

**Ref: KKVAPL/NSE/010/2021-22**

**Date: 30.08.2021  
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 9<sup>th</sup> Annual General Meeting and Annual Report of the  
Company for the Financial Year 2020 - 2021**

This is to intimate you that the 9<sup>th</sup> Annual General Meeting of Members of the Company is scheduled to be held on Thursday, the 23<sup>rd</sup> day of September, 2021 at 11:00 AM through Video Conferencing / Other Audio Visual Means as facilitated by National Securities Depository Limited (NSDL) 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 2020 - 2021 sent to the Shareholders along with the Notice of the Annual General Meeting is enclosed herewith this intimation.

Copies of the Notice of 9<sup>th</sup> AGM and Annual Report for FY 2020 - 2021 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**



**T.K. Chandiran  
Managing Director**



•2020 - 2021•

# 9<sup>TH</sup> ANNUAL REPORT

Registeres office: Vivagaa Building,  
NO.637,OPPPANAKARA STREET,  
COIMBATORE-64101

WEBSITE: [WWW.KKVAGROPOWERS.COM](http://WWW.KKVAGROPOWERS.COM)

EMAIL: [CS@KKVAGROPOWERS.COM](mailto:CS@KKVAGROPOWERS.COM)

INVESTOR GRIEVANCE-EMAIL: [SMEIPO@KKVAGROPOWERS.COM](mailto:SMEIPO@KKVAGROPOWERS.COM)

TELEPHONE: 0422-2303880

**KKV AGRO POWERS LIMITED**  
(CIN:L40108TZ201PLC018332)

## **KKV AGRO POWERS LIMITED**

Registered Office: Vivagaa Building

No. 637, Oppanakara Street, Coimbatore - 641 001

E-Mail: [cs@kkvagropowers.com](mailto:cs@kkvagropowers.com), Website: [www.kkvagropowers.com](http://www.kkvagropowers.com)

Tel No: +91 422-2303880, Fax No.: +91 422-2303881

CIN: L40108TZ2012PLC018332

### **NOTICE TO SHAREHOLDERS**

**Notice** is hereby given that the 9<sup>th</sup> Annual General Meeting of the Members of M/s. KKV Agro Powers Limited (CIN: L40108TZ2012PLC018332) will be held on Thursday, the 23<sup>rd</sup> day of September, 2021 at 11:00 A.M through Video Conferencing / Other Audio Visual Means to transact the following business. The venue of the meeting shall be deemed to be the Registered Office of the Company situated at Vivagaa Building No. 637, Oppanakara Street, Coimbatore - 641 001

#### **ORDINARY BUSINESS:**

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March 2021 together with the Directors' Report and Auditors' Report thereon.
2. To declare Dividend for the year ended 31<sup>st</sup> March, 2021.
3. To appoint a Director in the place of Mrs. Selvi (DIN: 00032962), who retires by rotation and being eligible, offers herself for re-appointment.

#### **SPECIAL BUSINESS:**

##### **4. Issue of Bonus Shares**

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

**RESOLVED THAT** in accordance with Section 63 and other applicable provisions of the Companies Act, 2013 read with Rule 14 of the Companies (Share Capital & Debentures) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Securities and Exchange Board of India ("SEBI") (Issue of Capital and Disclosure Requirements) Regulations, 2018, the 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 other applicable regulations, rules and guidelines issued by SEBI, the enabling provisions of the Articles of Association of the Company and subject to such approvals, consents and permissions as may be necessary from appropriate authorities and subject to such terms and modifications, if any, as may be specified while according such approvals and subject to acceptance of such conditions or modifications by the Board of Directors, the approval of the shareholders of the Company be and is hereby accorded for issue of Bonus Shares 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 them by Capitalizing a sum of Rs.11,33,750/- out of Securities Premium Reserve of the Company, to be allotted and distributed as FULLY PAID BONUS SHARES to the

equity shareholders of the Company, whose names appear in the Register of Members maintained by the Company on 'Record Date as may be determined by the Board for this purpose.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to accept and agree to the terms and conditions, if any required, as may be prescribed or stipulated by the authorities concerned for issue of Bonus Shares which the Board may, in its absolute discretion, think fit and proper to accept.

**RESOLVED FURTHER THAT** the Bonus Shares so allotted as above are subject to the Memorandum and Articles of Association of the Company and shall rank in all respects pari-passu with the existing equity shares of the Company, save and except that they shall not be entitled to any dividend in respect of any financial year up to and including 31<sup>st</sup> March 2021.

**RESOLVED FURTHER THAT** no Allotment Letter shall be issued to the allottees of Bonus Shares, with regard to the shares held in dematerialized form, the Bonus Shares will be credited to the respective demat account of the holders.

**RESOLVED FURTHER THAT** the said Bonus Shares shall be treated for all purpose as an increase in nominal amount of the Capital of the Company held by each such Member.

**RESOLVED FURTHER THAT** no fractions arising out of the issue and allotment of the Bonus Shares shall be allotted by the Company and the Company shall not issue any certificate or coupon in respect thereof but all such fractional entitlements shall be consolidated and the Bonus Shares, in lieu thereof, shall be allotted by the Board to nominees appointed by the Board, who shall hold the same as trustees for the Members entitled thereto, and sell the said Shares so arising at the prevailing market rate and pay to the Company the net sale proceeds thereof, after adjusting there from the cost and expenses in respect of such sale, for distribution to Members in proportion to their fractional entitlements.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take necessary steps for listing of the Bonus Shares on the Stock Exchanges where the Equity Shares of the Company are listed, in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable Rules and Regulations.

**RESOLVED FURTHER THAT** subject to the conditions of the consent or approval of such authorities as may be required to be obtained, the Board of Directors be and are hereby authorized to settle any question or difficulty whatsoever which may arise in regard to the issue and allotment of the aforesaid Bonus Shares.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things and to give such directions as may be necessary, proper, expedient and desirable in this regard.

#### **5. Re-appointment of Mr. T.K.Chandiran (DIN : 00031091) as Managing Director of the Company**

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

**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, read with Schedule V of the Companies Act, 2013 ('Act') and rules made thereunder (including any



statutory modification or re-enactment thereof for the time being in force) and based on the recommendation of Nomination and Remuneration Committee, the approval of the members be and is hereby accorded to re-appoint Mr. T.K.Chandiran (DIN : 00031091) as Managing Director of the Company for a further period of three years with effect from 03.04.2021 with the following remuneration:

a) Remuneration - Rs.2,50,000 p.m.

b) Aforesaid Remuneration includes perquisites like HRA, Medical Reimbursement, LTA for self and Family, Entertainment Expenditure reimbursement etc. in accordance with the policy of the Company. Perquisites shall be evaluated as per the income tax rules wherever applicable.

c) Company's contribution to Provident Fund and Superannuation Fund as per policy of the Company, to the extent these, either singly or together are not taxable under the Income Tax Act, 1961 shall not be included in the computation of the ceiling on remuneration or perquisites. Gratuity payable shall not exceed half a month's salary for each completed year of service. Managing Director is entitled to encashment of leave at the end of tenure, which shall not be included in the computation of the ceiling on remuneration or perquisites.

d) Provision of a company's car with driver for use on Company's business and telephone facility at his residence will not be considered as perquisites. Personal long distance calls on telephone and use of the car for private purposes shall be billed by the Company to the Managing Director.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to alter the components and elements of remuneration payable to Mr. T.K.Chandiran within the overall limits specified under the Companies Act, 2013 and to do all such acts, deeds and things and execute all such documents, instruments and forms as may be required and to give effect to this resolution.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things and to give such directions as may be necessary, proper, expedient and desirable in this regard.

#### **6. Re-appointment of Mrs. C. Selvi (DIN : 00032962) as a Whole-Time Director of the Company**

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

**RESOLVED THAT** pursuant to the provisions of Sections 196, 197 and other applicable provisions, if any, read with Schedule V of the Companies Act, 2013 ('Act') and rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force) and based on the recommendation of Nomination and Remuneration Committee, the approval of the members be and is hereby accorded to re-appoint Mrs. C. Selvi (DIN : 00032962) as a Whole-Time Director of the Company for a further period of three years with effect from 03.04.2021 at a remuneration of Rs.9,00,000/- per annum.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to alter the components and elements of remuneration payable to Mrs. Selvi within the overall limits specified under the

Companies Act, 2013 and to do all such acts, deeds and things and execute all such documents, instruments and forms as may be required and to give effect to this resolution.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things and to give such directions as may be necessary, proper, expedient and desirable in this regard.

#### **7. Approval for fixing limit under Section 186 of the Companies Act, 2013**

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

**RESOLVED THAT** pursuant to the provisions of Section 186 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder (including any statutory modifications or re-enactments thereof for the time being in force), the approval of the shareholders of the Company be and is hereby accorded, to (a) give any loan to anybody corporate(s) / person (s); (b) give any guarantee or provide security in connection with a loan to anybody corporate(s) / person (s); and (c) acquire by way of subscription, purchase or otherwise, securities of anybody corporate from time to time in one or more tranches as the Board of Directors as in their absolute discretion deem beneficial and in the interest of the Company, subject however that the aggregate of the loans and investments so far made, if any, in and the amount for which guarantees or securities have so far been provided, if any, to all persons or bodies corporate along with the additional investments, loans, guarantees or securities proposed to be made or given or provided by the Company, from time to time, in future, shall not exceed a sum of Rs.100/- Crore over and above the limit of 60% of the paid-up share capital, free reserves and securities premium account of the Company or 100% of free reserves and securities premium account of the Company, whichever is more, as prescribed under Section 186 of the Companies Act, 2013.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things and to give such directions as may be necessary, proper, expedient and desirable in this regard.

#### **8. Ratification of Related Party Transaction**

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

**RESOLVED THAT** pursuant to Section 188 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Meetings of Board & its Powers) Rules, 2014, as amended from time to time, the transaction entered into by the Company with Related Party during the financial year 2020-2021 as detailed in the explanatory statement annexed to this notice be and is hereby ratified.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things and to give such directions as may be necessary, proper, expedient and desirable in this regard.

Coimbatore

Date: 21.08.2021

By order of the Board

sd/-

T.K. Chandiran

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 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 9<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. 23 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.
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@kkvagropowers.com](mailto:cs@kkvagropowers.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 2021 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 2020-2021, is available on the website of the Company at [www.kkvagropowers.com](http://www.kkvagropowers.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.
7. Any member who needs any clarification on accounts or operations of the Company shall write to the Ms. Ankita.N.Raichura, Secretarial 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@kkvagropowers.com](mailto:cs@kkvagropowers.com).
15. The Company has fixed 16.09.2021 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, 2021.
16. The Company has fixed 23.09.2021 as the Record date for Issue of Bonus share.
17. The payment of final dividend, if any, upon declaration by the Members at the forthcoming Annual General Meeting, will be made within a period of 30 days of declaration.
18. 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.
19. The particulars recorded with the DPs will be considered for making the payment of Dividend.
20. 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.
21. For Resident Shareholders, TDS shall be made under Section 194 of the Income Tax Act, 1961 at 7.5% on the amount of Dividend declared and paid by the Company during financial year 2020-21 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 2020-21 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 2020-2021. Separately, in cases where the shareholder provides Form 15G (applicable to any person other than a Company or a Firm) / Form 15H (applicable to an individual above the age of 60 years), provided that the eligibility conditions are being met, no TDS shall be deducted.

22. The remote e-voting period begins on 20.09.2021 at 09:00 A.M. and ends on 22.09.2021 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. 16.09.2021, 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 16.09.2021.





**23. INSTRUCTIONS FOR SHAREHOLDERS FOR ATTENDING THE AGM THROUGH VC/OAVM AND E-VOTING 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:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDeAS</b>’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by</li> </ol>

	<p>typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>4. Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p>  </div> <div style="text-align: center;">  <p>Google Play</p>  </div> </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>

Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
--	--

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

24. 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.
25. 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.

#### **EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013**

##### **Item No. 4**

The Company has a Securities Premium Reserve of Rs.8,86,70,394/- as on 31.03.2021. The Board of Directors of the Company at their Meeting held on 21.08.2021, considered it desirable to recommend issue of Bonus Shares in the ratio of in the proportion of 1 (One) new fully paid-up equity share of Rs.10/- (Rupees Ten Only) each for every 4 (Four) existing fully paid-up equity share of Rs.10/- (Rupees Ten only) each held by the existing shareholders whose names appear in the Register of Members maintained by the Company as on 'Record Date' as may be determined by the Board for this purpose by capitalization of Securities Premium Reserve subject to approval of the shareholders and such other authorities as may be necessary.

The Bonus Shares on allotment shall rank pari-passu with existing Equity Shares of the Company, save and except that they shall not be entitled to any dividend in respect of any financial year up to and including 31<sup>st</sup> March 2021.

No Allotment Letter will be issued. For the shares held in Demat mode, the credit of the Bonus Shares will be given directly to their Demat account.

The issue of Bonus Shares and consequent increase in the paid-up capital of the Company would also satisfy the requirement of National stock Exchange of India Limited for listing of equity shares of the Company and the Company has complied with all the applicable provisions of the Companies Act, 2013 and all other applicable Regulations.

The Record Date for determining the eligibility of the shareholders to receive the said Bonus Shares is 23.09.2021.

Accordingly, the Board of Directors requires member's approval by way of passing Special Resolution as set out in Item No. 4 in this Notice.

None of the Directors and Key Managerial Personnel or their relatives is concerned or interested in the resolution except to the extent of their shareholding in the Company.

**Item No. 5 & 6:**

The statement containing additional information as required in Schedule V of the companies act, 2013:

**General Information of the Company:**

1. Nature of Industry: Wind and Solar power renewable energy generation and Trading.
2. Date of commencement of commercial production: 05.06.2012
3. Financial performance: The Company has earned total income of Rs.3,19,65,80,368/-. After providing all the expenditure and tax the Company has earned a Net Profit of Rs.45,75,247/- during the financial year ended 31.03.2021.
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.

The Government of India ordered a countrywide lockdown from 25<sup>th</sup> March 2020 to 1<sup>st</sup> June 2020 to control the spread of COVID-19 which has been declared as a pandemic by the World Health Organization (WHO). The lockdown notice exempted essential services of which the Company's operations were also considered a part of. Ministry of New and Renewable Energy (MNRE) has also clarified that renewable power plants must be allowed to be operated and all payments to the such renewable developers should continue to be honored by the Distribution companies. However, this pandemic has the potential to impact various stakeholders especially the Commercial and Industrial customers. The Company has received a Force Majeure (FM) notices from few of its Commercial and Industrial customers who have expressed their inability to off take power from the Company's power plants as their own facilities have been locked down. The Company is evaluating the potential impacts of this pandemic and shall adapt its business and operations to the new 'normal' while ensuring safety of all its stakeholders namely its employees, vendors, contractors and society at large.

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 estimates that the revenue will be increased by 10-20% for the year 2021-2022.

**Item No.5:**

Mr. T.K.Chandiran is a promoter and Managing Director of the Company. Mr. T.K.Chandiran was re-appointed as Managing Director for a period of 3 years effective 02.04.2018 at the Annual General Meeting held on 14.09.2018 and the tenure of Mr. T.K. Chandiran as a Managing Director ended on 02.04.2021. The Board considers it desirable that the Company should continue to avail the services rendered by him as Managing Director.

The Board at their meeting held on 28.04.2021, on recommendation of the Nomination and Remuneration Committee and , subject to the approval of members in the ensuing General Meeting, has re-appointed him as Managing Director for another term of 3 years effective 03.04.2021 on the terms and conditions including remuneration as set out in item no.5 of this notice, with powers to the Board to make such variation or increase therein as may be thought fit from time to time, but within the ceiling/s laid down in the Companies Act, 2013 or any statutory amendment or relaxation thereof.

The details of Mr. T.K.Chandiran as per Secretarial Standards on General Meeting and as per Schedule V of the Companies Act, 2013 are as follows:

<b>Information about the Appointee Managing Director</b>	
Name of the Director	Mr. T.K.Chandiran
DIN	00031091
Age	68 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.
Terms & Conditions of Re-appointment	Re-appointed as Managing Director for a period of 3 years w.e.f. 03.04.2021
Remuneration Last Drawn (including sitting fees if any) (FY 2020-2021)	Rs.2,50,000 p.m.
Proposed Remuneration (w.e.f. 03.04.2021)	Rs.2,50,000 p.m.
Date of First Appointment on the Board	05.06.2012
Shareholding in the Company as on 20.08.2021	1,75,915
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	4/4

Directorships of other Boards as on date	6
Membership/Chairmanship of Committees of other Boards as on Date	3 Companies-Membership 1 Company-Chairman

Accordingly, the Board of Directors requires member's approval by way of passing Special Resolution as set out in Item No. 5 in this Notice.

Except Mr. T.K.Chandiran, Mrs. Selvi and Mr. A.C.Vineethkumar and their relatives, none of the Directors and Key Managerial Personnel or their relatives is concerned or interested in the resolution except to the extent of their shareholding in the Company.

**Item No.6:**

Mrs. Selvi is a promoter and Whole-time Director of the Company. Mrs. Selvi was re-appointed as Whole-time Director for a period of 3 years effective 02.04.2018 at the Annual General Meeting held on 14.09.2018 and the tenure of Mrs. Selvi as a Whole-time Director ended on 02.04.2021. The Board considers it desirable that the Company should continue to avail the services rendered by her as Whole-time Director mainly to manage and control the activities of the Company.

The Board at their meeting held on 28.04.2021, on recommendation of the Nomination and Remuneration Committee and subject to the approval of members in the ensuing General Meeting, has re-appointed her as Whole-time Director for another term of 3 years effective 03.04.2021 on the terms and conditions including remuneration as set out in item no. 6 of this notice, with powers to the Board to make such variation or increase therein as may be thought fit from time to time, but within the ceiling/s laid down in the Companies Act, 2013 or any statutory amendment or relaxation thereof.

The details of Mrs. Selvi as per Secretarial Standards on General Meeting and as per Schedule V of the Companies Act, 2013 are as follows:

Information about the Appointee Whole-time Director	
Name of the Director	Mrs. Selvi
DIN	00032962
Age	59 years
Job profile and his suitability / Experience / Brief Resume	Handling day to day activities of our company
Terms & Conditions of Re-appointment	Re-appointed as Whole-time Director for a period of 3 years w.e.f. 03.04.2021
Remuneration Last Drawn (including sitting fees if any) (FY 2020-2021)	Rs.9,00,000/- p.a.
Proposed Remuneration (w.e.f. 03.04.2021)	Rs.9,00,000/- p.a.
Date of First Appointment on the Board	05.06.2012
Shareholding in the Company as on 20.08.2021	19,910
Relationship with other Directors/KMP	1. Wife of Mr. T.K.Chandiran, Managing Director 2. Mother of Mr. A.C. Vineethkumar, Director
No. of Board Meetings attended in the year	2/4
Directorships of other Boards as on date	4

Membership/Chairmanship of Committees of other Boards as on Date	2 Companies-Membership
--	------------------------

Accordingly, the Board of Directors requires member's approval by way of passing Special Resolution as set out in Item No. 6 in this Notice.

Except Mr. T.K.Chandiran, Mrs. Selvi and Mr. A.C.Vineethkumar and their relatives, none of the Directors and Key Managerial Personnel or their relatives is concerned or interested in the resolution except to the extent of their shareholding in the Company.

#### **Item No. 7**

The provisions of Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, as amended to date, provides that no company is permitted to, directly or indirectly, (a) give any loan to any person or other body corporate; (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding sixty percent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more.

Further, the said Section provides that where the giving of any loan or guarantee or providing any security or the acquisition as provided under Section 186(2) of the Act, exceeds the limits specified therein, prior approval of Members by means of a Special Resolution is required to be passed at a general meeting.

In view of the above and considering the future business plans of the Company, prior approval of the Members is being sought for enhancing the limits specified under Section 186 of the Companies Act, 2013.

Accordingly, the Board of Directors requires member's approval by way of passing Special Resolution as set out in Item No. 7 in this Notice.

None of the Directors and Key Managerial Personnel or their relatives is concerned or interested in the resolution except to the extent of their shareholding in the Company.

#### **Item No: 8**

The Company has entered into transactions in financial year 2020-2021 with the following Related Parties. A statement giving brief summary of the transaction is given below.

The transaction as mentioned is in the Ordinary course of business and at Arm's Length price.

The Audit Committee & the Board of Directors of the Company have considered and ratified the transaction and limits entered with the related party as mentioned below at their respective meetings and the same requires shareholder's ratification pursuant to provisions of Section 188 of the Companies Act, 2013.

Members are hereby informed that pursuant to second proviso of Section 188 of the Companies Act, 2013, no member of the Company shall vote on the resolution to approve any contract or arrangement which may be entered into by the Company if such member is a related party.

Details pursuant to Rule 15 (3) of the Companies (Meetings of Board and its Powers) Rules, 2014:

Particulars of Proposed Transactions for the purpose of approval u/s 188 of the Companies Act, 2013 and Maximum value of contract / transaction (per annum)		
Name of the Related Party	Transaction defined u/s 188(1) of the Companies Act, 2013	
	Name of the Director or KMP who is related and Nature of relationship	Sales & Processing Charges - Precious Metals
M/s. Swathi Traders	Firm in which Relative of Mr. T.K.Chandiran, Managing Director is a Partner	Rs. 72,30,69,596/-

The Board of Directors of the Company recommends the Resolution as set out at Item No.8 in the accompanying Notice for ratification by the members.

Except Mr. T.K.Chandiran, Mrs. Selvi and Mr. A.C.Vineethkumar and their relatives, none of the Directors and Key Managerial Personnel or their relatives is concerned or interested in the resolution except to the extent of their shareholding in the Company.

**Coimbatore**  
**Date: 21.08.2020**

**By order of the Board**

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





## DIRECTORS' REPORT

To

The Members,

Your Directors have pleasure and privilege in presenting the 9<sup>th</sup> Annual Report together with the Audited Financial Statements of the M/s. KKV Agro Powers Limited ("the Company") for the Financial Year ended 31<sup>st</sup> March, 2021.

### 1. FINANCIAL SUMMARY AND HIGHLIGHTS:

(In ₹)

Particulars	Current Year 2020-2021	Previous Year 2019-2020
Income from Operations	3,19,62,15,970	39,28,25,688
Gross Receipts (including other Income)	3,19,65,80,368	39,33,37,393
Total Expenditure before Interest and Depreciation	3,17,80,54,048	35,81,71,166
Less: Interest and Financial Charges	6,04,466	5,12,990
Less: Depreciation and Amortization	1,17,38,270	1,20,01,662
Profit/(Loss) before taxation for the year	61,83,584	2,26,51,575
Less: Current tax Expenses	20,74,500	49,00,000
Less: MAT Credit	-	(49,00,000)
Less: Deferred Tax Liability/Asset	(7,60,696)	66,70,110
Less : Earlier years	2,94,533	(1,29,78,676)
Profit/(Loss) after taxation for the year	45,75,247	2,89,60,141

Particulars	Current Year 2020-2021	Previous Year 2019-2020
Transfer to Debenture Redemption Reserve	-	-
Less: Transfer to Reserves	-	-
Less: Dividend paid on Equity Shares	22,67,500	22,67,500
Less: Dividend paid on Preference Shares	2,70,000	2,70,000
Less: Dividend Distribution Tax	-	5,21,710
Balance carried forward	20,37,747	2,59,00,931

### Operations:

As on 31<sup>st</sup> March 2021, the operating capacity of the Company was 8.6 MW, consisting of 1 MW of Solar plants and 7.6 MW of Wind plants.

The Company has planned to commission a new solar plant in upcoming year which will add 2 MW to its operating portfolio. This plan was supposed to be executed last year but the pandemic did not pave way for it. Thereby, the same is carried forward this year, which would show results in the year 2021-22

### 2. COVID -19:

COVID-19 extracted a huge toll on lives and livelihoods of millions of people in India and other parts of the world. It also severely impacted the Indian economy and all other industries including the power sector which observed a decline in electricity demand, disruption in the power supply chain and financial stress due to the lockdown. The worst decline was observed in the southern and



western regions with national demand reducing by 19%. Despite being an essential service, the sector grappled with multiple challenges to serve power to the citizens.

At the onset of the pandemic, KKV Agro Powers Ltd experienced challenges across its business activities and operations. However, with the efforts of a dedicated workforce, we managed uninterrupted generation, transmission and distribution of power across the country.

These are challenging times for the world at large. The outbreak of COVID-19 and its rapid acceleration across the globe are concerning. While the human impact of the virus takes precedence for all of us, we continue to monitor the developments closely and are wary of the adverse impact on our business.

### **3. TRANSFER TO RESERVES:**

The Board of Directors of your Company has decided not to transfer any amount to the Reserves for the year under review.

### **4. DIVIDEND:**

Based on the Company's performance, the Board of Directors are pleased to recommend a Dividend of ` 5.00/- per Equity Share (i.e. 50%) (Previous year 50%) for the Financial Year 2020-2021 subject to the approval of the Shareholders of the Company at the 9<sup>th</sup> AGM. The Board of Directors has also approved a Dividend of 3% on the Redeemable Cumulative Preference Shares.

### **5. AMOUNT LYING IN THE UNPAID DIVIDEND ACCOUNT AND TRANSFER TO IEPF:**

Your Company did not have any funds lying unpaid or unclaimed as on 31.03.2021. Therefore, there was no fund which was required to be transferred to Investor Education and Protection Fund (IEPF).

### **6. SHARE CAPITAL:**

During the year under review, there is no change in the Share Capital of the Company.

The Authorized Share Capital of the Company as on March 31,2021 is ₹12,00,00,000 divided into 1,10,00,000 Equity Shares of ₹10 each aggregating to

₹11,00,00,000 and 1,00,000 Preference Shares of ₹100 each aggregating to ₹1,00,00,000.

The Paid up Equity Share Capital of the Company as on March 31,2021 is ₹1,35,35,000 divided into 4,53,500 Equity Shares of ₹10 each aggregating to ₹45,35,000 and 90,000 Preference Shares of ₹100 each aggregating to ₹90,00,000.

### **7. 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.

#### **Details of changes happened in the composition of Board of Directors during the period under review:**

Mr. V.N. Chandrasekaran was re-appointed as Independent director for second five years term at the Annual general Meeting held on 29.09.2020.

Mrs. Srividya.M (Membership No. A58222) resigned from the office of Company Secretary, Compliance Officer with effect from 3<sup>rd</sup> April 2021.

#### **Details of the Appointment / Re-appointment proposed to be made at the AGM:**

Mrs. Selvi (DIN: 00032962), Director of the Company is liable to retire by rotation at the AGM. The Director being eligible to be re-appointed has given his consent for his reappointment.

Mr. T.K Chandiran (DIN: 00031091), was re-appointed as Managing Director of the Company for a period of 3 years with effect from 03.04.2021 subject to the approval of the shareholders. Accordingly, a necessary resolution in this behalf is set out at item no. 5 of the notice convening the ensuing Annual General Meeting, for shareholders' approval.

Mrs. C. Selvi (DIN: 00032962), was re-appointed as Wholtime Director of the Company for a period of 3 years with effect from 03.04.2021 subject to the approval of the shareholders. Accordingly, a necessary resolution in this behalf is set out at item



no. 6 of the notice convening the ensuing Annual General Meeting, for shareholders' approval.

#### **8. BOARD EVALUATION:**

Pursuant to the provisions of the Act, the Board has carried out an annual evaluation of its own performance, the individual Directors (including the Chairman) as well as an evaluation of the working of all Board Committees. The performance evaluation was carried out on the basis of inputs received from all the Directors / Members of the Committees, as the case may be. The Independent Directors of the Company have also convened a separate meeting for this purpose. All the results of evaluation have been communicated to the Chairman of the Company/Board of Directors.

#### **9. DECLARATION BY INDEPENDENT DIRECTORS:**

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of Independence as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to act as Independent Directors under the provisions of the Companies Act, 2013, the relevant rules made thereunder and the SEBI Regulations.

#### **10. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:**

The Company's policy on Director's appointment and remuneration and other matters provided in Section 178 of the Companies Act, 2013 has been disclosed in the Corporate Governance Report.

#### **11. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:**

The Company does not have any Joint Venture, Subsidiary, or Associate Company.

#### **12. STATUTORY AUDITORS:**

M/s. VKS Aiyer & Co. (Firm Reg. No. 000066S), Chartered Accountants, Coimbatore were appointed as Independent Statutory Auditors of the Company for a period of five years from the conclusion of the 6<sup>th</sup> Annual General Meeting held on 21-09-2018 till the conclusion of the 11<sup>th</sup> Annual General Meeting.

#### **13. MAINTENANCE OF COST RECORDS:**

The maintenance of Cost Records is not applicable as per the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014.

#### **14. COST AUDIT:**

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

#### **15. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

The details of Management Discussion and Analysis Report are furnished in **Annexure - 1** to this Report.

#### **16. CORPORATE GOVERNANCE:**

Your Company has been practicing the principles of good corporate governance. In terms of Schedule V of the SEBI (Listing obligations and Disclosures Requirements) Regulation, 2015, a separate report on Corporate Governance is furnished as **Annexure - 2** to this report.

#### **17. 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.



**18. CODE OF CONDUCT:**

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and the Companies Act, 2013, the Company has framed and adopted a Code of Conduct applicable to the members of the Board, the executive officers and all the employees of the Company.

All the members of the Board, the executive officers and senior financial officers have affirmed compliance with the Code of Conduct as on 31<sup>st</sup> March 2021.

**19. DEPOSIT:**

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

**20. ANNUAL RETURN:**

Pursuant to Section 92(3) and Section 134(3)(a) of the Companies Act, 2013, the Company has placed a copy of the Annual Return as at March 31, 2021 on its website at [www.kkvagropowers.com](http://www.kkvagropowers.com).

**21. MEETINGS OF BOARD AND ITS COMMITTEES CONDUCTED DURING THE PERIOD UNDER REVIEW:**

The Meetings of Board of Directors of the Company and its Committees are called and convened as per the applicable provisions of the Companies Act, 2013, the relevant Rules made thereunder, the SEBI Listing Regulations, the Secretarial Standards issued by the Institute of Company Secretaries of India and the Principles of Corporate Governance laid down by the Company.

During the year under review, **Four (4)** Meetings of the Board of Directors, **Four (4)** Meetings of the Audit Committee, **Two (2)** Meetings of the Nomination and Remuneration Committee and **Two (2)** Meetings of the Stakeholders Relationship Committee were held. Further details of the same have been provided in the **Corporate Governance Report** annexed herewith.

**22. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY:**

During the year under review, the Company has not made any Investment or given any Loan, Guarantee or Security within the meaning of the provisions of Section 186 of the Companies Act, 2013.

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

**A) Conservation of energy:**

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.

- (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.

The steps taken by the Company for utilizing 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.

The capital investment on energy conservation equipments: Nil

**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.

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

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





The expenditure incurred on Research and Development: Nil

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

Foreign exchange earnings : Nil

Foreign exchange Expenditure:-

Revenue Expenditure: Nil

Capital Expenditure :Rs. 4.30 cr

**24. COMPOSITION OF AUDIT COMMITTEE AND VIGIL MECHANISM / WHISTLE BLOWER POLICY:**

The Board has constituted an Independent Audit Committee, details of which are enumerated in the Corporate Governance Report. 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 explained in Corporate Governance report and also 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.

**25. INTERNAL AUDITORS:**

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 2020-21. 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 the findings, if any.

**26. 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 - 3** 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/wp-content/uploads/2016/06/POLICY-ON-RELATED-PARTY-TRANSACTIONS.pdf>.

**27. RISK MANAGEMENT POLICY:**

The Management has devised robust 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 REPORT:**

Pursuant to the provisions of Section 204 of The Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. G. V and Associates, Company Secretaries in Practice, Coimbatore to undertake the Secretarial Audit of the Company. The report of the Secretarial Auditor is furnished as **Annexure - 4** to this report.

**29. CORPORATE SOCIAL RESPONSIBILITY:**

The Company does not meet the criteria as specified in Section 135 of Companies Act 2013, in relation to Corporate Social Responsibility.

**30. PARTICULARS OF REMUNERATION PAID TO KEY MANAGERIAL PERSONNEL:**

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 - 5** forming part of the report.

**31. 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.

### **32. 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**.

### **33. 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 confirmed that has no dues outstanding to the National Stock Exchange for the year 2020-2021.

### **34. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

As per the requirements specified in the "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013," the Company has constituted an Internal Complaints Committee and is committed to provide a work environment that is free from sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. There was no complaint received from any employee during the financial year 2020-21.

### **35. CHANGE IN THE NATURE OF BUSINESS, IF ANY**

During the year, there was no change in the nature of business of the company.

However we have further expanded our business into Bullion sales and purchase during the year.

### **36. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:**

There have been no material changes and commitments, which affect the financial position of the company which have occurred between the end

of the financial year to which the financial statements relate and the date of this Report.

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

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

### **38. EXPLANATIONS OR COMMENTS BY THE BOARD ON OBSERVATION MADE BY STATUTORY AUDITORS AND SECRETARIAL AUDITORS:**

A) With reference to the remarks of the Auditors, the Directors wish to state as under:

As regards to comments by the Statutory Auditors on the transaction entered into by the Company with the related party, M/s. Swathi Traders which are subject to ratification at the ensuing Annual General Meeting, we wish to state that a necessary resolution in this behalf is set out at item no. 8 of the notice convening the ensuing Annual General Meeting for shareholders' ratification.

B) The observations made by the Secretarial Auditor in the Report are self-explanatory and hence the Board of Directors has not commented about the same.

### **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:

In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

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;

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;

The Directors had prepared the annual accounts on a going concern basis;

The Directors had laid down Internal Financial Controls are adequate and operating effectively and

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. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12) OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT:**

There was no instance of fraud identified or reported by the Statutory Auditors during the course of their Audit pursuant to Section 143(12) of the Companies Act, 2013.

**41. COMPLIANCE ON SECRETARIAL STANDARDS:**

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

**42. DETAILS OF 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:**

Not Applicable.

**43. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR:**

Not Applicable.

**42. 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 Governments 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**

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

sd/-  
**A.C.Vineethkumar**  
(DIN: 06756745)  
Director

Place: Coimbatore  
Date: 21-08-2021



**MANAGEMENT DISCUSSION AND ANALYSIS**

**ANNEXURE - 1**

**I. GLOBAL ECONOMY:**

The global economy in Calendar Year ('CY') 2020 has seen one of the slowest growth rates since the 2008 financial crisis that the US faced, the global economy has faced a setback. The International Monetary Fund ('IMF') estimates that the global GDP ('Gross Domestic Product') may have registered 2.9% growth in CY 2019, significantly lower than 3.6% in CY 2018, and that there will be a negative growth of 3% in CY 2020. A slowdown had been anticipated early in the financial year, because of the US-China trade relations, concerns over Brexit and the consequent stress on the global manufacturing and trade.

The biggest calamity was the outbreak of Corona virus in the beginning of CY 2020, which grew from a local problem in China to a global pandemic in a matter of weeks in early CY 2020. Lockdowns in most of the affected countries saved lives but were a huge blow to economic activities and the impact will be felt for a long time to come. To counter the losses and prevent a complete economic breakdown, governments and central banks around the world have unleashed unprecedented amounts of fiscal and monetary support.

**II. WORLD ECONOMIC OUTLOOK:**

The global economy is likely to grow 6.0 percent in 2021 and 4.9 percent in 2022. The 2021 global forecast is unchanged from the April 2021 WEO, but with offsetting revisions. Prospects for emerging market and developing economies have been marked down for 2021, especially for Emerging Asia. By contrast, the forecast for advanced economies is revised up. These revisions reflect pandemic developments and changes in policy support. The 0.5 percentage-point upgrade for 2022 derives largely from the forecast upgrade for advanced economies, particularly the United States, reflecting the anticipated legislation of additional fiscal support in

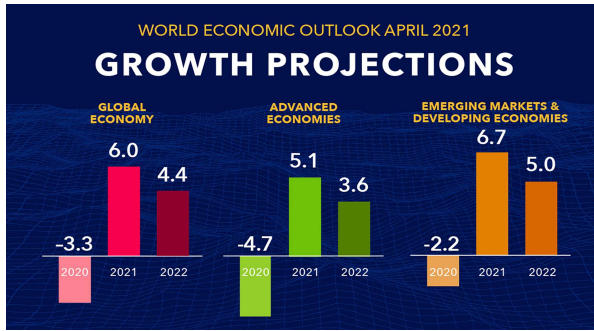
the second half of 2021 and improved health metrics more broadly across the group. (Source: IMF World Economic Outlook, August 2020)

**III. INDIAN ECONOMY:**

The Indian economy registered a growth of 4.2% in Financial Year ('FY') 2019-20, much lower than the 6.1% in FY 2018-19 (Source: IMF) and is expected to take a dip in FY 2021-21 due to the COVID pandemic. Wage stagnation, job losses, rising rural unemployment rates, stressed non-banking financial companies and decline in credit growth caused a sharp drop in domestic demand. On the supply side, excess idle production capacity and lower private investments further dragged down economic activity. The Government of India undertook initiatives such as liberalising sectors to attract foreign direct investments, upfront capital infusion in public sector banks to alleviate liquidity concerns and reducing corporate tax rates revive private investments.

Following the Covid-19 outbreak, India implemented one of the strictest nationwide lockdowns in the world early on, in order to keep the infection numbers under control. This has resulted in mass unemployment in the lower income segment and staff downsizing across sectors. The restriction on free movement of goods and people disrupted supply chains and nearly wiped out the demand for non-essential goods and services.

The Government of India announced Rs. 1.7 Lakh Crore relief package to help India's marginalised population tackle the challenges caused by the Covid-19 pandemic. This included direct cash transfer benefits to more than 8.7 Crore Indian farmer families, free food and gas distribution, social security measures for the organized sector and medical covers for health workers.



(Source: IMF World Economic Outlook, April 2021)

#### **IV. INDUSTRY OVERVIEW:**

India is the third largest producer and second largest consumer of electricity in the world and had an installed power capacity of 382.73 GW as of April 2021. Electricity production reached 1,252.61 billion units (BU) in FY20. India was ranked fifth in wind power, fifth in solar power and fourth in renewable power installed capacity, as of 2019. India's rank jumped to 22 in 2019 from 137 in 2014 on World Bank's Ease of Doing Business - "Getting Electricity" rankings.

For 2020-21, electricity generation target from conventional sources was fixed at 1,330 BU, comprising 1138.533 BU of thermal energy; hydro energy (140.357 BU) and nuclear (43.880 BU); and 7.230 BU was imported from Bhutan. According to the Ministry of Power, India's power consumption grew 41% at 119.27 billion units (BU) in April 2021, compared with 84.55 BU in April 2020.

As of January 2021, India's gold and diamond trade contributed ~7.5% to India's Gross Domestic Product (GDP) and 14% to India's total merchandise exports. The gem and jewellery sector is likely to employ ~8.23 million persons by 2022, from ~5 million in 2020.

Based on its potential for growth and value addition, the Government declared gems and jewellery sector as a focus area for export promotion. The overnment has undertaken various measures recently to romote investment and upgrade technology and skills to promote 'Brand India' in the international market.

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.

#### **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

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

Our Vision is to enhance our position as a leading independent renewable energy producer in India and executing the following:

- Planned to install additional capacity of 2MW in Solar plants.
- Scrap Gold Aggregation
- Enter into Gold investment products
- Enter into joint ventures with the companies for Gold related products
- Scalable Green Energy Business
- Bullion business



**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 2020-21 experienced a rise from ₹39,28,25,688 to ₹3,19,62,15,970 and the Net Profits for the same period fell from ₹2,89,60,141 to ₹45,72,247.

**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. 2.38)

**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:**

There was no significant change in the key financial ratios during the financial year 2020-21.





**CORPORATE GOVERNANCE REPORT**

**ANNEXURE - 2**

**1. PHILOSOPHY ON CODE OF GOVERNANCE:**

Corporate governance is an ethically driven business process that is committed to values aimed at enhancing an organization's wealth generating capacity. This is ensured by taking ethical business decisions and conducting business with a firm commitment to values, while meeting stakeholders' expectations. At KKV Agro Powers Limited, it is imperative that our company affairs are managed in a fair and transparent manner. This is vital to gain and retain the trust of our stakeholders.

Your Company believes in creating wealth for all its shareholders. In pursuit of this objective, the Policies of the Company are designed to strengthen the ability of the Board of Directors to supervise the management and to enhance long-term shareholder value.

All decisions are taken in the interest of the shareholders. The Board and the management are aware and conscious of minority shareholder's interest, and everything is done to enhance shareholders value in totality. Hence, considerable emphasis is placed on accountability in decision-making and ethics in implementing them. Adequate and timely information is critical to accountability. At KKV Agro Powers Limited believes to act in the spirit of law and not just the letter of law. We aim at providing complete transparency in our operations.

**2. BOARD OF DIRECTORS:**

Composition of Board of Directors as at the close of 31<sup>st</sup> March 2021:

Category of Directors	No. of Directors
Executive Directors	2
Non-Executive Independent Directors	2
Other Non-Executive Director	1
<b>Total</b>	<b>5</b>

During the Financial Year under review **4 Board Meetings** were held on dates mentioned herein below:

Sl. No.	Date of Board Meeting	Sl. No.	Date of Board Meeting
1.	27.06.2020	3.	11.11.2020
2.	05.09.2020	4.	04.03.2021

Particulars of Directors, their attendance at the Annual General Meeting and the Board Meeting detailed above held during the Financial Year 2020-2021 and also their other Directorship held in Indian Public Companies and Membership/Chairmanship of various Board Committees of other Indian Public Companies as at 31<sup>st</sup> March, 2021 are as under:



Name of the Director	Attendance at Meetings during FY 2021-21		No. of Directorship in other public companies as on 31-03-2021	No. of Committee positions held in other public companies as on 31-03-2021	
	Board Meeting (Total 4 Meetings)	AGM		Chairman	Member
Executive Director - Promoter:					
Mr. T. K. Chandiran (DIN:00031091)	4	Yes	2	1	2
Mrs. C. Selvi (DIN:00032962)	2	Yes	2	-	2
Non-Executive Director - Promoter:					
Mr.A.C. Vineethkumar (DIN:06756745)	4	Yes	2	NIL	NIL
Non-Executive Independent Director:					
Mr. V. Chandrasekaran (DIN:07276704)	4	Yes	1	1	2
Mr.B.Mohan (DIN:05255699)	4	Yes	NIL	NIL	NIL

**INTER-SE RELATIONSHIPS BETWEEN DIRECTORS OF THE COMPANY:**

S. No	Name of the Director	Designation	Inter-se Relationships
1	Mr. T.K Chandiran	Managing Director	Husband of Mrs. C. Selvi and Father of Mr. A. C Vineethkumar
2	Mrs. C. Selvi	Whole-Time Director	Wife of Mr. T.K Chandiran and Mother of Mr. A.C. Vineethkumar
3	Mr. A. C. Vineethkumar	Director	Son of Mr. T.K Chandiran and Mrs. C. Selvi

**PARTICULARS OF SHARES HELD BY NON-EXECUTIVE DIRECTOR:**

Mr. A.C. Vineethkumar holds 12 Equity Shares in the Company.

There has been no materially significant transaction or relationship between the Company and its Non-Executive Independent Directors during the year.

**3. COMMITTEE OF DIRECTORS:**

The Board has constituted the following Committees of Directors to deal with matters referred to it for timely decisions:





- A. Audit Committee;  
B. Nomination and Remuneration Committee;  
C. Stakeholders Grievance Committee;

#### **A. AUDIT COMMITTEE**

Audit Committee comprises of:

<b>Name of the Director</b>	<b>CATEGORY</b>
Mr. V.Chandrasekaran (Member)	Independent, Non-Executive Director
Mr. T.K. Chandiran (Member)	Managing Director
Mr. B.Mohan (Chairman)	Independent, Non-Executive Director

Particulars of Meetings of Audit Committee held during the year along with details of Members' attendance of audit Committee Meetings are detailed herein:

#### **Attendance of the Audit Committee meeting dated**

<b>Name of the Member</b>	<b>Category</b>	<b>Attendance at the Audit Committee Meeting held on</b>			
		<b>27-06-2020</b>	<b>05-09-2020</b>	<b>11-11-2020</b>	<b>04-03-2021</b>
Mr. B.Mohan	Non-Executive-	✓	✓	✓	✓
Mr. V.Chandrasekaran	Independent Director	✓	✓	✓	✓
Mr. T.K. Chandiran	Managing Director	✓	✓	✓	✓

#### **Terms of reference:**

The scope, functions and the terms of reference of the Audit Committee, is in accordance with Section 177 of the Companies Act, 2013. Below are the scope, functions and the terms of reference of our Audit Committee.

The Role of Audit Committee shall include the following:

1. Providing recommendation for appointment, remuneration and terms of appointment of Auditors of the Company;
2. Reviewing and monitoring the Auditors' Independence and Performance, and effectiveness of Audit process;
3. Examining the Financial Statements and the Auditors' Report thereon;
4. Scrutinizing of Inter-Corporate Loans and Investments;
5. Evaluating Internal Financial Controls & Risk Management Systems;
6. Monitoring the end use of funds raised through public offers and related matters;
7. Valuation of undertakings or Assets of the Company, wherever it is necessary;



8. Approval or any subsequent modification of transactions of the Company with Related Parties;
9. Any other responsibilities as may be assigned by the Board from time to time.

**B. NOMINATION AND REMUNERATION COMMITTEE:**

Nomination and Remuneration Committee comprises of:

Name of the Director	Category
Mr. V.Chandrasekaran (Member)	Independent, Non-Executive Director
Mr. T.K. Chandiran (Member)	Managing Director
Mr. B.Mohan (Chairman)	Independent, Non-Executive Director
Mr. A.C. VineethKumar (Member)	Non-Executive Director

Particulars of Meetings of Nomination and Remuneration (NR) Committee held during the year along with details of Members' attendance of NR Committee Meetings are detailed herein:

Name of the Member	Category	Attendance of the NR Committee meeting dated	
		27-06-2020	05-09-2020
Mr. B.Mohan	Non-Executive-Independent Director	✓	✓
Mr. V. Chandrasekaran		✓	✓
Mr. T.K.Chandiran	Managing Director	✓	✓
Mr. A.C. VineethKumar	Non-Executive Director	✓	✓

The Company Secretary shall act as the secretary of the Nomination and Remuneration Committee.

**Terms of reference:**

The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013.

Set forth below are the terms of reference, powers and role of our Nomination and Remuneration Committee:

To recommend to the Board, the remuneration packages of the Company's Managing/ Joint Managing/ Deputy Managing/ Whole-Time / Executive Directors, Key Managerial Personnel and other employees including all elements of remuneration package (i.e. salary, benefits, bonuses, perquisites, commission, incentives, stock options, pension, retirement benefits, details of fixed component and performance linked incentives along with the performance criteria, service contracts, notice period, severance fees etc.



**Performance Evaluation Criteria for Independent Directors:**

The performance evaluation of the Independent Directors are based on the Companies Act, 2013, SEBI (Listing Obligations and Disclosures Requirements) Regulation, 2015 and as per the policy adopted by the Company. The Committee carried out the evaluation of performance of every Director, KMP and Senior Management Personnel and continued efforts on evaluation at regular intervals is embarked by the Company.

**Remuneration:**

The Managing Director and Whole-Time Director shall be eligible for remuneration as may be approved by the Shareholders of the Company on the recommendation of the Committee and in accordance with the provisions of the Companies Act, 2013. The break-up of the pay scale, performance bonus and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board of Directors on the recommendation of the Committee and shall be within the overall remuneration approved by the Shareholders and Central Government, wherever required.

**Remuneration payable to Executive Directors:**

The details of the remuneration paid to Executive Directors of the Company during the year ended March 31, 2021 is as under:

Name of the Director & Designation	Salary	Perquisites	Others	Total (Amount in `)
Mr. T.K. Chandiran Managing Director	25,00,000	-	-	25,00,000
Mrs. C. Selvi Whole-Time Director	7,50,000	-	-	7,50,000

**Remuneration payable to Non-Executive Directors:**

The details of sitting fees paid to Non-Executive Directors of the Company during the year ended March 31, 2021 is as under:

Name of the Director & Designation	Sitting fees	Commission	Total (Amount in `)
Mr. B.Mohan, Independent Director	20,000	-	20,000
Mr. V.Chandrasekaran, Independent Director	20,000	-	20,000

**C. STAKEHOLDERS GRIEVANCE COMMITTEE:**

Stakeholders Grievance Committee comprises of:



Name of the Director	Category
Mr. V.Chandrasekaran(Chairman)	Independent, Non-Executive Director
Mr. A.C. Vineethkumar (Member)	Non- Executive Director
Mr. B.Mohan (Member)	Independent, Non-Executive Director

Particulars of Meetings of Stakeholders Grievance Committee held during the year along with details of Members' attendance of SR Committee Meetings are detailed herein:

Name of the Members	Category	Attendance of the Stakeholders Grievance Committee meeting dated	
		27-06-2020	11-11-2021
Mr. V. Chandrasekaran	Non-Executive-Independent Director	✓	✓
Mr. B.Mohan		✓	✓
Mr. A. C. Vineethkumar	Non- Executive Director	✓	✓

- a. Name and Designation of Compliance Officer** : Mrs. Srividya.M, Company Secretary\*
- b. E-mail ID of Grievance Redressal Service Department** : [smeipo@kkvagropowers.com](mailto:smeipo@kkvagropowers.com),  
[cs@kkvagropowers.com](mailto:cs@kkvagropowers.com)
- c. Number of Shareholders' Complaints received so far** : Nil
- d. Number not solved to the satisfaction of Shareholders** : Nil
- e. Number of pending complaints** : Nil

**\*Mrs. Srividya M, Company Secretary resigned from the company with effect from 03.04.2021.**

**Terms of reference:**

The scope and function of the Stakeholders Relationship Committee is in accordance with Section 178 of the Companies Act, 2013.

The terms of reference, powers and scope of the Stakeholders Relationship Committee of our Company include:

- 1) Power to approve share transfers;
- 2) Power to approve share transmission;
- 3) Power to issue duplicate shares certificates;
- 4) Power to approve and issue fresh share certificate by way of split or consolidation of the existing certificate or in any other manner.
- 5) To monitor the resolution of all types of shareholders /investors grievances and queries periodically.



- 6) Power to allot shares, equity or preference, fully or partly convertible debentures, or other financial instruments convertible into equity shares at a later date in demat or physical mode, the issue of which has been approved by the Board of Directors of the company.

Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted meeting.

**ANNUAL GENERAL MEETING:**

The particulars of Annual General Meeting held during the last three years are detailed herein:

Year	Date and Time	Venue	Special Resolution(s)
<b>2017-18</b>	14-09-2018 12.00 Noon	The Rathna Residency, 355, Variety Hall Road, Coimbatore – 641001	1. Reappoint Mr. T. K. Chandiran (DIN: 00031091) as Managing Director for a further period of three years; 2. Reappoint Mrs. C.Selvi (DIN: 00032962) as Whole-Time Director of the Company for a further period of three years;
<b>2018-19</b>	27-09-2019 12.15 Noon	Hotel Landmark, 353/1, Bharathiar Road, Siddhapudur, New Siddhapudur, Coimbatore -641 044	NIL
<b>2019-20</b>	29-09-2020	Vivagaa Building ,637, Oppanakara Street, Coimbatore - 641 001	1. To reappoint Mr. V.N. Chandrasekaran (DIN:07276704) as an Independent Director 2. To include activities permitted to open a trading account with an object to trade in Gold, it is proposed to insert an object to the Memorandum of Association of the Company.

**POSTAL BALLOT:**

No Special Resolution was required to be put through postal ballot during in the last financial year.

**MEANS OF COMMUNICATION:**

The Company has entered into listing its shares on NSE - EMERGE Platform on 15-07-2016

The Company has displayed the policies, financial results and other items in the website of the Company "[www.kkvagropowers.com](http://www.kkvagropowers.com)".

As per Listing Obligation and Disclosure Requirements Regulation 2015 under regulation 47 (4) is not applicable to our Company.

**GENERAL SHAREHOLDERS INFORMATION:**

**ANNUAL GENERAL MEETING:**



Day & Date : **Thursday, 23-09-2021**  
Time : 11:00 AM  
Venue : Vivagaa Building, 637, Oppanakara Street, Coimbatore - 641001

**FINANCIAL CALENDAR**

Financial year : 1<sup>st</sup> April, 2020 to 31<sup>st</sup> March, 2021  
Announcement of Annual Results 2020-21 : 21-08-2021  
Posting of Annual Reports 2020-21 : On or before 30.08.2021

**ANNOUNCEMENT OF FINANCIAL RESULTS:**

**Half yearly Results:** The Half-Yearly Financial Results are generally published within Forty Five days from the end of each half year.

**Audited Results:** The audited results are announced within sixty days from the end of the last half year as stipulated in SEBI (LODR) Regulations, 2015. The Audited Annual Financial Results form a part of the Annual Report and the same is being sent to the Shareholders prior to the Annual General Meeting.

**Website:** The Half Yearly and Annual Financial Statements are posted on the Company's website viz. <https://kkvagropowers.com/>

**LISTING:**

The equity shares of the Company are listed at National Stock Exchange of India Limited on SME Platform.  
The National Stock Exchange of India Limited,

Symbol : **KKVAPOW**  
ISIN No. : **INE239T01016**  
Listing Fee : Annual listing fee to the Stock Exchange paid upto date.

**REGISTRAR AND SHARE TRANSFER AGENT:**

**M/s S.K.D.C Consultants Limited,**  
No:35 Surya Mayflower avenues'  
Behind Senthil Nagar,  
Sowripalyam Road,  
Coimbatore – 641 028  
Phone: 0422 -654995/2539835-36,  
E-mail: [info@skdc-consultants.com](mailto:info@skdc-consultants.com)

**DETAILS OF SECRETARIAL OFFICER:**

**Mrs. Ankita N Raichura**  
Secretarial Officer  
KKV Agro Powers Limited  
Vivagaa Building, 637, Oppanakara Street,  
Coimbatore - 641 001  
Phone: +91-422-2303880  
Fax: +91-422-2303881  
E-Mail: [cs@kkvagropowers.com](mailto:cs@kkvagropowers.com)



**SHAREHOLDING PATTERN AS ON 31-03-2021:**

Category	No. of Shares held	Percentage of Share Holding
A) Promoter & Promoter Group	3,14,997	69.46%
B) Public	1,38,503	30.54%
C) Non Promoter-Non Public	0	0.00
C1) Shares underlying DRs	0	0.00
C2) Shares held by Employee Trust	0	0.00
<b>Grand Total</b>	<b>4,53,500</b>	<b>100.00</b>

**DISTRIBUTION OF SHAREHOLDINGS**

Distribution of Shareholders					
S. No	No. of Equity Share	No of Shareholder	% of Shareholder	No. of Share	% of Share
1	1-500	93	70.45	42,902	09.46
2	501-1000	7	05.30	7,000	01.54
3	1001-2000	13	09.85	22,597	04.98
4	2001-3000	7	05.30	18,375	04.05
5	3001-4000	2	01.52	7,028	01.55
6	4001-5000	1	0.76	5,000	01.10
7	5001-6000	2	01.52	11,500	02.54
8	Above 6000	7	05.30	3,39,098	74.78
	<b>Total</b>	<b>132</b>	<b>100.00</b>	<b>4,53,500</b>	<b>100.00</b>



**HIGH AND LOW PRICES OF SHARES AND ITS COMPOSITION WITH NSE EMERGE**

(In ₹)

Month & Year	NSE EMERGE (SME Platform) - KKV Agro Powers Limited		NSE	
	High	Low	High	Low
April, 2020	320.00	320.00	327.59	320.00
May, 2020	330.00	330.00	330.00	323.79
June, 2020	330.00	330.00	330.00	330.00
July, 2020	330.00	330.00	330.00	330.00
August, 2020	330.00	330.00	330.00	330.00
September, 2020	351.75	351.75	341.35	326.90
October, 2020	340.00	340.00	392.70	340.00
November, 2020	374.00	374.00	392.70	348.84
December, 2020	392.70	392.70	392.70	392.70
January, 2021	390.00	386.00	390.00	370.77
February, 2021	386.00	386.00	386.00	380.38
March, 2021	417.90	415.00	398.00	383.19

**DEMAT INFORMATION:**

The fully paid-up Equity Shares of the Company are admitted in the demat mode by both the depositories of the country i.e. National Securities Depository Limited & Central Depository Service Limited.

As on 31-03-2021, 100% of the total paid-up Equity Share Capital of the Company has been dematerialised. In view of the numerous advantages offered by the depository system, members have been requested to avail the facility of Dematerialization of the Company's shares.

**OUTSTANDING GDRS/ADRS/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS AND THEIR LIKELY IMPACT ON EQUITY**

There are no outstanding warrants or any convertible instruments. The Company has not issued GDR/ADR.

**NOMINATION FACILITY**

The Companies Act, 2013 has provided the facility of nomination for the Shares of the Company. The nomination form (Form SH-13) along with instructions is provided to the members on request

**PLANT LOCATIONS:**





**WIND MILL LOCATIONS:**

1.	WF.HT.SC No. 195, S.F No. 16/2B, Periyakalanthai Village, Pollachi (Tk), Coimbatore – 642 202	2.	WF.HT.SC No. 1221 S.F No. 914/3A OF Udayathoor Village, Radhapuram Taluk, Tirunelveli – 627 111	3.	WF.HT.SC No. 83 (Old No. 428), SF No. 49174, Varapatty Village, Sulur (TK), Coimbatore – 641 669
4.	WF.HT.SC No. 84 (Old No. 429) SF No. 433(A), Vadampacherry Village, Sulur, Coimbatore – 641 669	5.	WF.HT.SC No. 87 (Old No. 432) SF No. 432, Vadampacherry Village, Sulur, Coimbatore - 641 667	6.	WF.HT.SC No. 407 SF No. 27(P) of Puliampatti, Palladam (Tk), Tirupur – 641 658
7.	WF.HT.SC No. 1222 SF. No. 902/1A1(P) of Udayathoor Village, Radhapuram (Tk), Tirunelveli (DT) – 627 111	8.	WTG No.N4,Survey No.378,Thurakala PATNAM Village,RoddamMandal, ThurakalaPatnam, Ananthapur (Dt), Andhra Pradesh, NA, AP340, Roddam, AP, Andhra Pradesh, India, 515 123.	9.	WTG No.N5,Survey No.379,Thurakala Patnam Village,RoddamMandal, ThurakalaPatnam, Ananthapur(dt), Andhra Pradesh, NA, AP340, Roddam, AP,Andhra Pradesh, India, 515 123.

**SOLAR SITE LOCATION**

- |  |
|--|
| 1. S.F No. 73/A1, Uthampalayam Village, Olapalayam Post, Kangayam Taluk, Tirupur – 638 701 |
|--|

**ADDRESS FOR CORRESPONDENCE**

**Correspondence Address** : The Managing Director,  
**KKV Agro Powers Limited**,  
Vivagaa Building,#637,Oppanakara Street,  
Coimbatore - 641 001

**CIN** : L40108TZ2012PLC018332

**Website** : [www.kkvagropowers.com](http://www.kkvagropowers.com)

**E-mail** : [cs@kkvagropowers.com](mailto:cs@kkvagropowers.com)

**Investors' grievances email id** : smeipo@kkvagropowers.com

**Phone** : 0422 – 2303880



**DISCLOSURES:**

**A) RELATED PARTY TRANSACTION(S):**

Details of all the Related Party Transactions are given AOC-2 annexed to this Report.

The Policy on Related Party Transaction as approved by the Board of Directors of the Company is available on the Company's website and can be accessed through the link [www.kkvagropowers.com](http://www.kkvagropowers.com)

**B) DETAILS OF PENALTIES OR STRICTURES FOR NON-COMPLIANCE IMPOSED BY STOCK EXCHANGE OR THE STATUTORY AUTHORITY:**

No penalties, strictures were imposed on the Company by Stock Exchange or SEBI or any Statutory Authorities, on any matter relating to Capital Markets.

**C) WHISTLE BLOWER POLICY AND AFFIRMATION THAT NO PERSONNEL HAVE BEEN DENIED ACCESS TO THE AUDIT COMMITTEE:**

A Whistle Blower Policy is adopted by the Company. The whistle blower mechanism is in operation and no personnel have been denied access to the Audit Committee.

**D) DETAILS OF COMPLIANCE WITH MANDATORY REQUIREMENTS AND ADOPTION OF THE NON-MANDATORY REQUIREMENTS:**

The Company has complied with all the mandatory requirements of Corporate Governance norms as enumerated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board has taken cognizance of the non-mandatory requirements and shall consider adopting the same as and when necessary.

**E) DISCLOSURE ON "MATERIAL" SUBSIDIARIES:**

The Company has no material subsidiary.

**F) WEB LINK WHERE POLICY ON DEALING WITH RELATED PARTY TRANSACTIONS IS DISCLOSED:**

The Company has framed Related Party Transaction Policy and the same is placed on the Company's website and the web link for the same is <http://kkvagropowers.com/investors/policies/>

**G) DISCLOSURE OF COMMODITY PRICE RISKS AND COMMODITY HEDGING ACTIVITIES:**

The Company is not undertaking any commodity hedging activities; hence there is no risk of commodity hedging to the Company.

**H) DISCLOSURE ON ACCOUNTING TREATMENT:**

In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.



**I) DISCLOSURE ON RISK MANAGEMENT:**

Business risk evaluation and management is an ongoing process within the Company. The assessment is periodically examined by the Board.

**J) CODE FOR PREVENTION OF INSIDER TRADING:**

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company.

**K) CODE OF CONDUCT:**

The Code of Conduct for the Directors and Senior Management Personnel of the Company has been laid down and posted on the Website of the Company and the web link for the same is <http://kkvagropowers.com/investors/policies/>.

The compliance of the said Code of Conduct by the Directors and Senior Management Personnel for the year 2020-21 has been affirmed by the Chairman and Managing Director.

**Declaration:**

As provided under the Listing Regulation with the Stock Exchanges, the Board Members and the members of Senior Management have confirmed compliance with the Code of Conduct.

**FOR AND ON BEHALF OF THE BOARD**

**Place: Coimbatore**  
**Date: 21-08-2021**

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

**sd/-**  
**A.C.Vineethkumar**  
**(DIN: 06756745)**  
**Director**



**FORM AOC - 2**

**ANNEXURE - 3**

**Form 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 contracts or arrangement or transaction at arm's length basis:**

Duration of transactions : 2020-2021  
Date(s) of approval by the Board : 05.09.2020  
Amount paid as advance : Nil

S.No	Name of the Related Party	Nature of Transactions	Value of Transaction (in ₹)	Amount paid as advances, if any
1	The KTM Jewellery Limited	Sale of Solar energy	10,16,548	-
		Sale of Wind energy	55,93,685	-
		Sales & Processing Charges - Precious Metals	75,72,24,614	-
		Sale of Agro Products	2,18,756	-
		Sale of Textile Products	16,06,139	-
		Purchases of Bullion	49,92,620	-
		Rent Paid	153,505	-
2	Space Textiles Private Limited	Sale of Solar energy	45,31,474	-
		Sale of Wind energy	32,622,264	-
		Sales & Processing Charges - Precious Metals	97,79,981	-
3	SCM Textile Spinners	Sale of Agro Products	3,240	-
4	The Chennai Traders	Sales & Processing Charges - Precious Metals	48,39,806	-
5	SCM Creations	Sales & Processing Charges - Precious Metals	103,66,53,287	-
6	Shivam Traders	Sales & Processing Charges - Precious Metals	47,33,53,559	-
7	The Madras Silks India Private Limited	Sales & Processing Charges - Precious Metals	3,68,31,308	-
8	Swathi Traders	Sales & Processing Charges - Precious Metals	72,30,69,596	-
9	SCM Garments Private Limited	Sale of Agro Products	1,64,078	-
10	TCS Textile & Apparel India Private Limited	Sale of Agro Products	1,460	-
11	KKV Golden Jubilee Foundation	Sale of Textile Products	4,50,597	-



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

S.No	Name of the Related Party	Nature of Transactions	Value of Transaction (in ₹)	Amount paid as advances, if any
NIL				

**FOR AND ON BEHALF OF THE BOARD**

**Place: Coimbatore**  
**Date: 21.08.2021**

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

sd/-  
**A.C.Vineethkumar**  
**(DIN: 06756745)**  
**Director**



**SECRETARIAL AUDIT REPORT**

**ANNEXURE - 4**

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

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. We believe that the process and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained Management Representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management.
6. The Secretarial Audit report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

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

**SD/-**

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

**Date: 29.06.2021**  
**Place: Coimbatore**



**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**OF**  
**KKV AGRO POWERS LIMITED**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2021**

[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 the 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 **M/s.KKV Agro Powers Limited (KKVAPL)** 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 31.03.2021 complied with the statutory provisions listed here under 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 31.03.2021 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 thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings ; **(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) Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulation, 2015 (The Company being listed in SME Exchange and its paid-up Equity Share Capital and net worth are less than the limits prescribed under Regulation 15(2) of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulation, 2015, the applicable Regulations of the said Regulations)
  - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not Applicable to the company during the Audit Period)**
  - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (d) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
  - (e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not Applicable to the company during the Audit Period)**
  - (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 following:

- (i) 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. subject to 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 obtained an omnibus approval for entering into Related Party Transactions for an amount of Rs.427 Crores at the Audit Committee Meeting and Board Meeting held on 05<sup>th</sup> September 2020. The overall transactions with the related parties is within the limits approved, however the transactions with few parties have exceeded the individual limits fixed.*

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.

We further report that during the audit period 2020-21, the Company has hosted the applicable contents required under LODR Regulations in its website (<https://kkvagropowers.com/investors/>) and reportedly, the same has been updated from time to time and the requisite information were made available to the public as required under the law.

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 may be.

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

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

**SD/-**

**G.Vasudevan**

**Partner**

**FCS No.: 6699**

**C P No.: 6522**

**Date: 29.06.2021**

**Place: Coimbatore**

**ICSI UDIN: F006699C000540958**



## PARTICULARS OF REMUNERATION

## ANNEXURE - 5

Particulars of Remuneration of Directors and Employees pursuant to Section 197 (12) of the Companies Act, 2013 read with the Companies (Appointment and Remuneration) 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	Ratio
1.	Mr. T. K. Chandiran	5.62
2.	Mrs. C. Selvi	1.69
3.	Mr. A.C.Vineethkumar	0.90
4.	Mr. B.Mohan	No Remuneration was paid for the Financial Year 2020-21 except Sitting Fees;
5.	Mr. V.Chandrasekaran	

- The median remuneration of employees of the Company was ` 1.41 Lakhs.
- For this purpose sitting fees paid to the Directors have not been considered as remuneration.

- 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	% Increase / (Decrease) in remuneration
1.	Mr.T.K.Chandiran	-
2.	Mrs.C.Selvi	-
3.	Mr. Arunkumar.C	-
4.	Mr. Shankarasubramanian	-
5.	Mrs. Srividya.M	-

- iii) The number of permanent employees on the rolls of Company :

- iv) We affirm that the remuneration paid to Directors, Key Managerial Personnel and employees is as per the remuneration policy approved by the Board of Directors of the Company.

- v) The Key parameters for any variable component of remuneration availed by the Directors:



## **INDEPENDENT AUDITOR'S REPORT**

To the Members of KKV Agro Powers Limited (Formerly known as Nachas Wind Energy Private Limited)

### **Report on the Audit of Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of KKV Agro Powers Limited (Formerly known as Nachas Wind Energy Private Limited) ("the Company") which comprises the Balance Sheet as at 31st March, 2021, the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date, 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 31st March, 2021, 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 Board of Directors is 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 scepticism 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, 2016 ("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) 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 Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the 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 31st March, 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 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".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:  
  
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its Directors during the year is in accordance with the provisions of section 197 of the Act.
- h) 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 which would impact its financial position;
  - ii) The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;





iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For VKS Aiyer & Co.**  
**Chartered Accountants**  
**ICAI Firm Registration No. 000066S**

**Kaushik Sidartha**  
**Partner**  
**Membership No. 217964**  
**UDIN : 21217964AAAADF9872**  
**Place : Coimbatore**  
**Date : 29-06-2021**



**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 (Formerly known as Nachas Wind Energy Private Limited) on the financial statements for the year ended 31st March, 2021]

(i)

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) During the year, the fixed assets of the Company have been physically verified by the management and as informed, no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) The title deeds of immovable properties recorded as fixed assets in the books of account of the Company are held in the name of the Company.

(ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. As informed, no material discrepancies were noticed on physical verification carried out during the year.

(iii) As informed, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph 3 (iii)(a), 3 (iii)(b) and 3 (iii)(c) of the Order are not applicable to the Company.

(iv) Based on information and explanation given to us in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of Section 185 and 186 of the Act, to the extent applicable.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 of the Act and the rules framed there under.

(vi) The Central Government has not prescribed the maintenance of cost records for any products of the Company under sub-section (1) of Section 148 of the Act and the rules framed thereunder.

(vii) The Company is regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and service tax and any other material statutory dues applicable to it.



AND

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, goods and service tax and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable. According to the information and explanation given to us, there are no dues with respect to, income tax, goods and service tax on account of any dispute.

(viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institutions and banks. There are no outstanding dues to government or dues to debenture holders.

(ix) In our opinion and according to the information and explanations given to us, the Company has not raised money by way of initial public issue offer / further public offer (including debt instruments). Money raised by way of term loans have been applied by the company for the purposes for which they were raised.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.

(xi) According to the information and explanations given to us, managerial remuneration has been paid/provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, paragraph 3(xii) of the Order is not applicable to the Company.

(xiii) According to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of the Act, except to the extent stated below:

Nature of the Related Party relationship	Underlying transaction	Amount involved (₹)	Remarks
Swathi Traders - Firm in which Relative of KMP is a Partner	Sales & Processing Charges - Precious Metals	72,30,69,596	These transactions are subject to ratification at the ensuing Annual General Meeting



These transactions are subject to ratification at the ensuing Annual General Meeting

The details of the related party transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.

(xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, paragraph 3(xiv) of the Order is not applicable to the Company.

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year.

(xvi) According to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

**For VKS Aiyer & Co.**  
**Chartered Accountants**  
**ICAI Firm Registration No. 000066S**

**Kaushik Sidartha**  
**Partner**  
**Membership No. 217964**  
**UDIN : 21217964AAAADF9872**  
**Place : Coimbatore**  
**Date : 29-06-2021**



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

[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 (Formerly known as Nachas Wind Energy Private Limited) on the financial statements for the year ended 31st March, 2021]

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")

We have audited the Internal Financial Controls over Financial Reporting of KKV Agro Powers Limited (Formerly known as Nachas Wind Energy Private Limited) ("the Company") as of 31st March, 2021 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") issued by the ICAI and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls. 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, to the best of our information and according to the explanation given to us, 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 31st March, 2021, 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**

**Kaushik Sidartha**

**Partner**

**Membership No. 217964**

**UDIN : 21217964AAAAADF9872**

**Place : Coimbatore**

**Date : 29-06-2021**



**KKV Agro Powers Limited**  
(Formerly Known as Nachas Wind Energy Private Limited)

**Annual Report 2020 - 21**

Particulars	Note No.	As at 31st March, 2021	As at 31st March, 2020
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
a) Share Capital	2.01	13,535,000	13,535,000
b) Reserves and Surplus	2.02	183,832,990	181,795,243
		<u>197,367,990</u>	<u>195,330,243</u>
<b>(2) Non-Current Liabilities</b>			
a) Long-Term Borrowings	2.03	18,408,342	-
b) Deferred Tax Liabilities (Net)	2.04	36,331,420	37,092,116
c) Long-Term Provisions	2.05	488,466	366,926
		<u>55,228,228</u>	<u>37,459,042</u>
<b>(3) Current Liabilities</b>			
a) Short-Term Borrowings	2.06	10,208,013	29,734,458
b) Trade Payables	2.07	-	-
(i) Total Outstanding dues of Micro & Small Enterprises		-	-
(ii) Total Outstanding dues of creditors other than Micro and Small Enterprises		2,170,157	130,000
c) Other Current Liabilities	2.08	56,088,194	4,079,219
d) Short-Term Provisions	2.09	28,075	4,503
		<u>68,494,439</u>	<u>33,948,180</u>
		<b>321,090,657</b>	<b>266,737,465</b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
a) Property, Plant & Equipment and Intangible Assets	2.10		
(i) Property, Plant & Equipment		164,182,973	174,570,913
(ii) Intangible Assets		402,510	12,260
(iii) Capital Work-in-Progress		43,039,731	-
(iv) Biological Assets		171,000	-
b) Long-Term Loans and Advances	2.11	29,729,913	27,389,694
c) Other Non-Current Assets	2.12	41,679,960	4,971,007
		<u>279,206,087</u>	<u>206,943,874</u>
<b>(2) Current Assets</b>			
a) Inventories	2.13	850,866	1,692,193
b) Trade Receivables	2.14	16,195,934	17,992,669
c) Cash and Cash Equivalents	2.15	9,634,154	35,593,592
d) Bank Balance other than Cash and Cash Equivalents	2.16	13,361,500	-
e) Short-Term Loans and Advances	2.17	454,422	3,465,903
f) Other Current Assets	2.18	1,387,694	1,049,234
		<u>41,884,570</u>	<u>59,793,591</u>
		<b>321,090,657</b>	<b>266,737,465</b>

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

As per our report of even date

**For VKS Aiyer & Co.**

Chartered Accountants

ICAI Firm Registration No. 0000665

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

**Kaushik Sidartha**

Partner

Membership No. 217964

**Sd/-**

**T.K.Chandiran**

Managing Director

DIN:00031091

**Sd/-**

**C.Selvi**

Director

DIN:00032962

Place : Coimbatore

Date : 29-06-2021

**Sd/-**

**C.Arun Kumar**

Chief Financial Officer





**KKV Agro Powers Limited**  
(Formerly Known as Nachas Wind Energy Private Limited)

**Annual Report 2020 - 21**

Particulars	Note No.	2020-21	2019-20
<b>Income</b>			
I. Revenue from Operations	2.19	3,196,215,970	392,825,688
I. Other Income	2.20	364,398	511,705
<b>III. Total Revenue (I+II)</b>		<b>3,196,580,368</b>	<b>393,337,393</b>
<b>IV. Expenses</b>			
a) Cost of Materials Consumed	2.21	3,137,520,892	315,364,769
b) Purchase of Stock-in-Trade	2.22	2,346,453	-
c) Changes in Inventories	2.23	(849,366)	3,056
d) Power Generation Expenses	2.24	10,760,317	9,351,790
e) Manufacturing Expenses	2.25	899,220	102,200
f) Employee Benefits Expenses	2.26	7,143,409	7,172,648
g) Finance Costs	2.27	604,466	512,990
h) Depreciation and Amortization Expense	2.10	11,738,270	12,001,662
i) Other Expenses	2.28	20,233,124	26,176,703
<b>Total Expenses</b>		<b>3,190,396,784</b>	<b>370,685,818</b>
<b>V. Profit Before Tax (III-IV)</b>		<b>6,183,584</b>	<b>22,651,575</b>
<b>VI. Less:</b>			
Current tax		2,074,500	4,900,000
Earlier years		294,533	-
Deferred tax		(760,696)	6,670,110
MAT Credit		-	(17,878,676)
<b>VII. Profit for the year (V-VI)</b>		<b>4,575,247</b>	<b>28,960,141</b>
<b>VIII. Earnings per equity share</b>			
Basic and Diluted (In ₹) Face value of ₹ 10 each	2.29	9.49	63.14
Significant Accounting Policies & Notes form an integral part of the Financial Statements			
As per our report of even date			
For VKS Aiyer & Co.	For and on behalf of the Board of Directors		
Chartered Accountants			
ICAI Firm Registration No. 0000665			
<b>Kaushik Sidartha</b>	<b>T.K.Chandiran</b>	<b>C.Selvi</b>	
Partner	Managing Director	Director	
Membership No. 217964	DIN:00031091	DIN:00032962	
Place : Coimbatore			
Date : 29-06-2021			
	<b>C.Arun Kumar</b>		
	Chief Financial Officer		



**KKV Agro Powers Limited**  
(Formerly Known as Nachas Wind Energy Private Limited)

**Annual Report 2020 - 21**

Particulars	2020-21		2019-20	
	(In ₹)	(In ₹)	(In ₹)	(In ₹)
<b>A. Cash flows from Operating activities</b>				
Net profit before taxation and extraordinary items		6,183,584		22,651,575
<b>Adjustments for:</b>				
Depreciation	11,738,270		12,001,662	
Interest income	(350,834)		(511,705)	
Interest expenses	604,466	11,991,902	512,990	12,002,947
<b>Operating profit before Working Capital changes</b>		<b>18,175,486</b>		<b>34,654,521</b>
- (Increase)/decrease in Inventories	-		-	
- (Increase)/decrease in Trade Receivables	-		-	
- (Increase)/decrease in Loans and Advances	-		-	
- (Increase)/decrease in Other Assets	-		-	
- (Decrease)/increase in Short-Term Borrowings	-		-	
- (Decrease)/increase in Trade Payables	-		-	
- (Decrease)/increase in Liabilities and Provisions	-	-	4	4
<b>Cash generated from Operations</b>		<b>18,175,486</b>		<b>34,654,525</b>
Income taxes refund/(paid)		-		-
<b>Net cash from/(used in) Operating activities - (A)</b>		<b>18,175,486</b>		<b>34,654,525</b>
<b>B. Cash flows from Investing activities</b>				
Purchase of Property, Plant & Equipment	(44,951,312)		(215,796)	
Investment in Term Deposits	(13,361,500)			
Adjustment for Capital advances	-		-	
Interest received	-		-	
<b>Net cash used in Investing activities - (B)</b>		<b>(58,312,812)</b>		<b>(215,796)</b>
<b>C. Cash flows from Financing activities</b>				
Repayment of long term borrowings	1		-	
Dividend Paid including Tax on Dividend	(2,537,500)		(3,059,210)	
Interest paid	(604,466)		(512,990)	
<b>Net cash from/(used in) Financing activities - (C)</b>		<b>(3,141,965)</b>		<b>(3,572,200)</b>
<b>Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)</b>		<b>(43,279,291)</b>		<b>30,866,529</b>
Cash and Cash Equivalents at the beginning of the year		35,593,592		725,448
Less: Bank Balance not considering as Cash at Cash equivalents as per AS-3		-		25,007
<b>Cash and Cash Equivalents at the end of the year</b>		<b>(7,685,699)</b>		<b>31,566,969</b>

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

For VKS Aiyer & Co.

Chartered Accountants

ICAI Firm Registration No. 0000665

For and on behalf of the Board of Directors

Kaushik Sidartha  
Partner  
Membership No. 217964

Sd/-  
T.K.Chandiran  
Managing Director  
DIN:00031091

Sd/-  
C.Selvi  
Director  
DIN:00032962

Place : Coimbatore  
Date : 29-06-2021

Sd/-  
C.Arun Kumar  
Chief Financial Officer



**KKV Agro Powers Limited (Formerly known as Nachas Wind Energy Private Limited)**  
**Balance Sheet as at 31st March, 2021**

**Note No. 1**

**A About the Company:**

KKV Agro Powers Limited (Formerly Known as Nachas Wind Energy Private Limited) ("The Company") is a listed company domiciled in India and was incorporated under the provisions of the Companies Act, 1956. The registered office of the company is located at Coimbatore.

The company had converted from a Private limited company to a Public limited company along with change of name of the company from Nachas Wind Energy Private Limited to KKV Agro Powers Limited during the financial year 2015-16. The company had received a fresh Certificate of Incorporation consequent to change of its name from the Registrar of companies on 18-05-2015. The company has been listed on the SME platform of the National Stock Exchange of India Ltd (NSE Emerge) from financial year 2016-17.

**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 8.6 MW that includes 7.6 MW wind power and 1 MW Solar power. The company has two other divisions under its roof, i.e Jewelry Manufacturing (Sale of Gold Coins and Purification Charges) and Agriculture and Textile.

**SIGNIFICANT ACCOUNTING POLICIES:**

**B**

**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



**KKV Agro Powers Limited (Formerly known as Nachas Wind Energy Private Limited)**  
**Balance Sheet as at 31st March, 2021**

**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) Insurance claims are accounted, as and when settled or received.
- d) 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 Equivalents :**

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 equivalents 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, 2021		As at 31st March, 2020	
	Number	₹	Number	₹
<b><u>Authorised</u></b>				
Equity Shares of ₹ 10/- each	11,000,000	110,000,000	11,000,000	110,000,000
3% Redeemable Cumulative preference shares of ₹ 100/- each	100,000	10,000,000	100,000	10,000,000
	<b>11,100,000</b>	<b>120,000,000</b>	<b>11,100,000</b>	<b>120,000,000</b>
<b><u>Issued, Subscribed &amp; fully Paid up</u></b>				
Equity Shares of ₹ 10/- each	453,500	4,535,000	453,500	4,535,000
3% Redeemable Cumulative preference shares of ₹ 100/- each	90,000	9,000,000	90,000	9,000,000
	<b>543,500</b>	<b>13,535,000</b>	<b>543,500</b>	<b>13,535,000</b>

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

**Equity Shares**

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Number	₹	Number	₹
Shares outstanding at the beginning of the year	453,500	4,535,000	453,500	4,535,000
Add: Issued during the year	-	-	-	-
Less: Bought back during the year	-	-	-	-
Shares outstanding at the end of the year	<b>453,500</b>	<b>4,535,000</b>	<b>453,500</b>	<b>4,535,000</b>

**3% Redeemable Cumulative Preference Shares**

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Number	₹	Number	₹
Shares outstanding at the beginning of the year	90,000	9,000,000	90,000	9,000,000
Add: Issued during the year	-	-	-	-
Less: Bought back during the year	-	-	-	-
Shares outstanding at the end of the year	<b>90,000</b>	<b>9,000,000</b>	<b>90,000</b>	<b>9,000,000</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, 2021		As at 31st March, 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mr.T.K.Chandiran	175,915	38.79%	175,915	38.79%
Space Textiles Private Limited	82,168	18.12%	82,168	18.12%
The KTM Jewellery Limited	36,980	8.15%	36,980	8.15%

Particulars	3% Redeemable Cumulative preference shares:			
	As at 31st March, 2021		As at 31st March, 2020	
	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) There are no shares which are held by the holding company/ultimate holding company

**2.02 Reserves and Surplus**

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	₹	₹	₹	₹
<b>Securities Premium</b>				
Opening balance	88,670,394		88,670,394	
Add: Premium on issue of equity shares	-		-	
Less: Bonus Issue	-		-	
Closing balance		88,670,394		88,670,394
<b>Surplus in the Statement of Profit &amp; Loss:</b>				
Opening Balance	93,124,849		67,223,918	
Add : Profit for the year	4,575,247		28,960,141	
	97,700,096		96,184,059	
Less: Appropriations				
Dividend on Equity shares	2,267,500		2,267,500	
Dividend on Preference Shares	270,000		270,000	
Dividend distribution tax paid	-		521,710	
Closing Balance		95,162,596		93,124,849
		183,832,990		181,795,243





**KKV Agro Powers Limited**  
(Formerly Known as Nachas Wind Energy Private Limited)

**Annual Report 2020 - 21**

**2.03 Long Term Borrowings**

<u>Particulars</u>	Non Current portion		Current maturities	
	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020
	₹	₹	₹	₹
<b>Secured</b>				
Term loans from Bank	18,408,342	-	4,699,992	-
	<b>18,408,342</b>	<b>-</b>	<b>4,699,992</b>	<b>-</b>

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

Description	Installments	Maturity	As at 31st March, 2021	As at 31st March, 2020
HDFC Bank Limited - Term Loan 1	Monthly equal installment of ₹ 41,666	Feb-26	2,458,334	-
HDFC Bank Limited - Term Loan 2	Monthly equal installment of ₹ 2,50,000	Feb-26	14,750,000	-
HDFC Bank Limited - Term Loan 3	Monthly equal installment of ₹ 1,00,000	Feb-26	5,900,000	-

**Notes:**

i. The Rate of Interest is 8.5% p.a.

**ii. Primary Security:**

a) 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

b) Plant and Machineries Solar Plant funded out of Term Loans

c) Exclusive charge on Entire Movable Fixed Assets

**iii. Collateral Security:**

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

**2.04 Deferred Tax Liabilities (Net)**

Particulars	As at 31st March, 2021	Charged / (reversed) during the year	As at 31st March, 2020
	₹	₹	₹
<b>Deferred Tax Liabilities</b>			
- On fixed assets	40,149,470	(686,490)	40,835,960
	<b>A</b>	<b>(686,490)</b>	<b>40,835,960</b>
<b>Deferred Tax Assets</b>			
- On Business loss and unabsorbed depreciation	-	(1,287,615)	1,287,615
- On other Differences	3,818,050	1,361,821	2,456,229
	<b>B</b>	<b>74,206</b>	<b>3,743,844</b>
<b>Net Deferred Tax Liability</b>	<b>A - B</b>	<b>(760,696)</b>	<b>37,092,116</b>

**2.05 Long Term Provisions**

Particulars	As at 31st March, 2021	As at 31st March, 2020
	₹	₹
Provision for Gratuity (Refer Note No 2.40)	488,466	366,926
	<b>488,466</b>	<b>366,926</b>



**KKV Agro Powers Limited**  
(Formerly Known as Nachas Wind Energy Private Limited)

**Annual Report 2020 - 21**

**2.06 Short Term Borrowings**

Particulars	As at 31st March, 2021 ₹	As at 31st March, 2020 ₹
<b>I. Secured Loan</b>		
From Banks		
Metal loan from ICICI Bank	-	21,331,591
<b>II. Unsecured Loan</b>		
From Related Parties		
Loan from Directors (Refer Note no 2.39)	10,208,013	8,402,867
	<b>10,208,013</b>	<b>29,734,458</b>

**Note:**

I. Loan from ICICI Bank carries an interest of 2.25% p.a.

II. Loan from Director is repayable on demand and the loan is interest free.

**2.07 Trade Payables**

Particulars	As at 31st March, 2021 ₹	As at 31st March, 2020 ₹
Total Outstanding dues of Micro, Small & Medium Enterprises*	-	-
Total Outstanding dues of Creditors other than Micro, Small & Medium Enterprises	2,170,157	130,000
	<b>2,170,157</b>	<b>130,000</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.

**2.08 Other Current Liabilities**

Particulars	As at 31st March, 2021 ₹	As at 31st March, 2020 ₹
(a) Current maturities of long-term debt ( Refer Note No.2.03)	4,699,992	-
(b) Interest accrued but not due	160,840	-
(b) Dues to Related Parties ( Refer Note No.2.39)	2,559,765	2,555,942
(c) Accrued salaries and benefits	283,075	25,000
(d) Statutory dues payable	374,468	193,367
(e) Unpaid Dividend	-	25,060
(f) Accrued Payables - Capital Goods	42,135,723	-
(g) Accrued Expenses Payable	5,874,331	1,279,850
	<b>56,088,194</b>	<b>4,079,219</b>

**2.09 Short Tem Provisions**

Particulars	As at 31st March, 2021 ₹	As at 31st March, 2020 ₹
- Provision for gratuity (Refer Note No 2.40)	28,075	4,503
	<b>28,075</b>	<b>4,503</b>



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

Particulars	Gross Block				Depreciation				(in ₹)	
									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	As at 31st March, 2021	As at 31st March, 2020
<b>Property, Plant &amp; Equipment</b>										
Land	2,877,423	560,990	-	3,438,413	-	-	-	-	3,438,413	2,877,423
Building	713,132	637,200	-	1,350,332	677,475	50,749	-	728,224	622,108	35,657
Plant and Machinery	223,040,240	16,500	-	223,056,740	53,263,155	11,059,712	-	64,322,867	158,733,873	169,777,085
Furniture & Fittings	57,850	45,720	-	103,570	43,890	6,044	-	49,934	53,636	13,960
Motor Vehicles	3,777,149	-	-	3,777,149	2,536,218	448,536	-	2,984,754	792,395	1,240,931
Office Equipments	301,842	27,759	-	329,601	114,305	47,822	-	162,127	167,474	187,538
Computers	529,880	32,412	-	562,292	438,648	37,888	-	476,536	85,756	91,232
Electrical Fittings	608,086	-	-	608,086	260,999	57,769	-	318,768	289,318	347,088
<b>Total (A)</b>	<b>231,905,602</b>	<b>1,320,581</b>	<b>-</b>	<b>233,226,183</b>	<b>57,334,689</b>	<b>11,708,520</b>	<b>-</b>	<b>69,043,210</b>	<b>164,182,973</b>	<b>174,570,913</b>
<b>Intangible Assets</b>										
Intangibles	18,000	420,000	-	438,000	5,740	29,750	-	35,490	402,510	12,260
<b>Total (B)</b>	<b>18,000</b>	<b>420,000</b>	<b>-</b>	<b>438,000</b>	<b>5,740</b>	<b>29,750</b>	<b>-</b>	<b>35,490</b>	<b>402,510</b>	<b>12,260</b>
<b>Work in Progress</b>										
Solar Power Plant	-	43,039,731	-	43,039,731	-	-	-	-	43,039,731	-
<b>Total (C)</b>	<b>-</b>	<b>43,039,731</b>	<b>-</b>	<b>43,039,731</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>43,039,731</b>	<b>-</b>
<b>Biological Assets</b>										
Livestock	-	171,000	-	171,000	-	-	-	-	171,000	-
<b>Total (D)</b>	<b>-</b>	<b>171,000</b>	<b>-</b>	<b>171,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>171,000</b>	<b>-</b>
<b>Grant Total (A+B+C+D)</b>	<b>231,923,602</b>	<b>44,951,312</b>	<b>-</b>	<b>276,874,914</b>	<b>57,340,429</b>	<b>11,738,270</b>	<b>-</b>	<b>69,078,700</b>	<b>207,796,214</b>	<b>174,583,173</b>



Previous year figures

Particulars	Gross Block				Depreciation				Net Block	
	As at 1st April, 2019	Additions	Deletions	As at 31st March, 2020	As at 1st April, 2019	For the Year	Withdrawn	As at 31st March, 2020	As at 31st March, 2020	As at 31st March, 2019
<b>Property, Plant &amp; Equipment</b>										
Land	2,877,423	-	-	2,877,423	-	-	-	-	2,877,423	2,877,423
Building	713,132	-	-	713,132	644,065	33,410	-	677,475	35,657	69,067
Plant and Machinery	223,040,240	-	-	223,040,240	41,877,744	11,385,410	-	53,263,154	169,777,086	181,162,496
Furniture & Fittings	57,850	-	-	57,850	37,310	6,580	-	43,890	13,960	20,540
Motor Vehicles	3,777,149	-	-	3,777,149	2,087,493	448,725	-	2,536,218	1,240,931	1,689,656
Office Equipments	138,438	163,404	-	301,842	76,974	37,331	-	114,305	187,537	61,464
Computers	477,488	52,392	-	529,880	407,898	30,750	-	438,648	91,232	69,590
Electrical Fittings	608,086	-	-	608,086	205,143	55,856	-	260,999	347,087	-
<b>Total (A)</b>	<b>231,689,806</b>	<b>215,796</b>	<b>-</b>	<b>231,905,602</b>	<b>45,336,627</b>	<b>11,998,062</b>	<b>-</b>	<b>57,334,689</b>	<b>174,570,913</b>	<b>185,950,236</b>
<b>Intangible Assets</b>										
Intangibles	18,000	-	-	18,000	2,140	3,600	-	5,740	12,260	-
<b>Total (B)</b>	<b>18,000</b>	<b>-</b>	<b>-</b>	<b>18,000</b>	<b>2,140</b>	<b>3,600</b>	<b>-</b>	<b>5,740</b>	<b>12,260</b>	<b>-</b>
<b>Grant Total (A+B)</b>	<b>231,707,806</b>	<b>215,796</b>	<b>-</b>	<b>231,923,602</b>	<b>45,338,767</b>	<b>12,001,662</b>	<b>-</b>	<b>57,340,429</b>	<b>174,583,173</b>	<b>185,950,236</b>



**2.11 Long Term Loans and Advances**

Particulars	As at 31st March, 2021 ₹	As at 31st March, 2020 ₹
Unsecured, considered good		
- Security Deposits	2,219,000	219,000
- MAT Credit Entitlement	26,601,636	27,025,156
- Advance for Income tax (Net of provisions)	909,277	145,538
	<b>29,729,913</b>	<b>27,389,694</b>

**2.12 Other Non-Current Assets**

Particulars	As at 31st March, 2021 ₹	As at 31st March, 2020 ₹
- Capital Advances	41,679,960	4,971,007
	<b>41,679,960</b>	<b>4,971,007</b>

**2.13 Inventories**

Particulars	As at 31st March, 2021 ₹	As at 31st March, 2020 ₹
- Renewable Energy Certificate	6,616	1,500
- Textile Product	844,250	-
- Precious Metals	-	1,690,693
	<b>850,866</b>	<b>1,692,193</b>

**2.14 Trade Receivables**

Particulars	As at 31st March, 2021 ₹	As at 31st March, 2020 ₹
Unsecured, considered good		
- Over six months		
Unsecured, Considered good	5,527,880	3,528,857
Unsecured, Considered doubtful	12,250,015	8,177,303
Less: Provision for Doubtful debts	(12,250,015)	(8,177,303)
	<b>5,527,880</b>	<b>3,528,857</b>
- Receivables from Related Party	10,668,053	14,463,812
	<b>16,195,934</b>	<b>17,992,669</b>

**Note:**

**Trade receivables include debt due by:**

(a) Directors	-	-
(b) Officers of the company	-	-
(c) Firms in which director is a partner	-	-
(d) Private limited companies in which director is a director or member	10,095,955	14,463,812
	<b>10,095,955</b>	<b>14,463,812</b>



**2.15 Cash and Cash Equivalents**

Particulars	As at 31st March, 2021	As at 31st March, 2020
	₹	₹
a) Balances with banks		
- In current accounts	5,283,085	15,490,541
- In term deposit accounts with maturity less than 3 months at inception	4,319,351	20,000,000
b) Cash on hand	31,717	78,044
c) In dividend account	-	25,007
	<b>9,634,154</b>	<b>35,593,592</b>
Of the above, the balances that meet the definition of cash and cash equivalents as per AS 3 cash flow statement is	<b>9,634,154</b>	<b>35,568,585</b>

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

Particulars	As at 31st March, 2021	As at 31st March, 2020
	₹	₹
a) Balances with banks		
- In term deposit accounts with maturity more than 3 months but less than 12 months at inception	13,361,500	-
	<b>13,361,500</b>	<b>-</b>

**2.17 Short-Term Loans and Advances**

Particulars	As at 31st March, 2021	As at 31st March, 2020
	₹	₹
Unsecured, considered good		
- Balances with government authorities	426,858	3,452,617
- Staff advance	27,564	13,286
	<b>454,422</b>	<b>3,465,903</b>

**2.18 Other Current Assets**

Particulars	As at 31st March, 2021	As at 31st March, 2020
	₹	₹
- Prepaid expenses	1,123,491	704,035
- Accrued Income/ Unbilled Revenue	55,203	225,581
- Advance for expenses	209,000	119,618
	<b>1,387,694</b>	<b>1,049,234</b>



**KKV Agro Powers Limited**  
(Formerly Known as Nachas Wind Energy Private Limited)

**Annual Report 2020 - 21**

Notes to Financial Statements for the year ended 31st March, 2021

**2.19 Revenue from Operations**

Particulars	2020-21	2019-20
	₹	₹
<b>Revenue from operations</b>		
Sale of Electricity	53,274,423	66,780,782
Sales & Processing charges - Precious Metals	3,139,655,488	320,194,451
<b>Other operating revenue</b>		
Sale of Renewable Energy Certificates	187,530	4,864,550
Sale of Textiles Products	2,417,088	-
Sale of Agro Products	681,441	985,905
	<b>3,196,215,970</b>	<b>392,825,688</b>

**2.20 Other Income**

Particulars	2020-21	2019-20
	₹	₹
Interest Income	350,834	511,705
No Longer Payable written back	13,564	-
	<b>364,398</b>	<b>511,705</b>

**2.21 Cost of materials consumed**

Particulars	2020-21	2019-20
	₹	₹
Opening Stock of Raw Materials	1,690,693	1,700,560
Add: Purchases of Gold Bullion	3,114,558,774	315,354,902
Add: Purchases of Silver Bullion	21,210,062	-
Add: Freight Charges	61,363	-
	<b>3,137,520,892</b>	<b>317,055,462</b>
<u>Less: Closing Stock</u>		
Gold Bullion	-	-
Silver Bullion	-	1,690,693
	<b>-</b>	<b>1,690,693</b>
	<b>3,137,520,892</b>	<b>315,364,769</b>

**Details of Consumption:**

Particulars	2020-21		2019-20	
	% of Consumption	₹	% of Consumption	₹
Indigenous	100%	3,137,520,892	100%	315,364,769
Imports	0%	-	0%	-
	<b>100%</b>	<b>3,137,520,892</b>	<b>100%</b>	<b>315,364,769</b>



**2.22 Purchase of Stock-In-Trade**

Particulars	2020-21	2019-20
	₹	₹
Textile Purchase	2,346,453	-
	<b>2,346,453</b>	<b>-</b>

**2.23 Changes in Inventory**

**Details of changes in Inventory**  
**Inventory at the end of the year**

Particulars	2020-21	2019-20
	₹	₹
Renewable Energy Certificates	6,616	1,500
Finished Goods - Textile Products	844,250	-
	<b>850,866</b>	<b>1,500</b>

**Inventory at the beginning of the year**

Particulars	2020-21	2019-20
	₹	₹
Renewable Energy Certificates	1,500	4,556
	<b>1,500</b>	<b>4,556</b>

<b>(Increase)/decrease in Inventories</b>	<b>(849,366)</b>	<b>3,056</b>
---	------------------	--------------

**2.24 Power Generation Expenses**

Particulars	2020-21	2019-20
	₹	₹
Transmission & Wheeling Charges	5,304,707	5,602,023
Operation & Maintenance Charges	1,497,985	1,768,207
Self Generation Tax	898,153	996,309
System Operating Charges	292,667	315,327
Other Operating power generating expenses	2,757,605	651,277
REC Application & Trading Fees	9,200	18,647
	<b>10,760,317</b>	<b>9,351,790</b>

**2.25 Manufacturing Expenses**

Particulars	2020-21	2019-20
	₹	₹
Making Charges	899,220	102,200
	<b>899,220</b>	<b>102,200</b>





**2.26 Employee benefits expense**

Particulars	2020-21	2019-20
	₹	₹
Salaries, Wages & Bonus	3,130,310	3,003,427
Director's Remuneration	3,650,000	3,900,000
Provident & Other Funds	120,704	147,337
Gratuity Expenses	145,112	83,035
Staff welfare expenses	97,283	38,849
	<b>7,143,409</b>	<b>7,172,648</b>

**2.27 Finance Cost**

Particulars	2020-21	2019-20
	₹	₹
Interest on Loans & Borrowings	188,203	162,837
Interest on Gold Metal Loan	416,262	204,032
Other borrowing costs	-	146,121
	<b>604,466</b>	<b>512,990</b>

**2.28 Other Expenses**

Particulars	2020-21	2019-20
	₹	₹
Purification Expenses & Stores and Consumables	78,591	5,127,525
Agriculture Expenses	593,655	599,382
Contract payments Charges	588,185	531,806
Repair & Maintenance		
- Plant & Machinery	-	141,600
- Vehicles	18,602	-
- Others	212,578	465,573
Annual Maintenance Charges	9,794,831	8,298,113
Professional Charges	598,950	425,593
Insurance	795,794	469,841
Rent	82,400	143,505
Royalty Expenses	638,390	1,966,687
Travelling Expenses	43,192	93,970
Donation	-	155,000
Rates & taxes	636,986	76,113
Auditor's Remuneration	452,320	446,500
Provision for Doubtful Debts	4,072,712	6,658,255
Directors' Sitting Fee	20,000	45,000
Exchange fluctuation loss	647,295	-
Other Administrative Expenses	958,642	532,239
	<b>20,233,124</b>	<b>26,176,703</b>

Payments to the auditor as (Excluding Service tax / GST)	2020-21	2019-20
	₹	₹
(a) As Auditor		
- Statutory Audit	357,500	357,500
- Tax Audit	87,000	77,000
(b) For Company Law Matters	-	-
(b) For reimbursement of expenses	8,000	12,000
	<b>452,500</b>	<b>446,500</b>



**2.29 Earnings per share:**

Particulars	2020-2021	2019-2020
	Rs.	Rs.
Profit After Tax	4,575,247	28,960,141
<b>Less :</b>		
Preference Dividend	270,000	270,000
Dividend on distribution tax	-	55,512
Net profit for the period attributable to equity shareholders	4,305,247	28,634,629
Equity Shares of ` 10 each (Nos)	453,500	453,500
Weighted Average No. of Shares Outstanding	453,500	453,500
Earnings Per Share (Basic & Diluted) (in `)	9.49	63.14

**2.30 Earnings & Expenditure in foreign currency**

a) Earnings in foreign currency	Nil	Nil
b) i) Revenue expenditure in Foreign Currency	-	-
ii) Capital Expenditure in Foreign Currency	43,039,731	-

**2.31 Commitments and Contingent Liabilities:**

Particulars	As at 31st March, 2021	As at 31st March, 2020
	Rs.	Rs.
Estimated amount of contracts remaining to be executed on capital account and not provided for	5,000,000	-
Dividend on Cumulative Preference Shares	270,000	270,000
Dividend Distribution tax on the above	-	-

**2.32 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 wind plant 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 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 which amounts to Rs. 77,87,625/- received by KKV Agro Powers Limited. 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 31.03.2021 amounting to Rs. 1,07,30,967/- (Previous year Rs. 66,58,255/-) has been provided for as Provision for Bad & Doubtful Debts in the books of accounts.

2.33 Inventory includes Renewable Energy Certificates (REC) held for sale and Stock of Precious Metals ( Silver), Stock of Khadi Units (Textile) which is valued at Cost or Net realisable value whichever is lower.

2.34 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.

2.35 The Board has not recommended any dividend for the year. During the previous year, the Board recommended a preference dividend amounting to Rs. 2,70,000 (3% on the face value of Rs. 90,00,000/-) together with the Dividend Distribution Tax totalling to Rs. 3,25,512/- and Equity Dividend of Rs. 5 per share, (50% on the face value of Rs.10/-) aggregating to Rs. 22,67,500/- on the equity shares of the company, together with the Dividend Distribution Tax totalling to Rs. 27,33,698/-.



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

**i) Sale of Products**

**A. Manufactured Goods**

a) Sales & Processing Charges - Precious Metal	3,139,655,488	320,194,451
b) Sale of Electricity	53,274,423	66,780,782

**B. Traded Goods**

a) Sale of Textiles Products	2,417,088	-
b) Sale of Agro Products	681,441	985,905
c) Other Operating Revenue	187,530	4,864,550
	<u>3,196,215,970</u>	<u>392,825,688</u>

**ii) Cost of Materials Consumption**

Consumption of Raw materials	3,137,520,892	315,364,769
------------------------------	---------------	-------------

**iii) Purchase of Traded Goods**

Textile Products	2,346,453	-
------------------	-----------	---

**iv) Closing Inventory**

a) Raw Material		
- Precious Metals	-	1,690,693
b) Finished Goods		
- Renewable Energy Certificate	6,616	1,500
- Textile Products	844,250	-
	<u>850,866</u>	<u>1,692,193</u>

**v) Opening Inventory**

a) Raw Material		
- Precious Metals	1,690,693	1,700,560
b) Finished Goods		
- Renewable Energy Certificate	1,500	4,556
- Textile Products	-	-
	<u>1,692,193</u>	<u>1,705,116</u>

Total value of all imported raw materials, spare parts and components consumed during the financial year and the total value of all indigenous

**Raw materials**

Indigenous (Rs.)	3,137,520,892	315,364,769
(%)	100%	100%
Imported (Rs.)	-	-
(%)	0%	0%
<b>Total</b>	<u><b>3,137,520,892</b></u>	<u><b>315,364,769</b></u>

**2.37 Disclosure as required under section 186(4) of the Companies Act, 2013**

Loans given and Guarantees furnished by the company: Nil (Previous year: Nil).

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

**2.39 (i) List of Related Parties with whom transactions have taken place during the year FY 2020 - 21 and FY 2019 - 20 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	- Gajaanandha Jewellery Maart Private Limited
- Space Textiles Private Limited	- KKV gold N retail Limited
- SCM Global Brands Private Limited	- SCM Garments Private Limited
- KKV Chakra Limited	- Shivam Traders
- Mr.Vinayagam	- SCM Creations
- The Madras Silks India P Limited	- Swathi Traders
- TCS Textile & Apparel India (P) Ltd	- KKV Golden Jubilee Foundation



Nature of Transactions	Key Management Personnel	Other Related Parties	Key Management Personnel	Other Related Parties
Sale of Power	-	43,763,971	-	55,698,246
Sales & Processing Charges - Precious Metals	-	3,041,752,152	-	303,652,991
Sale of Agro Products	-	387,534	-	211,270
Sale of Textile Products	-	2,171,433	-	-
Purchases of Bullion	-	4,992,620	-	-
Director's Remuneration	3,650,000	-	3,900,000	-
Preference Dividend	270,000	-	270,000	-
Equity Dividend	979,185	595,740	879,563	1,191,488
Reimbursement of expenses by/for (Net	-	-	41,822	6,867,583
Royalty payment	-	638,390	-	1,966,687
Rent Paid	-	153,505	-	143,505
<b>Dues from / (to) Related Parties</b>				
<b>Opening balance</b>				
Dues from Related Parties	-	14,463,812	-	17,384,009
Loans from Directors	(8,402,867)	-	-	-
Dues to Related Parties	-	(2,555,942)	-	(6,438,760)
<b>Closing balance</b>				
Dues from Related Parties	-	10,668,053	-	14,463,812
Loans from Directors	(10,208,013)	-	(8,402,867)	-
Dues to Related Parties	-	(2,559,765)	-	(2,555,942)

Note: The Company has entered into a related party transaction with the partnership firm for an amount of Rs. 72,30,69,596/-, which is subject to ratification at the ensuing Annual General Meeting.

**2.40 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.

		(In ₹)
Particulars	-	-
<b>Principal actuarial assumptions used on balance sheet date:</b>		
Discount Rate	7.06%	7.75%
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)	
<b>Changes in the present value of the obligation:</b>		
Present Value of Obligations as at the beginning of the period	371,429	288,394
Interest cost	25,517	22,351
Current service cost	37,863	109,107
Benefits paid	-	-
Actuarial (Gains) / Loss on obligation	81,732	(48,423)
Present Value of Obligations as at the end of the period	516,541	371,429
<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	-	-



**Amounts recognised in the balance sheet:**

Present value of the obligation	516,541	371,429
Fair value of plan assets	-	-
(Asset)/Liability	516,541	371,429
Net (Asset)/Liability recognised in the balance sheet	516,541	371,429

**Expense recognised in the statement of profit and loss :**

Current service cost	37,863	109,107
Interest cost	25,517	22,351
Expected return on plan assets	-	-
Net actuarial (gain)/ loss recognised in the year	81,732	(48,423)
Past service cost-vested benefits	-	-
Expenses recognised in the statement of profit and loss	145,112	83,035

Disclosure requirement pursuant to	-	-	2018-2019	2017-2018	2016-2017
Present value of the obligation	516,541	371,429	288,394	202,114	143,626
Plan assets	-	-	-	-	-
Surplus/(Deficit) in plan assets	(516,541)	(371,429)	(288,394)	(202,114)	(143,626)
The experience adjustments on plan liabilities	90,278	(79,155)	8,809	(776)	(11,624)
The experience adjustments on plan assets	-	-	-	-	-

**2.41 Operating Leases:**

**Future lease payments:**

Minimum lease payments upto the end of lease	As at 31st March, 2021	As at 31st March, 2020
	Rs.	Rs.
- Not later than one year	138,305	138,305
- Later than one year and not later than five years	456,020	456,020
- Later than five years	334,058	439,963

**2.42 Segment Information:**

The company operates under four segments viz. Business of generation & sale of electricity, Jewellery business, Textile business and Agriculture (grouped under Others Unallocated).

Particulars	(In ₹)	
	As at 31st March, 2021	As at 31st March, 2020
<b>1 Segment revenue</b>		
Energy Generation	53,511,091	71,646,332
Jewellery Business	3,139,970,748	320,194,156
Textile Business	2,417,088	-
Others - Unallocated	681,441	985,905
<b>Net Sales/income from operation</b>	<b>3,196,580,368</b>	<b>392,826,393</b>
<b>2 Segment Expenditure</b>		
Energy Generation	44,335,100	45,484,309
Jewellery Business	3,139,010,215	320,883,636
Textile Business	1,712,017	-
Others - Unallocated	598,741	909,809
<b>Total Expenditure</b>	<b>3,185,656,073</b>	<b>367,277,754</b>





**KKV Agro Powers Limited**  
(Formerly Known as Nachas Wind Energy Private Limited)

**Annual Report 2020 - 21**

<b>3 Segment Results</b>		
Energy Generation	9,175,991	26,162,023
Jewellery Business	960,533	(689,480)
Textile Business	705,071	-
Others - Unallocated	82,700	76,096
<b>Total Segment Profit before</b>	<b>10,924,295</b>	<b>25,548,639</b>
Other Unallocated Expenditure ( Net of Income)	4,740,710	2,896,064
Profit Before Tax	6,183,585	22,652,574
Less: i) Current Tax	2,074,500	4,900,000
ii) Excess / Short	294,533	-
ii) MAT	-	(17,878,676)
iv ) Deferred Tax	(760,696)	6,670,110
<b>Profit after Tax</b>	<b>4,575,248</b>	<b>28,961,140</b>
<b>4 Segment Assets</b>		
Energy Generation	269,262,233	241,461,796
Jewellery Business	22,575,940	25,035,900
Textile Business	1,337,395	-
Others - Unallocated	27,915,088	239,769
<b>Total Assets</b>	<b>321,090,657</b>	<b>266,737,465</b>
<b>5 Segment liabilities</b>		
Energy Generation	84,725,218	39,951,222
Jewellery Business	543,520	21,510,000
Textile Business	2,039,004	-
Others - Unallocated	36,414,925	9,946,000
<b>Total Liabilities</b>	<b>123,722,667</b>	<b>71,407,222</b>
<b>6 Capital expenditure</b>		
Energy Generation	44,237,916	215,796
Jewellery Business	512,941	-
Textile Business	12,950	-
Others - Unallocated	187,500	-
<b>Total Capital Expenditure</b>	<b>44,951,307</b>	<b>215,796</b>

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

2.44 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.

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

2.46 Previous year's figures have been regrouped, reclassified and rearranged wherever necessary to conform to the current years classification.

2.47 All Figures have been rounded off to the nearest rupee.

As per our report of date attached

**For VKS Aiyer & Co**

Chartered Accountants

ICAI Firm Registration No. 000066S

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

**Sd/-**

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

**Sd/-**

**C.Selvi**  
Director  
DIN:00032962

Kaushik Sidartha  
Partner  
Membership No. 217964

**Sd/-**

**C.Arun Kumar**  
Chief Financial Officer

Place : Coimbatore  
Date : 29-06-2021