	-	-	-

2.44 Operating Leases:

**Future lease payments:**

Minimum lease payments upto the end of lease	(₹ in Lakhs)	
	2021-22	2020-21
- Not later than one year	2.06	1.98
- Later than one year and not later than five years	4.86	4.56
- Later than five years	3.10	2.41

2.45 **Segment Information:**

The Company operates under Three segments viz. Business of generation and sale of electricity; Sale of Precious Metals and Sale of Textile Products (grouped under Others Unallocated).

Particulars	(₹ in Lakhs)	
	2021-22	2020-21
<b>1 Segment revenue</b>		
Energy Generation	686.94	535.11
Jewellery Business	44,051.10	31,399.71
Others Unallocated	25.93	30.98
<b>Net Sales/income from operation</b>	<b>44,763.97</b>	<b>31,965.80</b>
<b>2 Segment Expenditure</b>		
Energy Generation	469.19	443.35
Jewellery Business	44,015.69	31,390.10
Others Unallocated	8.21	23.11
<b>Total Expenditure</b>	<b>44,493.09</b>	<b>31,856.56</b>
<b>3 Segment Results</b>		
Energy Generation	217.75	91.76
Jewellery Business	35.41	9.61
Others Unallocated	17.73	7.88
<b>Total Segment Profit before Tax</b>	<b>270.89</b>	<b>109.25</b>
Other Unallocated Expenditure ( Net of Income)	68.75	47.41
Profit Before Tax	202.15	61.84
Less: Tax Expenses	(83.07)	(16.08)
<b>Profit after Tax</b>	<b>119.08</b>	<b>45.75</b>
<b>4 Segment Assets</b>		
Energy Generation	2,650.10	2,692.62
Jewellery Business	2,287.72	225.76
Others Unallocated	285.10	292.52
<b>Total Assets</b>	<b>5,222.92</b>	<b>3,210.90</b>
<b>5 Segment liabilities</b>		
Energy Generation	2,850.80	847.25
Jewellery Business	303.07	5.44
Others Unallocated	1.67	384.54
<b>Total Liabilities</b>	<b>3,155.54</b>	<b>1,237.23</b>
<b>6 Capital expenditure</b>		
Energy Generation	566.74	442.38
Jewellery Business	83.85	5.13
Others Unallocated	-	2.00
	<b>650.59</b>	<b>449.51</b>

**KKV Agro Powers Limited**

Notes to Financial Statements for the year ended 31st March 2022

**2.46 Ratio analysis and its elements**

S. No.	Ratios	Numerator	Denominator	March 31, 2022	March 31, 2021	% Change	Reason for Variance
1	Current Ratio	Current Assets	Current Liabilities	0.94	0.61	54.10	New Retail Venture started during the year in Cumbam, hence there is a increase in Variance.
2	Debt Equity Ratio	Total Debt	Shareholders fund	0.26	0.17	53.50	New Retail Venture started during the year in Cumbam, hence there is a increase in Variance.
3	Debt Service Coverage Ratio	Earnings available for debt services = Net Profit after taxes + Depreciation and Amortisation expenses+Interest	Debt Service = Interest+principal repayment of term loans (Excluding prepayments)	1.67	0.25	562.80	New Retail Venture started during the year in Cumbam, hence there is a increase in Variance.
4	Return on Equity Ratio	Net profit after taxes - Preference dividend	Average Shareholders' Equity	0.06	0.02	162.33	New Retail Venture started during the year in Cumbam, hence there is a increase in Variance.
5	Inventory Turnover Ratio	Net Sales	Average Inventory	46.82	7,499.63	(99.38)	New Retail Venture started during the year in Cumbam, hence there is a increase in Variance.
6	Trade Receivables turnover Ratio	Net Sales	Average Trade receivables	217.01	180.65	20.13	Not Applicable
7	Trade payables turnover Ratio	Cost of Materials Consumed+Purchases of Stock-in-Trade+Change in Inventory	Average Trade Payables	8.02	2.13	275.73	New Retail Venture started during the year in Cumbam, hence there is a increase in Variance.
8	Working capital turnover Ratio	Net Sales	Working capital = Current Assets - Current Liabilites(Excluding current maturities of Long term borrowings)	(2,282.04)	(145.88)	1,464.33	New Retail Venture started during the year in Cumbam, hence there is a increase in Variance.
9	Net Profit Ratio	Profit after taxes	Net Sales	0.003	0.001	85.88	New Retail Venture started during the year in Cumbam, hence there is a increase in Variance.
10	Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Networth+Total debt+ Deferred Tax Liabilities	0.10	0.03	233.33	New Retail Venture started during the year in Cumbam, hence there is a increase in Variance.
11	Return on Investment	Interest (Finance Income)	Average Investments	-	-	-	Not Applicable

**2.47 Additional Disclosure relating to Schedule III Amendment of Companies Act 2013**

**(i) Details of Benami Property:**

No proceedings have been initiated or are pending against the company for holding any Benami Property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

**(ii) Utilisation of borrowed funds and share Premium:**

A The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the intermediary shall:

- a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by
- b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

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:

- a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- b) Provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

(iii) **Undisclosed Income:**

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961 that has not been recorded in the books of accounts.

(iv) **Details of crypto currency or virtual currency:**

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(v) **Valuation of Property, Plant & Equipment, intangible asset and investment property**

The Company has not revalued its property, plant and equipment or intangible assets or both during the current or previous year.

(vi) **Loans to Related Parties and others:**

The Company had not granted any loans or advances in the nature of loans to promoters, directors, KMP's and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person that:

- a) are repayable on demand or
- b) without specifying any terms or period of repayment.

(vii) **Struck off Companies:**

The Company has not entered into any transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956

(viii) **Wilful Defaulter:**

The Company has not been declared as a wilful defaulter by any bank or financial institution

(ix) The Company does not have any charges or satisfaction which is yet to be register with Registrar of Companies (ROC) beyond the statutory period.

2.48 Income tax assessment has been provisionally completed upto the AY 2019-20.

2.49 In the opinion of the management, the current assets and loans and advances as stated in the Balance Sheet will realize to the extent stated therein.

2.50 Balances in parties' accounts are subject to confirmation and reconciliation, if any. Appropriate adjustments will be made as and when the balances are reconciled.

2.51 Previous year's figures have been regrouped, reclassified and rearranged wherever necessary to conform to the current years classification including those as required consequent to amendments in Schedule III.

2.52 All Figures are in Lakhs unless otherwise stated.

As per our report of even date attached  
**For VKS Aiyer & Co.**  
Chartered Accountants  
ICAI Firm Registration No. 000066S

**For and on behalf of the Board of Directors**

-SD-  
**C S Sathyanarayanan**  
Partner  
Membership No. 028328

-SD-  
**T.K.Chandiran**  
Managing Director  
DIN:00031091

-SD-  
**C.Selvi**  
Director  
DIN:00032962

Place : Coimbatore  
Date : 26-05-2022

-SD-  
**C.Arun Kumar**  
Chief Financial Officer

-SD-  
**Ankita.N.Raichura**  
Company Secretary  
M. No. A66779