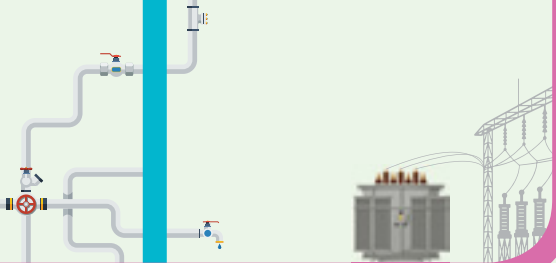




KALPA TARU®

POWER TRANSMISSION LIMITED



Cater. Compete. Consolidate.

POISED TO PROSPER

ANNUAL
REPORT

2019-20

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www.kalpatarupower.com

This Report may contain certain forward looking statements relating to the future business, development and economic performance. Such Statements may be subject to a number of risks, uncertainties and other important factors, including but not limited to (1) competitive pressure; (2) legislative and regulatory developments; (3) global, macro-economic and political trends; (4) fluctuations in currency exchange rates and general market conditions; (5) delay or inability in obtaining approval

from authorities; (6) technical developments; (7) litigations; (8) adverse publicity and news coverage; (9) natural calamities including pandemic, which could cause actual developments and results to differ materially from the statements made in this presentation.

Kalpataru Power Transmission Limited assumes no obligation to update or alter forward-looking statements whether as a result of new information, future events or otherwise.



Cater


to global infrastructure needs

Compete

to fulfil our objective

Consolidate

our strong position



Effort is a precursor and enabler of success. At KPTL, we acknowledge the consistency to untiring effort, unrivalled expertise and unswerving dedication of our teams to strengthen our foothold at home and abroad.

As we mark a new chapter in our growth path, we remain resolute to always stay one step ahead, leaving no room for complacencies. It is also time to strategically differentiate from the rest.

KPTL now aspires to further strengthen its position globally, chartering new territories in varied geographies. With our expanding footprint, we aspire to become a local service provider in different parts of the world, ready to leverage our tactical expertise and experience. We are investing in digital and technological prowess to improve and sharpen our operating efficiency and competitiveness. We are clear in our intent to be a capital light, cost efficient company, thereby delivering sector-leading margins, and enhancing shareholder value.

Overall, we are recalibrating our capabilities to Cater, Compete and Consolidate.

All About KPTL

Kalpataru Power Transmission Limited (KPTL) is amongst the largest players in the global power transmission and infrastructure EPC space. With proven experience and expertise, KPTL today has comprehensive capabilities to deliver complete solutions for power transmission, infrastructure development and asset creation. KPTL has interests in power transmission and distribution, oil and gas pipeline, railways, water, urban infrastructure and civil contracting.

With our knowledge and expertise in manufacturing, engineering, designing, project management, construction and operations, we have successfully executed projects over three decades. KPTL today has spread its footprints in 55

countries around the globe. Our ability to seamlessly deliver projects, offer end-to-end engineering solutions combined with digitally backed processes, have created a distinct and unique identity for brand KPTL. This has resulted in a steady flow

of revenue and profitability, ensuring long-term growth for the Company. In 2019-20, KPTL generated consolidated revenues of ₹ 12,676 Crore and has a consolidated order book of ₹ 22,834 Crore, as on 31st March 2020.

Vision

To be the foremost Global player in all the business verticals we operate in & we will achieve this by adhering to our values

Values

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



Business Ethics



Customer Centricity



Pride



Quality



Respect



Team Work

Our Businesses

Power Transmission & Distribution

KPTL provides end-to-end EPC solutions ranging from design, testing, procurement and fabrication to erection, installing, commissioning & operation and maintenance of power transmission lines (up to 1200 kV) & Sub-stations (up to 400 kV AIS/GIS). We have two state-of-the-art tower fabrication facilities in India with a combined installed capacity of 1,80,000 MT per annum in FY19-20.

Our in-house design team of over 100 engineers are equipped with abilities and expertise to design towers and sub-stations according to varied specifications, pertaining to geo-climatic conditions and voltage. Further, we have latest tower testing facilities and a R&D center for tower design validation (up to 1,200 kV tower). Our construction teams, spread across different countries, also undertake and efficiently execute projects in rough terrains and difficult climatic conditions.



Key highlights for 2019-20

- > Expanded footprints in three new countries each in Asia, Latin America and Africa
- > Renewed engagement with SEBs (Andhra Pradesh & Telangana) and Private Sector Clients in India
- > Secured 1st order in 765 KV GIS Substation segment in India
- > Post acquisition by KPTL, LMG secured three large projects in Sweden taking its order book to ₹ 1,152 Crore as on 31st March 2020
- > Successfully completed 10 T&D projects including some of the most challenging projects

~6,500

TOWERS ERECTED IN 2019-20

3,000+ c kms

OF STRINGING DONE IN 2019-20

Ongoing Projects in 35
COUNTRIES



Oil & Gas Infrastructure

We are amongst India's leading EPC players with end-to-end capabilities in designing, engineering, procurement, construction, testing and commissioning of cross-country Oil & Gas pipelines and associated facilities. We leverage our EPC capabilities to execute Oil & Gas processing facilities in shallow water pipelines, refineries and fertilizer plants. So far, we have laid 5,750 kms of pipelines and have set 340 intermediate and terminal stations.

Key highlights for 2019-20

- > Recorded highest ever sales of around ₹ 1,300 Crore
- > Won single largest EPC order for gas pipeline of ₹ 620 Crore
- > Working on around 18 projects across India and completed more than 250 HDD Crossings and 70+ completed / ongoing station works in 2019-20
- > Completed 4 projects in midst of challenging Right of Use (RoU) conditions
- > Received technical qualification for working in three new countries outside India

1,150 kms

OIL & GAS PIPELINE COMMISSIONED IN 2019-20

Railway Infrastructure



We are amongst the leading players in overhead electrification, railway track laying, signalling & communication (S&T), power systems and civil works associated with railway networks. Our in-house team possesses design and engineering capabilities to cater to Metro Rail and Dedicated Freight Corridor (DFC).

Key highlights for 2019-20

- > Commissioned around 700 track kms of Over Head Equipment (OHE) works
- > Secured first EPC project from G-RIDE
- > Clocked highest ever sales of around ₹ 1,750 Crore in 2019-20 with around 30 projects under execution in two countries

Over 2,200 track kms

RAILWAY ELECTRIFICATION WORKS EXECUTED TILL 31ST MARCH 2020

Civil Infrastructure Construction EPC - JMC Projects (India) Ltd.



JMC is amongst the leading civil construction and infrastructure EPC players in India with end-to-end capabilities to service verticals such as Buildings (Residential, Commercial & Institutional), Roads & Flyovers, Water, Urban Infrastructure, Metro Rail and Industrial Plants. JMC has a strong network in India, the SAARC countries and in Africa.

Over 100

PROJECTS UNDER EXECUTION IN 2019-20

₹ 9,546 Crore

ORDER BOOK AS ON 31ST MARCH 2020

Agriculture Logistics - Shree Shubham Logistics Ltd.



SSL offers agri-storage infrastructure and provides a wide range of value-added services like storage, warehousing, testing & certification, collateral management, funding and procurement. The Company manages and operates warehouses (Owned, Hired, third parties and Public Private Partnership (PPP) model) in the states of Rajasthan, Gujarat, Madhya Pradesh, Maharashtra, Bihar, Haryana, Delhi, Uttar Pradesh & Karnataka.

270

WAREHOUSES MANAGED WITH A TOTAL STORAGE CAPACITY OF AROUND 9.8 MILLION SQ. FT. AS ON 31ST MARCH 2020

Our Presence

7
Countries

A M E R I C A



KPTL is amongst
the very few
companies globally

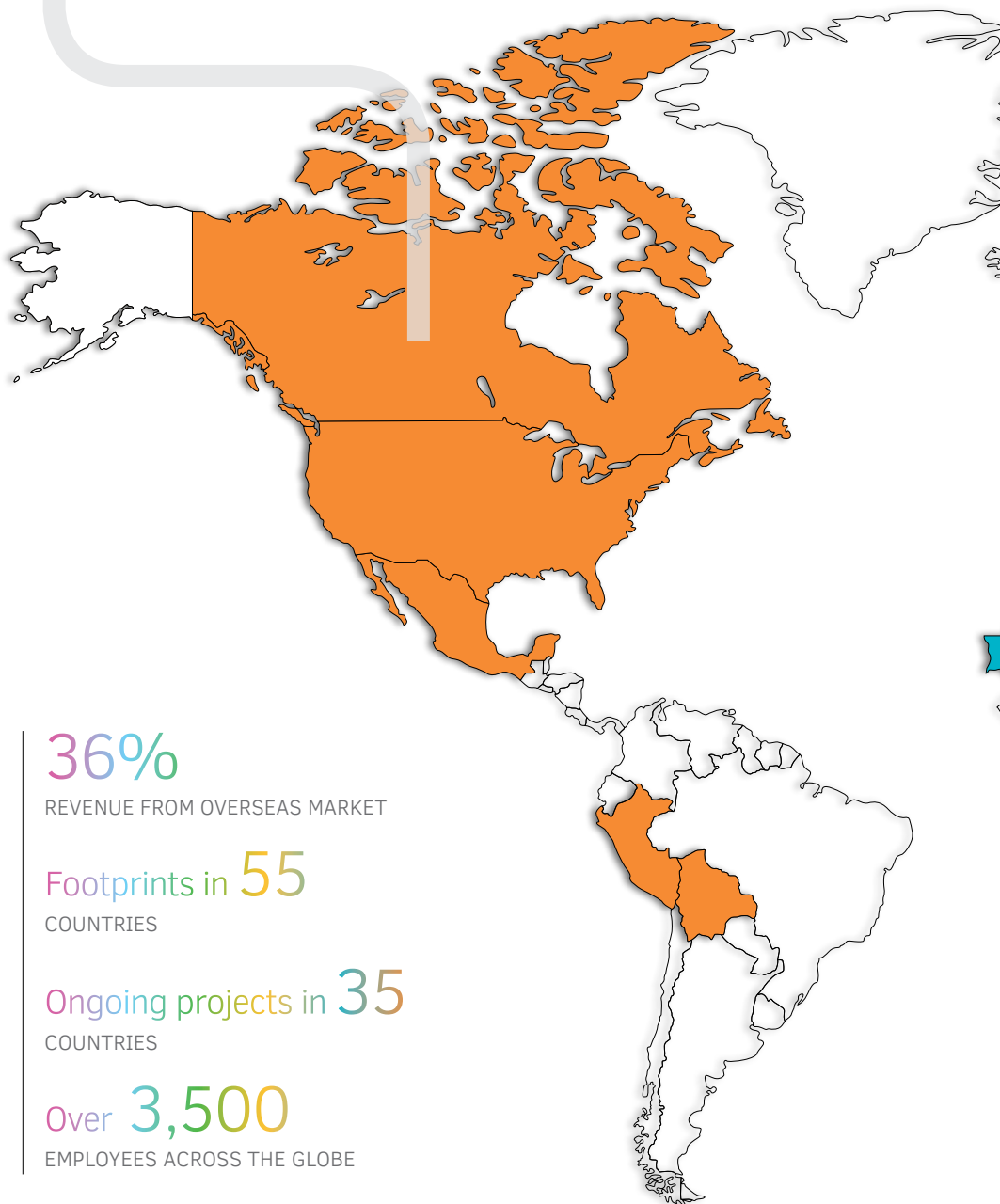
to achieve the international 'Anti-corruption management systems' certificate **ISO 37001:2016**. ISO 37001 is the world's first international certification standard for anti-bribery management systems and has been established as the new global standard for best practices for companies, to manage bribery-related risks.

36%
REVENUE FROM OVERSEAS MARKET

Footprints in 55
COUNTRIES

Ongoing projects in 35
COUNTRIES

Over 3,500
EMPLOYEES ACROSS THE GLOBE



Countries

A F R I C A

Countries

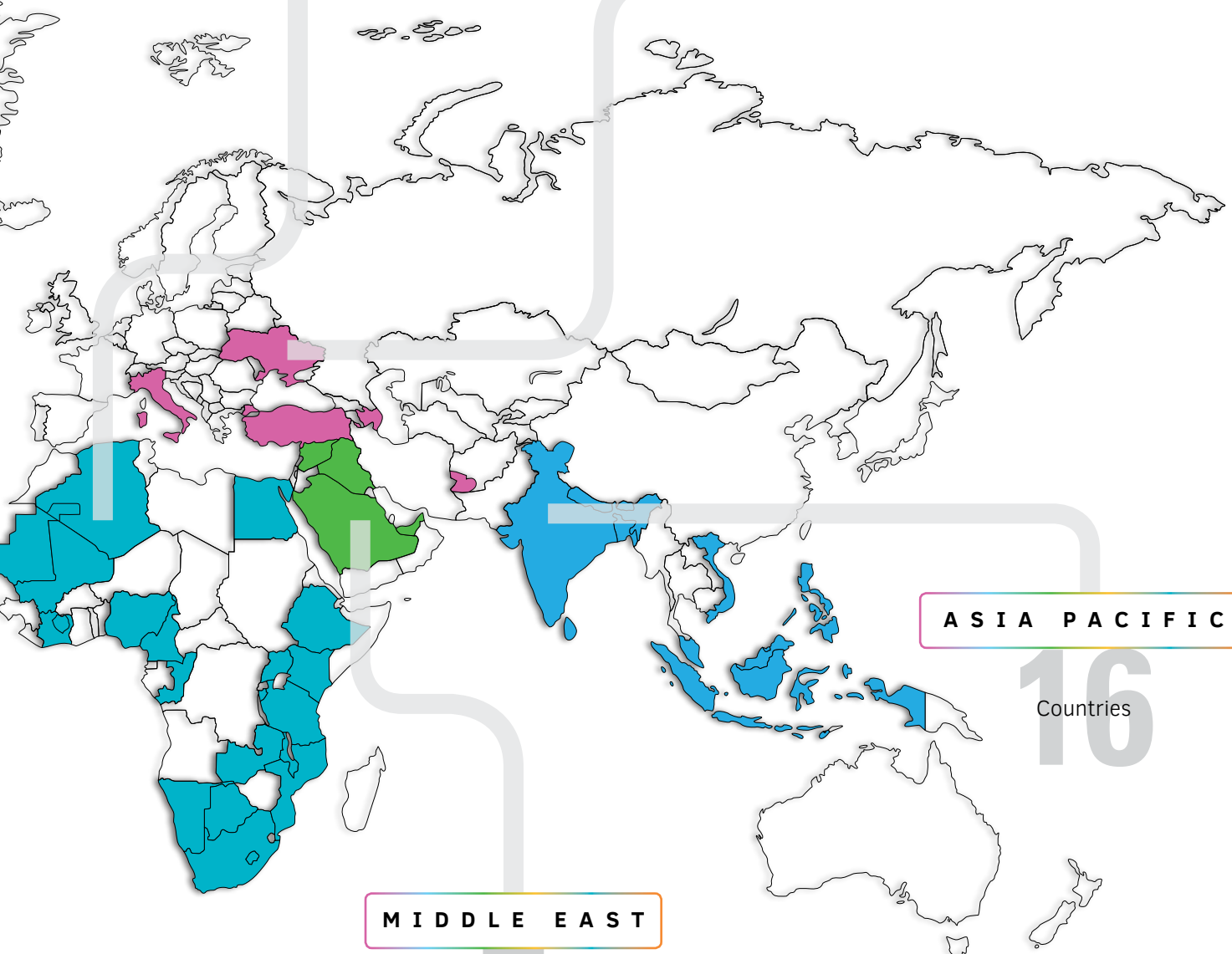
E U R O P E

A S I A P A C I F I C

Countries

M I D D L E E A S T

Countries



Performance Highlights

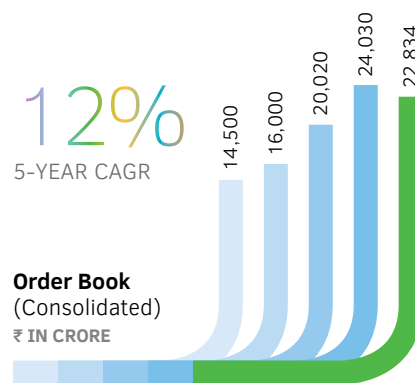
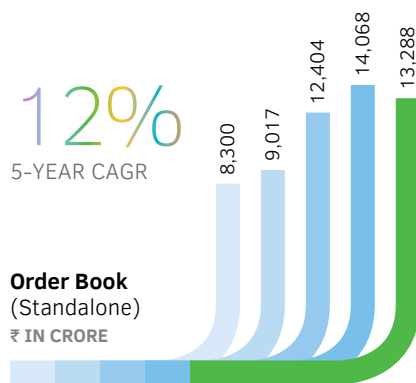
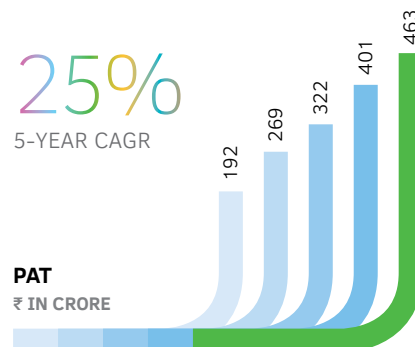
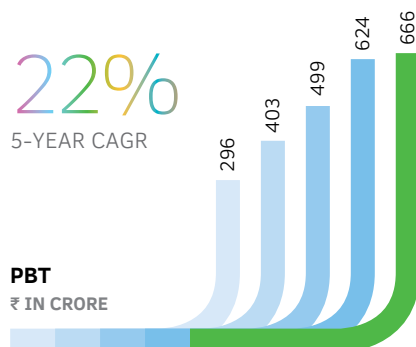
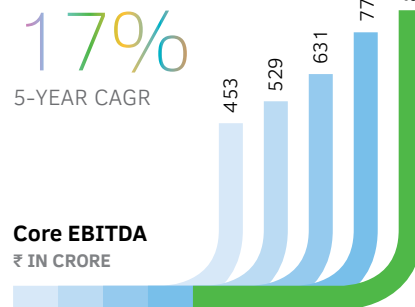
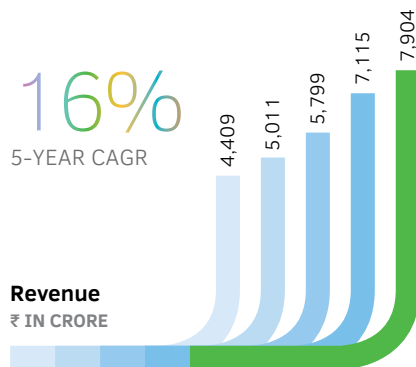
					(₹ in Crore)	\$ in Millions
	2015-16	2016-17	2017-18	2018-19	2019-20	2019-20
Standalone						
Production in MTs*	1,44,887	1,57,830	1,96,768	1,68,634	1,73,094	1,73,094
Gross Revenue	4,409	5,011	5,779	7,115	7,904	1,048
Sales Growth (%)	-1.9	13.7	15.3	23.1	11.1	11.1
International Revenue	2,385	1,995	2,365	2,731	2,814	373
Total Expenditure (excluding depreciation and finance cost)	3,956	4,482	5,147	6,337	7,044	934
Operating Profit (PBDIT & other income and including Exceptional Items)	453	529	631	778	884	117
Other Income	54	49	48	51	58	8
Depreciation	84	78	77	86	110	15
Profit before Interest & Tax (PBIT)	423	501	603	743	832	110
Finance Cost	127	98	103	119	166	22
Profit before Tax	296	403	499	624	666	88
Provision for Taxation (incl. Deferred Tax)	103	134	177	223	203	27
Profit after Tax (PAT)	192	269	322	401	463	61
Equity Share Capital	31	31	31	31	31	4
Net Worth	2,215	2,478	2,770	3,152	3,536	469
Long-Term Borrowings (including current maturities)	312	464	525	493	456	61
Short-Term Borrowings	287	232	250	154	878	116
Total Borrowings (including current maturities)	599	696	774	647	1,334	177
Borrowings (Net of Cash and Bank balances)	493	484	693	501	970	129
Net Debt to Equity Ratio	0.22:1	0.20:1	0.25:1	0.16:1	0.27:1	0.27:1
Return on Equity (%)	8.7	10.9	11.6	12.7	13.1	13.1
Return on Capital Employed (%)	14.9	17.7	18.8	20.9	20.4	20.4
Book Value per Equity Share (₹/USD)	144.3	161.5	180.5	205.5	228.5	3.0
Earnings per Equity Share (₹/USD)	12.5	17.5	21.0	26.2	30.0	0.4
Operating Profit (%)	10.3	10.6	10.9	10.9	11.2	11.2
Profit before Tax (%)	6.6	8.0	8.6	8.8	8.4	8.4
Profit after Tax (%)	4.3	5.3	5.5	5.6	5.9	5.9
Order Book at year end**	8,300	9,017	12,404	14,068	13,288	1,763
Consolidated						
Gross Revenue	7,292	7,629	8,742	10,841	12,676	1,682
Profit before Interest & Tax (PBIT)	585	679	839	1,162	1,169	155
Profit after Tax (PAT)	76	157	278	487	390	52
Earnings per Equity Share (₹/USD)	4.9	12.2	18.3	30.4	25.3	0.3
Consolidated Order Book at year end	14,500	16,000	20,020	24,030	22,834	3,029
Net Worth (Excl rev reserve, attributable to owners)	2,247	2,422	2,673	3,120	3,359	446
Return on Equity (%)	4.9	7.7	10.5	15.0	11.6	11.6
Borrowings (Net of Cash and Bank balances)	2,756	2,585	3,036	3,281	3,458	459
Return on Capital Employed (%)	10.6	13.0	14.9	18.4	16.6	16.6

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

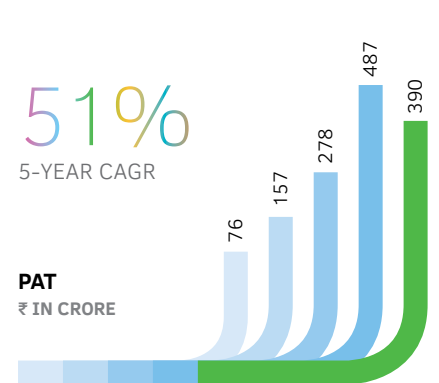
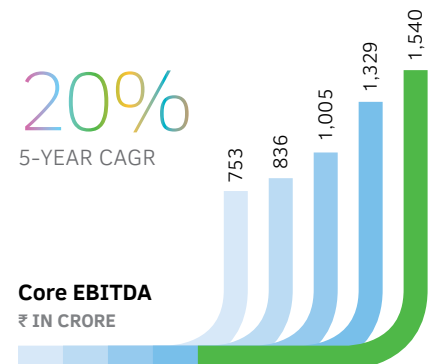
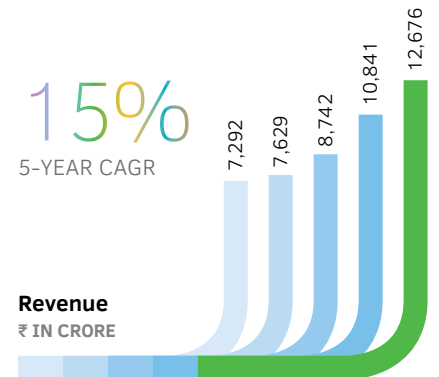
** Order Book for 2019-20 includes order book of Linjemontage (Sweden)

1 USD = ₹75.3859

Standalone



Consolidated



Chairman's Message



DEAR SHAREHOLDERS

KPTL has a long standing reputation and our success has, and will always rely on our ability to continually evolve our business and deliver on our targets. We strive to create long-term and sustainable value for our stakeholders to endure our values and principles.

Our business strategies are underpinned in our values of business ethics, customer centricity, pride, quality, respect and teamwork. This ensures

long-term business sustainability as well as continued value creation for all our stakeholders. In the current fiscal, we demonstrated our resilience to outperform despite multiple challenging conditions globally, registering impressive performances.

The year 2019-20 was marked by many headwinds in the global economy. Market sentiments mostly remained muted on account of trade uncertainty and

softening consumer demand. To top it all, the unprecedented Covid-19 outbreak wreaked havoc around the world. This led to a moderate global economic GDP growth of 2.9% in 2019, the weakest since the global financial crisis of 2008. The slowdown was mainly driven by some advanced economies and developing economies.

India, like all other countries, witnessed the impact of softening global economic