

K.P.I. GLOBAL INFRASTRUCTURE LIMITED

(CIN: U40102GJ2008PLC083302)

SHOP NO A-1/2, FIRDOS TOWER, NEAR FAZAL TOWER, ADAJAN PATIA SURAT-395009 (GUJARAT)
Phone No: 0261 2764757 Email ID: info@kpigroup.co Website: www.kpigroup.co

DIRECTORS' REPORT

To,
The Members,
K.P.I. GLOBAL INFRASTRUCTURE LIMITED

Your Directors have pleasure in presenting herewith their 9th Annual Report on the Business and operation of the Company together with the Audited Statements of Accounts of the Company for the year ended on 31st March, 2017.

FINANCIAL SUMMARY OR HIGHLIGHTS/PERFORMANCE OF THE COMPANY: -

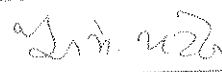
Particulars	31.03.2017	31.03.2016
Domestic Turnover	25,76,02,735.15	27,46,91,832.00
Other Income	26,05,928.00	4,20,462.00
Less: Expenditure	8,29,26,009.05	12,73,98,831.19
Profit Before Finance Charge Depreciation	17,72,82,654.1	14,77,13,462.81
Finance Cost	1,94,68,506.02	73,92,826.81
Depreciation	5,66,48,922.00	3,55,16,193.00
Profit Before Extraordinary Items	10,11,65,226.08	10,48,04,443.00
Prior Period items	1,21,903.60	0.00
Profit Before Tax	10,12,87,129.68	10,48,04,443.00
Less: Current Tax	0.00	35,59,320
Less: Deferred Tax	4,74,14,797.00	3,11,76,546.00
Net Profit	5,38,72,332.68	7,00,68,577.00

(Previous period/year figures have been re-grouped/re-classified wherever required)

For KPI GLOBAL INFRASTRUCTURE LTD.


Director / Autho. Sign.

For KPI GLOBAL INFRASTRUCTURE LTD.


Director / Autho. Sign.

REVIEW OF OPERATIONS:

During the year under review, the total Turnover of the Company was Rs. 25,76,02,735.15/- against Rs. 27,46,91,832/- in the previous year. The Company has earned a Profit after Tax of Rs. 5,38,72,332.68/- compared to Rs 7,00,68,577/- in the previous year.

CHANGE IN THE NATURE OF BUSINESS:

There is no change in the nature of business of the Company.

DIVIDEND: -

Directors have not recommended any Dividend on Equity Shares of the Company during the year.

RESERVES: -

The company has transferred the whole amount of Profit / (Loss) to Reserve and surplus account as per attached audited Balance sheet for the year ended on 31st March, 2017.

CREDIT RATING: -

Your Company has approached to CRISIL for credit rating for the bank facilities in tune of Rs. 14.5 Crore during the year under review. For which as on January 11, 2017, CRISIL has assigned a long – term rating of [CRISIL] BB+ (Pronounced as CRISIL double B Plus) to Rs. 12.00 crore long-term loans of your Company. CRISIL has also assigned a short term rating of [CRISIL] A4+ to the limits of 2.50 crore of the Company. The outlook on the long-term rating is “stable”.

DEPOSITS: -

Except the loans or borrowing exempted as Deposits under Rule 2(b) of the Companies (Acceptance of Deposit) Rules, 1975, the Company has not accepted any deposits or loans falling under purview of Section 58A of the Companies Act, 1956 read with the said rules and/or under the provisions of the Section 73 to 76 of the Companies Act, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT: -

Pursuant to the requirement of Section 134(3)(c) of the Act, and based on the representations obtained from the management, the directors hereby confirm:

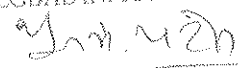
- A. that in the preparation of the annual accounts/Financial Statement, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- B. that we have selected such accounting policies and applied them consistently and made judgments and estimates 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 and loss of the Company for that period;
- C. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

For KPI GLOBAL INFRASTRUCTURE LTD.



Director / Autho. Sign.

For KPI GLOBAL INFRASTRUCTURE LTD.



Director / Autho. Sign.

- D. that the annual accounts/Financial Statement have been prepared on a going concern basis;
- E. that proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively; and
- ~~F. the Directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.~~

AUDITORS: -

Pursuant to the provisions of Section 139 of the Act and the rules framed thereunder, M/s. K A SANGHAVI AND CO., Chartered Accountants, bearing Registration No.120846W were appointed as statutory auditors of the Company from the conclusion of the 8th Annual General Meeting (AGM) of the Company held on 29th September, 2016 till the conclusion of the AGM to be held in the year 2021, subject to the ratification of their appointment at every AGM. And this AGM will propose for ratification of his appointment for the F.Y 2017-18.

COMMENTS ON AUDITORS REPORT, SECRETARIAL AUDITORS REPORT AND COST AUDITORS REPORTS: -

1. Explanations or comments by the Board on every qualification, reservation or adverse remark or disclaimer made by auditors in auditor report.
2. The Secretarial Auditors Report: - **NOT APPLICABLE** in case of our company.
3. The Cost Auditors Report: - **NOT APPLICABLE** in case of our company.

EXTRACT OF THE ANNUAL RETURN: -

The extract of Annual Return as provided under Sub-Section (3) of Section 92 of the Companies Act, 2013 (the "Act") and as prescribed vide Rule 12(1) is annexed herewith in the prescribed "Form MGT-9" and forms part of this Report.

MEETINGS OF THE BOARD: -

Thirteen meetings of the Board of Directors were held during the year; as detailed here under:

Sr. No.	Date of meeting	Total No. of Directors on the Date of Meeting	No. of Directors attended	% of Attendance
1.	08/04/2016	5	5	100%
2.	07/07/2016	5	5	100%
3.	01/09/2016	5	5	100%
4.	29/09/2016	5	5	100%
5.	15/12/2016	5	5	100%
6.	02/01/2017	5	5	100%
7.	30/01/2017	5	5	100%
8.	08/02/2017	5	5	100%
9.	15/02/2017	5	5	100%
10	16/02/2017	5	5	100%

For KPI GLOBAL INFRASTRUCTURE LTD.

Director / Autho. Sign.

For KPI GLOBAL INFRASTRUCTURE LTD.

Director / Autho. Sign.

11.	16/03/2017	5	5	100%
12.	22/03/2017	5	5	100%
13.	27/03/2017	5	5	100%

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND: -

The provisions of Section 125(2) of the Companies Act, 2013 does not apply as there was no dividend declared and paid last year.

PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED: -

The Company has not given any Loans or made any investments and not provided any securities U/s 186 of the Companies Act, 2013 but the Company has given authorization relating to continuation of existing Corporate Guarantee to M/s. K.P. Energy Limited for obtaining various credit facilities to the tune of Rs. 28.45 Crores from State Bank of India, Specialized Commercial Branch, Surat.

FINANCIAL AND LIQUIDITY POSITION: -

The Company has succeeded in getting the required finance in form of financial assistance from Bank. It has helped the Company maintaining good financial and liquidity position throughout the year. The Board of Director expresses their sincere gratitude towards banks for their financial support to the Company.

MANAGERIAL REMUNERATION: -

The Company has paid Managerial Remuneration of Rs. 15,00,000/- to Mr. Farukbhai Gulambhai Patel. The Company has not paid any remuneration to other Directors.

REAPPOINTMENT OF DIRECTOR RETIRING BY ROTATION: -

It is proposed to re-appoint Mr. Rajnikant Harilal Shah (DIN: 00113675) in the ensuing Annual General Meeting as Director of the Company who retires by rotation and being eligible for his re-appointment.

DIRECTORS: -

A) Changes in Directors and Key Managerial Personnel: -

No events for any Director(s) appointment/resignation/ change in designations occurred during the year.

Company has appointed Mr. Niraj Agarwal as a Company Secretary on 16th March, 2017.

(*Note: Mr. Niraj Agarwal had resigned from the post of Company Secretary as on 1st July, 2017 and Mr. Nayankumar Gamdha had been appointed as Company Secretary on 1st July, 2017)

B) Declaration by an Independent Director(s) and re- appointment, if any

Not Applicable to Our Company.

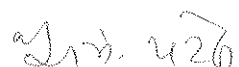
C) Formal Annual Evaluation

Not Applicable to Our Company.

For KPI GLOBAL INFRASTRUCTURE LTD.

 Director / Autho. Sign.

For KPI GLOBAL INFRASTRUCTURE LTD.


 Director / Autho. Sign.

SHARE CAPITAL: -

Transfer and Allotment of Equity shares have taken place during the year under review. The following are the Equity Share Capital Buildup of your Company during the year ended as on 31st March, 2017:

Date of Transfer/Allotment of Equity Shares	No. of Equity Shares	Face Value	Issue Price	Nature / Reason of Allotment/ Transfer
08 th April, 2016	3,43,200	10	--	Transfer of Shares
15 th February, 2017	20,00,000	10	50	Allotment of Shares

The Company has not issued any Preference Shares/Debentures/Bonds/other securities during the year and Bought Back/redeem any Equity Shares/Sweat Equity Shares.

RISK MANAGEMENT POLICY: -

The Company has established Enterprise Risk Management process to manage risks with the objective of maximizing shareholders value and minimizing the risk.

CSR POLICY

The Company has constituted the CSR Committee in accordance with Section 135(1) of the Companies Act, 2013, for financial year 2016-2017 the details of CSR expenditure has been appended in **Annexure I** of this Board's Report.

GENERAL: -

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOP referred to in this Report.
4. There were no material changes or commitment affecting the financial position of the company, having occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.
5. Particulars relating conservation of energy, technology absorption during the year under reporting, are not given in absence of such energy consumption and the company's Foreign Exchange earning was NIL.
6. A statement on declaration by independent Director in terms of sub-section (6) of section 149 of the Act is not applicable to the company.
7. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
8. The Company is **not required to constitute or reporting on any Committee of the Board U/s 178(1) of the Companies Act, 2013** i.e. Nomination Committee/Remuneration Committee/Shareholders Committee/ Audit Committee etc.
9. Being a Public Unlisted Company, provision of Vigil Mechanism is not applicable to the Company.

For KPI GLOBAL INFRASTRUCTURE LTD.


Director / Autho. Sign.

For KPI GLOBAL INFRASTRUCTURE LTD.


Director / Autho. Sign.

10. Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressed) Act, 2013.

REPORT ON PERFORMANCE OF SUBSIDIARIES, ASSOCIATES COMPANIES AND JOINT VENTURES: -

Our Company does not have any subsidiary Company, Associate Company and Joint Venture alliances, as per Audit Report for the year ended as on 31st March 2017. (Attached AOC-1)

DISCLOSURE OF RELATED PARTY TRANSACTION

All the Related Party Transactions that were entered into during the financial year were in the ordinary course of business and on arm's length basis. Same detail has been provided in AOC – 2

INTERNAL CONTROL SYSTEMS


The Company has in place adequate systems of internal control commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use, executing transactions with proper authorization and ensuring compliance of corporate policies.

ACKNOWLEDGEMENT: -

The Board acknowledges the contribution of employees at all offices and at all levels without whose efforts the Company could not have been developed at such a rapid speed. The Company also express its sincere gratitude towards different government and other authorities including local authorities for their co-operation to the management by giving timely approval or clearance towards the projects of the Company. The Company is also thankful to the shareholders, suppliers, customers and other associates for their co-operation to the management and for their contribution towards the growth of the Company. The Board does hope for the contribution and co-operation from all continuously in future also.

**FOR THE BOARD OF DIRECTORS OF
M/s K.P.I. GLOBAL INFRASTRUCTURE LIMITED**

Place: Surat
Date: 01.09.2017



FARUKBHAI GULAMBHAI PATEL
DIRECTOR
DIN: 00414045



GULAMMAHMAD ALIBHAI PATEL
DIRECTOR
DIN: 01783338

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies
(Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate
companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)
(Amount in Lacs)

Sr. No.	Particulars	Details
1	Name of the subsidiary	NIL
2	Reporting currency	NIL
3	Share capital	NIL
4	Reserves & surplus	NIL
5	Total assets	NIL
7	Total Liabilities	NIL
8	Investments	NIL
9	Turnover	NIL
10	Profit before taxation	NIL
11	Provision for taxation	NIL
12	Profit after taxation	NIL
13	Proposed Dividend	NIL
14	% of shareholding	NIL

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations: - NIL
- Names of subsidiaries which have been liquidated or sold during the year.: - NIL

For KPI GLOBAL INFRASTRUCTURE LTD.


Director / Autho. Sign.

For KPI GLOBAL INFRASTRUCTURE LTD.



Director / Autho. Sign.

PART "B": ASSOCIATES AND JOINT VENTURES


(Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures)

Sr. no.	Name of Associates/ Joint Ventures	Particulars
1.	Latest audited Balance Sheet Date	NIL
2.	Shares of Associate/Joint Ventures held by the company on the year end	NIL
	Amount of Investment in Associates/Joint Venture	NIL
	Extend of Holding %	NIL
3.	Description of how there is significant influence	NIL
4.	Reason why the associate/joint venture is not Consolidated	NIL
5.	Net worth attributable to Shareholding as per latest audited Balance Sheet.	NIL
6.	Profit / Loss for the year	NIL
6(i)	Considered in Consolidation	NIL
6(ii)	Not Considered in Consolidation	NIL

1. Names of associates or joint ventures which are yet to commence operations: **NIL**
2. Names of associates or joint ventures which have been liquidated or sold during the year:-
NIL

FOR THE BOARD OF DIRECTORS OF
M/s K.P.I. GLOBAL INFRASTRUCTURE LIMITED

Place: Surat
Date: 01.09.2017


FARUKBHAI GULAMBHAI PATEL
DIRECTOR
DIN: 00414045


GULAMMAHMAD ALIBHAI PATEL
DIRECTOR
DIN: 01783338

FORM NO. AOC -2

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



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 arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis: -

Sr. No.	Particulars	Details
a.	Name (s) of the related party & nature of relationship	NIL
b.	Nature of contracts/arrangements/transaction	NIL
c.	Duration of the contracts /arrangements / transaction	NIL
d.	Salient terms of the contracts or arrangements or transaction including the value, if any	NIL
e.	Justification for entering into such contracts or arrangements or transactions'	NIL
f.	Date of approval by the Board	NIL
g.	Amount paid as advances, if any	NIL
h.	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NIL

2. Details of contracts or arrangements or transactions at Arm's length basis:-

Sr. No.	Particulars	Details
a.	Name (s) of the related party & nature of relationship	NIL*
b.	Nature of contracts/arrangements/transaction	
c.	Duration of the contracts /arrangements /transaction	
d.	Salient terms of the contracts or arrangements or transaction including the value, if any	
e.	Justification for entering into such contracts or arrangements or transactions'	
f.	Date of approval by the Board	
g.	Amount paid as advances, if any	

For KPI GLOBAL INFRASTRUCTURE LTD. For KPI GLOBAL INFRASTRUCTURE LTD.
 Director / Autho. Sign.  Director / Autho. Sign.

*Contains from Auditors Report (As per AS-18) Transactions that have taken place during the period April 1, 2016 to March 31, 2017 with related parties by the Company:

Nature of Transactions	Name of Related Party	Relation	F.Y. 2016-17	F.Y. 2015-16
Subscription received for purchase of equity shares	Farukbhai Gulambhai Patel	KMP	74395500	4800000
	Rashida Gulam Patel	KMP	1550000	1800000
	Gulammahmad Alibhai Patel	KMP	1550000	1800000
	Dhimantraï Chandrashankar Joshi	KMP	4285700	NIL
	Rajnikant Harilal Shah	KMP	50300	70000
	Vahidabanu Faruk Patel	RKMP	1348550	1800000
	Aayesha Faruk Patel	RKMP	1348550	1800000
	Pritiben Rajnikant Shah	RKMP	300	NIL
	Karishma Rajnikant Shah	RKMP	868150	1215000
	Maitri Mitul Shah	RKMP	1518150	2125000
	Maitri Mitul Shah HUF	RKMP	1492850	2090000
	Mitul Rajnikant Shah	RKMP	1071700	1500000
	Bhadrabala Dhimantraï Joshi	RKMP	714550	1000000
Loans / Advances taken	Farukbhai Gulambhai Patel	KMP	1296540	NIL
	Rashida Gulam Patel	KMP	150000	300000
	Vahidabanu Faruk Patel	RKMP	155000	NIL
	Aayesha Faruk Patel	RKMP	210000	NIL
	Rays Energy	Entities where KMP/RKMP has significant influence	54200000	NIL
Managerial Remuneration	Farukbhai Gulambhai Patel	KMP	1500000	1200000
Collaterals provided to	K P Energy Limited	Entities where KMP/RKMP has significant influence	14200000	14200000
Interest paid on Loans / Advances	Rays Energy	Entities where KMP/RKMP has significant influence	2402996	NIL
	Rashida Gulam Patel	KMP	2765	NIL
	Vahidabanu Faruk Patel	RKMP	5383	NIL
	Aayesha Faruk Patel	RKMP	4652	NIL
Salary	Vahidabanu Faruk Patel	RKMP	360000	330000
	Aayesha Faruk Patel	RKMP	390000	330000

For KPI GLOBAL INFRASTRUCTURE LTD. For KPI GLOBAL INFRASTRUCTURE LTD.



Director / Autho. Sign.





Director / Autho. Sign.

Purchase	K P Buildcon Private Limited	Entities where KMP/RKMP has significant influence	6073358	14655314
----------	------------------------------	---	---------	----------

FOR THE BOARD OF DIRECTORS OF
M/s K.P.I. GLOBAL INFRASTRUCTURE LIMITED

Place: Surat
Date: 01.09.2017


FARUKBHAI GULAMBHAI PATEL
DIRECTOR
DIN: 00414045


GULAMMAHMAD ALIBHAI PATEL
DIRECTOR
DIN: 01783338

ANNEXURE-1

BOARDS REPORT ON CORPORATE SOCIAL RESPONSIBILITIES ACTIVITIES [Pursuant to Section 135 of the Companies Act, 2013]

1. Composition of Corporate Social Responsibility (CSR) Committee

In accordance with Section 135 of the Companies Act, 2013 and the Rules pertaining thereto, a committee of the Board known as 'Corporate Social Responsibility Committee (CSR Committee)' has been constituted comprising of the following members:

Sr. No.	Name of the Person	Position
1	Dhimantrai Chandrashankar Joshi	Chairman
2	Rajnikant Harilal Shah	Member
3	Farukbhai Gulambhai Patel	Member

2. Average net profit of the Company for last three financial years, as per Section 198 of Companies Act, 2013:

The average net profit of the Company for the last three financial years is Rs. 2,87,63,927.67/-

3. Prescribed CSR Expenditure (2% of the amount as in item 2 above)

Rs. 5,75,278.55/-


4. Details of CSR spent during the financial year.

a) Total amount to be spent for the financial year: Rs. 5,61,000/-

b) Amount unspent, if any; Rs. 14,278.55/-

c) Manner in which the amount spent during the financial year:

Sr. No	CSR Project or Activities identified	Sectors in which project is covered	Projects or Programs in Area or Name of District	Amount Outlay (budget) project or program wise	Amount Spent on the Project or Programs	Amount Spent: Direct/through Implementation Agency
1	Promoting Education through aid and assistance to under privileged children	Education	Surat, Gujarat	5,80,000/-	5,61,000/-	Direct

KPI GLOBAL INFRASTRUCTURE LTD.

Director / Autho. Sign.

For KPI GLOBAL INFRASTRUCTURE LTD.

Director / Autho. Sign.

5. In case the company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board Report:

Company considers social responsibility as an integral part of its business activities and endeavors to utilize allocable CSR budget for the benefit of society. The Company has also formulated its CSR policy in accordance with the Companies Act, 2013 (read with the rules). Accordingly, an amount of Rs. 5,75,278.55/- (being 2% of Average net profit of the company for last three financial years) was to be invested in CSR but Company has spent Rs. 5,61,000/- in CSR in F.Y. 2016-17. However, the company has just embarked on the journey of ascertained CSR programs.

For this reason, during the year, the Company's spend on the CSR activities has been less than the limits prescribed under Companies Act, 2013. The CSR activities are scalable with few new initiatives that may be considered in future and moving forward the Company will endeavor to spend the complete amount on CSR activities in accordance with the statutory requirements.

6. 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:

We hereby affirm that the CSR Policy, as approved by the Board, has been implemented and the CSR Committee monitors the implementation of CSR Projects and activities in compliance with our CSR objectives.

FOR THE BOARD OF DIRECTORS OF
K.P.I. GLOBAL INFRASTRUCTURE LIMITED

Place: Surat
Date: 01.09.2017



FARUKBHAI GULAMBHAI PATEL
DIRECTOR
DIN: 00414045



DHIMANTRAI C. JOSHI
CHAIRMAN OF COMMITTEE
DIN: 06825061