

BOARD REPORT

Dear Members,

The Directors have pleasure in presenting their report and Audited Accounts for the year ended March 31, 2022.

Financial Results / Financial Highlights

<i>(Rs. in crore)</i>		
Particulars	2021-22	2020-21
Profit / (Loss) Before Depreciation, exceptional items & Tax	95.55	62.08
Less: Depreciation, amortization, impairment and obsolescence	0.49	0.49
Profit / (Loss) before exceptional items and tax	95.06	61.59
Add: Exceptional Items	-	-
Profit / (Loss) before tax	95.06	61.59
Less: Provision for tax	-	-
Profit for the period carried to the Balance Sheet	95.06	61.59
Add: Other comprehensive Income	0.00	0.00
Total Comprehensive income of the year	95.06	61.59
Add: Balance brought forward from previous year	281.56	219.97
Balance to be carried forward	376.62	281.56

State of Company Affairs:

The gross revenue and other income for the financial year under review were Rs.242.49 crore as against Rs. 211.48 crore for the previous financial year registering an increase of 14.66%. The profit before tax and loss after tax was Rs. 95.06 crore for the financial year under review as against Rs. 61.59 crore for the previous financial year, registering an increase in profit by 54.34 % respectively.

COVID-19 update

The period under review was impacted due to the COVID-19 pandemic. This was mainly on account of disruption in supply chain, capacity underutilization, logistics related issues.

The Company focused on supporting the public health system in dealing with the COVID-19 pandemic and the most vulnerable members of the society.

It was ensured that employees are safe while also ensuring business continuity. The Company implemented safety and hygiene protocols like wearing face masks, social distancing norms, workplace sanitation, employee awareness programs across the Organisation and project sites. The protocols are regularly reviewed and updated based on revision in guidelines received from concerned authorities from time to time.

Capital & Finance

The Company has not issued and allotted share capital during the year.

During the year the Company has redeemed 360 debentures having a face value of Rs.10 lakh each.

Capital Expenditure

As at, March 31, 2022, the gross fixed and intangible assets including leased assets, stood at Rs.1534.95 crore and the net fixed and intangible assets, including leased assets, at Rs. 1533.67 crore. No Capital Expenditure was incurred during the year. The company has not incurred any capital expenditure towards Intangible assets.

Deposits

The Company has not accepted deposits from the public falling within the ambit of Section 73 of the Companies Act, 2013 and the Rules framed thereunder.

Depository System

As on March 31, 2022, the shares of the Company are held in the following manner:

Equity shares:

100% of the Company's equity paid up capital representing 19,26,00,000 equity shares @ Rs.10/- each are held in dematerialized form.

Non-convertible Debentures (NCD):

100% of Debentures representing 13730 NCDs @ Rs.10 lakh each are held in dematerialized form and are listed with Bombay Stock Exchange.

Subsidiary Companies

The Company does not have any Subsidiary/Associate/Joint Venture Companies.

Particulars of loans given, investments made, guarantees given or security provided by the Company

Since the Company is engaged in the business of developing infrastructure facilities, the provisions of Section 186 except sub-section (1) of the Act are not applicable to the Company.

Details of loans given, investments made or guarantees given or security is provided in the financial statement.

Particulars of Contracts or Arrangements with related parties

All related party transactions during the year have been approved in terms of the Act and Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015. The entire related party transactions were at arms'-length basis and in the ordinary course of business. The details of Related Party Transactions are provided in **Annexure 1 (AOC-2)**.

Amount to be carried to reserve

During the year Company has not transferred any amount to Reserve.

Dividend

The Board has not recommended dividend for the financial year.

Material changes and commitments affecting the financial position of the company, between the end of the financial year and the date of the report

No material changes or commitments adversely affecting the financial position of the Company have occurred between the end of the financial year and the date of this report.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

Conservation of Energy and Technology absorption

In view of the nature of activities which are being carried on by the Company, Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 conservation of energy and technology absorption does not apply to the Company.

Foreign exchange earnings and outgo

During the year, the Company has not incurred any transaction in foreign currency.

Risk Management Policy

The Company follows the risk management policy of its Holding Company and has in place a mechanism to inform the Board Members about risk assessment and minimization procedures and periodical review to ensure that executive management controls risk by means of a properly designed framework.

Corporate Social Responsibility

The Company has constituted a Corporate Social Responsibility (CSR) Committee in accordance with requirements of Section 135 of the Act read with the rules made thereunder. As on March 31, 2022, the committee comprised of Dr. Koshy Varghese, Mr. Pramod Sushila Kapoor, and Mr. P. G. Suresh Kumar as Members of the Committee.

The terms of reference of the Corporate Social Responsibility Committee are in line with the provisions of the Act.

During the year, two CSR committee meeting was held and the details are given below:

Date	Strength	Members Present
April 15, 2021	3	3
July 10, 2021	3	3

The CSR Policy as approved by the Board of Directors is available on website of its Holding Company (L&T IDPL) www.Intidpl.com.

The details of CSR expenditure for the FY 2021-22 are enclosed to this Report as '**Annexure 2**'.

Details of Directors and Key Managerial Personnel appointed / resigned during the year

Mr. P.G. Suresh Kumar, Director retired by rotation at the Annual General Meeting held on September 30, 2021 and was reappointed as Director.

The Independent Directors of the Company have registered themselves on the Independent Director's Databank.

The first term of 5 years of the Independent Directors of the Company concluded on March 29, 2020. Subsequently, the Independent Directors were re-appointed for a second term of 5 years from March 30, 2020 to March 29, 2025.

The qualification, technical knowledge and expertise of the Independent Directors are best suited for the Company's business. The Independent Directors were re-appointed for the second term of 5 years as non-executive directors felt that the contribution of the Independent Directors towards the progress of the Company was invaluable so far and will continue to be so in future also.

Composition of Board of Directors of the Company as on March 31, 2022, stood as below:

S. No.	Name of the Director	Designation	DIN
1	Mr. Pramod Sushila Kapoor	Director	02914307
2	Mr. P. G. Suresh Kumar	Director	07124883
3	Dr. Koshy Varghese	Independent Director	03141594
4	Ms. Samyuktha Surendran	Independent Woman Director	07138327

Mr. Ajit Kumar K was appointed as Chief Financial Officer with effect from April 15, 2021.

The Key Managerial Personnel (KMP) of the Company as on March 31, 2022 are:

S. No.	Name	Designation	Date of Appointment
1	Mr. Ojes C. Madappattu	Manager	March 15, 2020
2	Mr. R. G. Ramachandran	Company Secretary	October 28, 2015
3	Mr. Ajit Kumar K*	Chief Financial Officer	April 15, 2021
4	Mr. R. Lino Asir	Chief Financial Officer	October 11, 2021

* resigned w.e.f. July 12, 2021.

Number of Meetings of the Board of Directors

The Meetings of the Board are held at regular intervals with a time gap of not more than 120 days between two consecutive Meetings.

The details of the Board meetings conducted during the year are given below:

Date	Board Strength	Directors present
April 15, 2021	4	4
July 10, 2021	4	4
October 11, 2021	4	4
January 08, 2021	4	4
March 22, 2022	4	3

Information to the Board

The Board of Directors has complete access to the information within the Company which inter alia includes:

- Annual revenue budgets and capital expenditure plans
- Quarterly financials and results of operations
- Financing plans of the Company
- Minutes of the meeting of the Board of Directors, Audit Committee (AC), Nomination and Remuneration Committee (NRC), Corporate Social Responsibility Committee (CSR)
- Report on accidents
- Any materially relevant default, if any, in financial obligations to and by the Company
- Any issue which involves possible public or product liability claims of substantial nature, including any Judgement or Order, if any, which may have strictures on the conduct of the Company
- Development in respect of human resources
- Compliance or non-compliance of any regulatory, statutory nature or listing requirements and investor service.

The Independent Directors have the freedom to interact with the Company's management. Interactions happen during the Board / Committee Meetings, when senior company personnel are asked to make presentations about performance of the Company. Presentations are made regularly to the Board/NRC/AC (minutes of Board, AC and NRC are circulated to the Board), Presentations, inter alia cover business strategies, management structure, management development and planning, half-yearly and annual results, budgets, treasury, review of Internal Audit reports, risk management, etc.

Audit Committee

The Company has constituted an Audit Committee in terms of the requirements of the Companies Act, 2013. As on March 31, 2022, the Committee comprised of Dr. Koshy Varghese, Ms. Samyuktha Surendran and Mr. Pramod Sushila Kapoor.

The details of the meetings conducted during the year under review are given below:

Date	Strength	Members present
April 15, 2021	3	3
July 10, 2021	3	3
October 11, 2021	3	3
January 08, 2021	3	3

Vigil Mechanism / Whistle Blower Policy

L&T IDPL and its SPVs committed to the best practices based on the principle of transparency, accountability, fairness and integrity to create long term sustainable value for its employees and all stakeholders. Our company has in place vigil mechanism procedure to provide an avenue to all stakeholders as and when they anticipates an violation of company's policies, code of conduct, an infringement of laws/ regulations, or the governing documents to report, on her/his own (by name or anonymously) to the Compliance Officer, WBIC through email addressed to wbic@Intidpl.com, compliance@Intidpl.com, or call to the HOTLINE number (access is only with the Compliance Officer of the L&T IPDL). Reported incidents handled with confidentiality and the company does not allow reprisals of any kind against those who in good faith, report an infringement or suspicion of an infringement of the rules and guidelines. Our company has also adopted Code of Conduct policy.

Member can view the details of the whistle blower policy under the said framework of the Holding Company on its website www.Intidpl.com.

Risk Management Committee

The Company has constituted a Risk Management Committee in terms of the requirements of the Companies Act, 2013 & the SEBI (LODR) Regulations. As on March 31, 2022, the Committee comprised of Mr. Pramod Sushila Kapoor, Chairman, Mr. P.G. Sureshkumar and Dr. Koshy Varghese as Members.

Stakeholders Relationship Committee

The Company has constituted the Committee in terms of the requirements of the Companies Act & the SEBI (LODR) Regulations, 2013. As on March 31, 2022, the

Committee comprised of Mr. P.G. Sureshkumar, Chairman, Mr. Pramod Sushila Kapoor and Ms. Samyuktha Surendran as Members.

Company Policy on Director Appointment and Remuneration

The Company had constituted the Nomination and Remuneration Committee in accordance with the requirements of the Act read with the Rules made thereunder. The Committee comprised of Dr. Koshy Varghese, Ms. Samyuktha Surendran and Mr. P. G. Suresh Kumar.

The details of the meetings conducted during the year under review are given below:

Date	Strength	Members Present
April 15, 2021	3	3
October 11, 2021	3	3

The Committee had formulated a policy on Director's appointment and remuneration including recommendation of remuneration of the Key Managerial Personnel (KMP) and the criteria for determining qualifications, positive attributes and independence of a Director and also for KMP.

Declaration of independence

The Company has received declaration of independence as stipulated under Section 149(7) of the Act from the Independent Directors confirming that he/she is not disqualified from continuing as an Independent Director.

Adequacy of Internal Financial Controls

The Company has designed and implemented a process driven framework for Internal Financial Controls ('IFC') within the meaning of the explanation to Section 134(5)(e) of the Act. For the year ended March 31, 2022, the audit committee and Board have opined that the Company has sound IFC commensurate with the nature and size of its business operations and operating effectively and no material weaknesses exist. The Company has a process in place to continuously monitor the same and identify gaps, if any, and implement new and / or improved controls wherever the effect of such gaps would have a material effect on the Company's operations.

Directors Responsibility Statement

The Board of Directors of the Company confirms that:

- a) In the preparation of Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.
- b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period.
- c) The Directors have 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.
- d) The Directors have prepared the Annual Accounts on a going concern basis.
- e) The Directors have laid down an adequate system of internal financial control with respect to reporting on financial statements and the said system is operating effectively.
- f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and were operating effectively.

Performance Evaluation of the Board, its Committees and Directors

The Nomination and Remuneration Committee and the Board have laid down the manner in which formal annual evaluation of the performance of the Board, committees and individual directors has to be made.

It includes circulation of questionnaires to all Directors for evaluation of the Board and its Committees, Board composition and its structure, its culture, Board effectiveness, Board functioning, information availability, etc. These questionnaires also cover specific

criteria and the grounds on which all directors in their individual capacity will be evaluated.

Further, the Independent Directors at their meeting held on 31.03.2022 reviewed the performance of Board, Committees, and Non-Executive Directors. The performance evaluation of the Board, Committees and Directors was also reviewed by the Nomination and Remuneration Committee and the Board of Directors.

Disclosure of Remuneration

The Directors of the Company are not paid any remuneration except sitting fees to Independent Directors. Hence, the remuneration of the Directors to that of the employees of the Company is not comparable.

Compliance with Secretarial Standards on Board and General Meetings

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and General Meetings.

Protection of Women at Workplace

The Company has adopted a policy on Protection of Women 's Rights at workplace in line with the policy formulated by the Holding company. This has been widely disseminated. The Company has an internal compliance committee under the Sexual harassment of women at workplace (Prevention, Prohibition and redressal) Act, 2013. There were no complaints of sexual harassment received by the Company during the year.

Auditors Report

The Auditors' Reports on the financial statements for the financial year 2021-22 are unqualified. The Notes to the accounts referred to in the Auditors' Reports are self-explanatory and do not call for any further clarifications under section 134(3)(f) of the Act. The Auditors' report to the shareholders does not contain any qualification, observation or adverse comment.

Reporting of fraud

The Auditors of the Company have not reported any instances of fraud committed against the Company by its officers or employees as specified under Section 143(12) of the Companies Act, 2013.

Auditor

The Company at the Annual General Meeting (AGM) held on September 30, 2020 for the Financial Year 2019-20 had appointed M/s M. K. Dandeker & Co, Chartered Accountants, (Registration no. 000679S), Chennai as Statutory Auditors of the Company to hold office until the conclusion of the AGM to be held during the year 2023.

Secretarial Auditor

M/s Balaji Rajan & Associates, Company Secretary in practice (CP No. 6965), was appointed to conduct the secretarial audit of the Company for the financial year 2021-22, as required under Section 204 of the Act and Rules thereunder.

The secretarial audit report dated 15.04.2022 to the Shareholders for the financial year 2021-22 is attached to this Report and is unqualified and has no adverse remark - '**Annexure 3**'. The Secretarial Compliance report is attached as **Annexure 4**.

Cost auditor

M/s Srinivasan Damodaram & Associates, Cost Accountant (Membership No. 000825), was appointed as Cost Auditor of the Company for audit of cost accounting records for the financial year 2021-22, pursuant to the provisions of Section 148 of the Act and Rule 3 and 4 of the Companies (Cost Records and Audit) Amendment Rules, 2014. The Report of the Cost Auditors for the financial year 2021-22 would be filed with the Ministry of Corporate Affairs (MCA) once the same is finalized. The cost audit report for the year 2020-21 was filed with MCA.

Details of Significant & Material Orders Passed by the Regulators or Courts or Tribunals

No significant or material orders have been passed by the regulators or courts or tribunals impacting the going concern status of the Company and the Company's operations in future.

Copy of Annual Return:

As per the provisions of Section 92(3) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014 a copy of the Annual Return is available at website Kudgi Transmission Limited | L&T Infrastructure Development Projects Limited | L&T India (Intidpl.com).

Debenture Trustee

As at March 31, 2022, the total outstanding debentures allotted by the Company were Rs.1373 crore. M/s IDBI Trusteeship Services Limited, having their office at Asian Building, ground floor, 17, R. Kamani Marg, Ballard Estate, Mumbai 400001 were appointed as the Debenture Trustee for the same.

Acknowledgement

The Board of Directors wish to express their appreciation to all the employees for their outstanding contribution to the operations of the Company during the year. Your Directors take this opportunity to thank financial institutions, banks, Central and State Government authorities, regulatory authorities, stock exchanges and all the stakeholders for their continued co-operation and support to the Company.

For and on behalf of the Board

Date: 15/04/2022
Place: Chennai

Pramod Sushila Kapoor
Director
DIN: 02914307

P.G. Suresh Kumar
Director
DIN: 07124883

FORM NO. AOC.2

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arms-length transactions under the third proviso thereto

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

1. Details of contracts or arrangements or transactions not at arm's length basis

The Company has not entered into such transactions during the year.

2. Details of material contracts or arrangement or transactions at arm's length basis

- a. There were no contracts or arrangements entered into by the Company with related party(s) during the FY 2021 – 22 which required shareholders' approval as per Sec. 188(1) of the Companies Act, 2013.
- b. The details of related party transactions during the FY 2021 – 22 form part of the financial statements as per Ind AS 24 and the same is given in Note H6.

For and on behalf of the Board

Date: 15/04/2022
Place: Chennai

Pramod Sushila Kapoor
Director
DIN: 02914307

P.G. Suresh Kumar
Director
DIN: 07124883

CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. Brief outline on CSR Policy of the Company:

The Corporate Social Responsibility (CSR) policy is approved as recommended by the Corporate Social Responsibility Committee in compliance with provisions of Section 135 of the Companies Act, 2013, Companies (Corporate Social Responsibility Policy) Rules, 2014 and Schedule VII of Companies Act, 2013.

The Key Objectives of this CSR policy would be to actively contribute to the social and economic development of the communities in which we operate by taking up CSR activities falling under the purview of Schedule VII of Companies Act, 2013.

The Company believes in enhancing quality of life for the communities living in the areas where it operates and is committed to focus on inclusive growth.

2. Composition of CSR Committee:

The CSR Committee as on 31st March 2022 comprises of Dr. Koshy Varghese, Independent Director, Mr. Pramod Sushila Kapoor, Director, and Mr. P. G. Suresh Kumar, Director.

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company: www.Intidpl.com

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report): Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: Nil

6. Average net profit of the company as per section 135(5): Rs. 60,82,59,325/-

7. (a) Two percent of average net profit of the company as per section 135(5):
Rs. 1,21,65,187/-

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

(c) Amount required to be set off for the financial year, if any: Nil

(d) Total CSR obligation for the financial year (7a+7b-7c): Rs. 1,21,65,187/-

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount (Rs.)	Date of transfer	Name of the Fund	Amount.	Date of transfer.
68,33,907	5331282	30.04.2022	Not applicable		

Manner in which the amount spent during the financial year is detailed below:

1	2	3	4	5	6	7	8
S No	CSR project or activity Identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads:	Cumulative expenditure upto to the reporting period	Amount spent: Direct or through implementing agency *
1	Construction of two classrooms	Promoting education	Suguru Village, Hiriyr Taluka, Chitradurga District	Upto Rs. 35 Lakhs	Rs. 27,94,869	Rs. 27,94,869	Direct
2	12M High Mast lights in 10 villages	Rural development	The details 10 villages are given below this table	Rs. 30 Lakhs Approx.	Rs. 25,69,212	Rs. 25,69,212	Direct
3	RO Plant	Making available safe drinking water	Tambuganahatti Village, Tumkur Taluka, Tumkur District	Rs. 12 Lakhs Approx.	Rs, 9,84,120	Rs, 9,84,120	Direct
4	10 Nos HP Make Computer	Promoting Education	Mayasandra Village, Sira Taluka, Tumkur District	Rs. 5 Lakhs Approx.	Rs. 4,85,706	Rs. 4,85,706	Direct

The details of 10 Villages for 12M High Mast Lights are given below:

SL No	Village Name	Taluk	District
1	Thimarajana Halli	Tumkur	Tumkur
2	Vasanthanarasapura	Tumkur	Tumkur
3	Sarupana Halli	Tumkur	Tumkur

4	Maysandra	Sira	Tumkur
5	Kannur	Magadi	Ramanagara
6	Mallikunte	Magadi	Ramanagara
7	Madhigondana halli	Magadi	Ramanagara
8	Adakamarana Halli	Magadi	Ramanagara
9	Vajarahalli	Ramanagara	Ramanagara
10	Bomberalli	Chelkere	Chitradurga

(b) Details of CSR amount spent against ongoing projects for the financial year:

Nil

(c) Details of CSR amount spent against other than ongoing projects for the financial year: Nil

(d) Amount spent in Administrative Overheads: Not Applicable

(e) Amount spent on Impact Assessment, if applicable: Not Applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Nil

(g) Excess amount for set off, if any: Nil

9. (a) Details of Unspent CSR amount for the preceding three financial years:

FY 2018-19 Rs. 41,03,988

FY 2019-20 Rs. 50,62,389

FY 2020-21 Rs. 17,58,122

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Rs. 17,58,122/-.

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details): Nil

(a) Date of creation or acquisition of the capital asset(s): Nil

(b) Amount of CSR spent for creation or acquisition of capital asset: Nil

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: Not Applicable

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):

The Company has identified one CSR Project towards the end of FY 2021-22 and the same was approved as an ongoing project.

The details of the ongoing CSR project approved by the Board is given below:

Project	Rural Development (12M HIGH MAST LIGHTS)
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The names of 20 villages where such lights shall be installed are given below:

SL No	Village Name	Taluk	District
1	Gollara Halli	Sira	Tumkur
2	Veeragana Halli	Sira	Tumkur
3	DasaraHalli Gollarahatti	Sira	Tumkur
4	Siddana Halli	Sira	Tumkur
5	Halldoderi	Sira	Tumkur
6	Javanhalli	Sira	Tumkur
7	Jodidevera Halli	Sira	Tumkur
8	Thallur	Yelburga	Koppal
9	Kagimadu	Magadi	Ramanagara
10	S S Palya	Magadi	Ramanagara
11	Kallur	Magadi	Ramanagara
12	Kallipalya	Magadi	Ramanagara
13	Byalakere	Magadi	Ramanagara
14	Kenchaiahna Palya	Magadi	Ramanagara
15	Alimaradapalya	Magadi	Ramanagara
16	Chikmaskkal	Magadi	Ramanagara
17	Bachenahatti	Magadi	Ramanagara
18	Marasandra	Magadi	Ramanagara
19	Gundigere	Magadi	Ramanagara
20	Gudaiahnapalya	Magadi	Ramanagara

The amount remained unspent pursuant to the aforesaid ongoing project shall be transferred within a period of thirty days from the end of FY 2021-22 to a special account to be opened in any scheduled bank, and such amount shall be spent by the company within a period of three financial years from the date of such transfer.

12. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

CSR Committee confirms that the Corporate Social Responsibility projects of the Company are in compliance with the CSR objectives of the Company.

Signature:

P.S. Kapoor, Director

(on behalf of Board of Directors)

Signature:

P.G. Suresh Kumar, Director

(On behalf of CSR Committee)

Place: Chennai

Date: 15/04/2022

FormNo.MR-3

SECRETARIAL AUDIT REPORT
For the Financial Year 2021-22

[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,
M/S. KUDGI TRANSMISSION LIMITED,
Chennai

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s.KUDGI TRANSMISSION LIMITED (CIN U40106TN2012PLC111122) (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of books, papers, minute books, forms and returns filed and other records maintained by the Company M/s. KUDGI TRANSMISSION LIMITED and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit , I hereby report that in my opinion , the company has, during the audit period covering the financial year ended 31st March 2022, complied with the statutory provisions listed there under and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, paper, minute books, forms and returns filed other records maintained by M/s. KUDGI TRANSMISSION LIMITED (“the Company”) for the Financial Year ended on 31st March 2022 according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made there under;
- ii) The National Highways Authority of India Act, 1988.

The Company has complied with the provisions of Securities Exchange of Board of India (Listing Obligation and Disclosure Requirements), 2015 and it has published half year financial results in the newspaper.

The Company is a Debt Listed Closely held Public Limited Company and hence compliance under the Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') via:

- i. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 ;

- ii. The Securities and Exchange Board of India (Issue of capital and Disclosure Requirements) Regulations, 2009
- iii. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- iv. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and
- v. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998

are NOT ATTRACTED.

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India and during the period under review the company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc as mentioned above.

Further that the management of the Company as informed that all the Related Party Transactions entered by the Company during the period under review have been entered at Arm's Length Basis and in the Ordinary Course of Business and therefore, compliance of provisions of Companies Act, 2013 in respect of any of these transactions do not arise.

I further report that the Board of Directors of the Company is constituted with Executive Directors and Non-Executive Directors. The changes in the composition of the Board of Directors that took place during the periods under reviews were carried out in compliance with the provisions of the Act.

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

In respect of resolution passed in circulation the company followed a healthy system of circulating the detailed agenda to all the Directors in a single file system, followed by placing the concerned agenda in the subsequent meeting.

A review of the minutes of the Board meetings held during the year indicate that wherever required detailed deliberations were carried out in respect of all the agenda items that were required to be so carried out and there were no dissenting views in respect of any of the items.

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

I further report that during the period under review, the Board of Directors of the Company has approved the following major items:

-Appointment of Mr.Ajit Kumar kottarath as a Chief Financial Officer w.e.f 15/04/2021 and cessation of CFO wef 12/07/2021

-Appointment of Mr.Lino Asir Robinson Asir Raj appointed as Chief Financial Officer w.e.f 11/10/2021 and

-Re-appointment of M/s.Srinivasan Damodaram & Associates (M:No:000825) as the Cost Auditor for the Financial Year 2021-22

I further report that my audit was subjected only to verifying adequacy of systems and procedures that are in place for ensuring proper compliances by the Company and I am not responsible for any lapses in those compliances on the part of the Company.

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

M. Balaji Rajan
Company Secretary in Practice
C.P. No. 6966
'Deepam Illam', #13/2, Agatheeswarar Koil Street
Villivakkam, Chennai – 600 049

Place: Chennai
Date: 15/04/2022
UDIN: F006470D000126700

Annexure A

To
The Members,
M/s.Kudgi Transmission Limited,
Chennai.

Our report of even date, it is to be read along with this supplementary testimony:

- a) Maintenance of secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these Secretarial Record based on our audit
- b) We have followed the audit practices and processes that were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on a test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
- c) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- d) Wherever required, we have obtained Management representation about the compliance of laws, rules and regulation and happenings of events etc.
- e) The Compliance of the provisions of corporate and other applicable laws, rules and regulation, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
- f) The Secretarial Audit is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management conducted the affairs of the Company.

For M Balaji Rajan & Associates
Company Secretaries

M. Balaji Rajan
Company Secretary in Practice
C.P. No. 6966
'Deepam Illam', #13/2, Agatheeswarar Koil Street
Villivakkam, Chennai – 600 049

Place: Chennai

Date: 15/04/2022

UDIN: F006470D000126700

SECRETARIAL COMPLIANCE REPORT
FOR THE YEAR ENDED MARCH 31, 2022

To
Kudgi Transmission Limited,
P.O.Box.979, Mount Poonamallee Road,
Manapakkam, Chennai-600089.

We, M Balaji Rajan & Associates, Company Secretaries, have examined:

- a) All the documents and records made available to us and explanation provided by Kudgi Transmission Limited ('the listed entity'),
- b) The filings/submission made by the listed entity to the Stock exchanges, i.e., BSE Limited.
- c) Website of the listed entity, <https://www.lntidpl.com/businesses/power-transmission-lines/operational-projects/kudgi-transmission-limited/>
- d) Any other document/filing, as may be relevant, which has been relied upon to make the certification,

For the year ended March 31, 2022 ('Review Period') in respect of compliance with the provision of:

- a) The Securities & Exchange Board of India Act, 1992('SEBI ACT') and the regulations, circulars, guidelines issued there under; and
- b) The Securities Contracts (Regulation) Act,1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities Exchange Board of India ("SEBI"),

The specific Regulations, whose provisions and the circulars/guidelines issued thereunder, have been examined include:-

- a) Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations,2015;
 - b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations,2018 (Not Applicable on Company during the review period);
 - c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations,2011(Not Applicable On Company during the review period);
 - d) Securities and Exchange Board of India (Buy-Back of Securities) Regulations,2018 (Not Applicable on Company during the review period);
 - e) Securities and Exchange Board of India (Shares Based Employee Benefits) Regulations,2014;
 - f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations,2008;(Not Applicable on Company during the review period);
 - g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulation,2013; (Not Applicable on Company during the review period);
 - h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations,2015;
 - i) Securities and Exchange Board of India (Depositories and Participants) Regulations,2018; and circulars/guidelines based thereunder;
- and based on the above examination, we hereby report that, during the review period:

a) The Listed Company has complied with the Provisions of above regulations and circulars/guideline issued thereunder, except in respect of matters specified below:

Sr.No	Compliance Requirement (Regulation/circulars/guidelines including specific clause)	Deviation	Observations/remarks of the Practicing Company Secretary
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Nil

b) The Company has maintained proper records under the provisions of the above regulations and circulars/guidelines issued thereunder in so far as it appears from our examination of those records.

c) The following are the details of the actions taken against the listed entity/its promoters/directors/material subsidiaries either by SEBI or by Stock Exchange (including the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/Regulations and Circular/guideline issued thereunder:

Sr.No	Action Taken By	Details of Violation	Detail of action taken e.g. Fines, warning letter, Debarment, etc.	Observations/remarks of the Practicing Company Secretary
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Nil

d)

Sr.No	Observations of Practicing Company Secretary in the Previous reports	Observations made in the Secretarial Compliance report for the year ended March 31, 2021	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
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Nil

For M Balaji Rajan & Associates

Company Secretaries

Place: Chennai

Date: 15/04/2022

UDIN: F006470D000126557

M. Balaji Rajan
 Company Secretary in Practice
 C.P. No. 6966
 'Deepam Illam', #13/2, Agatheeswarar Koil Street
 Villivakkam, Chennai – 600 049

Report on Corporate Governance

1. STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy on Corporate Governance is built on a rich legacy of fair and transparent governance and disclosure practices, many of which were in existence even before they were mandated by legislation.

The Company's essential character revolves round values based on transparency, integrity, professionalism and accountability. At the highest level, the Company continuously endeavours to improve upon these aspects and adopts innovative approaches for leveraging resources, converting opportunities into achievements through proper empowerment and motivation, fostering a healthy growth and development of human resources.

GROUP ABC POLICY:

L&T IDPL maintains and promotes the highest ethical and legal standards in its businesses, especially in relation to Bribery and Corruption, and expects the employees of L&T IDPL, its subsidiaries and project companies (referred to in the Anti Bribery and Corruption Policy as the Group) and those with whom the Group does business to do the same.

This policy on Bribery and Corruption applies to our dealings in both the public and the private sectors, and any violation of this policy is a matter of serious concern.

All Group companies and all Group employees (which, for the purposes of this Policy, includes our senior management, officers and directors) must comply with this Policy.

2. BOARD OF DIRECTORS

(i) Board composition and category of Directors

Composition of Board of Directors of the Company as on March 31, 2022, stood as below:

S. No.	Name of the Director	Designation	DIN
1	Mr. Pramod Sushila Kapoor	Director	02914307
2	Mr. P. G. Suresh Kumar	Director	07124883
3	Dr. Koshy Varghese	Independent Director	03141594
4	Ms. Samyuktha Surendran	Independent Woman Director	07138327

Mr. A. L. N. Varma had resigned as Chief Financial Officer with effect from January 10, 2021. Mr. Ajit Kumar K was appointed as Chief Financial Officer with effect from April 15, 2021.

The Key Managerial Personnel (KMP) of the Company as on March 31, 2021 are:

S. No.	Name	Designation	Date of Appointment
1	Mr. Ojes C. Madappattu	Manager	March 15, 2020
2	Mr. R. G. Ramachandran	Company Secretary	October 28, 2015

3	Mr. Ajit Kumar K*	Chief Financial Officer	April 15, 2021
4	Mr. R. Lino Asir	Chief Financial Officer	October 11, 2021

* resigned w.e.f. July 12, 2021.

(ii) Attendance of each director at the meeting of the board of directors

Date	Board Strength	Directors present
April 15, 2021	4	4
July 10, 2021	4	4
October 11, 2021	4	4
January 08, 2021	4	4
March 22, 2022	4	3

During the AGM held on September 30, 2021 Mr. P.S. Kapoor and Mr. P.G. Sureshkumar Directors attended the meeting.

(iii) Number of other board of directors or committees in which a directors is a member or chairperson

Name of the Director	No. Of directorship in listed entities including this listed entity	No of Independent Directorship in listed entities including this listed entity	Number of memberships in Audit/ Stakeholder Committee(s) including this listed entity	No of post of Chairperson in Audit/ Stakeholder Committee held in listed entities including this listed entity
Mr. PRAMOD SUSHILA KAPOOR	2	0	7	0
Mr. SURESHKUMAR PAUL GUNASEKARAN	1	0	2	1
Mr. KOSHY VARGHESE	1	1	5	0
Mr. SAMYUKTHA SURENDRAN	2	2	5	0

(iv) Number of meetings of the board of directors held and dates on which held

Date	Board Strength	Directors present
April 15, 2021	4	4
July 10, 2021	4	4
October 11, 2021	4	4
January 08, 2021	4	4
March 22, 2022	4	3

(v) Disclosure of relationships between directors inter-se: Nil

(vi) Number of shares and convertible instruments held by non-executive directors:

Mr. P.G. Sureshkumar and Mr. P.S. Kapoor hold one share each jointly with L&T IDPL to comply with the requirement of having minimum number of shareholders in a public Company.

(vii) Web link where details of familiarisation programmes imparted to independent directors is disclosed at www.Intidpl.com

(viii) Key Board qualifications, expertise and attributes

Mr. P.G. Suresh Kumar holds B.Sc. Engineering and Exe. Diploma – HRM. He has more than 34 years of experience.

Mr. P.S. Kapoor is an Associate Company Secretary and a Chartered Accountant. He has more than 37 years of experience.

Dr. Koshy Varghese holds B.E in Civil Engineering, M.S in Civil Engineering, Ph.D. in Construction Management. He has more than 28 years of experience.

Ms. Samyuktha Surendran holds bachelor's degree in computer science, postgraduate diploma in management for executives and master's degree in computer applications. She has more than 28 years of experience.

(ix) Confirmation that in the opinion of the board, the independent directors fulfil the conditions specified in these regulations and are independent of the management

Board is of the opinion that the Independent Directors fulfil the conditions specified as per the relevant provisions and are independent of the management

(x) Detailed reasons for the resignation of an independent director who resigns before the expiry of his tenure along with a confirmation by such director that there are no other material reasons other than those provided: nil

(xi) Separation of Board's supervisory role from Executive Management

The Company has optimum combination with two Independent Directors and two Directors representing L&T IDPL including one woman Director.

(xii) Selection of Directors and their Role

The Company had constituted the Nomination and Remuneration Committee in accordance with the requirements of the Act read with the Rules made thereunder. The said committee selects the Directors and recommends to the Board for their appointment.

(xiii) Directors appointment / re-appointment / retiring during the year

Mr. P.G. Suresh Kumar, Director retired by rotation at the Annual General Meeting held on September 30, 2021 and was reappointed as Director.

Mr. P.S. Kapoor, Director will retire by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.

(xiv) Functions of the Board

The Board of Directors has complete access to the information within the Company which interalia includes:

- Annual revenue budgets and capital expenditure plans
- Quarterly financials and results of operations
- Financing plans of the Company
- Minutes of the meeting of the Board of Directors, Audit Committee (AC), Nomination and Remuneration Committee (NRC), Corporate Social Responsibility Committee (CSR)
- Report on accidents
- Any materially relevant default, if any, in financial obligations to and by the Company

- Any issue which involves possible public or product liability claims of substantial nature, including any Judgement or Order, if any, which may have strictures on the conduct of the Company
- Development in respect of human resources
- Compliance or non-compliance of any regulatory, statutory nature or listing requirements and investor service.

The Independent Directors have the freedom to interact with the Company's management. Interactions happen during the Board / Committee Meetings, when senior company personnel are asked to make presentations about performance of the Company. Presentations are made regularly to the Board/NRC/AC (minutes of Board, AC and NRC are circulated to the Board), Presentations, inter alia cover business strategies, management structure, management development and planning, half-yearly and annual results, budgets, treasury, review of Internal Audit reports, risk management, etc.

3. Audit Committee

The Company has constituted an Audit Committee in terms of the requirements of the Companies Act, 2013 (the 'Act') and its Role and Responsibilities are in line with the applicable provisions of the Act, which, *inter-alia*, include but not limited to:

- (i) the recommendation for appointment, remuneration and terms of appointment of auditors of the company
- (ii) review and monitor the auditor's independence and performance, and effectiveness of audit process
- (iii) examination of the financial statement and the auditors' report thereon;
- (iv) approval or any subsequent modification of transactions of the company with related party
- (v) scrutiny of inter-corporate loans and investments
- (vi) valuation of undertakings or assets of the company, wherever it is necessary
- (vii) evaluation of internal financial controls and risk management systems
- (viii) monitoring the end use of funds raised through public offers and related matters.

Composition, name of members and Chairperson

As on March 31, 2022, the Committee comprised of Dr. Koshy Varghese, Ms. Samyuktha Surendran and Mr. Pramod Sushila Kapoor.

Meetings and attendance during the year

The details of the meetings conducted during the year under review are given below:

Date	Strength	Members present
April 15, 2021	3	3
July 10, 2021	3	3
October 11, 2021	3	3
January 08, 2021	3	3

4. Nomination & Remuneration Committee

The Company had constituted the Nomination and Remuneration Committee in accordance with the requirements of the Act read with the Rules made thereunder.

The Committee had formulated a policy on Director's appointment and remuneration including recommendation of remuneration of the Key Managerial Personnel (KMP) and the criteria for

determining qualifications, positive attributes and independence of a director and also for KMP.

The Company has constituted a Nomination & Remuneration Committee in terms of the requirements of the Companies Act, 2013 (the 'Act') and its Role and Responsibilities are in line with the applicable provisions of the Act, which, *inter-alia*, include but not limited to:

(a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully

(b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

(b) Composition, name of members and Chairperson

The Committee comprised of Dr. Koshy Varghese, Ms. Samyuktha Surendran and Mr. P. G. Suresh Kumar.

(c) Meeting and attendance during the year

The details of the meetings conducted during the year under review are given below:

Date	Strength	Members Present
April 15, 2021	3	3
October 11, 2021	3	3

(d) Performance evaluation criteria for independent directors.

The Nomination and Remuneration Committee and the Board have laid down the manner in which formal annual evaluation of the performance of the Board, committees and individual directors has to be made.

It includes circulation of questionnaires to all Directors for evaluation of the Board and its Committees, Board composition and its structure, its culture, Board effectiveness, Board functioning, information availability, etc. These questionnaires also cover specific criteria and the grounds on which all directors in their individual capacity will be evaluated.

Further, the Independent Directors reviewed the performance of Board, Committees, and Non-Executive Directors. The performance evaluation of the Board, Committees and Directors was also reviewed by the Nomination and Remuneration Committee and the Board of Directors.

5. Stakeholders' Grievance Committee

The Company has constituted the Committee in terms of the requirements of the Companies Act & the SEBI (LODR) Regulations, 2013. As on March 31, 2022, the Committee comprised of Mr. P.G. Sureshkumar, Chairman, Mr. Pramod Sushila Kapoor and Ms. Samyuktha Surendran as Members.

(a) name of non-executive director heading the committee: Mr. P.G. Sureshkumar Chairs the Committee

(b) name and designation of compliance officer: Mr. R.G. Ramachandran is the Company Secretary & Compliance Officer

(c) number of shareholders' complaints received so far: No complaints were received during the FY 2021-22

(d) number not solved to the satisfaction of shareholders: Nil

(e) number of pending complaints: Nil

6. Remuneration of Directors

Except for the sitting fee to the Independent Directors, no remuneration is paid to any other Director.

7. Risk Management Committee

(a) brief description of terms of reference: The Company has constituted a Risk Management Committee in terms of the requirements of the Companies Act, 2013 & the SEBI (LODR) Regulations.

(b) Composition, name of members and chairperson; As on March 31, 2022, the Committee comprised of Mr. Pramod Sushila Kapoor, Chairman, Mr. P.G. Sureshkumar and Dr. Koshy Varghese as Members.

(c) meetings and attendance during the year: Nil

8. General body meetings:

(a) location and time, where last three annual general meetings held;

September 30, 2021 at 4.30 PM at P B NO.979, Mount Poonamallee Road, Manapakkam, Chennai – 600089

September 30, 2020 at 4.00 PM at P B NO.979, Mount Poonamallee Road, Manapakkam, Chennai – 600089

September 24, 2019 at 10.00 AM at P B NO.979, Mount Poonamallee Road, Manapakkam, Chennai – 600089

(b) whether any special resolutions passed in the previous three annual general meetings: Nil

(c) whether any special resolution passed last year through postal ballot – details of voting pattern: Nil

(d) person who conducted the postal ballot exercise: NA

(e) whether any special resolution is proposed to be conducted through postal ballot: NA

(f) procedure for postal ballot: NA

9. Means of communication

(a) Quarterly results: results are submitted to the BSE

(b) newspapers wherein results normally published: Business Line (English Newspaper) & Hindu Tamil (Tamil Newspaper)

(c) any website, where displayed:

<https://www.Intidpl.com/businesses/power-transmission-lines/operational-projects/kudgi-transmission-limited/>

(d) whether it also displays official news releases: Nil

(e) presentations made to institutional investors or to the analysts: Nil

(a) General shareholder information

(a) Annual General Meeting, date, time and venue; Annual General Meeting for FY 2021-22 will be held on Tuesday, August 30, 2022, at 3.00 PM at the Registered Office of the Company

(b) Financial Year: 2021-2022

(c) Dividend payment date: NA

(d) The name and address of each stock exchange(s) at which the listed entity's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s):

The Bombay Stock Exchange

1st Floor, New Trade Ring, Rotunda Building

Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400001

- (e) Stock code: Debentures of the Company are Listed (Kudgi Transmission Limited)
(f) Market price data- high, low during each month in last financial year: Only Debentures of the Company are listed
(g) Performance in comparison to broad-based indices such as BSE Sensex, CRISIL Index etc; NA
(h) In case the securities are suspended from trading, the directors report shall explain the reason thereof; NA
(i) Registrar to an issue and share transfer agents;
NSDL Database Management Limited.
4th Floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400013.
(Phone: +91 22 49142700)
(j) Share transfer system: All the Equity Shares and Debentures of the Company are held in Dematerialised form.
(k) Distribution of shareholding: Details of Equity shares are given below:

NAME OF SHAREHOLDER	NAME OF JOINT HOLDER	FACE VALUE	NUMBER OF SHARES	PAID-UP CAPITAL (in Rs)
L&T INFRASTRUCTURE DEVELOPMENT PROJECTS LIMITED		10	19,25,99,993	1,92,59,99,930
P G SURESHKUMAR	L&T INFRASTRUCTURE DEVELOPMENT PROJECTS LIMITED	10	1	10
P PADMANABHAN	L&T INFRASTRUCTURE DEVELOPMENT PROJECTS LIMITED	10	1	10
ESTHER MALINI	L&T INFRASTRUCTURE DEVELOPMENT PROJECTS LIMITED	10	1	10
R G Ramachandran		10	2	20
Pradeepta Kumar Puhan	L&T Infrastructure Development Projects Limited	10	1	10
PRAMOD SUSHILA KAPOOR	L AND T INFRASTRUCTURE DEVELOPMENT PROJECTS LIMITED	10	1	10
TOTAL			19,26,00,000	1,92,60,00,000

- (l) Dematerialization of shares and liquidity;

Equity shares:

100% of the Company's equity paid up capital representing 19,26,00,000 equity shares @ Rs.10/- each are held in dematerialized form.

Non-convertible Debentures (NCD):

100% of Debentures representing 13730 NCDs @ Rs.10 lakh each are held in dematerialized form and are listed with Bombay Stock Exchange.

- (m) Outstanding global depository receipts or american depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity: NA
(n) Commodity price risk or foreign exchange risk and hedging activities: NA
(o) Plant locations;

Kudgi Transmission Limited
Survey no.5, Vasanta Narsapura Village, Near NH-4, Behind Bellavi Road, Kora Hobli, District & Taluka – Tumkur, PIN-572128, Karnataka.

(p) Address for correspondence.

Kudgi Transmission Limited
Survey no.5, Vasanta Narsapura Village,
Near NH-4, Behind Bellavi Road, Kora Hobli,
District & Taluka – Tumkur, PIN-572128, Karnataka.

(q) List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad

CRISIL AAA/Stable (Reaffirmed)

CRISIL AAA/Stable (Reaffirmed)

(b) Other Disclosures

(a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large; a. There were no contracts or arrangements entered into by the Company with related party(s) during the FY 2021 – 22 which required shareholders' approval as per Sec. 188(1) of the Companies Act, 2013. b. The details of related party transactions during the FY 2021 – 22 form part of the financial statements as per Ind AS 24 and the same is given in Note H6.

(b) Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years: Nil

(c) Details of establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel has been denied access to the audit committee;

L&T IDPL and its SPVs committed to the best practices based on the principle of transparency, accountability, fairness and integrity to create long term sustainable value for its employees and all stakeholders. Our company has in place vigil mechanism procedure to provide an avenue to all stakeholders as and when they anticipate a violation of company's policies, code of conduct, an infringement of laws/ regulations, or the governing documents to report, on her/his own (by name or anonymously) to the Compliance Officer, WBIC through email addressed to wbic@Intidpl.com, compliance@Intidpl.com, or call to the HOTLINE number (access is only with the Compliance Officer of the L&T IPDL). Reported incidents handled with confidentiality and the company does not allow reprisals of any kind against those who in good faith, report an infringement or suspicion of an infringement of the rules and guidelines. Our company has also adopted Code of Conduct policy.

Board of Directors hereby affirm that no personnel has been denied access to the audit committee

(d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements: NA

(e) Web link where policy for determining 'material' subsidiaries is disclosed: Not Applicable.

(f) Web link where policy on dealing with related party transactions: Currently the Company is following applicable provisions of Companies Act, 2013 and SEBI LODR for dealing with related party transactions (RPT). The RPT policy shall be implemented in due course.

(g) Disclosure of commodity price risks and commodity hedging Activities: Nil

(h) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A): Not Applicable

(i) A certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority: is attached

(j) Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof: Not Applicable

(k) Total fees for all services paid by the listed entity to the statutory auditors: forms part of notes to the accounts.

(l) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

a. number of complaints filed during the financial year: Nil

b. number of complaints disposed of during the financial year: Nil

c. number of complaints pending as on end of the financial year: Nil

m. Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount': Forms part of notes to accounts.

11. Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) above, with reasons thereof shall be disclosed. Nil

12. Training of Board members

The Board members are provided with the necessary documents, brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices. Further, periodic presentations are made at the meetings of the Board and its Committees on business and performance updates of the Company, business environment, business strategy and risks involved.

13. Adoption of mandatory and non-mandatory requirements of SEBI Listing Regulations

The Company has complied with the mandatory requirements. In respect of adoption of non-mandatory and discretionary requirements, the Company will review its implementation from time to time.

For and on behalf of the Board

Pramod Sushila Kapoor

P.G. Suresh Kumar

Date: 15/04/2022

Director

Director

Place: Chennai

DIN: 02914307

DIN: 07124883

Declaration by CEO on compliance of the management and directors with the code of conduct is enclosed below:

To the Shareholders of Kudgi Transmission Limited

Sub: Compliance with Code of Conduct

I hereby declare that all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct as adopted by the Board of Directors and Senior Management Personnel.

Date: 15.04.2022

P.G. Sureshkumar

Place: Chennai

Director

PRACTICING COMPANY SECRETARY'S CERTIFICATE UNDER SUB-PARA 10(i) OF PART C OF SCHEDULE V OF SEBI (LODR), REGULATIONS, 2015

To,

The Members

Kudgi Transmission Limited

I, Mr. M Balaji Rajan, Practicing Company Secretary, hereby certify that I have examined and verified the records, books and papers of the Company **KUDGI TRANSMISSION LIMITED** as required to be maintained under the Companies Act, 2013, SEBI Regulations, other applicable rules and regulations made thereunder, as regards the Directors of the Company for the Financial year ended on 31st March, 2022.

I further certify that based on the examinations carried out by me and the explanations and representations furnished to me by the said Company, its officers and agents, none of the following Directors of the Company:

Sr No	Name of the Director	DIN	Category
1	Mr. Sureshkumar Paul Gunasekaran	07124883	Director
2	Mr. Koshy Varghese	03141594	Independent Director
3	Mrs. Samyuktha Surendran	07138327	Women Director, Independent Director
4	Mr. Pramod Sushila Kapoor	02914307	Director

have been debarred or disqualified from being appointed or continuing as Directors of Company by the SEBI or Ministry of Corporate Affairs or any such statutory authority as on 31st March 2022.

For M Balaji Rajan & Associates
Company Secretaries

Place: Chennai

Date: 15/04/2022

UDIN: F006470D000126557

M. Balaji Rajan
Company Secretary in Practice
C.P. No. 6966
'Deepam Illam', #13/2, Agatheeswarar Koil Street
Villivakkam, Chennai – 600 049

CERTIFICATE ON CORPORATE GOVERNANCE

(Pursuant to Para E of Schedule V to the SEBI (LODR) Regulations, 2015)

To,

The Members

Kudgi Transmission Limited

CIN: U40106TN2012PLC111122

We have examined the compliance of the conditions of Corporate Governance by Kudgi Transmission Limited (CIN: U40106TN2012PLC111122) ("the Company"), for the financial year ended on March 31, 2022, as stipulated in Regulations 17 to 27 and other relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to examining procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion, on the basis of our examination of the relevant records produced, information provided, the explanations and clarifications given to us, we certify that the Company has complied with all mandatory regulations and the conditions of Corporate Governance as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, during the financial year ended March 31, 2022.

We further state that this certificate is neither an assurance as to the future viability of the Company nor of efficiency or effectiveness with which the management has conducted the affairs of the Company.

For M Balaji Rajan & Associates
Company Secretaries

Place: Chennai

Date: 04/07/2022

UDIN: F006470D000563708

M. Balaji Rajan
Company Secretary in Practice
C.P. No. 6966
'Deepam Illam', #13/2, Agatheeswarar Koil Street
Villivakkam, Chennai – 600 049

INDEPENDENT AUDITOR'S REPORT

To the Members of M/s. Kudgi Transmission Limited

Report on the Ind AS Financial Statements

Opinion

We have audited the Ind AS financial statements of **Kudgi Transmission Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information for the year ended on that date.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Ind AS 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 ICAI's 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 Ind AS financial statements.

Information other than the Ind AS Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the Ind AS financial statements and our auditor's report thereon.

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management’s Responsibility for the Ind AS Financial Statements

The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian 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 implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are responsible for overseeing the Company’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Ind AS 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 Ind AS 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.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015.
- e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- 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, no remuneration has been paid by the Company to its Directors during the year so the provisions of section 197 of the Act are not applicable.
- 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 has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

v. The Company has not declared or paid any dividend during the year.

**For M.K. Dandeker & Co.,
(ICAI Regn. No. 000679S)**

Date: April 15, 2022
Place: Chennai
UDIN: 22227630AHHZKV4240

**R. Arun Kumar Mehta
Partner
Chartered Accountants
Membership No. 227630**

ANNEXURE - A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in our Report of even date)

1. a. (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company is maintaining proper records showing full particulars of intangible assets.
- b. The Property, Plant and Equipment have been physically verified by the Management at regular intervals and no material discrepancies were noticed on such verification.
- c. The title deeds of immovable property are held in the name of the Company.
- d. The Company has not revalued its Property, Plant and Equipment (including Right of Use of Assets) or intangible assets or both during the year.
- e. No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
2. a. The Company is engaged in the business of infrastructure development and maintenance and hence clause 3 (ii) of the Companies (Auditor's Report) Order 2016 relating to inventory is not applicable.

b. The Company has not availed working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets at any point of time of the year and hence clause 3 (ii)(b) of the Companies (Auditor's Report) Order 2020 is not applicable.
3. During the year, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Hence, clause 3 (iii) of the Companies (Auditor's Report) Order 2020 is not applicable.
4. According to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act, 2013 are complied with in respect of loans, investments, guarantees and securities given by the Company.
5. The Company has not accepted deposits or amounts which are deemed to be deposits and the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed thereunder are not applicable to the Company.
6. The Company is maintaining the cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act in respect of services carried out by the Company.

7. a. According to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including provident fund, income-tax, goods and services Tax, cess and any other statutory dues with the appropriate authorities.
- b. According to the information and explanation given to us, the details of statutory dues which have not been deposited as on March 31, 2022 on account of disputes are given below:

Name of the Statute	Nature of dues	Period to which amount relates	Forum where the dispute is pending	Amount (In Lakhs)
Income Tax Act, 1961	Income Tax	A.Y. 2018-19	CIT (Appeal)	358.52

8. According to the information and explanations given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
9. (a) The Company has no loans or borrowings from any bank or financial institution and hence clause 3 (ix)(a) of the Companies (Auditor's Report) Order 2020 is not applicable.
- (b) According to the information and explanations given to us, the Company is not a declared willful defaulter by any bank or financial institution or other lender.
- (c) The Company has no term loans from any bank or financial institution and hence clause 3 (ix)(c) of the Companies (Auditor's Report) Order 2020 is not applicable.
- (d) During the year, the Company has not raised any funds on short term basis and hence clause 3 (ix)(d) of the Companies (Auditor's Report) Order 2020 is not applicable.
- (e) According to the information and explanations given to us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures and hence clause 3 (ix)(e) of the Companies (Auditor's Report) Order 2020 is not applicable.
- (f) According to the information and explanations given to us, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and hence clause 3 (ix)(f) of the Companies (Auditor's Report) Order 2020 is not applicable.
10. a) According to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including Debt instruments) during the year and hence clause 3 (x)(a) of the Companies (Auditor's Report) Order 2020 is not applicable.
- b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally) during the year and hence clause 3 (x)(b) of the Companies (Auditor's Report) Order 2020 is not applicable.
11. (a) Based on the information and explanations given to us, no material fraud by the Company or

any fraud on the Company has been noticed or reported during the year.

- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT- 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
 - (c) As represented to us by the management, there are no whistle-blower complaints received during the year by the Company.
12. The Company is not a Nidhi Company and hence clause 3 (xii) of the Companies (Auditor's Report) Order 2016 is not applicable.
 13. According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act where applicable and the details have been disclosed in the financial statements, as required by the applicable accounting standards.
 14. (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the reports of the Internal Auditor for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
 15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Hence, clause 3(xv) of the Companies (Auditor's Report) Order 2020 is not applicable.
 16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and hence clause 3 (xvi) of the Companies (Auditor's Report) Order 2020 is not applicable.
 17. The Company has not incurred any cash losses in the current financial year and in the immediately preceding financial year.
 18. There has been no resignation of the statutory auditors during the year and hence clause 3 (xviii) of the Companies (Auditor's Report) Order 2020 is not applicable.

19. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
20. (a) The Company has not transferred the CSR amount remaining unspent in respect of other than ongoing projects, to a Fund specified in Schedule VII to the Companies Act, 2013 till the date of our audit report. However, the time period for such transfer i.e. six months of the expiry of the financial year as permitted under second proviso to sub-section (5) of section 135 of the Act, has not elapsed till the date of our audit report.
- (b) The Company has not transferred the CSR amount remaining unspent in respect of ongoing projects, to a Special Account till the date of our audit report. However, the time period for such transfer i.e. thirty days from the end of the financial year as permitted under second proviso to sub-section (6) of section 135 of the Act, has not elapsed till the date of our audit report.
21. As the Company does not have any Subsidiaries, Associates or Joint Ventures, clause 3 (xxi) of the Companies (Auditor's Report) Order 2020 is not applicable.

**For M.K. Dandeker & Co.,
(ICAI Regn. No. 000679S)**

Date: April 15, 2022
Place: Chennai
UDIN: 22227630AHHZKV4240

**R. Arun Kumar Mehta
Partner
Chartered Accountants
Membership No. 227630**

ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT
(Referred to in our Report of even date)

Report on the Internal Financial Controls 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 **Kudgi Transmission Limited** ("the Company") as of March 31, 2022 in conjunction with our audit of the Ind AS 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 (the "Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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 and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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 Ind AS 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 Ind AS 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 Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

**For M.K. Dandeker & Co.,
(ICAI Regn. No. 000679S)**

Date: April 15, 2022
Place: Chennai
UDIN: 22227630AHHZKV4240

**R. Arun Kumar Mehta
Partner
Chartered Accountants
Membership No. 227630**

Kudgi Transmission Limited
CIN : U40106TN2012PLC111122
Balance Sheet as at March 31, 2022

Particulars	Note No.	As at March 31, 2022 ₹ Lakhs	As at March 31, 2021 ₹ Lakhs
ASSETS			
Non-current assets			
a) Property, plant and equipment	1	816	865
b) Financial assets			
i) Other financial assets	2	1,57,092	1,50,226
c) Other non-current assets	3	2	2
	A	1,57,910	1,51,093
Current assets			
a) Financial assets			
i) Investments	5	15,234	2,423
ii) Cash and bank balances	6	506	16,093
iii) Other bank balances	7	31,857	30,055
b) Current tax assets (net)	4	717	658
c) Other current assets	3	147	230
	B	48,461	49,459
TOTAL	A+B	2,06,371	2,00,552
EQUITY AND LIABILITIES			
EQUITY			
a) Equity share capital	8	19,260	19,260
b) Other equity	9	37,663	28,156
	C	56,923	47,416
LIABILITIES			
Non-current liabilities			
a) Financial liabilities			
i) Borrowings	10	1,33,248	1,36,540
ii) Other financial liabilities	14	3	3
b) Provisions	11	1	4
c) Other non-current liabilities	12	3	3
	D	1,33,255	1,36,550
Current liabilities			
a) Financial liabilities			
i) Borrowings	10	4,000	3,600
ii) Trade payables	13		
a) Total outstanding dues of micro and small enterprises		67	61
b) Total outstanding dues of creditors other than micro and small enterprises		55	61
iii) Other financial liabilities	14	11,888	12,757
b) Other current liabilities	12	180	104
c) Provisions	11	3	3
	E	16,193	16,586
Total Equity and Liabilities	C+D+E	2,06,371	2,00,552
Contingent liabilities	F		
Commitments	G		
Other notes forming part of financial statements	H		
Significant accounting policies	I		

As per our report attached
For M.K.Dandekar & Co.
Chartered Accountants
(Firm Reg.No.000679S)
by the hand of

For and on behalf of the Board,

P.G. Suresh Kumar
Director
DIN: 07124883

P.S. Kapoor
Director
DIN: 02914307

R. Arun Kumar Mehta
Partner
Membership No. 227630

R. Lino Asir
Chief Financial Officer

R.G. Ramachandran
Company Secretary

Place: Chennai
Date: April 15, 2022

Place: Chennai
Date: April 15, 2022

Kudgi Transmission Limited
CIN : U40106TN2012PLC111122

Statement of Profit and loss for the year ended March 31, 2022

Particulars	Note No.	Year Ended March 31, 2022 ₹ Lakhs	Year Ended March 31, 2021 ₹ Lakhs
INCOME			
Revenue from Operations	15	22,656	18,878
Other income	16	1,593	2,270
Total Income		24,249	21,148
EXPENSES			
Operating expenses	17	1,401	1,334
Employee benefit expenses	18	107	94
Finance cost	19	12,870	13,191
Depreciation and amortisation	1	49	49
Other expenses	20	316	321
Total Expenses		14,743	14,989
Profit/(loss) before tax		9,506	6,159
Less: Tax Expenses		-	-
Profit/(loss) after tax		9,506	6,159
Other Comprehensive Income			
i) Items that will not be reclassified to profit or (loss) (net of tax)			
- Remeasurements of the defined benefit plans		-	1
Total Comprehensive Income for the year		9,506	6,159
Earnings per equity share (Basic and Diluted) (₹)	H(9)	4.94	3.20
Face value per equity share (₹)		10.00	10.00
Other notes forming part of accounts	H		
Significant accounting policies	I		

As per our report attached
For M.K.Dandeker & Co.
Chartered Accountants
(Firm Reg.No.000679S)
by the hand of

For and on behalf of the Board,

P.G. Suresh Kumar Director DIN: 07124883	P.S. Kapoor Director DIN: 02914307
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R. Arun Kumar Mehta
Partner
Membership No. 227630

R. Lino Asir Chief Financial Officer	R.G. Ramachandran Company Secretary
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Place: Chennai
Date: April 15, 2022

Place: Chennai
Date: April 15, 2022

Statement of Cash Flows for the year ended March 31, 2022

S.No.	Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
		₹ Lakhs	₹ Lakhs
A	Cash flow from operating activities		
	Net profit / (loss) before tax	9,506	6,159
	Adjustments for:		
	Interest expenses	12,870	13,191
	Interest income from banks	(1,226)	(1,680)
	Depreciation and amortisation	49	49
	Profit on sale of Investments	(65)	(87)
	(Profit) / loss on financial instruments designated at FVTPL	(71)	(2)
	Other Comprehensive Income	-	1
	Operating profit before working capital changes	21,063	17,631
	Adjustments for:		
	Increase / (decrease) in long term provisions	(3)	(1)
	Increase / (decrease) in trade payables	1	(200)
	Increase / (decrease) in other financial liabilities	(10)	(4)
	Increase / (decrease) in other current liabilities	76	(56)
	Increase / (decrease) in short term provisions	-	0
	(Increase) / decrease in loans	-	1
	(Increase) / decrease in other non-current assets	-	(0)
	(Increase) / decrease in other financial assets	(6,866)	2,820
	(Increase) / decrease in other current assets	83	(6)
	Net cash generated from/(used in) operating activities	14,344	20,186
	Net Income tax (paid)/refunds	(59)	(58)
	Net Cash(used in)/generated from Operating Activities	14,285	20,128
B	Cash flow from investing activities		
	Redemption / (Investment) in bank deposits	(1,802)	(30,055)
	(Purchase)/Sale of current investments (net)	(12,675)	18,456
	Interest received	1,226	1,680
	Net cash (used in)/generated from investing activities	(13,251)	(9,919)
C	Cash flow from financing activities		
	Repayment of long term borrowings	(3,600)	(3,600)
	Interest paid	(13,021)	(13,319)
	Net cash (used in)/generated from financing activities	(16,621)	(16,919)
	Net increase / (decrease) in cash and cash equivalents (A+B+C)	(15,587)	(6,710)
	Cash and cash equivalents as at the beginning of the year	16,093	22,803
	Cash and cash equivalents as at the end of the year	506	16,093

Components of Cash & Cash Equivalents:

S.No.	Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
1	Balances with banks:		
	- In Trust retention and escrow accounts	406	749
	- In current accounts	1	1
	- In Term deposits with original maturity of less than 3 months (including interest accrued thereon)	99	15,343
		506	16,093

Notes:

- Statement of Cash flows has been prepared under the 'Indirect Method' as set out in the Ind AS 7 - Statement of Cash Flows.
- Cash and cash equivalents represent cash and bank balances.
- Previous year's figures have been regrouped/reclassified wherever applicable.

Other notes forming part of accounts H
Significant accounting policies I

As per our report attached

For M.K.Dandekar & Co.
Chartered Accountants
(Firm Reg.No.000679S)
by the hand of

For and on behalf of the Board,

P.G. Suresh Kumar
Director
DIN: 07124883

P.S. Kapoor
Director
DIN: 02914307

R. Arun Kumar Mehta
Partner
Membership No. 227630

R. Lino Asir
Chief Financial Officer

R.G. Ramachandran
Company Secretary

Place: Chennai
Date: April 15, 2022

Place: Chennai
Date: April 15, 2022

Kudgi Transmission Limited
CIN : U40106TN2012PLC111122
Statement of Changes in Equity for the year ended March 31, 2022

a) Equity Share Capital

i) As at March 31, 2022 (₹ Lakhs)

Particulars	No. of Shares	₹ Lakhs
Balance at the beginning of the year	19,26,00,000	19,260
Changes in equity share capital due to prior period errors	-	-
Restated balance at the beginning of the year	19,26,00,000	19,260
Changes in equity share capital during the year	-	-
Balance at the end of the year	19,26,00,000	19,260

ii) As at March 31, 2021

Particulars	No. of Shares	₹ Lakhs
Balance at the beginning of the year	19,26,00,000	19,260
Change in equity share capital due to prior period errors	-	-
Restated balance at the beginning of the year	19,26,00,000	19,260
Changes in equity share capital during the year	-	-
Balance at the end of the year	19,26,00,000	19,260

b) Other Equity

i) As at March 31, 2022

Particulars	Reserves & Surplus		Total
	Debenture Redemption Reserve	Retained earnings	
Balance at the beginning of the year	10,006	18,151	28,156
Profit for the year	-	9,506	9,506
Other Comprehensive Income for the year	-	-	-
Balance at the end of the year	10,006	27,657	37,663

ii) As at March 31, 2021

Particulars	Reserves & Surplus		Total
	Debenture Redemption Reserve	Retained earnings	
Balance at the beginning of the year	10,006	11,991	21,997
Profit for the year	-	6,159	6,159
Other Comprehensive Income for the year	-	1	1
Balance at the end of the year	10,006	18,151	28,156

Other notes forming part of accounts H
Significant accounting policies I

As per our report attached
For M.K.Dandekar & Co.
Chartered Accountants
(Firm Reg.No.000679S)
by the hand of

For and on behalf of the Board,

P.G. Suresh Kumar
Director
DIN: 07124883

P.S. Kapoor
Director
DIN: 02914307

R. Arun Kumar Mehta
Partner
Membership No. 227630

R. Lino Asir
Chief Financial Officer

R.G. Ramachandran
Company Secretary

Place: Chennai
Date: April 15, 2022

Place: Chennai
Date: April 15, 2022

Kudgi Transmission Limited

Notes forming part of financial statements for the year ended March 31, 2022

1 Property, Plant and Equipment**(₹ Lakhs)**

Particulars	Cost				Depreciation				Book Value	
	As at April 01, 2021	Additions	Deductions	As at March 31, 2022	As at April 01, 2021	For the year	Deductions	As at March 31, 2022	As at March 31, 2022	As as March 31, 2021
Owned										
Freehold Land (Refer Note Below)	392	-	-	392	-	-	-	-	392	392
Vehicles	6	-	-	6	3	1	-	4	2	3
Buildings	508	-	-	508	68	43	-	111	397	440
Air Conditioning & Refrigeration Equipment	13	-	-	13	4	2	-	6	7	9
Furnitures & Fixtures	23	-	-	23	4	2	-	6	17	20
Office Equipments	1	-	-	1	0	1	-	1	0	1
Total	944	-	-	944	79	49	-	128	816	865
<i>Previous year</i>	<i>944</i>	<i>-</i>	<i>-</i>	<i>944</i>	<i>30</i>	<i>49</i>	<i>-</i>	<i>79</i>	<i>865</i>	

Note: Freehold Land mentioned above has been Mortgaged for the Non-Convertible Debentures.

Kudgi Transmission Limited

Notes forming part of financial statements for the year ended March 31, 2021

(₹ Lakhs)

Note: 1(a) - Property, Plant and Equipment

Particulars	Cost				Depreciation				Book Value	
	As at April 01, 2020	Additions	Deductions	As at March 31, 2021	As at April 01, 2020	For the year	Deductions	As at March 31, 2021	As at March 31, 2021	As as March 31, 2020
Owned										
Freehold Land (Refer Note Below)	392	-	-	392	-	-	-	-	392	392
Vehicles	6	-	-	6	2	1	-	3	3	4
Buildings	508	-	-	508	25	43	-	68	440	483
Air Conditioning & Refrigeration Equipment	13	-	-	13	2	2	-	4	9	12
Furniture & Fixtures	23	-	-	23	1	2	-	4	20	22
Office Equipments	1	-	-	1	0	0	-	0	1	1
Total	944	-	-	944	30	49	-	79	865	914
<i>Previous year</i>	<i>399</i>	<i>546</i>	<i>-</i>	<i>944</i>	<i>1</i>	<i>29</i>	<i>-</i>	<i>30</i>	<i>914</i>	<i>-</i>

Note: Freehold Land mentioned above has been Mortgaged for the Non-Convertible Debentures.

2 Other financial assets

Particulars	As at March 31, 2022			As at March 31, 2021		
	Current	Non-current	Total	Current	Non-current	Total
a) Lease receivable	-	1,52,551	1,52,551	-	1,50,225	1,50,225
b) Bank deposits with original maturity of more than 12 months (including interest accrued thereon)	-	4,527	4,527	-	-	-
c) Security deposits - Unsecured, considered good	-	14	14	-	1	1
	-	1,57,092	1,57,092	-	1,50,226	1,50,226

3 Other non-current and current assets

Particulars	As at March 31, 2022			As at March 31, 2021		
	Current	Non-current	Total	Current	Non-current	Total
Advances other than capital advances						
- Receivable from related party	2	-	2	-	-	-
- Gratuity Plan Asset (net of provisions)	2	2	4	1	2	3
- Other receivables	2	-	2	-	-	-
- Prepaid Insurance	141	-	141	229	-	229
	147	2	149	230	2	232

4 Current Tax Assets (net)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Current	Non-current	Total	Current	Non-current	Total
Advance Tax (net of provisions)	717	-	717	658	-	658
	717	-	717	658	-	658

5 Investments

Particulars	As at March 31, 2022		As at March 31, 2021	
	Quantity Units	Current ₹ Lakhs	Quantity Units	Current ₹ Lakhs
Investments at fair value through Profit and loss				
- Investment in liquid mutual fund units	30,82,897	15,234	1,66,607	2,423
	30,82,897	15,234	1,66,607	2,423
Aggregate amount of quoted investments		15,161		2,421
Aggregate amount of market value of above		15,234		2,423

Other Particulars in respect of investments:

Particulars	Units As at March 31, 2022	Market Value As at March 31, 2022	Units As at March 31, 2021	Market Value As at March 31, 2021
	Nos.	₹ Lakhs	Nos.	₹ Lakhs
UTI Overnight Fund - Direct Plan - Growth	1,46,837	4,273	-	-
Tata Overnight Fund - Direct Plan - Growth	77,108	865	-	-
IDFC Overnight Fund - Direct Plan - Growth	85,005	964	-	-
ABSL Overnight Fund - Direct Plan - Growth	5,76,171	6,624	-	-
Nippon India Overnight Fund - Direct Plan - Growth	21,97,776	2,508	-	-
Kotak Overnight Fund - Regular Growth	-	-	28,875	317
L&T Cash Fund - Growth	-	-	1,37,732	2,106
	30,82,897	15,234	1,66,607	2,423

6 Cash and bank balances

Particulars	As at March 31, 2022	As at March 31, 2021
	₹ Lakhs	₹ Lakhs
Balances with banks		
- In Trust retention and escrow accounts	406	749
- In Current accounts	1	1
- In Term deposits with original maturity of less than 3 months (including interest accrued thereon)	99	15,343
	506	16,093

7 Other Bank balances

- In Term deposits with original maturity of more than 3 months but less than 12 months (including interest accrued thereon)	24,535	30,055
- In Term deposits with original maturity of more than 12 months (including interest accrued thereon)	7,322	-
	31,857	30,055

8 Equity Share Capital

(i) Authorised, issued, subscribed and paid up

(₹ Lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	₹ Lakhs	No. of shares	₹ Lakhs
Authorised				
Equity shares of ₹ 10 each	19,50,00,000	19,500	19,50,00,000	19,500
Issued, subscribed and fully paid up				
Equity shares of ₹ 10 each	1,92,60,00,000	19,260	1,92,60,00,000	19,260

(ii) Reconciliation of the number of equity shares and share capital issued, subscribed and paid-up

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	₹ Lakhs	No. of shares	₹ Lakhs
At the beginning of the year	19,26,00,000	19,260	19,26,00,000	19,260
Issued during the year as fully paid	-	-	-	-
At the end of the year	19,26,00,000	19,260	19,26,00,000	19,260

(iii) Terms / rights attached to equity shares

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

The Company has not issued any securities during the year with the right/option to convert the same into equity shares at a later date.

The Company has not reserved any shares for issue under options and contracts/commitments for the sale of shares/disinvestment.

The shares issued carry equal rights to dividend declared by the company and no restrictions are attached to any specific shareholder.

(iv) Details of Shares held by Holding Company

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	₹ Lakhs	No. of shares	₹ Lakhs
L&T Infrastructure Development Projects Limited (Including nominee holding)	19,26,00,000	19,260	19,26,00,000	19,260
	19,26,00,000	19,260	19,26,00,000	19,260

(v) Details of Shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	%	No. of shares	%
L&T Infrastructure Development Projects Limited (Including nominee holding)	19,26,00,000	100.00%	19,26,00,000	100.00%

(vi) a) Details of shareholding of Promoters as on March 31, 2022:

Particulars	No of Shares	% of Total Shares	% of Change during the year
Equity share capital			
L&T Infrastructure Development Projects Limited - Holding Company	19,26,00,000	100.00%	No Change

(vi) b) Details of shareholding of Promoters as on March 31, 2021:

Particulars	No of Shares	% of Total Shares	% of Change during the year
Equity share capital			
L&T Infrastructure Development Projects Limited - Holding Company	19,26,00,000	100.00%	No Change

(vii) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date: Nil

(viii) Calls unpaid : Nil; Forfeited Shares : Nil

Kudgi Transmission Limited
Notes forming part of financial statements for the year ended March 31, 2022

9 Other Equity

(₹ Lakhs)

i) As at March 31, 2022

Particulars	Reserves & Surplus		Total
	Debenture Redemption Reserve	Retained earnings	
Balance at the beginning of the year	10,006	18,151	28,156
- Profit for the year	-	9,506	9,506
- Other Comprehensive Income for the year	-	-	-
Balance at the end of the year	10,006	27,657	37,663

ii) As at March 31, 2021

Particulars	Reserves & Surplus		Total
	Debenture Redemption Reserve	Retained earnings	
Balance at the beginning of the year	10,006	11,991	21,997
- Profit for the year	-	6,159	6,159
- Other Comprehensive Income for the year	-	1	1
Balance at the end of the year	10,006	18,151	28,156

10 Borrowings

(₹ Lakhs)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Current	Non current	Total	Current	Non current	Total
Secured borrowings						
a) Non-Convertible debentures [Refer notes below]	4,000	1,33,248	1,37,248	3,600	1,36,540	1,40,140
	4,000	1,33,248	1,37,248	3,600	1,36,540	1,40,140

Note 10(a) : Details of long term borrowings:

(i) Details of Non - Convertible Debenture is given in the below table (Effective Interest Rate @ 8.99%):

Particulars	Terms of repayment			
	Series	₹ Lakhs	Rate of Interest	Redemption Date
Debentures - II	Non Convertible Debentures - Series "W" of 2016-17	10400	9.50%	25-Apr-40
	Non Convertible Debentures - Series "V" of 2016-17	9600	9.50%	25-Apr-39
	Non Convertible Debentures - Series "U" of 2016-17	9000	9.50%	25-Apr-38
	Non Convertible Debentures - Series "T" of 2016-17	10600	9.50%	25-Apr-37
	Non Convertible Debentures - Series "S" of 2016-17	10100	9.50%	25-Apr-36
	Non Convertible Debentures - Series "R" of 2016-17	9300	9.50%	25-Apr-35
	Non Convertible Debentures - Series "Q" of 2016-17	8700	9.50%	25-Apr-34
	Non Convertible Debentures - Series "P" of 2016-17	8000	9.50%	25-Apr-33
	Non Convertible Debentures - Series "O" of 2016-17	7500	9.14%	25-Apr-32
	Non Convertible Debentures - Series "N" of 2016-17	7200	9.14%	25-Apr-31
	Non Convertible Debentures - Series "M" of 2016-17	6700	9.14%	25-Apr-30
	Non Convertible Debentures - Series "L" of 2016-17	6300	9.14%	25-Apr-29
	Non Convertible Debentures - Series "K" of 2016-17	5900	9.14%	25-Apr-28
	Non Convertible Debentures - Series "J" of 2016-17	5500	8.80%	25-Apr-27
	Non Convertible Debentures - Series "I" of 2016-17	5200	8.80%	25-Apr-26
	Non Convertible Debentures - Series "H" of 2016-17	4800	8.80%	25-Apr-25
	Non Convertible Debentures - Series "G" of 2016-17	4500	8.80%	25-Apr-24
	Non Convertible Debentures - Series "F" of 2016-17	4000	8.80%	25-Apr-23
Non Convertible Debentures - Series "E" of 2016-17	4000	8.50%	25-Apr-22	

Note 10(b): Nature of Security

(i) First ranking pari passu charge/ hypothecation on the movable assets of the Issuer, i.e. movable plant and machinery, spares, tools and accessories, furnitures, fixtures, vehicles, present and future, intangible, goodwill, intellectual property, present and future, in favour of the Debenture Trustee;

(ii) First ranking pari passu charge/ mortgage on:

- All the rights, title, interest, benefits, claims and demands whatsoever of the Issuer in the Project Documents and operation and maintenance related agreements which the Issuer is party to, contractor guarantees, liquidated damages and all other contracts relating to the project, duly acknowledged consented by the relevant counter parties to such Project Documents;
- All the rights, title, interest, benefits, claims and demands whatsoever of the Issuer in the clearances pertaining to the Project, both present and future;
- All the rights, title, interest, benefits, claims and demands whatsoever of the Issuer in letter of credit, guarantee, performance bond, corporate guarantee, bank guarantee provided by any party to the Project Documents; and
- The insurance proceeds,
- All bank account(s) of the Issuer, including without limitation the Escrow Account ("Transaction Accounts") and the monies lying to the credit thereof, from time to time;
- all book debts, receivables, commissions, revenues of whatsoever nature and wherever arising, of the Issuer, present and future.

(iii) First ranking pari passu mortgage on the immovable property of the Issuer, present and future, provided that land admeasuring 1,732 sq ft bearing plot number 64 situated at Sri Sai Gardens comprised in Sy. Nos 21/1 and 21/2A situated at Serkadu Road, No. 86, Walajabad Village, Kancheepuram Taluk, Kancheepuram District shall not be mortgaged and may be sold by the Issuer.

Note 10(c): Presentation of Borrowings in the Balance Sheet is as follows:

(₹ Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Long term borrowings	1,33,248	1,36,540
Current maturities of long term borrowings	4,000	3,600
Total Borrowings	1,37,248	1,40,140

Note 10(d): Break up of other financial liabilities:

Particulars	As at March 31, 2022	As at March 31, 2021
Interest accrued but not due on debentures [Refer Note 14]	11,879	12,738

Kudgi Transmission Limited
Notes forming part of financial statements for the year ended March 31, 2022
11 Provisions

(₹ Lakhs)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Current	Non current	Total	Current	Non current	Total
Provision for employee benefits						
- Leave Encashment	-	1	1	-	2	2
- Retention pay scheme	3	-	3	3	2	5
	3	1	4	3	4	7

12 Other non current and current liabilities

Particulars	As at March 31, 2022			As at March 31, 2021		
	Current	Non current	Total	Current	Non current	Total
i) Company owned car scheme	-	3	3	-	3	3
ii) Liability for expenses	175	-	175	100	-	100
iii) Statutory Liabilities	5	-	5	3	-	3
iv) Other Liabilities	-	-	-	0	-	0
	180	3	183	104	3	107

13 Trade payables

(₹ Lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Current	Non current	Current	Non current
i) Total Outstanding dues of Micro and Small Enterprises		67		61
ii) Total Outstanding dues of Creditors other than Micro and Small Enterprises				
a) Dues to Related Parties		43		43
b) Dues to Others		12		18
		122		122

14 Other financial liabilities

Particulars	As at March 31, 2022			As at March 31, 2021		
	Current	Non current	Total	Current	Non current	Total
a) Deposits received	-	3	3	-	3	3
b) Interest accrued but not due on borrowings	11,879	-	11,879	12,738	-	12,738
c) Other Payables	9	-	9	19	-	19
	11,888	3	11,891	12,757	3	12,760

F Contingent Liabilities

Details of Contingent Liabilities are given below:

Particulars	As at March 31, 2022		As at March 31, 2021	
	Assessment Year	₹ Lakhs	Assessment Year	₹ Lakhs
Income tax demands	2017-18	-	2017-18	44
	2018-19	359	2018-19	359
Legal disputes	Refer Note H(11)			

G Commitments

- (i) Estimated amount of contracts remaining to be executed on capital account and not provided for during the current year (net of advances) ₹ Nil (Previous year: ₹ Nil)
- (ii) Other Commitments as at March 31, 2022 is ₹ Nil (Previous Year ₹ Nil).

Kudgi Transmission Limited

Notes forming part of financial statements for the year ended March 31, 2022

15 Revenue from operations

(₹ Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
a) Operating revenue:		
- Finance Income	17,457	16,974
b) Other Operating revenue:		
- Revenue towards Operation and Maintenance	1,572	1,904
- Reinstatement of Finance Income (Refer Note 15(a))	3,458	-
- Incentive (Refer Note 15(b))	168	-
	22,656	18,878

Note 15(a): During the year, the Company has re-estimated the cashflows of the Financial Asset recognised under the Financial Asset model as per Appendix D - Service Concession Agreements of Ind AS 115. The amount arising from adjusting the carrying value of the Financial Asset to reflect the re-estimation has been disclosed separately.

Note 15(b): During the year, the Company has excluded the incentive amount from the Financial asset model and has been disclosed separately.

16 Other income

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Interest Income on:		
- Bank deposits	1,226	1,680
- Excise Duty refund	64	93
Surcharge	161	380
Net gain/(loss) on financial instruments designated at FVTPL	71	2
Profit on sale of liquid mutual funds	65	87
Rental Income	5	5
Miscellaneous income	1	24
	1,593	2,270

17 Operating expenses

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Security services	22	20
Insurance	359	435
Operation and maintenance - Transmission Lines	919	835
Rebates	101	44
	1,401	1,334

18 Employee benefit expenses

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Salaries, wages and bonus	82	75
Contribution to and provision for:		
- Provident fund	4	4
- Gratuity	1	1
- Leave encashment	3	2
- Retention pay	-	2
	8	9
Directors sitting fees	6	4
Staff welfare expenses	11	7
	107	94

19 Finance Cost

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Interest on:		
- Non-Convertible Debentures	12,735	13,038
Other borrowing cost	-	1
Unwinding of discount and implicit interest expense on fair value	135	153
	12,870	13,191

Kudgi Transmission Limited

Notes forming part of financial statements for the year ended March 31, 2022

20 Other expenses

(₹ Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Rates and taxes	26	23
Professional fees	121	99
Payments to auditor [Refer Note 20(a)]	7	7
Postage and communication	4	4
Printing and stationery	1	2
Power & Fuel	4	4
Travelling and conveyance	11	10
Bank Charges	-	0
Repairs and maintenance - others	18	19
Corporate social responsibility expenses [Refer Note 20(b)]	122	147
Advertisement expenses	1	1
Miscellaneous expenses	1	5
	316	321

Note 20(a): Payments to auditor (including GST) are as follows:

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
a) As Auditor	3	3
b) For Taxation matters	1	1
c) For Other Services	4	4
d) For Reimbursement of Expenses	-	-
Total	7	7

Note 20(b): Details of Corporate social responsibility expenses:

- (i) The amount required to be spent by the Company on Corporate Social Responsibility (CSR) related activities during the year is ₹122 Lakhs (previous year ₹114 Lakhs)
- (ii) Amount approved by the board to be spent towards CSR activities during the year ₹142 Lakhs
- (iii) Contributions to a trust/society/section 8 Company controlled by the Company in relation to CSR activities during the year ₹Nil (previous year ₹Nil)
- (iv) Details of amount spent on CSR related activities is given below:

Particulars	Paid in cash	Not paid in cash	Total
Amount spent during the year 2021-22:			
i) Construction/acquisition of any asset	63	-	63
ii) On purposes other than (i) above	5	-	5
	68	-	68
Amount spent during the year 2020-21:			
i) Construction/acquisition of any asset	103	-	103
ii) On purposes other than (i) above	44	-	44
	147	-	147

(v) Details of Unspent CSR expenses as at March 31, 2022:

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Opening Balance	18	51
Amount required to be spent during the year	122	114
Amount spent during the year	68	147
Closing Balance	71	18

(vi) The amount of shortfall at the end of the year out of the amount required to be spent by the Company during the year is Rs.53 Lakhs

(vii) The total of previous years shortfall amounts - Rs.18 Lakhs

(viii) The reasons for above shortfalls - Due to prevailing Covid conditions, project was not identified.

(ix) The nature of CSR activities undertaken by the Company - Education & Rural development.

1 Corporate Information

(₹ Lakhs)

Kudgi Transmission Limited was incorporated on November 27, 2012 under the Companies Act 1956 as a wholly owned subsidiary of M/s. REC Transmission Projects Company Limited (REC TPCL) as a Special Purpose Vehicle Company to develop transmission system (Project) required for evacuation of power from NTPC Kudgi TPS (3X800 MW in Phase-I). The certificate of commencement of business was issued on January 11, 2013. M/s. REC TPCL has floated a bid on Build Own Operate and Maintain (BOOM) basis for selection of Transmission Service Provider for the above said project and M/s. L&T Infrastructure Development Projects Limited (L&T IDPL) was the successful bidder. Accordingly, the Company was acquired by L&T IDPL from REC TPCL on August 30, 2013 (effective date). The project is for 35 years from the Scheduled Commercial Operation Date. The Company commenced operations of project on September 24, 2016.

2 The Company has not earned any income/incurred any expenditure in foreign currency during the year. (*previous year: ₹ Nil*)

3 Disclosure pursuant to Ind AS 19 "Employee benefits":

(i) Defined contribution plan:

The Company's provident fund and super annuation fund are the defined contribution plans. The Company is required to contribute a specified percentage of payroll costs to the recognised provident fund and Life Insurance Corporation of India respectively to fund the benefits. The only obligation of the Company with respect to these plans is to make the specified contributions.

An amount of ₹ 4 Lakhs (*previous year : ₹ 4 Lakhs*) being contribution made to recognised provident fund is recognised as expense and included under Employee benefit expense in the Statement of Profit and loss (Refer Note 18)

(ii) Defined benefit plans:

a) Characteristics of its defined benefit plans and risks associated with them :

Gratuity:

The Company operates gratuity plan through LIC's Group Gratuity scheme where every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service. The same is payable on termination of service or retirement whichever is earlier. The benefit vests after five years of continuous service.

The benefit is governed by the Payment of Gratuity Act, 1972. The Key features are as under:

Features of the defined benefit plan	Remarks
Benefit offered	$15 / 26 \times \text{Salary} \times \text{Duration of Service}$
Salary definition	Last Drawn Basic Salary including Dearness Allowance (if any)
Benefit ceiling	Benefit ceiling of ₹ 20,00,000 was not applied
Vesting conditions	5 years of continuous service (Not applicable in case of death / disability)
Benefit eligibility	Upon Death or Resignation / Withdrawal or Retirement
Retirement age	58 years

Leave Encashment:

Features of the defined benefit plan	Remarks
Salary for Encashment	Basic Salary
Salary for Availment	Cost to Company
Benefit event	Death or Resignation or Retirement or Availment
Maximum accumulation	180 days
Benefit Formula	$(\text{Leave Days}) \times (\text{Salary}) / (\text{Leave Denominator})$
Leave Denominator	Employee 30
Leaves Credited Annually	Employee 33
Retirement Age	58 Years

The Company is responsible for governance of the plan.

b) The amounts recognised in Balance Sheet are as follows:

(₹ Lakhs)

Particulars	Gratuity		Compensated absences	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Present value of defined benefit obligation				
- Wholly funded	10	8	9	9
- Wholly unfunded	-	-	-	-
	10	8	9	9
Less : Fair value of plan assets	14	12	8	8
Net Liability / (Asset)	(4)	(3)	1	2

c) The amounts recognised in the Statement of Profit and loss are as follows:

Particulars	Gratuity plan		Compensated absences	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
1 Current service cost	1	1	8	4
2 Interest on Defined benefit obligation	(0)	(0)	0	0
3 Expected return on plan assets	-	-	-	-
4 Past service cost	-	-	-	-
5 Actuarial (gain)/loss not recognised in books	-	-	(6)	(3)
Total (1 to 5)	1	1	2	2
I Amount included in "employee benefit expenses"	1	1	2	2
II Amount included as part of "finance costs"	-	-	-	-
Total (I + II)	1	1	2	2
Actual return on plan assets	1	1	0	(0)

d) The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

Particulars	Gratuity plan		Compensated absences	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Opening balance of the present value of defined benefit obligation	8	7	9	7
Add: Current service cost	1	1	8	4
Add: Interest cost	1	0	1	1
Add/(less): Actuarial losses/(gains):				
Due to Change in financial assumptions	(0)	0	-	-
Due to change in demographic assumption	-	-	-	-
Due to experience adjustments	0	(1)	4	(1)
Less: Benefits paid	(1)	-	(13)	(2)
Add: Past service cost	-	-	-	-
Closing balance of the present value of defined benefit obligation	10	8	9	9

H) Other Notes forming part of the financial statements

e) The changes in the fair value of plan assets representing reconciliation of opening and closing balances thereof are as follows:

Particulars	Gratuity plan		Compensated absences	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
	(₹ Lakhs)			
Opening balance of fair value of plan assets	12	10	8	6
Interest Income (net of administration expense)	1	1	0	0
Add: Expected return on plan assets	(0)	(0)	-	-
Add/(less): Actuarial losses/(gains)	-	-	(0)	0
Add: Contribution by employer	2	1	-	1
Less: Benefits paid	(1)	-	-	-
Closing balance of fair value of plan assets	14	12	8	8

f) Principal actuarial assumptions at the Balance Sheet date:

Particulars	As at March 31, 2022	As at March 31, 2021
1) Discount rate	6.90%	6.50%
2) Salary growth rate	6.00%	6.00%
3) Attrition rate	15% at young ages reducing to 3% at older ages	15% at young ages reducing to 3% at older ages

g) Expected cashflows based on past service liability:

Particulars	Cash flows	Distribution
Year-1	1	4.60%
Year-2	1	4.50%
Year-3	1	4.50%
Year-4	1	4.30%
Year-5	1	3.90%
Year-6 to 10	4	21.70%

The Expected contribution for the next year is ₹ 2 Lakhs

h) A quantitative sensitivity analysis for significant assumption as at March 31, 2022 and as at March 31, 2021:

Particulars	Change in Assumptions	As at March 31, 2022		As at March 31, 2021	
		Impact on Defined Benefit Obligation (Gratuity)		Impact on Defined Benefit Obligation (Gratuity)	
	Increase/(Decrease)	Increase/(Decrease) in Assumptions		Increase/(Decrease) in Assumptions	
	%	(₹ Lakhs)	%	(₹ Lakhs)	%
Discount Rate	0.50%	10	-3.78%	8	-3.92%
	-0.50%	10	4.03%	9	4.20%
Salary Growth Rate	0.50%	10	4.05%	9	4.20%
	-0.50%	10	-3.83%	8	-3.96%

i) The major categories of plan assets of the fair value of the total plan assets are as follows :

Particulars	As at March 31, 2022	As at March 31, 2021
Insurer managed funds	100%	100%
Investments quoted in active markets	-	-
Cash and cash equivalents	-	-
Unquoted investments	-	-
Total	100%	100%

4 Disclosure pursuant to Ind AS 23 "Borrowing Costs"

Borrowing cost capitalized during the year ₹ Nil. (previous year : ₹ Nil).

Kudgi Transmission Limited**H) Other Notes forming part of the financial statements****5 Disclosure of segment information pursuant to Ind AS 108 "Operating Segments"****(₹ Lakhs)**

The Company is engaged in the business of construction, operation and maintenance of Transmission Lines on a Build Own Operate Maintain (BOOM) basis in a single business segment. Hence reporting of operating segments does not arise. The Company does not have operations outside India. Hence, disclosure of geographical segment information does not arise.

6 Disclosure of related parties / related party transactions pursuant to Ind AS 24 "Related Party Disclosures"**a) List of related parties**

Ultimate Holding Company:	Larsen & Toubro Limited
Holding Company:	L&T Infrastructure Development Projects Limited
Key Management Personnel:	
	Mr. Pramod Sushila Kapoor - Director
	Mr. P.G. Suresh Kumar - Director
	Dr. Koshy Varghese - Independent Director
	Ms. Samyuktha Surendran - Independent Director
	Mr. R.G. Ramachandran - Company Secretary
	Mr. R. Lino Asir - Chief Financial Officer
	Mr. Ojes Cheriyan Madappattu - Manager

b) Disclosure of related party transactions:

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
1 Purchase of goods and services incl. taxes		
Ultimate Holding Company		
Larsen & Toubro Limited	40	51
Holding Company		
L&T Infrastructure Development Projects Limited	479	479
	519	531
2 Reimbursement of expenses charged from		
Ultimate Holding Company		
Larsen & Toubro Limited	5	5
Holding Company		
L&T Infrastructure Development Projects Limited	-	1
	5	6
3 Compensation to Key Management Personnel		
a) Sitting Fees		
Mr. Koshy Varghese - Independent Director	3	2
Ms. Samyuktha Surendran - Independent Director	3	2
	6	4
b) Salary & Perquisites		
Mr. Ojes Cheriyan Madappattu - Sr. Manager	30	26
	30	26

Kudgi Transmission Limited**H) Other Notes forming part of the financial statements****c) Amount due to and due (from) related parties(net):**

Particulars	(₹ Lakhs)	
	Amounts due to / (from)	
	As at March 31, 2022	As at March 31, 2021
Larsen & Toubro Limited	(2)	0
L&T Infrastructure Development Projects Limited	43	43

d) Terms and conditions of transactions with related parties :

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

e) There is no provision for bad and doubtful debts to related parties with regard to outstanding payables and there is no expense recognized in respect of bad and doubtful debts due from related parties.

f) The Company has not extended any Loans or Advances in the nature of Loans to specified persons that are repayable on demand during the year (*Previous year: Nil*)

7 Disclosure pursuant to Ind AS 12 "Income taxes"

(₹ Lakhs)

The major components of income tax expense for years ended March 31, 2022 and March 31, 2021 are:

Particulars	As at March 31, 2022	As at March 31, 2021
Profit and loss section:		
Current Tax:		
Current income tax charge (Refer Note Below)	-	-
Adjustments of current tax of prior year	-	-
Deferred Tax (Refer Note Below):		
Relating to origination and reversal of temporary differences	-	-
Effect on deferred tax balances due to change in income tax rate	-	-
Income tax reported in the statement of profit and loss	-	-

Notes:

1. Since the Company has adjusted brought forward unabsorbed depreciation against taxable income, the tax liability for the year 2021-22 is Nil.

2. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in the future. The Company has unabsorbed depreciation under taxation laws, but deferred tax assets were not recognised as there is a virtual uncertainty for realisation of such assets. Deferred tax assets are reviewed as at each Balance Sheet date for appropriateness of their carrying value.

8 Disclosure pursuant to Ind AS 116 - " Leases"

The Company has not acquired any assets either under Finance lease or under Operating lease during 2021-22. (Previous Year - Nil)

9 Disclosure pursuant to Ind AS 33 "Earnings per share"

Basic and Diluted Earnings per share (EPS) computed in accordance with Ind AS 33 "Earnings per share".

Particulars		Year Ended March 31, 2022	Year Ended March 31, 2021
Basic and Diluted earnings per equity share:			
Profit for the year attributable to owners of the Company for calculating basic earnings per share (₹)	A	9,506	6,159
Weighted average number of equity shares outstanding for calculating basic earnings per share	B	19,26,00,000	19,26,00,000
Basic and Diluted earnings per equity share (₹)	A / B	4.94	3.20
Face value per equity share (₹)		10.00	10.00

Kudgi Transmission Limited**H) Other Notes forming part of the financial statements****10 Disclosures pursuant to Ind AS 1 - "Presentation of Financial Statements"**

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize shareholder value.

11 Litigations

Some of the land owners claimed compensation beyond authority defined values, relating to Right of use from the Company and raised the dispute in the District court. The quantum of compensation if ordered against the Company shall become payable. However, quantification may not be possible since more than one district courts are involved in the matter.

12 COVID-19 Disclosure

As per Management's current assessment, no significant impact is anticipated on carrying amounts of financial assets, financial liabilities and investments. The management will continue to monitor for changes in the future economic conditions. Accordingly, the financial position and results of operations as of and for the year ended 31st March 2022 have not been adjusted to reflect their impact. The eventual outcome of the impact of the global health pandemic may be different from the estimate made as on the date of approval of these Financial Statements.

13 Financial Instruments

Disclosure of Financial Instruments by Category

(₹ Lakhs)

Financial instruments by categories	Note No.	As at March 31, 2022			As at March 31, 2021		
		FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI	Amortized cost
Financial Assets							
Security Deposits	2	-	-	14	-	-	1
Bank Deposits (Non-Current)	2	-	-	4,527	-	-	-
Investment in Liquid Mutual Fund Units	5	15,234	-	-	2,423	-	-
Lease receivable	2	-	-	1,52,551	-	-	1,50,225
Cash and Bank Balances	6	-	-	506	-	-	16,093
Other bank balances	7	-	-	31,857	-	-	30,055
Total Financial Assets		15,234	-	1,89,455	2,423	-	1,96,374
Financial liabilities							
Non convertible debentures	10	-	-	1,37,248	-	-	1,40,140
Other Current Financial Liabilities	14	-	-	11,888	-	-	12,757
Trade Payables	13	-	-	122	-	-	122
Total Financial Liabilities		-	-	1,49,258	-	-	1,53,019

Default and breaches

There are no defaults with respect to payment of principal interest, sinking fund or redemption terms and no breaches of the terms and conditions of the debentures.

There are no breaches during the year which permitted debenture holder to demand accelerated payment.

14 Fair value of Financial assets and liabilities at amortized cost

Particular	Note No.	As at March 31, 2022		As at March 31, 2021	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets					
Security Deposits	2	14	14	1	1
Lease receivable	2	1,52,551	1,52,551	1,50,225	1,50,225
Bank Deposits (Non-Current)	2	4,527	4,527	-	-
Cash and Bank Balances	6	506	506	16,093	16,093
Other bank balances	7	31,857	31,857	30,055	30,055
Total Financial Assets		1,89,455	1,89,455	1,96,374	1,96,374
Financial liabilities					
Non convertible debentures	10	1,37,248	1,37,248	1,40,140	1,40,140
Other Current Financial Liabilities	14	11,888	11,888	12,757	12,757
Trade Payables	13	122	122	122	122
Total Financial Liabilities		1,49,258	1,49,258	1,53,019	1,53,019

The carrying amount of current financial assets and current trade and other payables measured at amortized cost are considered to be the same as their fair values, due to their short term nature.

The carrying amount of security deposits measured at amortized cost is considered to be the same as its fair value due to its insignificant value.

The carrying value of non convertible debentures approximate fair value as the instruments are at prevailing market rate.

15 Fair Value Measurement

15.1 Fair Value Hierarchy:

(₹ Lakhs)

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

15.2 Valuation Technique used to determine Fair Value:

Specific valuation techniques used to value financial instruments include:

- Use of quoted market prices for Listed instruments

15.3 The table below represents Fair Value Hierarchy of Financial assets and Financial liabilities as at March 31, 2022:

Financial Assets & Liabilities Measured at FV - Recurring fair value measurement	Note No.	Level 1	Level 2	Level 3	Total
Financial assets measured at FVTPL					
Investment in Liquid Mutual Fund Units	5	15,234	-	-	15,234
Total of Financial Assets		15,234	-	-	15,234
Financial Liabilities measured at FVTPL					
Total of Financial Liabilities		-	-	-	-
Financial Asset & Liabilities Measured at Amortized cost for which fair values are to be disclosed					
Financial Assets					
Security Deposits	2	-	14	-	14
Lease receivable	2	-	1,52,551	-	1,52,551
Total of Financial Assets		-	1,52,565	-	1,52,565
Financial Liabilities					
Non convertible Debentures	10	-	1,37,248	-	1,37,248
Other Current Financial Liabilities	14	-	11,888	-	11,888
Trade Payables	13	-	122	-	122
Total Financial liabilities		-	1,49,258	-	1,49,258

15.4 The table below represents Fair Value Hierarchy of Financial assets and Financial liabilities as at March 31, 2021:

Financial Assets & Liabilities Measured at FV - Recurring FVM	Note No.	Level 1	Level 2	Level 3	Total
Financial assets measured at FVTPL					
Investment in Liquid Mutual Fund Units	5	2,423	-	-	2,423
Total of Financial Assets		2,423	-	-	2,423
Financial Liabilities measured at FVTPL					
Total of Financial Liabilities		-	-	-	-

(₹ Lakhs)

Financial Asset & Liabilities Measured at Amortized cost for which fair values are to be disclosed	Note No.	Level 1	Level 2	Level 3	Total
Financial Assets					
Security Deposits	2	-	1	-	1
Lease receivable	2	-	1,50,225	-	1,50,225
Total Financial Assets		-	1,50,226	-	1,50,226
Financial Liabilities					
Non convertible Debentures	10	-	1,40,140	-	1,40,140
Other Current Financial Liabilities	14	-	12,757	-	12,757
Trade Payables	13	-	122	-	122
Total Financial Liabilities		-	1,53,019	-	1,53,019

There are no transfer between level 1 and level 2 during the year.

The Company policy is to recognize transfers into and transfer out of fair values hierarchy levels as at the end of the reporting period.

Valuation technique and inputs used to determine fair value

Financial assets and liabilities	Valuation method	Inputs
Financial assets		
Investment in Liquid Mutual Fund Units	Market Approach	Net asset value
Security deposits	Income approach	Cash Flows
Lease receivable	Income approach	Cash Flows
Financial liabilities		
Non convertible debentures	Income approach	Effective rate of borrowing
Other Current Financial Liabilities	Income approach	Effective rate of borrowing

16 Assets pledged as security

Particulars	Note No.	(₹ Lakhs)	
		As at March 31, 2022	As at March 31, 2021
Non Financial Assets			
Property, Plant & Equipment	1	816	865
Financial Assets			
Lease receivable	2	1,52,551	1,50,225
Security Deposits	2	14	1
Bank Deposits (Non-Current)	2	4,527	-
Investments	5	15,234	2,423
Cash and Bank Balances	6	506	16,093
Other Bank Balances	8	31,857	30,055
Total		2,05,505	1,99,662

17 Financial Risk Management

(₹ Lakhs)

The Company's activities expose it to variety of financial risks : market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established a risk management policy to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management systems are reviewed periodically to reflect changes in market conditions and the Company's activities. The Board of Directors oversee compliance with the Company's risk management policies and procedures, and reviews the risk management framework.

a) Market risk

The market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

(i) Foreign Currency Risk

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate.

The Company is not exposed to foreign currency risk as it has no borrowings in foreign currency.

(ii) Interest rate risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Interest risk arises to the Company mainly from Long term borrowings with variable rates. The Company measures risk through sensitivity analysis.

Currently, Non Convertible Debentures are at Fixed rate linked to Credit Rating of the project. Any changes shall have an impact on the rates.

The Company's exposure to interest rate risk due to variable interest rate borrowings is as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Borrowings*	Nil	Nil

*The Company does not have any borrowings at variable rate.

Sensitivity analysis based on average outstanding Senior Debt

Interest Rate Risk Analysis	Impact on profit/ loss after tax	
	F.Y. 2021-22	F.Y. 2020-21
Increase or decrease in interest rate by 25 base point	Nil	Nil

Note: Profit will increase in case of decrease in interest rate and vice versa

(iii) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk).

The Company is exposed to price risk due to investments in mutual funds and classified as fair value through profit and loss.

The Company measures risk through sensitivity analysis.

The Company's risk management policy is to mitigate the risk by investments in diversified mutual funds.

The Company's exposure to price risk due to Investment in Liquid Mutual Fund Units is as follows:

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
Investment in Liquid Mutual Fund Units	5	15,234	2,423

Sensitivity Analysis

	Impact on profit/ loss after tax	
	F.Y. 2021-22	F.Y. 2020-21
Increase or decrease in NAV by 2%	305	48

Note - In case of decrease in NAV profit will reduce and vice versa.

Kudgi Transmission Limited**H) Other Notes forming part of the financial statements****b) Liquidity risk**

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets.

The Company is exposed to liquidity risk due to borrowings and trade and other payables.

The Company measures risk by forecasting cash flows.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due without incurring unacceptable losses or risking damage to the Company's reputation. The Company ensures that it has sufficient fund to meet expected operational expenses, servicing of financial obligations.

The following are the contractual maturities of financial liabilities

	(₹ Lakhs)				
As at March 31, 2022	Carrying Amount	upto 1 year	1 - 2 years	2 - 5 years	> 5 years
Non Derivative Financial Liabilities					
Non convertible Debentures	1,37,248	4,000	4,000	14,500	1,14,748
Trade Payables	122	122	-	-	-
Derivative Financial Liabilities	-	-	-	-	-
As at March 31, 2021	Carrying Amount	upto 1 year	1 - 2 years	2 - 5 years	> 5 years
Non Derivative Financial Liabilities					
Non convertible Debentures	1,40,140	3,600	4,000	13,300	1,19,240
Trade Payables	122	122	-	-	-
Derivative Financial Liabilities	-	-	-	-	-

c) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Company is exposed to credit risk with regard to receipt of annuity income as per the transmission service agreement. In case of shortfall, the Company shall go for working capital loan or promoter funding or any other form of temporary funding.

Kudgi Transmission Limited**H) Other Notes forming part of the financial statements****18 Disclosure pursuant to Micro, Small and Medium Enterprises Development Act, 2016 (MSMED Act):****(₹ Lakhs)**

S.No.	Particulars	As at March 31, 2022	As at March 31, 2021
(i)	Principal amount remaining unpaid to any supplier at the end of year	67	61
(ii)	Interest accrued and due thereon to suppliers under MSMED Act on the above amount remaining unpaid to any supplier at the end of year	-	-
(iii)	Payment amount made to the supplier (other than interest) beyond the appointed day during the year	-	-
(iv)	Interest amount paid by the buyer in terms of section 16 of the MSMED Act, 2006	-	-
(v)	Interest amount paid by the buyer under MSMED Act, 2006 (other than Section 16)	-	-
(vi)	Interest amount due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
(vii)	Interest amount accrued and remaining unpaid at the end of the year	-	-
(viii)	Further interest amount remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

Note: The information has been given in respect of such vendors to the extent they could be identified as "Micro, Small and Medium" enterprises on the basis of information available with the Company.

Kudgi Transmission Limited

H) Other Notes forming part of financial statements

19 Additional Regulatory Information:

i) Title Deeds of Immovable Property not held in the name of the Company

There are no Title Deeds of Immovable Property not held in the name of the Company.

ii) Fair Valuation of Investment Property

The Company has no Investment Property.

iii) Revaluation of Property, Plant and Equipment and Right-of-Use Assets

During the year, no revaluation of Property, Plant and Equipment and Right-of-Use Assets has been done by the Company.

iv) Revaluation of Intangible Assets

The Company has no Intangible Assets.

v) Details of Benami Properties held

No proceedings have been initiated or pending against the Company for holding any Benami Property under the Benami Transactions (Prohibitions) Act, 1988 and the rules made thereunder.

vi) Borrowings secured against Current Assets

The Company has no Borrowings from Banks or Financial Institutions on the basis of security of Current Assets.

vii) Wilful Defaulter

The Company has not been declared as wilful defaulter by any bank or financial institution or other lender during the year.

viii) Relationship with Struck off Companies

The Company had no transactions with Companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the year.

ix) Registration of charges or satisfaction with Registrar of Companies (ROC)

The Company has no charges or satisfaction yet to be registered with ROC beyond the statutory period during the year.

x) Compliance with number of layers of Companies

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act read with Companies (Restriction on number of layers) Rules, 2017 during the year.

Kudgi Transmission Limited

H) Other Notes forming part of financial statements

19 Additional Regulatory Information:

xi) Compliance with approved Schemes of Arrangements

During the year, the Company has no Scheme of Arrangements approved by the Competent Authority to be implemented in the books of accounts.

xii) Utilisation of Borrowed funds and Share Premium

a)

During the year, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b)

During the year, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

xiii) Disclosure in relation to Undisclosed Income

The Company does not have any transaction not recorded in the books of accounts that has been surrendered or disclosed as Income during the year in the tax assessments under the Income Tax Act, 1961.

xiv) Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual currency during the financial year.

20 Financial Ratios

S.No.	Ratios	Formula	Explanations	2021-22	2020-21	% Change in ratio	Explanation provided for any change in ratio by more than 25% in current year as compared to previous year
i)	Current Ratio	Current Asstes / Current Liability		2.99:1	2.98:1	0.36%	
ii)	Debt – Equity Ratio	Total Debt / Total Equity		2.62	3.22	-18.75%	
iii)	Debt Service Coverage Ratio	EBITDA / (Interest + Principal)		1.42	1.13	26.23%	Due to increase in Operating Income
iv)	Return on Equity Ratio	Profit After Tax / Average Total Equity	Average Total Equity = (Opening Total Equity + Closing Total Equity) / 2	0.18	0.14	31.18%	Due to increase in Operating Income
v)	Inventory Turnover Ratio	Cost of Goods Sold / Average Inventory	Average Inventory = (Opening Inventory + Closing inventory) / 2	NA	NA	NA	
vi)	Trade Receivables Turnover Ratio	Revenue from Operations/ Average Accounts Receivable	Average Accounts Receivable = (Opening Receivable + Closing Receivable) / 2	NA	NA	NA	
vii)	Trade Payables Turnover Ratio	Total Purchase / Average Accounts Payable	Average Accounts Payable = (Opening Payable + Closing Payable) / 2	14.95	14.34	4.29%	
viii)	Net Capital Turnover Ratio	Revenue from Operations / Shareholders Equity		0.46	0.40	15.06%	
ix)	Net Profit Ratio	Profit After Tax / Revenue from Operations		42%	33%	28.61%	Due to increase in Operating Income
x)	Return on Capital Employed	EBIT / Capital Employed	Capital Employed = Total Equity + Total Debts	11.72%	10.38%	12.99%	
xi)	Return on Investment	Profiti After Tax / Total Equity		3.24%	3.70%	-12.37%	

Kudgi Transmission Limited

H) Other Notes forming part of financial statements

21 Ageing of Trade Payables

A) As at March 31, 2022

(₹ Lakhs)

S.No.	Particulars	Unbilled dues	Not due	Outstanding for following period from due date of payment*				Total
				< 1 Year	1 – 2 Years	2 – 3 Years	> 3 Years	
1	(i) MSME	-	67	-0	-	-	-	67
2	(ii) Others	-	5	4	3	-	1	12
3	(iii) Related parties	-	43	-	-	-	-	43
4	(iv) Disputed Dues - MSME	-		-	-	-	-	-
5	(v) Disputed Dues - Others	-		-	-	-	-	-
6	Disputed Dues - Related parties	-		-	-	-	-	-
	Total	-	116	4	3	-	1	123

*Date of transaction is considered as due date in cases where no due date of payment is specified

B) As at March 31, 2021

(₹ Lakhs)

S.No.	Particulars	Unbilled dues	Not due	Outstanding for following period from due date of payment*				Total
				< 1 Year	1 – 2 Years	2 – 3 Years	> 3 Years	
1	(i) MSME	-	61	-	-	-	-	61
2	(ii) Others	-	6	8	1	2	-	18
3	(iii) Related parties	-	43	-	-	-	-	43
4	(iv) Disputed Dues - MSME	-		-	-	-	-	-
5	(v) Disputed Dues - Others	-		-	-	-	-	-
6	Disputed Dues - Related parties	-		-	-	-	-	-
	Total	-	111	8	1	2	-	122

*Date of transaction is considered as due date in cases where no due date of payment is specified

Kudgi Transmission Limited

H) Other Notes forming part of the financial statements

22 Disclosure pursuant to Appendix - D to Ind AS 115 - " Service Concession Arrangements"

i) Description and classification of the arrangement

Kudgi Transmission Limited was incorporated on November 27, 2012 under the Companies Act 1956 as a wholly owned subsidiary of M/s. REC Transmission Projects Company Limited (RECTPCL) as a Special Purpose Vehicle company to develop transmission system required for evacuation of power from NTPC Kudgi. The certificate of commencement of business was issued on January 11, 2013. M/s. REC TPCL has floated a bid on Build Own Operate and Maintain (BOOM) basis for selection of Transmission Service Provider for the above said project and M/s. L&T Infrastructure Development Projects Limited (L&T IDPL) was the successful bidder. Accordingly, the Company was acquired by L&T IDPL from REC TPCL on August 30, 2013 (effective date).

The project is for 35 years from the Scheduled Commercial Operation Date, which is 18 months for first transmission element and 28 months for second transmission element from effective date as per the Transmission Service Agreement (TSA) dated 14th May 2013 entered into with potential Long Term Transmission Customer(s). The Company commenced operations of project on September 24, 2016.

ii) Significant Terms of the arrangements

(a) Monthly Transmission Charges:

The Monthly Transmission Charges for each contract year shall be calculated in accordance with the provision of Schedule 5 of TSA.

(b) License Fee:

A transmission licensee for inter-State transmission, including a person deemed to be an inter-State transmission licensee under any of the provisions to Section 14 of the Electricity Act 2003, shall pay license fee at the rate of 0.11% per annum on the annual transmission charges.

(c) Rebate as per clause 10.7 of Transmission Service agreement:

- (i) Rebate of 2% shall be allowed on the Monthly Transmission charge Invoice or supplementary Bill for payments made in full within one business day of the receipt of the Invoice.
- (ii) Rebate of 1% shall be allowed for payment of Invoice subsequently, but within the due date.

iii) Operation and Maintenance of the Project

Transmission Service Provider (TSP) shall be responsible for ensuring that the project is operated and maintained as specified under article 7 of the transmission service agreement (TSA) in accordance with the Indian Electricity Grid Code/ State Grid Code in an efficient, coordinated and economical manner.

iv) Details of Termination

TSA can be terminated on account of default of the Company in the circumstances as specified under article 13 of the TSA.

23 Previous year's figures have been regrouped / reclassified where ever applicable.

Kudgi Transmission Limited

I. Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

1. Basis of preparation

(a) Compliance with IndAS

The Company's financial statements comply in all material respects with Indian Accounting Standards (Ind AS) notified under section 133 of

(b) Basis of measurement

The financial statements have been prepared on a historical cost basis, except for the following items

Items	Measurement basis
Certain financial assets and liabilities	Fair value
Net defined benefit (asset)/liability	Fair value of plan assets less present value of defined benefit obligations
Assets held for sale	fair value less costs to sell

(c) Use of estimates and judgements

The preparation of these financial statements in conformity with IndAS requires the management to make estimates and assumptions considered in the reported amounts of assets, liabilities (including contingent liabilities), income and expenses. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialize. Estimates include allowance for doubtful debts/advances, future obligations in respect of retirement benefit plans, fair value measurement etc.

(d) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(f) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(g) Taxes

Deferred tax assets are recognised for unused tax credits to the extent that it is probable that taxable profit will be available against which the credits can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

(h) Measurement of fair value

A number of the accounting policies and disclosures require the measurement of fair values for both financial and non-financial assets and liabilities. Fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that entity can access at measurement date
- Level 2 inputs other than quoted prices included in Level 1, that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
- Level 3 inputs for the asset or liability that are not based on observable market data (unobservable inputs).

2 Presentation of financial statements

The Balance Sheet, the Statement of Profit and Loss and the Statements of Changes in Equity are prepared and presented in the format prescribed in Schedule III to the Companies Act, 2013 ("the Act"). The Cash Flow Statement has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet, Statement of Profit and Loss and Statement of Changes in Equity, as prescribed in Schedule III to the Act, are presented by way of notes forming part of accounts along with the other notes required to be disclosed under the notified Accounting Standards and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Amounts in the financial statements are presented in Indian Rupees rounded off to nearest lakhs in line with the requirements of Schedule III. Per share data are presented in Indian Rupees to two decimal places.

Kudgi Transmission Limited

I. Significant Accounting Policies

3 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of duties and taxes and net of discounts, rebates and other similar allowances.

The Company primarily derives revenue in terms of the Appendix D to Ind AS 115 which covers specific aspects related to the Service Concession Agreements. The Company follows Financial Asset Model prescribed in the Appendix.

Effective April 01, 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method, applied to contracts that were not completed as of April 01, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted.

- a) Revenue from annuity based projects is recognised in the Statement of Profit and Loss over the concession period of the respective projects based on the implicit rate of return embedded in the projected cash flows. Such income is duly adjusted for any variation in the amount and timing of the cash flows in the period in which such variation occurs.
- b) Interest income from term deposits is recognised on a time proportion basis taking into account the amount outstanding and the applicable rate.
- c) Fair value gains on current investments carried at fair value are included in Other income.
- d) Dividend income is recognised when the right to receive the same is established by the reporting date.
- e) Other items of income are recognised as and when the right to receive arises.
- f) Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

4 Cash and bank balances

Cash and bank balances also include fixed deposits, earmarked balances with banks and other bank balances which have restrictions on repatriation. Short term highly liquid investments being not free from more than insignificant risk of change are not included as part of cash and cash equivalents.

5 Cash flow statement

Cash flow statement is prepared segregating the cash flows from operating, investing and financing activities. Cash flow from operating activities is reported using indirect method. Under the indirect method, the net profit/(loss) is adjusted for the effects of:

- (a) transactions of a non-cash nature;
- (b) any deferrals or accruals of past or future operating cash receipts or payments and,
- (c) all other items of income or expense associated with investing or financing cash flows.

The cash flows from operating, investing and financing activities of the Company are segregated based on the available information. Cash and cash equivalents (including bank balances) are reflected as such in the Cash Flow Statement. Those cash and cash equivalents which are not available for general use as on the date of Balance Sheet are also included under this category with a specific disclosure.

6 Property, plant and equipment (PPE)

Property, plant and equipment are stated at historical cost less accumulated depreciation and cumulative impairment. Historical cost includes expenditure that is directly attributable to acquisition of the items. [Land acquired under long term lease is classified as "Property, Plant and equipment" and is depreciated over the period of lease.]

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. Properties in the course for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes expenditure that is directly attributable and for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Kudgi Transmission Limited

I. Significant Accounting Policies

The estimated useful life of the assets based on management evaluation are as follows:

Category of Property, plant and equipment	Estimated useful life (in years)
Buildings including ownership flats	50
Buildings (Temporary Structures)	3
Office equipments	4
Plant and equipment:	
DG Sets	12
Air-conditioning and refrigeration equipment	12
Split AC and Window AC	4
Furniture and fixtures	10
Vehicles:	
Motor cars (other than those under the Company owned car scheme)	7
Motor cars (under the Company owned car scheme)	5

An item of property, plant and equipment is derecognised upon disposal. Any gain or loss arising on the disposal of an item of property plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

7 Exceptional items

On certain occasions, the size, type or incidence of an item of income or expense is such that its disclosure improves an understanding of the performance of the Company. Such income or expense is classified as an exceptional item and accordingly disclosed in the notes to accounts.

8 Investments

Trade investments comprise investments in entities in which the Company has strategic business interest.

Investments, which are readily realizable and are intended to be held for not more than one year, are classified as current investments. All other investments are classified as long term investments.

Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually at the fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

9 Employee benefits

Employee benefits include provident fund, employee state insurance scheme, gratuity fund, compensated absences, long service awards and post-employment medical benefits.

(i) Short term employee benefits

All employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits. The benefits like salaries, wages, short term compensated absences etc. and the expected cost of bonus, ex-gratia are recognised in the period in which the employee renders the related service.

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under :

- in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- in case of non-accumulating compensated absences, when the absences occur.

(ii) Post employment benefits

(a) Defined contribution plans:

The Company's State governed provident fund linked with employee pension scheme are defined contribution plans. The contribution paid/ payable under the scheme is recognised during the period in which the employee renders the related service.

Kudgi Transmission Limited

I. Significant Accounting Policies

(b) Defined benefit plans:

The employees' gratuity fund scheme and the provident fund scheme managed by the Life Insurance Corporation and recognised provident fund respectively are the Company's defined benefit plans. The present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the related obligations at the Balance Sheet date. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

Remeasurement, comprising actuarial gains and losses, the return on plan assets (excluding net interest) and any change in the effect of asset ceiling (if applicable) are recognised in other comprehensive income and is reflected immediately in retained earnings and is not reclassified to profit & loss.

The interest element in the actuarial valuation of defined benefit plans, which comprises the implicit interest cost and the impact of changes in discount rate is recognised as employee benefit expenses in the Statement of Profit and Loss.

In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognize the obligation on a net basis.

Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs. Past service cost is recognised as expense at the earlier of the plan amendment or curtailment and when the Company recognizes related restructuring costs or termination benefits.

(iii) Other long term employee benefits:

The obligation for other long term employee benefits such as long term compensated absences, liability on account of Retention Pay Scheme are recognised in the same manner as in the case of defined benefit plans as mentioned in (ii)(b) above.

(iv) Termination benefits

Termination benefits such as compensation under Voluntary Retirement cum Pension Scheme are recognised as expense and a liability is recognised at the earlier of when the Company can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

10 Borrowing costs

Borrowing costs include interest calculated using the effective interest method, amortization of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Consolidated Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilized for acquisition, construction or production of qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalization of such asset are added to the cost of the assets. Capitalization of borrowing costs is suspended and charged to the Consolidated Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

11 Segment reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are as per Indian Accounting Standard 108 "Operating Segments" (IND AS 108) read with SEBI's circular dated July 5, 2016. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. The identification of operating segments and reporting of amounts is consistent with performance assessment and resource allocation by the management.

Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under 'unallocated revenue / expenses / assets / liabilities'.

12 Leases

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset;
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease; and,
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

Kudgi Transmission Limited

I. Significant Accounting Policies

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cashflows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

13 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) for the year as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

14 Income taxes

The Income tax expense or credit for the year is the tax payable on current year's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated on the basis of tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates, positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and provisions are established where appropriate on the basis of amounts expected to be paid to the tax authorities.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the entity will pay normal income tax. Accordingly, MAT is recognised as an asset when it is highly probable that future economic benefit associated with it will flow to the entity.

Deferred income tax is provided in full, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However deferred income tax is not accounted if it arises from the initial recognition of an asset or liability that at the time of the transaction affects neither the accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset/liability is realized or settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and deferred tax liabilities are offset, when the entity has a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances related to the same authority.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity wherein the related tax is also recognised in other comprehensive income or directly in equity.

15 Impairment of assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. The following intangible assets are tested for impairment each financial year even if there is no indication that the asset is impaired:

(a) an intangible asset that is not yet available for use; and (b) an intangible asset that is amortized over a period exceeding ten years from the date when the asset is available for use.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the higher of the fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset for which the estimated future cash flows have not been adjusted.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

Kudgi Transmission Limited

I. Significant Accounting Policies

16 Provisions, contingent liabilities and contingent assets

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material)

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that the reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent liabilities are disclosed in notes in case of a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation or a present obligation arising from past events, when no reliable estimate is possible. Contingent assets are disclosed in the financial statements where an inflow of economic benefits are probable.

17 Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

a) Financial Assets

All recognised financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets

Investments in debt instruments that meet the following conditions are subsequently measured at amortized cost (unless the same are designated as fair value through profit or loss (FVTPL)):

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- The contractual terms of instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (unless the same are designated as fair value through profit or loss)

- The asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- The contractual terms of instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments at FVTPL is a residual category for debt instruments and all changes are recognised in profit or loss.

Investments in equity instruments are classified as FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in OCI for equity instruments which are not held for trading.

Interest income, dividend income and exchange difference (on debt instrument) on FVTOCI debt instruments is recognised in profit or loss and other changes in fair value are recognised in OCI and accumulated in other equity. On disposal of debt instruments FVTOCI the cumulative gain or loss previously accumulated in other equity is reclassified to profit & loss. However in case of equity instruments at FVTOCI cumulative gain or loss is not reclassified to profit & loss on disposal of investments.

A financial asset is primarily derecognized when:

- i. The rights to receive cash flows from the asset have expired, or
- ii. the company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement; and with a) the company has transferred substantially all the risks and rewards of the asset, or b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets: The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, debt instruments at FVTOCI, lease receivables, trade receivables and other contractual rights to receive cash or other financial asset and financial guarantees not designated as at FVTPL. For the purpose of measuring expected credit loss allowance for businesses other than financial services for trade receivables, the Company has used a provision matrix which takes into account historical credit loss experience and adjusted for forward looking information as permitted under Ind AS 109.

Kudgi Transmission Limited

I. Significant Accounting Policies

b) Financial Liabilities

Financial liabilities are classified at initial recognition, as financial liabilities as fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Loans and borrowings are subsequently measured at amortized costs using Effective Interest Rate method.

Financial liabilities at fair value through profit or loss (FVTPL) are subsequently measured at fair value.

Financial guarantee contracts are subsequently measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortization.

Financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

The Company designates certain hedging instruments, which include derivatives, embedded derivatives and non-derivatives in respect of foreign currency risk, as either fair value hedges, cash flow hedges, or hedges of net investments in foreign operations. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortized to profit or loss from that date.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to (effective portion as described above) are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

Impairment of financial assets (Expected Credit Loss Model)

The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset and financial guarantees not designated at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract/agreement and all the cash flows that the Company expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate. The Company estimates cash flows by considering all contractual terms of the financial instrument, through the expected life of the financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the life-time expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk has not increased significantly, the Company measures the loss allowance at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the life-time cash shortfalls that will result if the default occurs within 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of a change in the amount of the expected credit loss. To achieve that, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

18 Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

Kudgi Transmission Limited

I. Significant Accounting Policies

19 Claims

Claims against the Company not acknowledged as debts are disclosed under contingent liabilities. Claims made by the company are recognised as and when the same is approved by the respective authorities with whom the claim is lodged.

20 Commitments

Commitments are future liabilities for contractual expenditure. Commitments are classified and disclosed as follows:

- (i) Estimated amount of contracts remaining to be executed on capital account and not provided for
- (ii) Uncalled liability on shares and other investments partly paid
- (iii) Funding related commitment to subsidiary, associate and joint venture companies and
- (iv) Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

As per our report attached

For M.K.Dandeker & Co.

Chartered Accountants
(Firm Reg.No.000679S)
by the hand of

For and on behalf of the Board,

P.G. Suresh Kumar
Director
DIN: 07124883

P.S. Kapoor
Director
DIN: 02914307

R. Arun Kumar Mehta
Partner
Membership No. 227630

R. Lino Asir
Chief Financial Officer

R.G. Ramachandran
Company Secretary

Place: Chennai
Date: April 15, 2022

Place: Chennai
Date: April 15, 2022

ATTENDANCE SLIP
KUDGI TRANSMISSION LIMITED
CIN: U40106TN2012PLC111122
Regd. Office: P.O. Box. 979, Mount Poonamallee Road, Manapakkam,
Chennai - 600089.

10th Annual General Meeting, held on Tuesday, August 30, 2022, at 3.00 P.M. at P.B. NO.979, Mount Poonamallee Road, Manapakkam, Chennai – 600089.

Reg. Folio No. _____

No. of Shares _____

I certify that I am a registered shareholder/proxy for the registered shareholder of the Company.

I hereby record my presence at the 10th Annual General Meeting of the Company, held on Tuesday, August 30, 2022, at 3.00 P.M. at P B NO.979, Mount Poonamallee Road, Manapakkam, Chennai – 600089.

Name of the member

Signature of Member

Name of the Proxy (In block letters)

Signature of Proxy

PROXY FORM
Form No. MGT-11

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN **U40106TN2012PLC111122**
Name of the Company **Kudgi Transmission Limited**
Regd. Office **P.O. Box. 979, Mount Poonamallee Road,
Manapakkam, Chennai - 600089.**

Name of the member (s)	:
Registered address	:
E-mail Id	:
Folio No/ Client Id	:
DP ID	:

I/We, being the member (s) of _____ shares of the abovenamed Company, hereby appoint:

1. Name :
Address :

E-mail Id :
Signature :

failing him

2. Name :
Address :

E-mail Id :
Signature :

failing him

3. Name :
Address :

E-mail Id :
Signature :

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 10th Annual General Meeting of the Company, to be held on Tuesday, August 30, 2022, at 3.00 P.M. at P B NO.979, Mount Poonamallee Road, Manapakkam, Chennai – 600089 and at any adjournment thereof in respect of such resolutions as are indicated below:

Item No.	Resolutions	For	Against
Ordinary Business			
1	To consider and adopt the audited Financial Statements of the Company for the year ended March 31, 2022, together with the Reports of the Board of Directors and Auditors thereon.		
2	To appoint a Director in place of Mr. P.S. Kapoor (DIN: 02914307), who retires by rotation and being eligible, offers himself for re-appointment.		
3	To approve the remuneration of M/s. M. K. Dandeker & Co., Statutory Auditors of the Company		
Special Business			
4	To consider and ratify the remuneration of Cost Auditor		

Signed this _____ day of _____ 2022

Signature of shareholder _____

Signature of Proxy holder(s) _____

Affix one Rupee Revenue Stamp
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Notes:

1. This form of proxy, in order to be effective, should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
2. A Proxy need not be a member of the Company.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. This is only optional. Please put an 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
5. Appointing a proxy does not prevent a member from attending the meeting in person if he/she so wishes.
6. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

**Route map to the 10th AGM venue of
KUDGI TRANSMISSION LIMITED**

