

Date: September 05, 2023

To,

The Corporate Relations Department <b>BSE Limited</b> PJ Towers, 25th Floor, Dalal Street, Mumbai – 400 001  Company Scrip Code: 542851	<b>National Stock Exchange of India Limited</b> Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051  Symbol: GENSOL
--	--

Dear Sir,

**Sub: Submission of Annual Report for the financial year 2022-23 & Notice convening 11<sup>th</sup> Annual General Meeting of the company.**

In terms of Regulation 30 and 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, please find enclosed the Annual Report of Gensol Engineering Limited (the Company) for the Financial Year 2022-23 along with notice convening 11<sup>th</sup> Annual General Meeting of the members of the Company, scheduled to be held on Friday, September 29, 2023 through Video Conferencing/Other Audio Visual Means (VC) at 09:00 A.M. (IST)

Kindly take the said Annual Report on record.

Yours faithfully,

**Anmol Singh Jaggi**  
**Managing Director**  
**DIN : 01293305**



# DRIVING CHANGE: AT THE FOREFRONT OF ENERGY TRANSITION

EPC | EV MANUFACTURING | EV LEASING



**FY2022-23**  
11<sup>th</sup> Annual Report

## Table of Content

### 2 to 10

#### Gensol – The Year Gone By

1. Performance Highlights
2. About Gensol
3. Business Segments & Services
4. Key Performance Implementations
5. History & Important Milestones
6. Key Business Drivers
7. Management Team

### 11 to 15

#### Driving Change, Creating Value

1. From the Chairman's Desk
2. Social Responsibilities
3. Strong Leadership
4. Our Strategy for Growth

### 16 to 162

#### Statutory Reports

1. Management Discussion & Analysis
2. Director's Report
3. Auditor's Report Standalone FY 2022-23
4. Financial Statements Standalone FY 2022-23
5. Auditor's Report Consolidated FY 2022-23
6. Financial Statements Consolidated FY 2022-23
7. Notice to Shareholders

## Driving Change

As a leading player in the renewable energy and electric mobility sector, Gensol Engineering is on a mission to accelerate the transition towards a sustainable future. With a strong focus on innovation, cutting-edge technology, and engineering excellence, we are driving change in the energy landscape by harnessing the power of renewable sources to create a greener, cleaner, and more resilient world.

At Gensol Engineering, our commitment to drive change extends beyond just delivering state-of-the-art renewable energy solutions. We are pioneers in shaping the future of green infrastructure, providing robust engineering and project execution services that enable businesses and communities to adopt sustainable energy practices while also revolutionizing mobility and redefining how people travel. Embracing a holistic approach, our expert team collaborates with diverse industries, governments, and institutions, aligning their goals with our eco-conscious initiatives. Together, we forge a path towards a brighter tomorrow, where environmental stewardship and economic growth go hand in hand. Join us, as we embark on this transformative journey, propelling the world towards a sustainable energy revolution - Driving Change, one innovation at a time.

## Key Highlights



₹1330 Cr.  
Signed Order Book



₹215 Cr.  
EV Assets Leased



590 MWp  
EPC Portfolio



10.56 MWp  
World's Second Largest  
Single Roof Top Project



25.6 MWp  
Gensol's Largest  
Ground Mount Project

# THE YEAR GONE BY

## 1. PERFORMANCE HIGHLIGHTS

### Gensol Engineering Ltd. **FY23** Annual Results

REVENUE  
**145%**



EBITDA  
**196%**

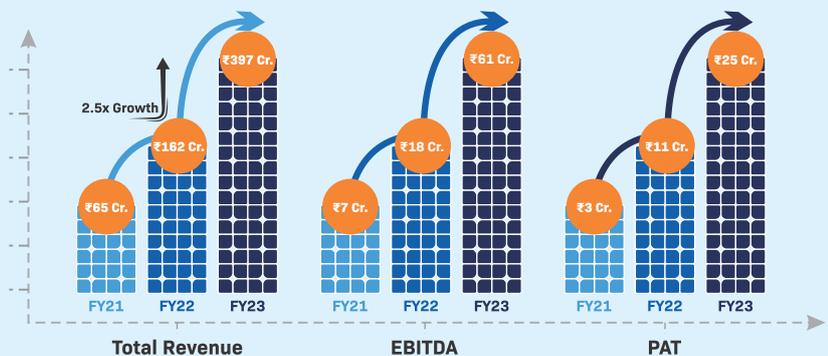


PAT  
**125%**



#### Financial Summary

\* All figures are consolidated



#### Equity Raise

Preferential placement round of ₹133 Cr. in Q2 FY23

#### Net Worth ₹206 Cr.

Substantial growth of 449% YoY

#### BSE Main Board Migration

BSE's in-principle approval received for main board migration

#### Year Highlights

**₹703 Cr.**  
Unexecuted Order Book



**₹994 Cr.**  
Gensol Group - FY22-23  
(Consolidated Balance Sheet)



**₹215 Cr.**  
EV Assets Leased

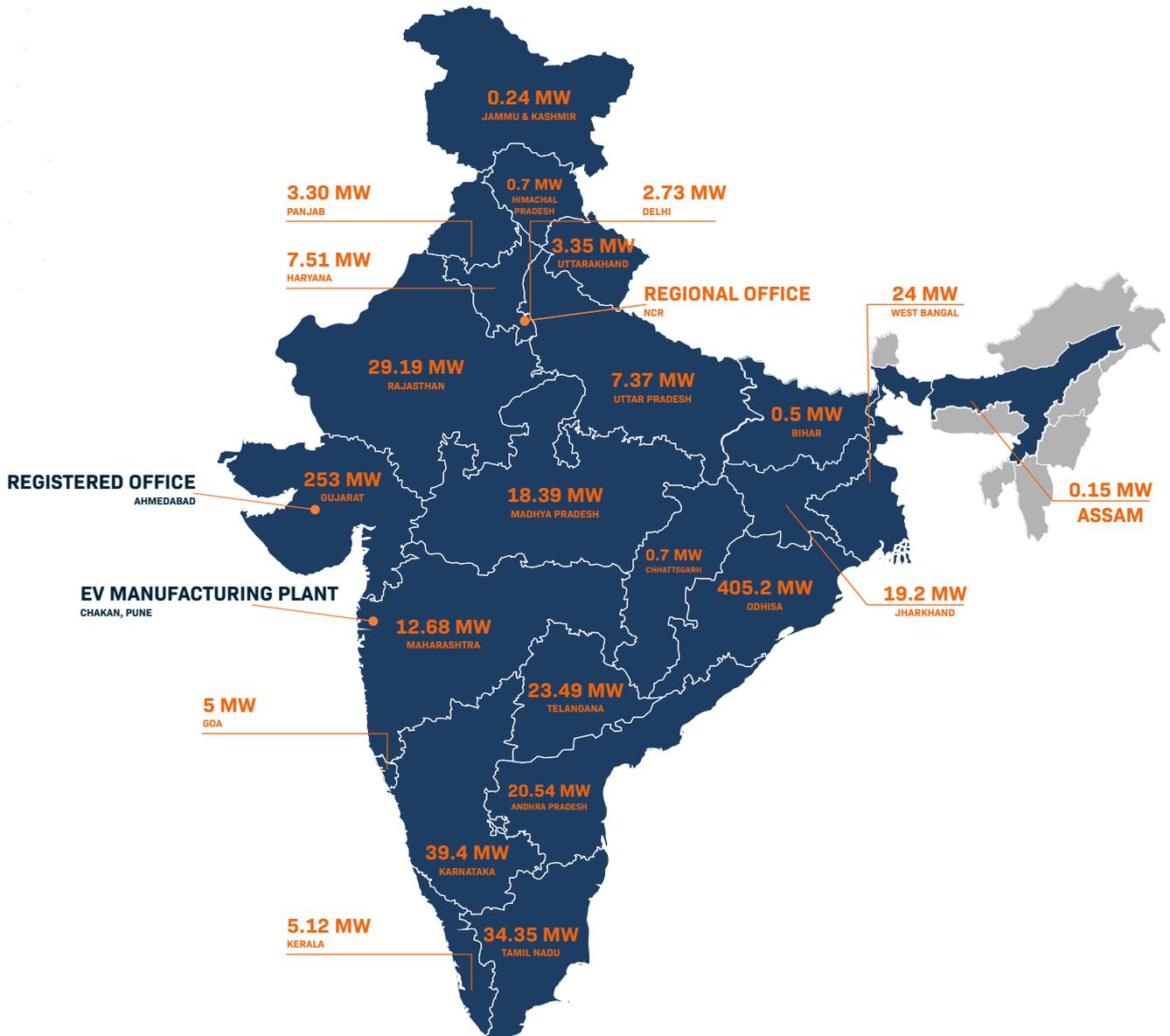


# THE YEAR GONE BY

## 2. ABOUT GENSOL | GEOGRAPHICAL PRESENCE

Incorporated in 2012, Gensol Engineering Limited is a part of the Gensol group of companies, which includes EPC, EV Manufacturing and EV Leasing.

With a dedicated team of over 450 employees, the company excels in managing turnkey projects across India. Over the years, Gensol has successfully installed ground-mounted and rooftop solar power plants with a combined capacity of over 590 MWp. Expanding its operations, Gensol has also established a cutting-edge electric vehicle (EV) manufacturing facility in Pune, India, for the development and production of electric three wheelers and four wheelers. With a keen focus on sustainability, innovation, and customer satisfaction, it is devising solutions across various customer segments - passenger, fleet and cargo – and remains committed to revolutionizing the EV industry in India. Alongside, Gensol offers comprehensive EV leasing solutions and is serving leading ride-hailing players with its buy-and-lease package of EV cars.



# THE YEAR GONE BY

## 2. ABOUT GENSOL | THE GENSOL VALUE SYSTEM

Gensol Engineering is rooted in the solid values of the Gensol Group, evident through the strong partnerships the company has cultivated over the years and the projects that exemplify world-class quality and unwavering passion.

### SPIRIT OF PARTNERSHIP

Our fabric of relationship with our clients, suppliers and employees is knit with key values of fairness, respect, humility, passion, culture of service and brotherhood.

### HEALTH & SAFETY

Gensol is actively engaged in promoting highest standards of occupational safety at all its project sites, thus, vouching for a work culture that ensures guilt-free success.

### QUALITY FOCUSED

Quality means doing it right when no one is looking, we are inclined to believe. Our dedication towards our work has been an outcome of unwavering intentions, sincere efforts and adept execution.



### TAKING 360 DEGREES VIEW

Since strong customer-centricity is at the core of our business, we do not mind going that extra mile and burning the midnight oil to make our clients feel special.

### DRIVEN BY ENGINEERING

“Engineers don't sit back and watch; they make things happen” are words of some wise men. Our unabating passion for engineering has helped us constantly provide services to clients that lead to optimisation of resources and quicker turnaround of investment.

### HANDS ON

With an immutable penchant for engineering, we are not theorists but strong believers in getting hands soiled with actual action on ground, since it is through experience that we learn what not to do.

# THE YEAR GONE BY

## 3. BUSINESS SEGMENTS & SERVICES



### EPC

Under its Solar EPC business, the company excels in managing turnkey 'engineering, construction, and procurement' contracts on an international scale

### EV Leasing

The fact that India's national emissions are mostly from transportation emission and energy production (14% and 56%, respectively), Gensol is pushing the idea of EV leasing as an important measure for a quick transition to a low-carbon economy. According to NITI Aayog, which is the premier policy 'Think Tank' of the Government of India, the estimated cumulative capital cost of India's EV transition is INR 19.7 lakh crore (USD237 billion) by 2030, while the estimated size of the organised EV finance market is INR 3.7 lakh crore (USD 44 billion) by this period. Keeping in mind this mammoth opportunity, the Company has already made inroads into the business of buy-and-lease of EV cars with a reputed ride-hailing company to earn lease rental income on it. In addition, Gensol provides Operational Leasing solutions to reputed corporate customers with mobility needs and earns lease rental income on it. The Company is also actively working towards cementing relations with various corporate houses, industries and PSUs for electrifying their mobility requirements through its unique and intelligent leasing solutions.

### EV Manufacturing

The Company understands that the case for immediate electrification of consumer transport is undeniable. Gensol acquired majority stake in Gensol Electric Vehicle Pvt. Ltd., an EV manufacturing start-up, to venture into EV manufacturing. A market that is poised for explosive growth, Gensol's R&D center will strive for technology development and start of production (SOP) in Pune, India. The company is also building a team of more than 150 automobile engineers and designers for this venture.

# THE YEAR GONE BY

## 3. BUSINESS SEGMENTS & SERVICES

### Services Offered



#### EPC

1. 400+ Solar PV Projects built or advised all across India and overseas
2. 590+ MWp combined capacity successfully installed across ground-mounted and rooftop solar power plants

#### EV Leasing

1. Electric Car Leasing to Mobility platform
2. EV cargo leasing for delivery
3. Lease period of 4 to 5 years
4. More than 3000 EVs leased
5. Target to lease 5000 EV cars and 1000 EV Cargos in next 12 months

#### EV Manufacturing

1. Products offered: Car (Passenger Vehicle/Fleet) and Cargo
2. Car - Personal mobility vehicle with claimed range of 200 Kms
3. Cargo - Urban cargo vehicle for last mile connectivity

# THE YEAR GONE BY

## 4. KEY PROJECT IMPLEMENTATIONS



### Solar EPC

- 400+ Solar PV Projects built or advised all across India and oversea
- 590+ MWp combined capacity successfully installed across ground-mounted and rooftop solar power plants



### EV Manufacturing

- Green field plant from construction to commissioning and line trials in 8 months
- In-plant testing track coupled with next generation end-of-line vehicle testing facility

# THE YEAR GONE BY

## 5. HISTORY AND IMPORTANT MILESTONES



**2019** | Fund Raise

Public Listing of Gensol Engineering Ltd. On BSE-SME platform

**2022** | Scaling Up

Gensol received a credit line of ₹268 Cr. from IREDA to fund electric cabs fleet.



**2023** | Foray into Trackers

Gensol received a credit line of ₹633 Cr. from PFC to fund electric cabs fleet and cargo vehicles

Gensol acquired Scorpius Trackers for ₹135 Cr. Scorpius compliments the solar EPC business.



**2022** | Newer Heights

Gensol raised ₹133 Cr. Pref. Equity Round for venturing into EV manufacturing and growing Solar EPC Business



# THE YEAR GONE BY

## 6. KEY BUSINESS DRIVERS

### Global adoption of renewable energy

India has been one of the champions globally in adopting renewable energy as part of its energy transition. Installed renewable energy capacity (including large hydro) rose from a few megawatts (MW) in 2010 to ~179 gigawatts (GW) as of July 2023. India's ambitious renewable energy targets (500 GW by 2030) and the associated policy and reform framework have been an important tailwind for the sector's development. According to the Institute for Energy Economics & Financial Analysis, India's renewable energy capacity is likely to grow rapidly with 35-40 GW of new capacity additions annually through to FY2029/30, reaching 405 GW.

### Indian Government's push for Renewables

In April 2023, the government announced the bidding trajectory for renewable energy projects under which it would invite bids for 50 GW of RE capacity annually for the next five years - from FY24 till FY28. The annual bids would include setting up of wind power capacity of at least 10 GW per annum and remaining by solar projects. Then again, The Ministry of New and Renewable Energy declared a quarterly plan of the bids for FY24, which comprises bids for 15 GW of RE capacity in each of the first and second quarters, and at least 10 GW in each of the third and fourth quarters.

As per this trajectory, the bid plan would add 250 GW of renewable energy and ensure 500 GW of installed capacity by 2030.

With India's plans to deploy 40 GW of solar capacity each year, there is a 280-GW opportunity standing before us, which translates into a market size of USD 135 bn by 2030 Keeping in mind that the solar sector presents a very large opportunity.



# THE YEAR GONE BY

## 7. MANAGEMENT TEAM



**Anmol Singh Jaggi**  
Chairman & Managing Director



**Puneet Singh Jaggi**  
Whole Time Director

- First generation entrepreneur building India's largest & most responsible B2C electric mobility business at BluSmart Mobility
- Leading a team of 450 professionals and domain experts at Gensol Engineering Ltd.
- Business World Young Entrepreneur Award - 2010

- First Generation Entrepreneur & Clean Energy Enthusiast.
- Have been an advisor to 30 GW of Renewable Energy Projects.
- Digitized 10 GW and operates 3 GW of Renewable Energy Projects.



**Pranay Mundra**  
President



**Ali Imran Naqvi**  
Chief Executive Officer  
BD & Project Management



**Jabir Mahendi Aga**  
Chief Financial Officer



**Rajesh Parmar**  
CS & Compliance Officer

# DRIVING CHANGE, CREATING VALUE

## 1. FROM THE CHAIRMAN'S DESK



**Anmol Singh Jaggi**

Chairman & Managing Director

**Dear Shareholders,**

It gives me immense pleasure to present to you the Annual Report of Gensol Engineering Ltd for the fiscal year ended 31st March 2023.

As we reflect on the past year, I am proud of the progress we have made and the subsequent milestones that we have achieved. Your investment in our company has been critical in propelling us to new heights. Our team's relentless effort in delivering exceptional service and innovative ideas has yielded effective results. **I look forward to sharing our achievements with you and discussing our vision for the future which holds tremendous potential and opportunity for renewable energy and electric mobility.**

### **Economic overview and the EV Industry Growth**

While the global economic shocks have been severe, they have tapered and spaced out in the last year. The pandemic-induced contraction of global output and the Russian-Ukraine conflict led to a surge in inflation, which was tackled by Central banks with policy rate hikes to curb inflation. The US Fed's rate hike increased the US Dollar's appreciation, widening Current Account Deficits (CAD) and increasing inflationary pressures in net importing economies. The IMF's growth forecasts for 2022 and 2023 were lowered due to the Chinese economy's frailties.

Despite these challenges, the Indian economy has demonstrated resilience. A stable political environment has been a key factor in supporting businesses. Moreover, India's commitment to achieving net-zero carbon emissions and promoting renewable energy presents significant growth opportunities in the electric vehicle (EV) industry. As technology advances and consumer interest in EVs surges, we expect a remarkable increase in the number of EVs across markets.

### **A thriving EV Ecosystem for Gensol**

The Indian EV car category is projected to grow at a rate of 105% until 2030, creating a vast market opportunity. To seize this potential, we are setting up an EV car manufacturing unit in Chakan, Pune, with a capacity of 30,000 cars per year in the first phase. Additionally, our success in the EV leasing market demonstrates our leadership in this domain.

### **Operational and Financial Highlights FY23**

I am happy to share that the Company has delivered a remarkable performance on the back of a healthy order book in the fiscal year 2022-23. Gensol's strong performance with consolidated revenue growth of 145% and EBITDA growth of 196% this fiscal reflects our unwavering commitment to excellence and innovation in the renewable energy and electric mobility sector.

# DRIVING CHANGE, CREATING VALUE

## 1. FROM THE CHAIRMAN'S DESK

In FY 23, the company on consolidated level achieved a total revenue of ₹3,974 million, up by 145% YoY from ₹1623 million in FY22. EBITDA improved by 196% from ₹175 million in FY 2022 whereas PAT improved by 125% from ₹111 million FY 22 figuring to ₹607 million & ₹249 million respectively in FY23.

On the operational front, our company won the bid for the development of 30 MWac floating solar projects with a value of ₹232.49 crore. We also received purchase orders from reputed clients for the development of solar power projects with a total capacity of over 247 MWp, which includes a single order from a large IPP to develop 180 MWp ground-mount projects in Gujarat. Gensol has acquired Scorpius Trackers Pvt Ltd, a bankable solar trackers-specialist in India.

### New Developments – Driving Change Innovations

Our journey towards excellence continues.

#### EV manufacturing

- Multi-model, multi-variant single manufacturing line with Sub-tug conveyor boosting capacity to 30,000 vehicles per year
- State-of-the-art Robotic Assembly Stations increasing efficiency and reducing human errors

#### EV Leasing

- Our successful lease of 3,000 EV cars to industry leaders showcases our market leadership and robust future outlook.

### Outlook

Looking ahead to FY2024, we are confident about our growth trajectory. Gensol is poised to seize fresh opportunities and drive continuous success in the coming years as **our vision is to have every electron of energy through renewables and every kilometer travelled on electric mobility.**

### Gratitude

I extend my heartfelt gratitude to the Board for their constant guidance. Their belief in our business proposals and policies, together with their support, has enabled the company reach new heights. I would like to acknowledge our investors, bankers, consumers, channel partners, and the broader community for their trust and confidence in us. Your faith in us motivates us to succeed and push the boundaries. Finally, a heartfelt thank you to all our staff for working relentlessly to create a great organization that will reach new heights in India's renewable energy story.

As we move forward, we will continue to work with passion to ensure that your investment not only provides financial rewards but also positively contributes to society.

Thank you for being such an important part of this amazing journey. As we embark on the path to even greater accomplishments in the new year, let us stand united, motivated by our shared vision.

With best regards,

**Mr. Anmol Singh Jaggi**  
Chairman and Managing Director  
DIN: 01293305

# DRIVING CHANGE, CREATING VALUE

## 2. SOCIAL RESPONSIBILITY



Param Seva Foundation is a not-for-profit charity trust by Gensol that aims to see the entire ecosystem flourish. Our mission is to cultivate a community of individuals who recognize the intrinsic value of serving humanity. Our focus is to inspire tangible change throughout India, addressing multifaceted development challenges

Gensol's CSR and community initiatives, channeled through the Param Seva Foundation, encompass key areas such as education, healthcare, and environmental conservation. These initiatives are a testament to our unwavering commitment to creating a more sustainable and inclusive society. Through these efforts, we aim to make a meaningful impact and contribute to the betterment of society while upholding our corporate values.



Specifically, our programs extend to diverse areas, including organizing free medical camps, skill development programs, scholarship programs, tree plantation drive, community service like job melas etc.

# DRIVING CHANGE, CREATING VALUE

## 3. STRONG LEADERSHIP

Gensol Engineering continues to add and build a talented leadership team with strong and varied experience across industries and functions.



**Kamaljeet Kaur,**  
Chief People Officer



**Amit Kumar**  
CEO - EV Leasing



**Kanv Garg,**  
Chief Growth Officer



**Pratik Gupta**  
Co-founder & CEO  
EV Manufacturing

Growing from strength to strength, the company has added a workforce across levels and teams in FY22-23.

# DRIVING CHANGE, CREATING VALUE

## 4. OUR STRATEGY FOR GROWTH



### **Leveraging Engineering and Cost-Effective Solutions:**

Given the price-sensitive nature of the business, the company is directing efforts at improving delivery through innovation, engineering and cost-effective solutions.



### **Brand Perception:**

The company's presence on the Main Board of BSE and NSE is redefining its perception among existing customers and potential clients, a primary reason for its metamorphosis from a small company to a trusted solar brand.



### **Backward Integration in Supply:**

In order to increase its market share, the company is working towards acquiring value-adding suppliers to gain an edge in supply and pricing of long-lead items.



### **Customer Engagement:**

The management of the Company focuses on customer engagement to increase its repeat orders to the tune of 30% of the total order value.



### **Strong Talent and Young, Passionate Management Team:**

Gensol's undiminishing pool of a young, dynamic, multi-talented work force has been the hallmark of its growth story.



### **Use of Technology:**

At an operational level, Gensol is renewing its focus on the use of technology for producing high-quality outputs with lower turnaround times. For instance, the company employs drone surveys for rooftops, which help detect minute cracks that are not visible to the naked eye and rectify them. This technology-assisted capability is invaluable both at rooftops and on ground-mounted solar assets. Similarly, Gensol manages its project management through a centralized monitoring mechanism with efficient real-time tracking of its under-construction plants, which helps deliver projects in time, thus, reinforcing trust among its clients, leading to repeat business.

# STATUTORY REPORTS

## 1. MANAGEMENT DISCUSSION & ANALYSIS

# Global Economy

The pandemic's negative shocks, the Russian Federation's invasion of Ukraine, and the extreme tightening of monetary policy to combat high inflation overlap and linger, leaving the world economy in an unstable state. It is anticipated that the global economy's early-year strength would diminish. With China's economy recovering more quickly than anticipated and strong consumer demand in the United States, growth in several major economies has been greater than anticipated early this year. However, global economic activity is expected to slacken overall in 2023, with Western economies experiencing a big slowdown and China experiencing a significant increase.

The impact of tighter monetary policy on growth is expected to peak in major economies in 2023, while long-term inflationary pressures persist. Recent tensions in the banking industry will make credit conditions even more restrictive, resulting in a noticeable slowdown in the second half of this year.

Although base effects, easing supply chain pressures, and declining commodity prices have all led to a slowdown in global headline inflation, core inflation remains high in many nations. After reaching a peak of 9.4 percent in July measurements of core inflation, however, indicate that the disinflation that began last year has advanced only haltingly.

Lower energy costs are reducing headline inflation and relieving pressure on household budgets, while China's earlier-than-anticipated reopening has boosted global activity. Inflation and trade volumes in 2022 were significantly influenced by changes in commodity prices. The price of natural gas in Europe had notably sharp oscillations, rising 48% between January and August 2022 and decreasing 76% by February 2023. Natural gas prices typically vary widely among locations, in contrast to oil prices, which tend to be highly connected. Regional gas costs may eventually be equalised by increased commerce in liquified natural gas (LNG), but for the time being this convergence is constrained by pipeline and shipping infrastructure.

In all, global growth is forecast to slow from 3.1 percent in 2022 to 2.1 percent in 2023, before edging up to 2.4 percent in 2024. Relative to the January projections, this is 0.4 percentage point stronger in 2023 and 0.3 percentage point weaker in 2024. Greater-than-expected resilience of major economies at the end of 2022 and early in 2023 led to the overall upgrade to growth in 2023.

Source: International Monetary Fund (IMF), World Bank Global Outlook  
GEL Annual Report FY2022-23

# STATUTORY REPORTS

## 1. MANAGEMENT DISCUSSION & ANALYSIS



# Indian Economy

After India's real GDP contracted in FY20/21 due to the pandemic, growth bounced back strongly in FY21/22, supported by accommodative monetary and fiscal policies and wide vaccine coverage. As a result, India's economy grew at one of the fastest rates in the world in 2022, despite significant obstacles in the global environment, such as supply chain disruptions that have returned because of rising geopolitical tensions, synchronized tightening of monetary policies around the world, and inflationary pressures.

The World Bank predicted "limited spill overs" from a projected global slowdown to India's third-largest economy in 2023–24 (FY24), which is a drop from the forecast 6.9 percent growth in 2022–23 (FY23). India appears to be on course to overtake China as the third-largest economy by 2047. Strong domestic demand, solid investment activity supported by the government's push for infrastructure construction, and brisk private consumption, particularly among higher income earners, served as the foundation for growth. Due to fiscal consolidation, the domestic demand's composition also shifted, with government consumption declining.

However, since Q3 FY22/23, there have been indications of moderating, even though the overall growth pace is still strong. India's economy in FY23/24 is anticipated to be hampered by the continuous headwinds of rising borrowing rates, tightening financial conditions, and persistent inflationary pressures. Real GDP growth is anticipated to slow from the expected 6.9 percent in FY22/23 to 6.3 percent in FY23/24.

The construction, real estate, and services industries are all still doing well. Additionally, this is supported by rising sales of cement and steel, rising freight and passenger traffic, rising IIP numbers for construction, and rising bank lending to the services sector. After shrinking in Q2 and Q3 of FY23, the manufacturing sector expanded by 4.5% in Q4, bringing the overall growth in positive territory at 1.1% for FY 23. Since September 2022, growth in lending to manufacturing, particularly major industry, has substantially decreased. Expenditure on private consumption (PFCE) increased by 7% in FY 23 compared to FY 22.

*Source: International Monetary Fund (IMF), World Bank*

# STATUTORY REPORTS

## 1. MANAGEMENT DISCUSSION & ANALYSIS

A graphic with a dark blue background. On the left, the Indian national flag is partially visible. In the center, there is a white line graph showing an upward trend. On the right, a hand is shown pointing upwards with the index finger, indicating growth or progress.

# Indian Economy

However, PFCE decreased in Q4 of FY 23 compared to Q3 of FY 23. In dollar terms, India's service exports expanded by more than 28% in FY 23 compared to 9% growth for non-oil merchandise exports. Exports of non-oil goods have decreased during the past five months compared to the same period last year. From their heights in early 2022, commodities prices have significantly decreased. As a result, India's imports of products have decreased. After falling to US\$531 billion in October 2022, India's foreign exchange reserves have since increased to around US\$600 billion.

In terms of medium-term growth, India remains in a favourable position for growth over the next few years. The country is steadily digitising and moving towards a greener future as macroeconomic factors remain stable, the external sector is steady, NPAs are at an all-time low, corporate balance sheets have been deleveraged, the consumption story is unaffected, and service exports are booming. India may anticipate a multi-year economic cycle with a pick-up in the private investment cycle for manufacturing and infrastructure. The Indian economy is nevertheless positioned for growth in this uncertain time.

*Source: International Monetary Fund (IMF), World Bank*

# STATUTORY REPORTS

## 1. MANAGEMENT DISCUSSION & ANALYSIS



# Solar Power Industry

Solar energy has a bright future! Energy prices are predicted to stay at record highs through 2023, so it's no surprise that renewable and sustainable energy sources, led by solar, are gaining popularity. In fact, it is estimated that by the end of 2023, the world would produce more solar energy than a terawatt. Considered to be the best feasible replacement for traditional power sources like coal and oil, renewable energy sources are known to minimise carbon emissions and serve as an affordable supply of daily power.

Population growth has a direct impact on energy generation and consumption in emerging nations. With the increased need to reduce carbon emissions, power generation from renewable sources is the best viable replacement for conventional power sources. For instance, the price of coal and oil goods is rising steadily. Another option for the expansion of the solar power sector is the building of new grids and mass storage systems by utilities to use the energy produced from renewable sources.

The size of the worldwide solar power market is anticipated to increase from USD 234.86 billion in 2022 to USD 373.84 billion in 2029, representing a CAGR of 6.9%. With a compound annual growth rate of 41.39%, India's total installed solar energy capacity climbed from 6.76 GW in FY 2016 to 54.00 GW in FY 2022. Solar energy is one of the most often used renewable energy sources in India, a market that is consistently growing through effective government and private sector cooperation. The government announced the issuance of sovereign green bonds as well as the grant of infrastructure status to energy storage technologies, including grid-scale battery systems, under the Union Budget 2022–23. Additionally, the government provided Rs. 19,500 crore (\$2.57 billion) for a PLI programme to promote the production of high-efficiency solar modules. With investments made along the whole value chain, India is poised to become a hub for global manufacturing. India's electricity needs, according to the Central Electricity Authority (CEA), are expected to increase and reach 817 GW by 2030. By the same period, the government wants to install 500 GW of renewable energy capacity. In terms of the global deployment of solar electricity, India came in fifth.

# STATUTORY REPORTS

## 1. MANAGEMENT DISCUSSION & ANALYSIS



The size of the global solar EPC market exceeded USD 215 billion in 2022, and from 2023 to 2032, it is anticipated to grow at a rate of above 6.9% CAGR prompted by the increasingly stringent sustainable development goals across many major economies. Governments across the world are pushing solar energy projects as investments, thereby promoting sustainability and aiding the switch to sustainable energy sources. Solar energy system development and installation are encouraged by government support provided through advantageous policy frameworks including Renewable Portfolio Standards (RPS), Feed-in Tariffs (FITs), and Power Purchase Agreements (PPAs). These regulations offer grid access, long-term contracts, and price guarantees, which support the growth of the solar EPC (Engineering, Procurement, and Construction) business. Asia Pacific is likely to hold the highest proportion of the solar EPC market from 2023 to 2031. In 2022, the region held a sizeable share of 51.4%.

India's solar EPC (Engineering, Procurement & Construction) market is expected to have significant growth between 2023 and 2032 on the back of advantageous government initiatives including strict regulations, laws, and norms to reduce carbon emissions. Additionally, the ongoing use of renewable resources in several applications will improve the overall business climate. The Indian Green Open Access Policy 2022, for instance, was a significant win for the solar industry. The World Bank awarded US\$ 165.0 Mn in June 2022 to help the household sector in India deploy rooftop solar systems and increase access to solar energy. These solar photovoltaic (PV) projects aim to reduce greenhouse gas emissions while providing clean, renewable electricity. They will probably reduce GHG emissions by 13.9 million tonnes. The value of the solar EPC (Engineering, Procurement, and Construction) industry is therefore predicted to increase in the next years due to the surge in investment in PV projects.

# STATUTORY REPORTS

## 1. MANAGEMENT DISCUSSION & ANALYSIS

### Policy Initiatives

The Union Budget for 2023-24 has provided for a budgetary allocation of Rs 7,327 crore for the solar power sector including grid, off-grid, and PM-KUSUM projects, a 48 per cent increase over the previous Rs 4,979 crore provided in the Revised Estimates in the document.

The Expenditure Budget document for 2023–24 states that Rs 4,970 crore, Rs 1,996 crore, and Rs 361 crore are allotted for grid-interactive solar power projects, PM-KUSUM, and off-grid solar power projects, respectively.

Implementation of Phase-III of the off-grid solar PV initiative, which entails the installation of 100 MWp worth of solar power packs as well as the distribution of 25 million solar study lamps and 3 lakh solar streetlights. Additionally, more than three lakh solar streetlights would be built as part of AJAY Phase-II. The document said that additional concentrated solar thermal installations totalling 20 MW would be implemented.

A total of Rs 1,214 crore has been allotted for wind energy projects for the current fiscal year, which is a 14% decrease from the Rs 1,413 crore allotted in the Revised Estimates. The Expenditure Budget Paper for 2023–24 allocates Rs 279 crore to the National Green Hydrogen Mission.

The Union Cabinet chaired by the Prime Minister has approved the introduction of Production-Linked Incentive (PLI) Scheme in High Efficiency Solar PV Modules to increase India's manufacturing capacity and increase exports as part of Atmanirbhar Bharat. National Program on 'High Efficiency Solar PV Modules': Tranche 1: INR 4500 Cr (\$ 605 Mn) - Tranche 2: INR 19,500 Cr - B\$261 (B\$25) for setting up a fully integrated solar PV module manufacturing capacity of 8.737 GW/ Annual GW of partially integrated solar PV module manufacturing capacity of about INR 17,500 crore per year import substitution, and promotion of research and development to achieve higher efficiency in solar PV modules.

# STATUTORY REPORTS

## 1. MANAGEMENT DISCUSSION & ANALYSIS

### Global EV Industry



The world of electric vehicles (EVs) saw tremendous disruption in 2022 and 2023 is expected to be even bigger with further developments in the EV sector. Despite supply chain disruptions that are challenging manufacturers, 2023 is predicted to be one of the finest years for the adoption of electric vehicles. Technology in this industry is advancing at a rapid rate. With the advancement of technology and consumer interest, the landscape of electric vehicles is rapidly shifting. In the upcoming years, a significant increase in the number of EVs on land, sea, and in the air is expected.

The environmental impact of conventional fuel vehicles and the increase in fuel prices have paved the way for alternative fuel vehicles in the market. The global electric vehicle market is projected to grow from USD 500.48 billion in 2023 to USD 1,579.10 billion by 2030, showing a CAGR of 17.8%. A total of 14% of all new cars sold in 2022 were electric, from about 9% in 2021 and less than 5% in 2020. Global sales were dominated by three markets. China once again led the way, accounting for nearly 60% of global electric car sales. The country currently accounts for more than half of all electric vehicles on the road and has already surpassed its goal for new energy vehicle sales by the year 2025.

More than one in every five electric vehicles were sold in 2022 in Europe, the second-largest market for electric vehicles, thanks to a 15% increase in sales. In 2022, electric car sales in the third-largest market, the United States, increased by 55%, resulting in an 8% sales share. Outside of the major markets, sales of electric vehicles are typically low, however India, Thailand, and Indonesia saw increases in 2022 by more than three times. In 2022, Thailand's proportion of electric vehicle sales to total vehicle sales was just over 3%, compared to an average of 1.5% for both India and Indonesia last year. The government's USD 3.2 billion incentive plan, which has garnered USD 8.3 billion in investments, is helping India's EV and component manufacturing ramp up. To promote the adoption of EVs, Thailand and Indonesia are also improving their policy assistance programmes, which might be a great lesson for other emerging market economies.

# STATUTORY REPORTS

## 1. MANAGEMENT DISCUSSION & ANALYSIS

### India's EV Market

A photograph of a white electric car parked at a charging station. The car is connected to a blue charging cable. The background is a light blue sky.

The Indian electric vehicle market is witnessing remarkable growth due to various factors such as the increasing demand for high-performance and fuel-efficient transportation systems, as well as the escalating costs of traditional fuels like petrol, diesel, and CNG. Advances in battery technology, an expanding network of charging infrastructure, and increasing consumer demand have made electric vehicles a viable option for many drivers around the world. Changing the way we think about driving, these vehicles run on electricity stored in batteries instead of fuel and use electric motors to turn the wheels. Electric vehicles are also preferred owing to their environmental friendliness, as they do not produce exhaust emissions, reduce dependence on oil and have lower operating costs compared to conventional vehicles.

In addition, the Indian government is committed to reducing its carbon footprint by enforcing strict regulations on vehicle emissions and providing financial incentives to consumers to purchase electric vehicles. Creating a favourable environment for the growth, the EV market in India is projected to reach USD 23.5 billion by 2031, registering a CAGR of 23.47%. The charging infrastructure is expanding with investments in the installation of charging stations by governments and private companies.

India is at the inflection point for all types of electric vehicles as far as electric penetration is concerned. As of September 1, 2022, 3.5 lakh units of EVs were registered, with Uttar Pradesh topping the country for EV registrations, followed by Tamil Nadu. and Karnataka. The e-rickshaw/e-cart category (top speed below 25 km/h) dominated the market where three-wheeler sales grew by 45%, the highest the market has seen. Sales of all EVs are expected to grow at a CAGR of 68% by 2027. e2Ws and electric auto categories which are three and four-wheeler EVs will account for increased sales (including e-rickshaws). Electric buses are gaining traction due to the need for more fuel-efficient and cleaner buses that produce minimal pollution. Currently electric buses are found on the roads of Lucknow, Delhi, Kerala, Dehradun, Manali and Hyderabad as public transport and state road transport services.

# STATUTORY REPORTS

## 1. MANAGEMENT DISCUSSION & ANALYSIS



# Policy Initiatives

Amounts totalling INR 35,000 crore are set up in the Union Budget for 2023–24 for capital expenditures in the energy transition and net-zero goals by 2070. Battery Energy Storage Systems having a capacity of 4,000 MWH are supported by the government. With a budget increase of 80%, programmes like FAME-II and PLI assist clean energy cars. Imports of foreign electric vehicles could rise as a result of excise duty exemptions and lower customs taxes on lithium-ion batteries.

Ahead of Japan and Germany, India is the third-largest vehicle market worldwide in terms of sales. To move consumer demand towards greener solutions, there is currently pressure on producers and governments to work together. With 7.1 percent of India's GDP and a considerable employment component, the automotive industry plays a key role in the country's economic development. According to the Economic Survey 2023, the domestic electric vehicle industry in India will develop at a 49 percent compound annual growth rate (CAGR) between 2022 and 2030, reaching 10 million sales every year by that point. Furthermore, it is anticipated that by 2030, the electric car industry would generate 50 million direct and indirect jobs.

News reports believe EV technologies will stabilise by approximately 2030, rather than the 2040s as had previously been predicted, and that the heavy trucking sector may experience changes a little later. EVs not only sell themselves, but the Indian government has done a tremendous job of supporting the growth of EV demand and production. In addition to their general roles as policymakers, the state and federal governments also play important roles.

The market for electric vehicles in India is expected to expand significantly during the next few years. The nation is ideally situated to make the switch to a more sustainable and environmentally friendly form of transportation thanks to supporting government legislation, rising consumer awareness, and technological breakthroughs. The opportunity for both domestic and foreign businesses to participate in and support the expansion of India's EV ecosystem is enormous as the demand for EVs rises.

# STATUTORY REPORTS

## 1. MANAGEMENT DISCUSSION & ANALYSIS



# Business & Segment Overview

### Business Overview

The Company Gensol Engineering is a renewable-energy solutions provider with a prime focus on end-to-end solar engineering, procurement, and construction (“EPC”) projects. The Company has carved a niche in commercial and industrial (C&I) category of consumers, whose pure focus rests on optimising power costs. The company designs, engineers and manages all aspects of project execution from conceptualizing to commissioning for solar projects envisaged for development by the C&I consumers.

The Company has in-house, qualified, and competent engineering and project managements teams that, with their deeply rooted domain expertise, ensure that only solar power projects stamped with impeccable quality are raised. The Company’s massive domain experience that stems from a decade-long hard work and an immutable focus on quality of materials, compliance to safety and engineering standard helps it raise solar assets that outmatch their contracted parameters.

The Company’s closed-loop policy, which it employs in managing its vendors relations and, thus, the entire procurement process has helped it tide over the turbulence created by the steaming commodity markets and the plunging Indian currency. Clarity of the process and polished oversight of the management has kept it afloat in these murky waters and, finally, come out profitable.

### Segment Overview

The total revenue from operations of the Company stands at ₹ 3926.5 million as against ₹ 1604.1 million in the Financial Year 2021-22, reflecting a growth of over 145% on a YoY basis. The Company’s EBITDA stood at ₹606.7 million compared to ₹174.8 million in the previous fiscal. The Company reported a total profit after tax of ₹ 249.1 million as against a profit after tax of ₹ 110.9 million in the Financial Year 2021-22.

The company’s growth was driven mainly by a sustainable improvement in the delivery of services, amid commodity inflation and sliding Indian currency.

# STATUTORY REPORTS

## 1. MANAGEMENT DISCUSSION & ANALYSIS

### Review of Financial Performance for the Year

(Rs. Million)	FY 23	FY 22
Revenue from Operations (Net)	3926.5	1604.1
Other income	46.9	19.8
Total income	3974	1624
Operating Profit (EBITDA)	606.7	174.8
EBITDA Margin (%)	15.45%	10.90%
EBIT	493.2	161.7
EBIT Margin (%)	12.56%	10.08%
Net Profit	249.1	110.9
Net Profit Margin (%)	6.35%	6.91%

### Key Ratios (Consolidated)

Particulars	FY 23	FY 22
EBITDA to Sales (%)	15.45%	10.90%
PAT to Sales (%)	6.35%	6.91%
Total Debt to Equity	2.499	1.774
Net Debt to EBITDA	3.916	4.081
Return on Capital Employed (%)	7.00%	13.00%

### Capital Expenditure

Total capital expenditure incurred for the year was Rs. 1696.6 million majorly includes purchase of four-wheel electric cars which are further leased-out to ride hailing platform.

# STATUTORY REPORTS

## 1. MANAGEMENT DISCUSSION & ANALYSIS

### Risk Management

Risk	Business Impact	Mitigation measures
Supplier Concentration Risk	With limited number of local and global suppliers, the Company faces the risk of delayed supply or unavailability of desired quality of key raw materials. This may impact timely completion of projects or may lead to increase in cost for the Company.	Over the years, the Company has established long-lasting relationships with most suppliers. The robust vendor selection process ensures all its suppliers have a strong history of supplying high quality materials, with a strong financial strength and market reputation. Periodic supplier audits and good market monitoring throughout the entire supply chain enables the Company to keep a check on timely supply of desired quality raw materials.
Competitive Risk	With limited number of local and global suppliers, the Company faces the risk of delayed supply or unavailability of desired quality of key raw materials. This may impact timely completion of projects or may lead to increase in cost for the Company.	The lucrative growth of the market exposes the Company to an increased threat from competition both domestic and international. This may impact the successful bidding and winning of projects.
Operational Risk	Operational risks may result from inadequate control on internal processes, people, and systems. External factors also pose threat to business operations.	Business operations are carried out basis well-defined policies, operational processes, and systems and are regularly subjected to systems audits. Strong HR practices and a people-friendly approach helps to keep motivational levels high and ensure a high retention rate.
Module Price Hike Risk	In case of a sharp increase in the price of polysilicon, a key input for cell and module manufacturers, the price of solar modules may increase. Higher solar module prices will likely impact the returns of solar power project developers.	The Company closely monitors price of all products it uses and maintains inventory accordingly.
Commodity Risk	The Company has a diverse business with operations spread across geographies. The Company faces risk related to change in the price and other terms of commodities which may have a bearing on its profitability.	The Company's risk management team adopts various strategies like hedging on the commodity through forwarding contract, futures contract, options contract etc., to minimise any risk due to fluctuation in price of different commodities.
Cyber Fraud Risk	With higher adoption of work from home and increased use of technology to redefine business especially in the post Covid -19 era, cyber risk has emerged as one of the big threats for businesses.	The Company's cyber security team assesses, analyses and monitor the various risks related to increased use of technology. The Company has developed cyber risk management strategies in the enterprise and emerging technologies as they are deployed.

# STATUTORY REPORTS

## 1. MANAGEMENT DISCUSSION & ANALYSIS

# Human Resources Overview

A hand is pointing at a central icon in a network of glowing blue circles, each containing a person icon, set against a dark blue background with a subtle grid pattern.

Our people are the most prized assets of our business. The well-being of employees is of high priority to the Company. The Company's HR initiatives primarily focus on the physical and psychological concerns of the employees. The training initiatives are focused on up-skilling, re-skilling, and cross skilling to leverage human resources, as well as to identify and focus upon specific areas of role-based skills-building. The Company strives to uphold a culture of close-connect with people, build sustainability and talent retention.

Development initiatives that serve these objectives include cross-business synergy, focus on individual leadership, synergy and cohesiveness, and building leaders as mentors. Enabling all-round leadership accountability and commitment to personal growth as a leader, being a role model for the teams below are focus areas on a top-down approach which enable building of a deeper learning focused momentum.

The Company has been undertaking several measures to keep its employees safe, engaged, and productive.

# STATUTORY REPORTS

## 1. MANAGEMENT DISCUSSION & ANALYSIS



# Environment Health and Safety

The Company is invested in creating resilient occupational safety and health systems by drawing on past experiences and learning. The Company is now certified both for ISO 45001:2018 & ISO 9001:2015 for its Health Safety & Environmental Management system at par with global practices.

The Company has always endeavoured to harmonise health and safety at its workplaces with that of the surrounding habitat. The management's prompt efforts ensured zero loss of business due to the pandemic across sites worldwide.

# STATUTORY REPORTS

## 1. MANAGEMENT DISCUSSION & ANALYSIS



Internal Financial Controls are an integrated part of the risk management process, addressing financial risks and financial reporting risks. The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the 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 disclosures.

An extensive program of internal audits and management reviews supplement the process of internal financial control framework. Documented policies, guidelines and procedures are in place for effective management of internal financial controls. We believe that these systems provide reasonable assurance that our internal financial controls are designed effectively considering the nature of our industry and are operating as intended.

The Audit Committee comprises of professionally qualified Directors, who interact with the Statutory Auditors, Internal Auditors, and management in dealing with matters within its terms of reference. The Audit Committee reviews the adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations, including those relating to strengthening of the Company's risk management policies and systems.

### **CAUTIONARY STATEMENT**

The statements in the 'Management Discussion and Analysis' describing the Company's objectives, projections, estimates and expectations may be 'forward-looking statements' within the meaning applicable to securities laws and regulations.

Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand or supply and price conditions in the domestic and overseas markets, changes in the Government regulations, tax laws and other statutes and other incidental facts.

# STATUTORY REPORTS

## 2. DIRECTOR'S REPORT

### DIRECTOR'S REPORT

To the Members,

The Directors present the 11<sup>th</sup> Annual Report of Gensol Engineering Limited ("the Company") along with the Audited Financial Statements for the financial year ended 31<sup>st</sup> March 2023.

#### FINANCIAL RESULTS

Sr. No	Particulars	(Amount in Lakhs)			
		STANDALONE		CONSOLIDATED	
		F.Y. 2022-23	F.Y. 2021-22	F. Y. 2022-23	F. Y. 2021-22
1	Revenue from Operations (Net)	36,569	15,351	39,265	16,041
2	Other Income	745	234	469	198
3	Total Income	37,313	15,585	39,735	16,240
4	Total Expenditure	33,715	14,153	36,273	14,803
5	Profit before tax	3,598	1,432	3,462	1,437
6	Tax expense	934	330	983	325
7	Net Profit for the year	2,664	1,102	2,491	1,109

#### PERFORMANCE REVIEW

The Company's revenue from operations on Standalone basis for the year under review is Rs. 36,569 Lakhs has compared to Rs. 15,351 Lakhs in the previous year. There is notable increase in revenue of Rs. 21,218 Lakhs during the year under review.

The Company's revenue from operations on Consolidated basis for the year under review is Rs. 39,265 Lakhs has compared to Rs. 16,041 Lakhs in the previous year. There is notable increase in revenue of Rs. 23,224 Lakhs during the year under review.

#### SHARE CAPITAL

##### A) AUTHORIZED SHARE CAPITAL

During the financial year 2022-23, Authorized Share Capital increased from ₹12,50,00,000 (Rupees Twelve Crore Fifty Lakh Only) divided into 1,25,00,000 (One Crore Twenty Five Lakhs) Equity Shares of Rs. 10/- (Rupees Ten Only) each to ₹15,00,00,000 (Rupees Fifteen Crore Only) divided into 1,50,00,000 (One Crore Fifty Lakhs) Equity Shares of Rs. 10/- (Rupees Ten Only) each

The authorized share capital of the company as on March 31, 2023 ₹15,00,00,000 (Rupees Fifteen Crore Only) divided into 1,50,00,000 (One Crore Fifty Lakhs) Equity Shares of Rs. 10/- (Rupees Ten Only) each

# STATUTORY REPORTS

## 2. DIRECTOR'S REPORT

### B) PAID UP SHARE CAPITAL

The company has issued 12,81,993 equity share of the Company through private placement during the financial year 2022-23. The Paid-up share capital of the Company as on March 31, 2023, is ₹ 12,21,89,160/- (Rupees Twelve Crore Twenty One Lakh Eighty Nine Thousand One Hundred Sixty Only) divided into 1,22,18,916 (One Crore Twenty Two Lakhs Eighteen Thousand Nine Hundred Sixteen) equity shares of ₹ 10/- (Rupees Ten Only).

### DIVIDEND

The Directors have not recommended any Dividend on equity shares of the company for the year ended 31<sup>st</sup> March 2023.

### MEETINGS

#### A. Board Meetings

The Board of Directors met thirteen times during the financial year 2022-23. The meetings were held on 19.04.2022, 24.05.2022, 15.07.2022, 19.08.2022, 06.09.2022, 14.11.2022, 27.12.2022, 09.01.2023, 18.01.2023, 31.01.2023, 07.03.2023, 22.03.2023 and 29.03.2023. The attendance particulars of each Director at the Board Meetings for the financial year 2022-23 are as under:

Sr. No.	Name of Director	No. of Board meetings held during the year	No. of Board Meetings attended during the year
1	Anmol Singh Jaggi	13	13
2	Jasminder Kaur*	13	13
3	Puneet Singh Jaggi	13	13
4	Kamleshkumar P. Parmar	13	13
5	Gaurav Kharbanda	13	13
6	Arun Menon	13	6

\*Mrs. Jasminder Kaur has resigned as a director of the Company w.e.f. July 11, 2023.

#### B. Committee Meetings

The Audit Committee met four times during the year 2022-23. The meetings were held on 24.05.2022, 19.08.2022, 14.11.2022, 22.03.2023.

The Nomination and Remuneration Committee met Once during the year 2022-23. The meetings were held on 24.05.2022 and 22.03.2023.

The Stakeholders Relationship Committee met Once during the year 2022-23. The

# STATUTORY REPORTS

## 2. DIRECTOR'S REPORT

meetings were held on 22.03.2023.

The Preferential Committee of the Company met three times during the year 2022-23. The meeting held on 22.08.2022, 06.09.2022 and 28.09.2022

The Corporate Social Responsibility Committee met twice during the year 2022-23. The meetings were held on 24.05.2022 and 22.03.2023.

Meeting of Independent Director met Once during the year 2022-23. The meetings were held on 22.03.2023.

### COMMITTEES

#### A. AUDIT COMMITTEE

The Audit Committee is constituted in line with the provisions of Section 177 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 18 of SEBI Listing Regulations, as may be amended from time to time. The Committee comprises of the following members as on 31st March 2023:-

Sr. No	Name of Member	Executive/Non-Executive/Independent	Profile
1	Mr. Gaurav Kharbanda	Non-Executive Independent	Chairman
2	Mr. Kamleshkumar P. Parmar	Non-Executive Independent	Member
3	Mr. Anmol Singh Jaggi	Executive	Member

All the members of the Audit Committee are financially literate.

During the year under review, all the recommendations made by the Audit Committee were accepted by the Board.

#### B. Nomination and Remuneration Committee

Sr. No	Name of Member	Executive/Non-Executive/Independent	Profile
1	Mr. Kamleshkumar P. Parmar	Non-Executive Independent	Chairman
2	Mr. Gaurav Kharbanda	Non-Executive Independent	Member
3	Ms. Jasminder Kaur*	Non-Executive	Member

\*Mrs. Jasminder Kaur has resigned as a director of the Company w.e.f. July 11, 2023.

# STATUTORY REPORTS

## 2. DIRECTOR'S REPORT

### C. Stakeholder's Relations Committee

Sr. No	Name of Member	Executive/Non-Executive/Independent	Profile
1	Ms. Jasminder Kaur*	Non-Executive Independent	Chairman
2	Mr. Gaurav Kharbanda	Non-Executive Independent	Member
3	Mr. Kamleshkumar P. Parmar	Non-Executive	Member

\*Mrs. Jasminder Kaur has resigned as a director of the Company w.e.f. July 11, 2023.

### D. Corporate Social Responsibility Committee

Sr. No	Name of Member	Executive/Non-Executive/Independent	Profile
1	Mr. Gaurav Kharbanda	Non-Executive Independent	Chairman
2	Mr. Puneet Singh Jaggi	Executive	Member
3	Mr. Anmol Singh Jaggi	Executive	Member

### E. Independent Director

Sr. No	Name of Member	Executive/Non-Executive/Independent	Profile
1	Mr. Gaurav Kharbanda	Non-Executive Independent	Member
2	Mr. Kamleshkumar P. Parmar	Non-Executive Independent	Member
3	Mr. Arun Menon	Non-Executive Independent	Member

### BOARD DIVERSITY:

The Company recognizes and embraces the importance of a diverse Board in its process. We believe that a truly diverse Board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender which will help us retain our competitive advantage. The Board has adopted the Board diversity policy which sets out the approach to diversity of the Board of Directors.

### DIRECTORS AND KEY MANAGERIAL PERSONNEL:

- As per Provisions of Section 152 of the Companies Act, 2013, Mr. Puneet Singh Jaggi is liable to retire by rotation and is eligible to offer himself for re-appointment.
- During the year Appointment of Mr. Arun Menon as Independent Director with effect from 19th April 2022.

# STATUTORY REPORTS

## 2. DIRECTOR'S REPORT

- Appointment of Ms. Vibhuti Patel as Additional Independent Woman Director with effect from 11th July 2023.
- Board of Directors of the Company as on date are as follows:

Sr. No	Name of Director	Designation
1	Anmol Singh Jaggi	Managing Director
2	Puneet Singh Jaggi	Whole-Time Director
3	Jasminder Kaur	Non-Executive Director (Resign w.e.f. July 11, 2023)
4	Gaurav Kharbanda	Non-Executive Independent Director
5	Arun Menon	Non-Executive Independent Director
6	Kamleshkumar P. Parmar	Non-Executive Independent Director
7	Vibhuti Patel	Non-Executive Woman Independent Director (Appointed w.e.f. July 11, 2023)

### **POLICY ON DIRECTORS' APPOINTMENT & REMUNERATION**

The Remuneration policy is directed towards rewarding performance based on review of achievements on a periodical basis. The remuneration policy is in consonance with the existing industry practice and is designed to create a high-performance culture. It enables the Company to attract, retain and motivate employees to achieve results. The Company has made adequate disclosures to the members on the remuneration paid to Directors from time to time. The Company's Policy on director's appointment and remuneration including criteria for determining qualifications, positive attributes independence of a director and other matters provided under Section 178 (3) of the Act is available on the website of the Company at <https://gensol.in/investors/policies-programme>

### **ANNUAL EVALUATION OF BOARD'S PERFORMANCE:**

The Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Act and SEBI Listing Regulations. The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc. The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc. The above criteria are based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017. In a separate meeting of independent directors, performance of non independent directors, the board as a whole and the Chairman of the Company was evaluated, taking into account the views of executive directors and non-executive directors. The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive

# STATUTORY REPORTS

## 2. DIRECTOR'S REPORT

contribution and inputs in meetings, etc. In the board meeting that followed the meeting of the independent directors and meeting of Nomination and Remuneration Committee, the performance of the board, its committees, and individual directors was also discussed. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

### **DISCLOSURES BY DIRECTORS:**

The Board of Directors have submitted notice of interest in Form MBP 1 under Section 184(1) as well as information by directors in Form DIR 8 under Section 164(2) and declarations as to compliance with the Companies Act, 2013.

### **DECLARATION OF INDEPENDENCE:**

Your Company has received declarations from all the Independent Directors under Section 149(7) of the Companies Act, 2013 confirming that they meet the criteria of independence as prescribed under Section 149(6) of Companies Act, 2013 read with the Schedules and Rules issued there under as well as under Regulation 16(b) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### **DISQUALIFICATIONS OF DIRECTORS:**

During the financial year 2022-2023 under review the Company has received Form DIR-8 from all Directors as required under the provisions of Section 164(2) of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 that none of the Directors of your Company is disqualified

### **INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has appointed very renowned Auditor firm of Ahmedabad i.e. M/s Talati & Talati LLP to closely monitor the adequate internal financial controls with reference to the financial statements. During the year, such controls were evaluated and no reportable deficiency in the design or operation of such controls were observed.

### **AUDITORS**

#### **Statutory Auditor**

M/s. K C Parikh & Associate, Chartered Accountants, Ahmedabad (Firm Registration No. 107550W) were appointed as Statutory Auditors of the Company for the period of five (5) consecutive years from the conclusion of 7th Annual General Meeting till the conclusion of 12th Annual General Meeting of the Company to be held in the year 2024.

The Auditors' Report does not contain any qualification, reservation or adverse remark.

# STATUTORY REPORTS

## 2. DIRECTOR'S REPORT

### Secretarial Auditor

The Board of directors pursuant to Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, has appointed CS Jatin Kapadia (CP. No. 12043) of M/s K. Jatin & Co., Practicing Company Secretary, Ahmedabad as Secretarial Auditor of the Company to conduct the Secretarial Audit as per the provisions of the said Act for the Financial Year 2022-23.

A Secretarial Audit Report for the Financial Year 2022-23 is annexed herewith as "Annexure-A" in Form MR-3. There are no adverse observations in the Secretarial Audit Report which call for explanation.

### Internal Auditor

The Board of directors has appointed M/s. Talati & Talati LLP, Chartered Accountants, Ahmedabad as the internal auditor of the company. The Internal Auditor conducts the internal audit of the functions and operations of the Company and reports to the Audit Committee and Board from time to time.

### REVIEW OF AUDITORS REPORT AND SECRETARIAL AUDITORS REPORT:

There are no qualifications, reservations or adverse remarks made by Statutory Auditors M/s K C Parikh & Associate, Chartered Accountants, Ahmedabad, in the Auditor's report and by Secretarial Auditors CS Jatin Kapadia of M/s. K. Jatin & Co. (COP No. 12043), Practicing Company Secretary, Ahmedabad in their Secretarial Audit Report for the Financial Year ended March 31, 2023.

### REPORTING OF FRAUDS BY AUDITORS:

During the year under review, neither the Statutory nor the Secretarial Auditors has reported to the Audit Committee under Section 143(12) of the Companies Act, 2013 any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's Report.

### DETAILS OF HOLDING, SUBSIDIARY AND ASSOCIATES

There are three subsidiaries as on March 31, 2023. The details of subsidiaries are as under:

1. Gensun Renewables Private Limited
2. Gensol Utilities Private Limited
3. Gensol Electric Vehicles Private Limited

There is no holding company as on March 31, 2023.

The AOC-1 with this Directors Report Annexed as "Annexure - B"

# STATUTORY REPORTS

## 2. DIRECTOR'S REPORT

### **STATEMENT OF DEVIATION(S) OR VARIATION(S) OF FUND UTILIZATION UNDER REGULATION 32(1) OF SEBI (LODR) REGULATIONS, 2015**

Company has raised a fund of Rs. 132.85 Croredated 28/09/2022 , which was fullyutilized by the Company and the same utilized towards the purpose for which it was raised.

### **VIGIL MECHANISM:**

The Vigil Mechanism/Whistle Blower Policy has been adopted to provide appropriate Avenues to the employees to bring to the attention of the management, the concerns about any unethical behavior, by using the mechanism provided in the Policy. In cases related to financial irregularities, including fraud or suspected fraud, the employees may directly approach the Chairman of the Audit Committee of the Company. We confirm that no director or employee has been denied access to the Audit Committee during F.Y. 2022-23.

The Policy provides that no adverse action shall be taken or recommended against any employee in retaliation to his/her disclosure, if any, in good faith of any unethical and improper practices or alleged wrongful conduct. This Policy protects such employees from unfair or prejudicial treatment by anyone in the Company.

### **SEBI COMPLAINTS REDRESS SYSTEM (SCORES):**

The investor complaints are processed in a centralized web-based complaints redress system. The salient features of this system are centralized database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status. Your Company has been registered on SCORES and makes every effort to resolve all investor complaints received through SCORES or otherwise within the statutory time limit from the receipt of the complaint. The Company has not received any complaint on the SCORES during financial year 2022-23.

### **INVESTOR GRIEVANCES REDRESSAL STATUS:**

During the Financial Year 2022-23, there were no complaints or queries received from the shareholders of the Company. Company Secretary acts as the Compliance Officer of the Company is responsible for complying with the provisions of the Listing Regulations, requirements of securities laws and SEBI Insider Trading Regulations. The Investor can be sent their query at [cs@gensol.in](mailto:cs@gensol.in)

### **RISK MANAGEMENT**

The Board of Directors has developed and implemented a Risk Management Policy for the company. The Board is responsible for reviewing the risk management plan and ensuring its effectiveness. The Audit Committee additionally overviews the financial risks and controls. The Risk Management Policy is available on the website of the Company at <https://gensol.in/investors/policies-programme>

# STATUTORY REPORTS

## 2. DIRECTOR'S REPORT

### **PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security provided is proposed to be utilised by the recipient are provided in the Standalone Financial Statement (Please refer Note 5, 9, 16, 17 and 22 to the Standalone Financial Statement)

### **TRANSACTIONS WITH RELATED PARTIES**

Information on transactions with related parties pursuant to Section 134 (3) (h) of the Act read with Rule 8 (2) of the Companies (Accounts) Rules, 2014 in Form AOC-2 is annexed herewith as Annexure-C to this Report.

### **PARTICULARS OF EMPLOYEES**

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names on the top ten employees in terms of remuneration drawn and names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules forms part of this Report

The details under Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report as Annexure D.

Disclosures relating to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report. Having regard to the provisions of the second proviso to Section 136(1) of the Act and as advised, the Annual Report excluding the aforesaid information is being sent to the members of the Company. Any member interested in obtaining such information may address their email to [cs@gensol.in](mailto:cs@gensol.in)

The details under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report as Annexure E.

### **CORPORATE GOVERNANCE**

The company under review during the year, the company is not fall under the ambit of applicability of Corporate Governance as the company is listed on SME Platform of BSE Limited as on March 31, 2023.

# STATUTORY REPORTS

## 2. DIRECTOR'S REPORT

### SECRETARIAL STANDARDS

The Company complies with all the applicable mandatory Secretarial Standards issued by the Institute of Company Secretaries of India.

### DISCLOSURE AS REQUIRED UNDER SECTION 22 OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has formulated a Policy for Prevention of Sexual Harassment at Workplace pursuant to the requirements of the Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) Act, 2013 read with relevant Rules made thereunder. Accordingly, Internal Complaints Committee ["ICC"] has been constituted for redressal of any sexual harassment complaint. The following is the summary of the complaints during the financial year 2022-23 :-

- A) Number of complaints received 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

### DEPOSITS FROM PUBLIC

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

### DEMATERIALISATION OF SHARES:

During the year under review, all the equity shares were dematerialized through depositories viz. National Securities Depository Limited and Central Depository Services (India) Limited, which represents 100% of the total paid-up capital of the Company. The Company ISIN No. is INE06H201014 and Registrar and Share Transfer Agent is Link Intime India Private Limited

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information in accordance with the provisions of Section 134(3) (m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014, regarding conservation of energy, technology absorption and foreign exchange earnings and outgo are under:

#### CONSERVATION OF ENERGY:

Energy conservation is very important for the company and therefore energy conservation measures are undertaken wherever practicable in its plant and attached

# STATUTORY REPORTS

## 2. DIRECTOR'S REPORT

facilities. The Company is making every effort to ensure the optimal use of energy, avoid waste and conserve energy by using energy efficient equipment's with latest technologies.

### **TECHNOLOGY ABSORPTION:**

Your Company firmly believes that adoption and use of technology is a fundamental business requirement for carrying out business deffectively an efficiently. While the industry is labour intensive, we believe that mechanization of development through technological innovations is the way to address the huge demand supply gap in the industry. We are constantly upgrading our technology to reduce costs and achieve economies of scale. Innovation and focus of continuously launching a new offering drive differentiation and creating value has become a norm for the Industry, Thus a robust focus on developing new features and technology solutions to capture the consumer's imagination and fuel the desire for enhanced experiences continues to be critical for Organizations.

### **FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The foreign exchange earnings and out flow during the period under review as follows:

(Amount in Lakhs)

Particulars	2022-23	2021-22
Total foreign exchange outgo	632	6034
Total foreign exchange inflow	12	184

### **CORPORATE SOCIAL RESPONSIBILITY**

Pursuant to Section 135 of the Companies Act, 2013 read with the relevant rules made thereunder, the Company shall spend, in every financial year, at least two per cent of the average net profits of the company made during the three immediately preceding financial years in pursuance of its Corporate Social Responsibility Policy. In Financial Year 2021-2022 company has Profit Before Tax is Rs. 1432.00 Lakhs, hence, the Company isli able for spending the amount on account of CSR in the year 2022-2023. The Company in need of spending Rs. 10,86,572.15/- during the financial year 202223 and t he same has been spend the details of which mentioned in Annexure F.

### **STATE OF COMPANY'S AFFAIRS**

Management Discussion and Analysis Report for the year under review, as stipulated in Regulation 34 (2) (e) of SEBI Listing Regulations is given as a separate part of the annual report. It contains a detailed write up and explanation about the performance of the company.

# STATUTORY REPORTS

## 2. DIRECTOR'S REPORT

### MATERIAL CHANGES & COMMITMENTS

The company migrated from SME board of BSE India Limited to Main board of BSE India Limited and National Stock Exchange of India Limited w.e.f July 3, 2023 and there have been no material changes and commitments affecting the financial position of the company

### SIGNIFICANT & MATERIAL ORDERS PASSED BY REGULATORS OR COURTS

During the Financial Year 2022-23, no order has been passed by any regulatory authorities or Courts impacting the going concern status and Company's operations in future.

### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 (3) (c) of the Companies Act, 2013 ["the Act"], the Directors of the Company, to the best of their knowledge and ability, confirm that:

- A. in the preparation of the annual accounts for the year ended 31<sup>st</sup> March 2023, the applicable accounting standards have been followed and there are no material departures;
- B. they 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 as of 31<sup>st</sup> March 2023 and of the profit of the Company for the year ended on that date;
- C. they have taken proper and sufficient care 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;
- D. they have prepared the annual accounts of the Company on a going concern basis;
- E. they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- F. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors including audit of internal financial controls over financial reporting by the statutory auditors and reviews performed by the management and the audit committee, the Board of Directors is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2022-23.

# STATUTORY REPORTS

## 2. DIRECTOR'S REPORT

### ANNUAL RETURN:

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return of the Company in Form MGT-7 for FY2022-23, is available on the Company's website at [https://www.gensol.in/investors/notices\\_annual\\_report\\_2022\\_23](https://www.gensol.in/investors/notices_annual_report_2022_23)

### ACKNOWLEDGEMENT

Your directors express their grateful appreciation for the assistance and co operation received from the Banks, Government Authorities, Corporate Professionals, Customers, Vendors and Shareholders during the year under review, in aiding the smooth flow of operations. Continued dedication and sense of commitment shown by the employees at all levels during the year deserve special mention.

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

Sd/-

**Anmol Singh Jaggi**

**Chairman & Managing Director**

**DIN : 01293305**

# STATUTORY REPORTS

## 2. DIRECTOR'S REPORT

### Annexure A

#### SECRETARIAL AUDIT REPORT

For the Financial Year Ended 31 March 2023

{Pursuant to Section 204(1) of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015}

---

To  
The Members  
Gensol Engineering Limited

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Gensol Engineering Limited (hereinafter called 'the Company' or 'GENSOL'). Secretarial Audit was conducted, in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial period ended on 31 March,2023 complied with the statutory provisions listed hereunder 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:

We have examined the books, papers, minute books, forms and returns, filed and other records maintained by the Company for the financial year ended on 31 March 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External commercial Borrowings; Not applicable

# STATUTORY REPORTS

## 2. DIRECTOR'S REPORT

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not applicable
  - e. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not applicable
  - g. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not applicable
  - h. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018; and  
(i) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. - Not applicable
- (vi) Compliances/processes/systems under other specific applicable Laws (as applicable to the industry) to the Company are being verified on the basis of periodic certificate under internal Compliance system submitted to the Board of Directors of the Company.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards, as amended from time to time, issued by the Institute of Company Secretaries of India. -Generally complied with.
- (ii) The Listing Agreements and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, and Standards etc.

We further report that the Board of Directors of the Company is duly constituted with the proper balance of Executive Directors, Non-Executive Directors and

# STATUTORY REPORTS

## 2. DIRECTOR'S REPORT

Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Generally, adequate notice is given to all 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. All the decisions made in the Board/Committee meeting(s) were carried out with unanimous consent of the all the Directors/Members present during the meeting.

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

We further report that during the audit period except following, no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above has occurred in the Company.

1. The Company has issued 12,81,993 Equity Shares of INR 10/- at a price of INR 1036.25 per share including a premium of INR 1026.25 per share to the Promoter and Non-Promoter on a Preferential basis.
2. The Company unequivocally issued a- Non-Convertible Un-Secured Debenture during the Financial Year to finance a project. It is imperative to note that, in accordance with the Management and legal opinion, the Company has meticulously adhered to the rules governing the issuance of this type of debenture.

<p><b>Date: 29.08.2023</b>  <b>Place: Ahmedabad</b>  <b>UDIN: F011418E000890868</b></p>	<p style="text-align: right;"><b>For, K Jatin &amp; Co.</b>  <b>Company Secretaries</b>  <b>(UCN: S2017GJ508600)</b></p> <hr/> <p style="text-align: right;"><b>Jatin H. Kapadia</b>  <b>Proprietor</b>  <b>Certificate of Practice No.: 12043</b>  <b>Membership No: F11418</b>  <b>Peer Review Cert. No: 1753/2022</b></p>
---	--

# STATUTORY REPORTS

## 2. DIRECTOR'S REPORT

To,  
The Members,  
Gensol Engineering Limited

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the Management of the Company. Our Responsibility is to express an opinion on these secretarial records, based on our inspection of records produced before us for Audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on 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.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company and our report is not covering observations/ comments/ weaknesses already pointed out by the other Auditors.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulation and happening of events etc.

5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of procedures on test basis and to give our opinion whether Company has proper Board-processes and Compliance-mechanism in place or not.

The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company

<p><b>Date: 29.08.2023</b> <b>Place: Ahmedabad</b> <b>UDIN: F011418E000890868</b></p>	<p style="text-align: right;"><b>For, K Jatin &amp; Co.</b> <b>Company Secretaries</b> <b>(UCN: S2017GJ508600)</b></p> <hr style="width: 20%; margin: 10px auto;"/> <p style="text-align: right;"><b>Jatin H. Kapadia</b> <b>Proprietor</b> <b>Certificate of Practice No.: 12043</b> <b>Membership No: F11418</b> <b>Peer Review Cert. No: 1753/2022</b></p>
---	---

# STATUTORY REPORTS

## 2. DIRECTOR'S REPORT

### Annexure B

#### FormAOC-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 or associate companies or joint ventures

##### Part A Subsidiaries

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

1. Name of the subsidiary: Gensun Renewables Private Limited
2. The date since when subsidiary was acquired: 22/03/2018
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period. NA
4. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries. NA
5. Share capital: 1,00,000.00
6. Reserves and surplus: 1,53,56,687.00
7. Total assets: 9,79,77,070.00
8. Total Liabilities: 8,25,20,383.00
9. Investments: 0.00
10. Turnover: 1,61,94,904.00
11. Profit before taxation: 47,99,528.00
12. Provision for taxation: 39,86,995.00
13. Profit after taxation: 8,12,533.00
14. Proposed Dividend: 0.00
15. Extent of shareholding (in percentage): 51.00%

**Notes:** The following information shall be furnished attend of the statement:

1. Names of subsidiaries which are yet to commence operations NA
2. Names of subsidiaries which have been liquidated or sold during the year : NA

# STATUTORY REPORTS

## 2. DIRECTOR'S REPORT

### Part B Associates and Joint Ventures

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

Name of Associates or Joint Ventures	NIL
1. Latest audited Balance Sheet Date	NIL
2. Date on which the Associate or Joint Venture was associate do raquired	NIL
3. Shares of Associate or Joint Ventures held by the company on the year end	NIL
Number of shares held	NIL
Amount of Investment in Associates or Joint Venture	NIL
Extent of Holding (in percentage)	NIL
4. Description of how there is significant influence	NIL
5. Reason why the associate/joint venture is not consolidated	NIL
6. Networth attributable to shareholding as per latest audited Balance Sheet	NIL
7. Profit or Loss for the year	NIL
i. Considered in Consolidation	NIL
ii. Not Considered in Consolidation	NIL

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

**Note:** This Form is to be certified in the same manner in which the Balance Sheet is to be certified".  
As per Audit Report of even Date

FOR K C Parikh and Associates  
(Chartered Accountants)  
FRN : 107550W

FOR GENSOL ENGINEERING LIMITED

CA Chintan M Doshi  
Partner  
Membership N :118298  
Place: Ahmedabad  
Date : 29 May 2023

Anmol Singh Jaggi  
Managing Director  
DIN: 01293305

Puneet Singh Jaggi  
Whole Time Director  
DIN: 02479868

# STATUTORY REPORTS

## 2. DIRECTOR'S REPORT

### FormAOC-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 or associate companies or joint ventures

#### Part A Subsidiaries

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

1. Name of the subsidiary: Gensol Utilities Private Limited
2. The date since when subsidiary was acquired: 15/09/2021
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period. NA
4. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries. NA
5. Share capital: 93,44,950.00
6. Reserves and surplus: 3,94,58,902.00
7. Total assets: 41,16,56,634.00
8. Total Liabilities: 36,28,52,782.00
9. Investments: 0.00
10. Turnover: 25,34,90,137.00
11. Profit before taxation: 17,39,525.00
12. Provision for taxation: 9,51,581.00
13. Profit after taxation: 7,87,944.00
14. Proposed Dividend: 0.00
15. Extent of shareholding (in percentage): 99.99%

**Notes:** The following information shall be furnished attend of the statement:

1. Names of subsidiaries which are yet to commence operations: NA
2. Names of subsidiaries which have been liquidated or sold during the year : NA

# STATUTORY REPORTS

## 2. DIRECTOR'S REPORT

### Part B Associates and Joint Ventures

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

Name of Associates or Joint Ventures	NIL
1. Latest audited Balance Sheet Date	NIL
2. Date on which the Associate or Joint Venture was associated or acquired	NIL
3. Shares of Associate or Joint Ventures held by the company on the year end	NIL
Number of shares held	NIL
Amount of Investment in Associates or Joint Venture	NIL
Extent of Holding (in percentage)	NIL
4. Description of how there is significant influence	NIL
5. Reason why the associate/joint venture is not consolidated	NIL
6. Net worth attributable to shareholding as per latest audited Balance Sheet	NIL
7. Profit or Loss for the year	NIL
i. Considered in Consolidation	NIL
ii. Not Considered in Consolidation	NIL

3. Names of associates or joint ventures which are yet to commence operations.
4. Names of associates or joint ventures which have been liquidated or sold during the year.

**Note:** This Form is to be certified in the same manner in which the Balance Sheet is to be certified".  
As per Audit Report of even Date

FOR K C Parikh and Associates  
(Chartered Accountants)  
FRN : 107550W

FOR GENSOL ENGINEERING LIMITED

CA Chintan M Doshi  
Partner  
Membership N : 118298  
Place: Ahmedabad  
Date : 29 May 2023

Anmol Singh Jaggi  
Managing Director  
DIN: 01293305

Puneet Singh Jaggi  
Whole Time Director  
DIN: 02479868

# STATUTORY REPORTS

## 2. DIRECTOR'S REPORT

### FormAOC-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 or associate companies or joint ventures

#### Part A Subsidiaries

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

1. Name of the subsidiary: Gensol Electric Vehicles Private Limited
2. The date since when subsidiary was acquired: 07/07/2022
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period. NA
4. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries. NA
5. Share capital: 2,37,500.00
6. Reserves and surplus: 3,27,34,609.87
7. Total assets: 55,73,48,582.00
8. Total Liabilities: 52,43,76,472.49
9. Investments: 0.00
10. Turnover: 10,00,000.00
11. Profit before taxation: -52,15,390.13
12. Provision for taxation: 0.00
13. Profit after taxation: -52,15,390.13
14. Proposed Dividend: 0.00
15. Extent of shareholding (in percentage): 58.92%

**Notes:** The following information shall be furnished attend of the statement:

1. Names of subsidiaries which are yet to commence operations: NA
2. Names of subsidiaries which have been liquidated or sold during the year : NA

# STATUTORY REPORTS

## 2. DIRECTOR'S REPORT

### Part B Associates and Joint Ventures

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

Name of Associates or Joint Ventures	NIL
1. Latest audited Balance Sheet Date	NIL
2. Date on which the Associate or Joint Venture was associated or acquired	NIL
3. Shares of Associate or Joint Ventures held by the company on the year end	NIL
Number of shares held	NIL
Amount of Investment in Associates or Joint Venture	NIL
Extent of Holding (in percentage)	NIL
4. Description of how there is significant influence	NIL
5. Reason why the associate/joint venture is not consolidated	NIL
6. Net worth attributable to shareholding as per latest audited Balance Sheet	NIL
7. Profit or Loss for the year	NIL
i. Considered in Consolidation	NIL
ii. Not Considered in Consolidation	NIL

5. Names of associates or joint ventures which are yet to commence operations.
6. Names of associates or joint ventures which have been liquidated or sold during the year.

**Note:** This Form is to be certified in the same manner in which the Balance Sheet is to be certified".  
As per Audit Report of even Date

FOR K C Parikh and Associates  
(Chartered Accountants)  
FRN : 107550W

FOR GENSOL ENGINEERING LIMITED

CA Chintan M Doshi  
Partner  
Membership N :118298  
Place: Ahmedabad  
Date : 29 May 2023

Anmol Singh Jaggi  
Managing Director  
DIN: 01293305

Puneet Singh Jaggi  
Whole Time Director  
DIN: 02479868

# STATUTORY REPORTS

## 2. DIRECTOR'S REPORT

### Annexure C

#### Form - 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)**

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 transactions under third proviso thereto:

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

**2. Details of material contracts or arrangements or transactions at arm's length basis:**

Name of Related Party & Nature of Relationship	Nature of Contract/ Arrangement /transactions	Duration Contract/ arrangement / transactions	Silent Terms of the Contract/arrangement/ transactions including value if any	Date of Approval by the Board	Amount paid as Advance if Any
Gensol Consultants Private Limited & Group Company	sale of goods and Rent /services	NIL	Rs. 20,00,00,000.00 (Rupees Twenty Crore Only)	April 19, 2022	NIL
Gosolar venture Private Limited & Group Company	sale of goods and Rent /services	NIL	Rs. 7,50,00,000 (Rupees Seven Crore Fifty-Lakhs Only)	April 19, 2022	NIL
Matrix Gas and Renewables Private Limited	sale of goods/services and Rent	NIL	Rs. 25,00,00,000.00 (Rupees Twenty Five Crore Only)	April 19, 2022	NIL
Blu-Smart Fleet Private Limited & Group Company	sale of goods/services and Rent	NIL	Rs. 20,00,00,000.00 (Rupees Twenty Crore Only)	April 19, 2022	NIL
Blu-Smart Mobility Private Limited & Group Company	sale of goods/services and Rent	NIL	Rs. 20,00,00,000.00 (Rupees Twenty Crore Only)	April 19, 2022	NIL
Param Renewable Energy Private Limited & Group Company	sale of goods/services and Rent	NIL	Rs.35,00,000.00 (Rupees Thirty Five Lakh Only)	April 19, 2022	NIL
Gensol Utilities Private Limited & Group Company	Rent Income	NIL	14,40,000 (Rupees Fourteen Lakhs Forty Thousand Only)	April 19, 2022	NIL
Gensun Renewables Private Limited & Group Company	Rent Income	NIL	Rs.35,00,000.00 (Rupees Thirty Five Lakh Only)	April 19, 2022	NIL

# STATUTORY REPORTS

## 2. DIRECTOR'S REPORT

Capbridge Ventures LLP & Group Entity	Rent Income	NIL	Rs.5,00,000.00 (Rupees Five Lakh Only)	April 19, 2022	NIL
---------------------------------------	-------------	-----	--	----------------	-----

**By and on Behalf of the Board of Directors,  
For, GENSOL ENGINEERING LIMITED**

Sd/ -

Anmol Singh Jaggi  
Managing Director  
(DIN:01293305)

Date: 24/08/2023  
Place: Ahmedabad

# STATUTORY REPORTS

## 2. DIRECTOR'S REPORT

### Annexure D

#### Annexure D

Information as per Section 197(12) of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Report of the Board of Directors for the year ended 31st March, 2023

Employee Name	Age	Qualification	Date of Joining	Designation w.e.f 2023-04	GROSS	NET	Expeirnce	Prvious Employer
Pranay Mundra	49	Masters(MBA/M.Com/M.Sc./MMS /M.Com)	2-May-17	President	2488536	2464536	25	Suzlon
Ali Imran Naqvi	39	Masters(MBA/M.Com/M.Sc./MMS /M.Com)	1-Oct-12	Chief Executive Officer	3144516	3142116	18	Indian Petro Group
Sumanth Naidu	49	MBA	5-Oct-22	President Business Operations	3983688	3959700	25	ASR ENGINEERING & PROJECTS LIMITED
Rusi Sarkar Pyne	46	MBA	24-Mar-23	Chief General Manager	3345444	3321444	27.3	Oriano Clean Energy Pvt Ltd
Kohinoor Dam	46	Graduate(BCA/B.Sc./BBA/B.Com/B.A)	6-Jun-15	General Manager	2787312	2784912	23.3	TECHNOFAB ENGINEERING LTD
Jignesh Koshti	40	MBA	1-Jun-18	General Manager	2365704	2363304	21	
Jabirmahendi Aga	36	Masters(MBA/M.Com/M.Sc./MMS /M.Com)	1-Sep-18	Chief Finance Officer	1756716	1754316	12	
Krishna Kumar Singh	34	B.E/B.Tech	18-Jun-18	Chief Business Officer	1645452	1643052	16.7	Flux Solar Energy Solutions Pvt Ltd.
Anupam Tripathi	33	B.E/B.Tech	17-Sep-15	Senior Manager	1563480	1561080	11	J. S. Renewable Energy Pvt. Ltd.
Rohit Singh Kachawa	31	B.E/B.Tech	19-Jul-17	Manager	1376088	1373688	8	Waaree Energy Ltd

# STATUTORY REPORTS

## 2. DIRECTOR'S REPORT

### Annexure E

#### Statement of Disclosure of Remuneration under Section 197(12) of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- Ratio of the remuneration of each Executive Director to the median remuneration of the Employees of the Company for the Financial Year 2022 -23, the percentage increase in remuneration of Chief Executive Officer, Chief Financial Officer and other Executive Director(s) and Company Secretary during the Financial Year 2022-23

Sr No.	Name of Director(s)/ KMP	Designation	Ratio of remuneration of each Director to median remuneration of Employees	Percentage increase in Remuneration
1	Mr. Anmol Singh Jaggi	Managing Director	N.A.	Refer note iv
2	Mr. Puneet Singh Jaggi	Whole-time Director	N.A.	
4	Mr. Jabir Mahendi M Aga	Chief Financial Officer	5.60	
5.	Mr. Rajesh Kantilal Parmar	Company Secretary and Compliance Officer	1.96	

- The percentage increase in the median remuneration of Employees for the Financial Year was 22.00%.
- The Company has 194 permanent Employees on the rolls of Company as on 31st March, 2023.
- Average increase made in the salaries of Employees other than the managerial personnel in the Financial Year was 8.88%. With respect to Management Committee members, the Company, will be placing the increment proposal before the Nomination and Remuneration Committee of the Board, in due course for its consideration.
- It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

#### Notes :

- The Independent Directors and Non - executive director of the Company are entitled to sitting fees and commission as per the statutory provisions and within the limits

# STATUTORY REPORTS

## 2. DIRECTOR'S REPORT

approved by the Members. The remuneration of Independent Directors is governed by the Differential Remuneration Policy, as detailed in the said Report. The ratio of remuneration and percentage increase for Independent Directors Remuneration is therefore not considered for the purpose above.

2. Percentage increase in remuneration indicates annual target total compensation increases, as approved by the Nomination and Remuneration Committee of the Company during the Financial Year 2022-23.
3. Employees for the purpose above include all employees excluding employees governed under collective bargaining.

# STATUTORY REPORTS

## 2. DIRECTOR'S REPORT

### Annexure F

#### Annual Report on CSR Activities For Financial Year 2022-23

##### 1. Brief outline on CSR Policy of the Company.

Gensol Engineering Limited adopted CSR policy which intent to make a positive difference to society. Company's vision is to drive 'holistic empowerment' of the community through implementation of sustainable initiative which will have maximum societal impact by identifying the critical needs and gaps. The company carry out any one or more of the CSR activities, notified under the section 135 of the Companies Act 2013 and rules made there under and as amended from time to time.

##### 2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Gaurav Kharbanda	Independent Director	2	2
2.	Mr. Puneet Singh Jaggi	Whole-time Director	2	2
3.	Mr. Anmol Singh Jaggi	Managing Director	2	2

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.

<https://www.gensol.in/investors/policies-programme>

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. :

**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 : **Not Applicable**

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
1			

# STATUTORY REPORTS

## 2. DIRECTOR'S REPORT

6. Average net profit of the company as per section 135(5) : Rs. 5,43,28,607/-

7. (a) Two percent of average net profit of the company as per section 135(5) : Rs. 10,86,572.15/-

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.  
N.A.

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

(d) Total CSR obligation for the financial year (7a+7b-7c): Rs. 10,86,572.15/-

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.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
Rs. 13,00,000.00/-	NIL	NIL	NIL	NIL	NIL

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration.	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
1.												
	Total											

# STATUTORY REPORTS

## 2. DIRECTOR'S REPORT

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

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act.	(4) Local area (Yes/No).	(5) Location of the project.		(6) Amount spent for the project (in Rs.).	(7) Mode of implementation - Direct (Yes/No).	(8) Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number
1.	Eliminate Poverty, Hunger and Malnutrition	Item No. 1 in Schedule VII of the act	No	Delhi		Rs.13,00,000/-	No	Param Seva Foundation	CSR00047161
<b>Total</b>						Rs.13,00,000/-			

(d) Amount spent in Administrative Overheads : N.A.

(e) Amount spent on Impact Assessment, if applicable : N.A.

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) : Rs. 13,00,000/-

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

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	
(ii)	Total amount spent for the Financial Year	
(iii)	Excess amount spent for the financial year [(ii)-(i)]	
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	

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

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs.)	Date of transfer.	
1.							
2.							

# STATUTORY REPORTS

## 2. DIRECTOR'S REPORT

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs.).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing.
1								
2								
3								
	Total							

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 : **NOT APPLICABLE**

(asset-wise details).

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

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

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

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) : **NOT APPLICABLE**

Anmol Singh Jaggi  
Managing Director  
DIN : -01293305

Gaurav Kharbanda  
Chairman of CSR Committee  
DIN : 08440746

# STATUTORY REPORTS

## 3. AUDITOR'S REPORT (Standalone FY 2022-23)

### INDEPENDENT AUDITOR'S REPORT

#### To The Members of GENSOL ENGINEERING LIMITED

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

#### Opinion

We have audited the accompanying standalone financial statements of GENSOL ENGINEERING LIMITED ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2023, the Statement of Profit and Loss and the Statement of Cash Flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2006, as amended ("Accounting Standards") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2023, and its profits and cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified (SAs) under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. ethical requirements the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules made there under, 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in your audit of the standalone financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the standalone financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

# STATUTORY REPORTS

## 3. AUDITOR'S REPORT (Standalone FY 2022-23)

Key audit matters	How our audit addressed the key audit matter
<p><b><u>Revenue Recognition:</u></b></p> <p>There are significant accounting judgements including estimation of costs to complete, determining the stage of completion and the timing of revenue recognition.</p> <p>The company recognizes revenue and profit/loss on the basis of stage of completion based on the proportion of contract costs incurred at balance sheet date.</p>	<p><b><u>Refer note-k of Accounting Policy:</u></b></p> <p>Our procedures included :</p> <ul style="list-style-type: none"> <li>- Testing of the design and implementation of controls involved for the determination of the estimates used as well as their operating effectiveness;</li> <li>- We selected a sample of contracts to test, using a risk based criteria which included individual contracts with:               <ul style="list-style-type: none"> <li>- significant revenue recognised during the year or</li> <li>- significant accrued value of work done balances held at the year-end</li> </ul> </li> <li>- Obtained an understanding of management's process for reviewing long term contracts, the risk associated with the contract and any key judgments;</li> </ul>

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

The Company's Board of Directors is responsible for the other information. The other information comprises the Directors' Report including Annexures to the Directors' Report but does not include the standalone financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon. In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the other Information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records,

# STATUTORY REPORTS

## 3. AUDITOR'S REPORT (Standalone FY 2022-23)

relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the standalone 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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 the 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

# STATUTORY REPORTS

## 3. AUDITOR'S REPORT (Standalone FY 2022-23)

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with rule 7 of the Companies (accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - 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, we report that:

According to the records of the Company examined by us and the information and explanation given to us, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

# STATUTORY REPORTS

## 3. AUDITOR'S REPORT (Standalone FY 2022-23)

- 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
  - 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, the Standalone Financial Statements, no funds (which are material either individually or in the aggregate) 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 person or entity, including foreign entity ("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, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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;
    - c) Based on the audit procedures that have been 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) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
  - v. The Company has not declared or paid any dividend during the year in contravention of the provision of Section 123 of the Companies Act, 2013.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For, K. C. Parikh & Associates**  
Chartered Accountants  
Firm's Reg. No. 107550W

Date : May 29, 2023.  
Place : Ahmedabad

**CA. Chintan M. Doshi**  
Partner  
M.No.: 118298  
**UDIN:23118298BGXOIA6568**

# STATUTORY REPORTS

## 3. AUDITOR'S REPORT (Standalone FY 2022-23)

### **Annexure – A to Independent Auditor's Report on Standalone Financial Statements**

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of GENSOL ENGINEERING LIMITED of even date)

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

We have audited the internal financial controls over financial reporting of GENSOL ENGINEERING LIMITED ('the Company'), as of 31st March 2023 in conjunction with our audit of the Standalone Financial Statements of the Company for the period ended and as 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 Standards on Auditing prescribed under Section 143(10) of the Act and the Guidance Note, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with the 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 auditors' judgment, including the assessment of the risks of material misstatement of the Standalone 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 Standalone 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

# STATUTORY REPORTS

## 3. AUDITOR'S REPORT (Standalone FY 2022-23)

assurance that transactions are recorded as necessary to permit preparation of Standalone 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 Standalone 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 controls 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 and to the best of our information and according to the explanations given to us, the Company has, in all material respects, adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, 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.

**For, K. C. Parikh & Associates**  
Chartered Accountants  
Firm's Regn. No. 107550W

Date : May 29, 2023.  
Place : Ahmedabad

**CA. Chintan M. Doshi**  
Partner  
M.No.: 118298  
**UDIN: 23118298BGXOIA6568**

# STATUTORY REPORTS

## 3. AUDITOR'S REPORT (Standalone FY 2022-23)

### "Annexure B" to the Independent Auditor's Report of even date on the Standalone Financial Statements of GENSOL ENGINEERING LIMITED

- i) a) (i) The company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.  
(ii) The company has maintained proper records showing full particulars of intangible assets.
- b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- c) According to the information and explanations given to us and on the basis of our examination of title deeds provided to us, we report that all the immovable properties disclosed in the financial statements are held in the name of the company.
- d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment or intangible assets or both during the year.
- e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii) a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for inward goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.
- b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits (including CC/LC/BG) of Rs. Fifty two Crores (Rs. 52,00,00,000/-), in aggregate, from Bandhan Bank of Rs. 25 Crores (Rs.. 25,00,00,000/-) and from ICICI Bank of Rs. 27 Crores (Rs.. 27,00,00,000/-) on the basis of security of current assets. Copies of quarterly returns or statements furnished to the bank have also been made available for our verification. We have verified the same and found in agreement with books of accounts. Discrepancies noticed during such verification were reasonably explained by the management.
- iii) a) On the basis of examination of records of the company during the year the company has granted loans to various companies. The details of aggregate amount of loan granted during the year and balance outstanding as at balance date of such loan is as under

Particular	Amount (in Lakhs)	
	Advance in the nature of Loans	Guarantees
<b>Aggregate amount provided during the year 2023</b>		
- Subsidiaries	8485	367
- Associates	-	-
- Joint Ventures	-	-
- Other Parties	28832	-

# STATUTORY REPORTS

## 3. AUDITOR'S REPORT (Standalone FY 2022-23)

- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.
- (b) The Company is not a NBFC, hence reporting under this clause is not required.
- (c) The Company is not a NBFC, hence reporting under this clause is not required.
- (d) The Company is not a CIC, hence reporting under this clause is not required.
- xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- xix) According to the information and explanations given to us and 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 standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx) (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clause 3(xx)(a) of the Order is not applicable.
- (b) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clause 3(xx)(b) of the Order is not applicable.

**For, K C Parikh & Associates**  
Chartered Accountants)  
(Firm's Reg. No. 107550W)

Date: May 29, 2023  
Place : Ahmedabad

**CA. Chintan M. Doshi**  
Partner  
M.No. : 118298  
**UDIN: 23118298BGXOIA6568**

# STATUTORY REPORTS

## 3. AUDITOR'S REPORT (Standalone FY 2022-23)

- Cess, Goods and Services Tax, and other material statutory dues, in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us and according to the records of the Company examined by us, there are no dues of income tax, service tax, sales tax, excise duty, custom duty and Goods and Services Tax which have not been deposited on account of any dispute.
- viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- ix) a) According to the information and explanation and as verified from books of accounts, the company has not defaulted in repayment in loan or interest thereon to any lender.
- b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- d) According to the information and explanations given to us and on an overall examination of the financial statement of the Company, as at 31 March 2023, we report that no funds raised on short term basis of have been used for long term purposes
- e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that 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 as defined under the Act.
- f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act).
- x) a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- b) In our opinion and according to the information and explanation given to us, the company has utilized the funds raised by way of private placement of shares for the purpose of which they were raised.
- xi) a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, no material fraud by the Company or on the Company has been noticed or reported during the year, nor we have been informed of such case by management.
- b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) As per information and explanations given by management and audit committee, there were no whistle blower complaints received by the Company during the year.
- xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

# STATUTORY REPORTS

## 3. AUDITOR'S REPORT (Standalone FY 2022-23)

- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.
- (b) The Company is not a NBFC, hence reporting under this clause is not required.
- (c) The Company is not a NBFC, hence reporting under this clause is not required.
- (d) The Company is not a CIC, hence reporting under this clause is not required.
- xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- xix) According to the information and explanations given to us and 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 standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx) (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clause 3(xx)(a) of the Order is not applicable.
- (b) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clause 3(xx)(b) of the Order is not applicable.

**For, K C Parikh & Associates**  
Chartered Accountants  
(Firm's Reg. No. 107550W)

Date: May 29, 2023  
Place : Ahmedabad

**CA. Chintan M. Doshi**  
Partner  
M.No. : 118298  
**UDIN: 23118298BGXOIA6568**

# STATUTORY REPORTS

## 4. FINANCIAL STATEMENTS (Standalone FY 2022-23)

GENSOL ENGINEERING LIMITED		GENSOL	
Standalone Balance Sheet as at March 31, 2023			
Particulars	Note	As At	As At
		March 31, 2023	March 31, 2022
		(Amt. in Lakhs)	(Amt. in Lakhs)
<b>EQUITY AND LIABILITIES</b>			
<u>Shareholders Funds</u>			
Share Capital	3	1,222	1,094
Reserves & Surplus	4	19,357	3,485
<b>Total Shareholders Funds</b>		<b>20,578</b>	<b>4,579</b>
<u>Non Current Liabilities</u>			
Long Term Borrowings	5	44,379	3,590
Deferred Tax Liabilities (Net)	6	1,137	215
Other Long Term Liabilities	7	15,645	4,492
Long Term Provisions	8	65	52
<b>Total Non Current Liabilities</b>		<b>61,227</b>	<b>8,349</b>
<u>Current Liabilities</u>			
Short Term Borrowings	9	7,601	4,247
Trade Payables			
(i) Total outstanding dues of micro enterprises and small enterprises	10	258	441
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		3,035	730
Other Current Liabilities	11	2,858	1,587
Short Term Provisions	12	12	63
<b>Total Current Liabilities</b>		<b>13,764</b>	<b>7,068</b>
<b>Total Equity and Liabilities</b>		<b>95,569</b>	<b>19,996</b>
<b>ASSETS</b>			
<u>Non Current Assets</u>			
<b>Property, Plant And Equipments and Intangible Assets</b>			
Property, Plant And Equipments	13	20,736	5,011
Intangible Assets	14	11	3
Capital Work-In-Progress	15	684	-
Non-Current Investments	16	1,396	381
Long Term Loans & Advances	17	17,021	81
Other Non-Current Assets	18	11,093	833
<b>Total Non Current Assets</b>		<b>50,941</b>	<b>6,308</b>
<u>Current Assets</u>			
Inventories	19	1,032	6,026
Trade Receivables	20	6,868	2,924
Cash and Cash Equivalents	21	28,525	1,078
Short Term Loans & Advances	22	3,402	1,102
Other Current Assets	23	4,802	2,558
<b>Total Current Assets</b>		<b>44,628</b>	<b>13,688</b>
<b>Total Assets</b>		<b>95,569</b>	<b>19,996</b>
See accompanying explanatory notes forming part of the financial statements			
In terms of our report attached		For and on behalf of the Board of Directors	
For K. C. Parikh & Associates		Gensol Engineering Limited	
Chartered Accountants		L74210GJ2012PLC129176	
Firm Regn. No. 107550W			
CA. Chintan M. Doshi		Puneet Singh Jaggi	Anmol Singh Jaggi
Partner		Wholtime Director	Managing Director
Membership No. 118298		DIN-02479868	DIN-01293305
Place : Ahmedabad		Rajesh Parmar	Jabir Mahendi Aga
Date : May 29, 2023		Company Secretary	Chief Financial Officer

# STATUTORY REPORTS

GENSOL ENGINEERING LIMITED			
Standalone Statement of Profit and Loss for the year ended March 31, 2023			
Particulars	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
		(Amt. in Lakhs)	(Amt. in Lakhs)
<b>INCOME</b>			
Revenue from operations*	24	36,569	15,351
Other income	25	745	234
<b>Total income</b>		<b>37,313</b>	<b>15,585</b>
<b>EXPENSES</b>			
Cost of material consumed / cost of service	26	3,747	1,982
Purchase of stock-in-trade	27	20,165	13,548
Changes in inventories of finished goods, Stock-in -Trade and Work in-progress	28	3,646	(3,597)
Employee benefit expenses	29	1,349	974
Finance costs	30	1,530	472
Depreciation and amortisation expenses	31	1,100	58
Other expenses	32	2,178	715
<b>Total expenses</b>		<b>33,715</b>	<b>14,153</b>
<b>Profit before tax</b>		<b>3,598</b>	<b>1,432</b>
<b>Tax expense :</b>			
(i) Current tax		-	109
(ii) Tax adjustment of earlier years		12	(24)
(iii) Deferred tax		922	246
<b>Total tax expense</b>		<b>934</b>	<b>330</b>
<b>Profit for the year</b>		<b>2,664</b>	<b>1,102</b>
<b>Earning per equity share(face value of Rs. 10/- each)</b>	33		
Basic (Rs.)		23.00	10.08
Diluted (Rs.)		23.00	10.08
<i>Note:-* Revenue from operations includes sales return</i>			
In terms of our report attached For K. C. Parikh & Associates Chartered Accountants Firm Regn. No. 107550W		For and on behalf of the Board of Directors Gensol Engineering Limited L74210GJ2012PLC129176	
CA. Chintan M. Doshi Partner Membership No. 118298	Puneet Singh Jaggi Wholetime Director DIN-02479868	Anmol Singh Jaggi Managing Director DIN-01293305	
Place : Ahmedabad Date : May 29, 2023	Rajesh Parmar Company Secretary	Jabir Mahendi Aga Chief Financial Officer	

# STATUTORY REPORTS

GENSOL ENGINEERING LIMITED			
Standalone Cash Flow Statement for the year ended March 31, 2023			
Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022	
	(Amt. in Lakhs)	(Amt. in Lakhs)	
<b><u>Cash flow from operating activities</u></b>			
Profit Before Tax	3,598	1,432	
Adjustment for:			
Depreciation and amortisation expense	1,100	58	
Loss on sale of assets	32		
Finance costs	1,530	472	
Bad debt	103	6	
Interest income	(556)	(81)	
<b>Operating Profit Before Working Capital Changes</b>	<b>5,808</b>	<b>1,887</b>	
<b>Changes in Working Capital</b>			
Trade receivables	(4,046)	(1,405)	
Other current assets	(2,244)	(2,215)	
Inventories	4,994	(4,945)	
Short term loans and advances	(1,407)	894	
Trade payables	2,122	548	
Other current liabilities	1,599	528	
Provisions	(38)	(20)	
<b>Net Cash Generated From/(used in) Operations</b>	<b>6,787</b>	<b>(4,727)</b>	
Direct tax paid	(316)	(125)	
Tax adjustment of earlier years	(12)	24	
Income tax refund	-	130	
<b>Net Cash Flow from/(used in) Operating Activities (A)</b>	<b>6,460</b>	<b>(4,698)</b>	
<b><u>Cash Flow From Investing Activities:</u></b>			
Purchase of Property, Plant And Equipment	(17,499)	(4,996)	
Non Current Investment	(1,015)	(335)	
Fixed Deposit with maturity more than 3 months	(15,674)	(282)	
Advance for Purchase of Property, Plant And Equipment	(16,940)	(81)	
Advance to Subsidiaries	(893)	(124)	
Other non current assets	(10,272)	(758)	
Interest income	556	81	
<b>Net Cash Flow from/(used in) Investing Activities (B)</b>	<b>(61,737)</b>	<b>(6,494)</b>	
<b><u>Cash Flow from Financing Activities:</u></b>			
Proceeds from Equity	13,284	(0)	
Proceeds of long term borrowings	42,055	3,648	
(Repayment) of long term borrowings	(1,266)	(64)	
Other Long term Liabilities	11,153	4,252	
Proceeds/ (Repayment) from short term borrowings (Net)	3,354	3,748	
Interest & financial charges	(1,530)	(472)	
<b>Net Cash Flow from/(used in) Financing Activities (C)</b>	<b>67,050</b>	<b>11,113</b>	
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>11,772</b>	<b>(79)</b>	
Cash & cash equivalents as at beginning of the year	706	785	
<b>Cash &amp; cash equivalents as at end of the year</b>	<b>12,479</b>	<b>706</b>	

# STATUTORY REPORTS

GENSOL ENGINEERING LIMITED		GENSOL	
Standalone Cash Flow Statement for the year ended March 31, 2023			
<b>Notes :</b>			
1 The above cash flow statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statements specified under Section 133 of the Companies Act, 2013.			
2. <b>Cash and bank balances at the end of the year comprises:</b>			
<b>Particulars</b>	<b>As At March 31, 2023</b>	<b>As At March 31, 2022</b>	
Cash on hand	76	10	
Balances with banks			
(i) In current accounts	1,989	573	
(ii) In overdraft accounts	8,146	105	
(ii) In Fixed Deposit with maturity less than 3 Month	2,267	18	
<b>Cash &amp; Bank balance as per Cash flow statement</b>	<b>12,479</b>	<b>706</b>	
(i) In Fixed Deposit with maturity more than 3 Month	16,046	372	
<b>Cash &amp; Bank balance as per Balance Sheet</b>	<b>28,525</b>	<b>1,078</b>	
See accompanying explanatory notes forming part of the financial statements			
In terms of our report attached		For and on behalf of the Board of Directors	
For K. C. Parikh & Associates		Gensol Engineering Limited	
Chartered Accountants		L74210GJ2012PLC129176	
Firm Regn. No. 107550W			
	<b>Puneet Singh Jaggi</b> Wholetime Director DIN-02479868	<b>Anmol Singh Jaggi</b> Managing Director DIN-01293305	
<b>CA. Chintan M. Doshi</b> Partner Membership No. 118298			
Place : Ahmedabad	<b>Rajesh Parmar</b> Company Secretary	<b>Jabir Mahendi Aga</b> Chief Financial Officer	
Date : May 29, 2023			

# STATUTORY REPORTS

## GENSOL ENGINEERING LIMITED

Notes to Standalone Financial Statements for the year ended March 31, 2023



### 1 Corporate information

Gensol Engineering Limited ("the company") was originally incorporated in name of Gensol Engineering Private Limited in 2012 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Punjab & Chandigarh. Subsequently, the Company was converted into a Public Limited Company and the name of the Company was changed from "Gensol Engineering Private Limited" to "Gensol Engineering Limited" vide a fresh Certificate of Incorporation dated February 26, 2019 issued by the Registrar of Companies, Chandigarh. Further the company has changed its registered office from Chandigarh to Gujarat with Registrar of Companies, Gujarat vide a fresh Certificate of Incorporation dated January 31, 2022. The company is engaged in the business of Solar Consulting & EPC. The Company was incorporated on 25th September 2012.

### 2 Summary of significant accounting policies

#### a. Basis of Preparation of Financial Statements & Use of Estimates

The Financial Statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these Financial Statements to comply in all material respects with the accounting standards notified under Section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014.

The Financial Statements have been prepared on an accrual basis under the historical cost convention. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

The preparation of the financial statements in conformity with Indian GAAP requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the years in which the results are known / materialize.

#### b. Current & Non- Current Classification

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle as 12 months and other criteria set out in Revised Schedule III to the Companies Act, 2013. Based on the nature of activities and time between the activities performed and their subsequent realisation in cash or cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

#### c. Cash and Cash Equivalents

Cash comprises cash on hand and demand deposit with banks. Cash equivalents are short-term balances (with an original Maturity of twelve months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

#### d. Cash Flow Statement

The Cash Flow Statement has been prepared in accordance with the indirect method prescribed under Accounting Standard - 3 of the Companies (Accounting Standards) Rules, 2006 (as amended), whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

#### e. Property, Plant And Equipments and intangible assets

Property, Plant And Equipments and intangible assets are stated at cost of acquisition or construction less accumulated depreciation / amortisation and impairment losses, if any. The cost comprises of the purchase price and any attributable cost of bringing the assets to its working condition for its intended use.

#### f. Capital Work in Progress:

Capital work in progress includes the cost of Property, Plant And Equipments that are not ready to use at the balance sheet date and advances paid to acquire Property, Plant And Equipments before the balance sheet date.

#### g. Inventory :

Inventories including materials and components are valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less estimated cost of completion and selling expenses.

#### h. Investment

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments.

Long-term investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary in the opinion of the management.

Current investments are carried at the lower of cost and fair value, computed category wise.

# STATUTORY REPORTS

GENSOL ENGINEERING LIMITED	
Notes to Standalone Financial Statements for the year ended March 31, 2023	
	
<b>i. Depreciation and amortization</b>	
i) Depreciation on Property, Plant And Equipments is calculated on written down value method (WDV) using the rates arrived at based on the Useful Life as specified in Schedule II of the Companies Act, 2013.	
ii) Company has changed method of depreciaiton from written down value method (WDV) to straight line method (SLM) from April 1, 2022. Impact has been given in financial statement for Rs. 50,85,942 by decrease in depreciation fund.	
<b>Type of Assets</b>	<b>Useful Life (In Years)</b>
Mobile	5
Furniture and Fixtures	10
Computer	3
Comptter Software	5
Server and Network	6
Vehicles other than commercial vehicles	8
commercial vehicles	6
Electric Vehicles	8
Office Equipment	5
ii) Depreciation on assets acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition/ disposal.	
<b>j. Leases</b>	
Assets acquired under lease where the Company has substantially transfer all the risks and rewards incidental to ownership are classified as finance lease. Such assets are capitalised at the inception of the lease at the lower of the fair value or the present value of minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period.	
Assets acquired on leases where a significant portion of the risks and rewards incidental to ownership is retained by the lessor are classified as Operating Lease. Lease rentals are charged to the Statement of Profitand Loss on straight line basis. The Company's significant leasing arrangements are in respect of operating leases for premises. The leasing arrangements which are not cancellable range between 11 months and five years generally, and are usually renewable by mutual consent on agreed terms. The aggregate lease rentals payable are charged as rent including lease rentals.	
<b>k. Revenue recognition</b>	
i) Revenue (income) is recognized when no significant uncertainty as to the measurability or collectability exists. Revenues from services are recognised immediately when the service is provided. Sale of Goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer.	
ii) Interest income is accounted for on an accrual basis.	
<b>l. Borrowing costs</b>	
Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are recognised in the Statement of Profit and Loss in the period they occur.	
<b>m. Impairment of assets</b>	
An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Statement of Expenses in the period in which an asset is identified as impaired. The impairment loss, if any, recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.	
<b>n. Foreign exchange transactions</b>	
i) Transactions denominated in foreign currencies are normally recorded at the exchange rates prevailing at the time of the transaction.	
ii) Monetary items denominated in foreign currencies at the balance sheet date are restated at the rates prevailing on that date. All exchange differences arising on settlement and conversion of foreign currency transaction are included in the Statement of Profit and Loss.	
iii) Non monetary foreign currency items are carried at cost.	
<b>o. Employee Benefits</b>	
<b>(i) Short Term Employee Benefits</b>	
Short term employee benefits are recognised as an expense on accrual basis. Short term Project related employee benefits are recognized as an expenses at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.	

# STATUTORY REPORTS

## GENSOL ENGINEERING LIMITED

Notes to Standalone Financial Statements for the year ended March 31, 2023



### (ii) Post Employee Benefits

#### a) Defined Benefit Plan:

Gratuity being a defined benefit scheme is accrued based on actuarial valuations, carried out by an independent actuary as at the balance sheet date using the projected unit credit method.

Actuarial gain and losses in respect of post employment and other long term benefits are recognised as per actuarial assumptions in the Statement of Profit and Loss in the period in which they arise.

#### b) Defined Contribution Plan :

Provision is made for compensated absence based on actuarial valuation, carried out by an independent actuary as at the balance sheet date.

Company's contribution to Provident Fund, Employees' State Insurance Fund and labour welfare fund which are defined contribution plans determined under the relevant schemes and/or statute are charged to the Statement of Profit and Loss when incurred. There are no other obligations other than the contribution payable to the respective funds.

Termination benefits, if any, are recognized as an expense as and when incurred.

#### p. Provisions, contingent liabilities and contingent assets

Provisions involving substantial degree of estimation in measurements are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

#### q. Segment reporting

In accordance with Accounting Standard 17 "Segment Reporting" as prescribed under Companies (Accounting Standards) Rules, 2006 (as amended), the Company has determined its business segment as Engineering , advisory & EPC of Solar Power Projects and leasing of cars. There are two primary reportable segments, therefore the segment revenue, segment results, segment assets, segment liabilities and total cost incurred to acquire segment assets are all reflected in the financial statement.

#### r. Related Party transactions

Disclosure of transactions with related parties, as required by Accounting Standard 18 of the Companies (Accounting Standards) Rules, 2006 (as amended). "Related Party Disclosures" has been set out in a separate statement annexed to this note. Related parties as defined under the said Accounting Standard (as amended) have been identified on the basis of representations made by management and information available with the Company.

#### s. Earning Per Share

The Company reports basic and diluted earnings per share (EPS) in accordance with the Accounting Standard 20 as specified in the Companies (Accounting Standards) Rules, 2006 (as amended). The Basic EPS has been computed by dividing the income available to equity shareholders by the weighted average number of equity shares outstanding during the accounting year. The Diluted EPS has been computed using the weighted average number of equity shares and dilutive potential equity shares outstanding at the end of the year.

#### t. Taxes on Income

i) Provision for income tax is made on the basis of estimated taxable income for the year at current rates.

Current Tax represents the amount of Income Tax Payable in respect of the taxable income for the reporting period as determined in accordance with the provisions of the Income Tax Act, 1961.

ii) Deferred Tax

Deferred tax charge or credit is recognized using enacted or substantially enacted rates at the Balance Sheet date. Deferred tax assets and liabilities are recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases. In case of unabsorbed depreciation, deferred tax assets are recognized only to the extent there is virtual certainty of realization of such assets. Other deferred tax assets are recognized only to the extent there is reasonable certainty of realization of income in future. Such assets are reviewed as at each balance sheet date to reassess realization.

# STATUTORY REPORTS

GENSOL ENGINEERING LIMITED		GENSOL		
Notes to Standalone Financial Statements for the year ended March 31, 2023				
<b>3 Share Capital</b>		(Amt. in Lakhs)		
<b>Particulars</b>		<b>As At</b>	<b>As At</b>	
		<b>March 31, 2023</b>	<b>March 31, 2022</b>	
<b>Authorised Share capital</b>				
1,50,00,000 Equity Share of Rs. 10/- each		1,500	1,250	
		<b>1,500</b>	<b>1,250</b>	
<b>Issued, Subscribed &amp; Fully Paid Up Share Capital</b>				
1,22,18,916 Paid up Equity Share of Rs. 10/- each		1,222	1,094	
(Previous Year - 1,09,36,923 Paid up Equity Share of Rs. 10/- each)				
<b>Total</b>		<b>1,222</b>	<b>1,094</b>	
<b>3.1 Reconciliation of number of shares outstanding at the end of year</b>				
<b>Particulars</b>	<b>As At March 31, 2023</b>		<b>As At March 31, 2022</b>	
	<b>Number of</b>	<b>Amount</b>	<b>Number of Shares</b>	<b>Amount</b>
	<b>Shares</b>			
Equity shares at the beginning of the year	1,09,36,923	1,094	82,02,737	820
Add: Shares Allotted during the year	12,81,993	128	27,34,186	273
<b>Equity Shares at the end of the year</b>	<b>1,22,18,916</b>	<b>1,222</b>	<b>1,09,36,923</b>	<b>1,094</b>
<b>3.2 Details of shareholders holding more than 5% of the aggregate shares in the company</b>				
<b>Name of Shareholder</b>	<b>As At March 31, 2023</b>		<b>As At March 31, 2022</b>	
	<b>No. Of Shares</b>	<b>Percentage</b>	<b>No. Of Shares</b>	<b>Percentage</b>
Anmol Singh Jaggi	26,54,922	21.73%	26,52,794	24.26%
Puneet Singh Jaggi	23,30,086	19.07%	23,11,466	21.13%
Gensol Venture Private Limited	29,17,094	23.87%	28,19,649	25.78%
Prakash S Jalan	4,14,304	3.39%	6,59,328	6.03%
<b>3.2 As per records of the Company, including its register of shareholder and other declarations received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.</b>				
<b>3.4 Shareholding of Promoters</b>				
<b>Promoter name</b>	<b>Shares held by</b>		<b>% Change during the year</b>	
	<b>No. of Share</b>	<b>% of Total shares</b>		
Anmol Singh Jaggi	26,54,922	21.73%	0.08%	
Puneet Singh Jaggi	23,30,086	19.07%	0.81%	
<b>3.3 Terms/rights attached to equity shares</b>				
The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to vote per share. Accordingly, all equity shares rank equally with regards to dividend and share in the company's residual assets. The equity shareholders are entitled to receive dividend declared from time to time.				
<b>4 Reserves &amp; Surplus</b>		(Amt. in Lakhs)		
<b>Particulars</b>		<b>As At</b>	<b>As At</b>	
		<b>March 31, 2023</b>	<b>March 31, 2022</b>	
<b>Surplus in Statement of Profit &amp; Loss</b>				
Outstanding at the beginning of the year		2,182	1,080	
Add: Addition on account of change in method of depreciation		51	-	
Add: Profit for the year		2,664	1,102	
<b>Outstanding at the end of the year</b>		<b>4,897</b>	<b>2,182</b>	
<b>Securities Premium Account</b>				
Outstanding at the beginning of the year		1,303	1,577	
Add: Addition during the year		13,156	-	
Less : For issue of bonus shares		-	(273)	
<b>Outstanding at the end of the year</b>		<b>14,459</b>	<b>1,303</b>	
<b>Total</b>		<b>19,357</b>	<b>3,485</b>	

# STATUTORY REPORTS

GENSOL ENGINEERING LIMITED			
Notes to Standalone Financial Statements for the year ended March 31, 2023			
5 Long Term Borrowings		(Amt. in Lakhs)	
Particulars	As At	As At	
	March 31, 2023	March 31, 2022	
<b>Term loan from Bank</b>			
Secured (Refer footnote no. i)	3,170	194	
<b>Term loan from Others</b>			
Secured (Refer footnote no : ii)	38,272	3,397	
Unsecured	-	-	
<b>Debentures (Refer Note : 38 )</b>			
Unsecured - 13063 Partly paid up 0.01% non-convertible Debentures	0	-	
Unsecured - 2937 Fully paid up 0.01% non-convertible Debentures	2,937	-	
<b>Total</b>	<b>44,379</b>	<b>3,590</b>	
Note : Company is not declared wilful defaulter by any bank or financial institutions or other lenders.			
Notes		(Amt. in Lakhs)	
S.No	Particular	As At March 31, 2023	
(i)	<b>Secured - Term loan from Bank</b>	(Including Current Maturity)	
(a)	<b>HDFC Bank Limited</b> Rupee term loan of Rs.2,22,06,220 carries interest @ 7.75% p.a. The Loan is repayable in 48 equally monthly instalment starting form 5th Mar'22 of Rs. 5,39,520 each. The above loan is secured against hypothecation of 10 EV cars.	169	
(b)	<b>HDFC Bank Limited</b> Rupee term loan of Rs.16,24,076/- carries interest @ 7.75% p.a. The Loan is repayable in 48 equally monthly instalment starting form 5th Mar'22 of Rs. 39,458/- each. The above loan is secured against hypothecation of car.	12	
(c)	<b>Axis Bank Limited</b> Rupee term loan of Rs.18,00,000/- carries interest @ 7.60% p.a. The Loan is repayable in 60 equally monthly instalment starting form 1st Sep'21 of Rs. 36,154/- each. The above loan is secured against hypothecation of car.	13	
(d)	<b>HDFC Bank Limited</b> Rupee term loan of Rs.1,50,15,910/- carries interest @ 7.85% p.a. The Loan is repayable in 48 equally monthly instalment starting form 5th May'22 of Rs. 3,65,525/- each. The above loan is secured against hypothecation of 5 cars.	120	
(e)	<b>ICICI Bank Limited</b> Rupee term loan of Rs.24,91,380/- carries interest @ 9.5% p.a. The Loan is repayable in 48 equally monthly instalment starting form 15th Aug'22 of Rs. 62,480/- each. The above loan is secured against hypothecation of 10 three wheeler.	21	
(f)	<b>ICICI Bank Limited</b> Rupee term loan of Rs.27,90,000/- carries interest @ 9.1% p.a. The Loan is repayable in 60 equally monthly instalment starting form 5th Mar'23 of Rs. 58,780/- each. The above loan is secured against hypothecation of car.	28	
(g)	<b>ICICI Bank Limited</b> Rupee term loan of Rs.14,45,925/- carries interest @ 7.95% p.a. The Loan is repayable in 60 equally monthly instalment starting form 10th July'23 of Rs. 29258/- each. The above loan is secured against hypothecation of car.	13	
(h)	<b>ICICI Bank Limited</b> Rupee term loan of Rs.29,51,810/- carries interest @ 9.50% p.a. The Loan is repayable in 60 equally monthly instalment starting form 5th Nov'22 of Rs. 62026/- each. The above loan is secured against hypothecation of car.	28	

# STATUTORY REPORTS

GENSOL ENGINEERING LIMITED		GENSOL
Notes to Standalone Financial Statements for the year ended March 31, 2023		
		(Amt. in Lakhs)
(i)	<b>ICICI Bank Limited</b> Rupee term loan of Rs.19,90,634/- carries interest @ 9.50% p.a. The Loan is repayable in 60 equally monthly instalment starting form 5th Nov'22 of Rs. 41,829/- each. The above loan is secured against hypothecation of car.	19
(j)	<b>ICICI Bank Limited</b> Rupee term loan of Rs.5472872/- carries interest @ 9.50% p.a. The Loan is repayable in 60 equally monthly instalment starting form 5th Nov'22 of Rs. 1,14,912/- each. The above loan is secured against hypothecation of two cars.	51
(k)	<b>ICICI Bank Limited</b> Rupee term loan of Rs.18,85,758/- carries interest @ 8.10% p.a. The Loan is repayable in 60 equally monthly instalment starting form 1st Aug'22 of Rs. 38293/- each. The above loan is secured against hypothecation of vehicle.	17
(l)	<b>HDFC Bank Limited</b> Rupee term loan of Rs.35,00,00,000/- carries interest @ 8.60% p.a. The Loan is repayable in 60 equally monthly instalment starting form 7th Feb'23 of Rs. 71,97,667/- each. The above loan is secured against hypothecation of 300 cars.	3,406
(ii)	<b>Secured - Term loan from Others</b>	
(a)	<b>Sundaram Finance Limited</b> Rupee term loan of Rs.7,00,000/- carries interest @ 9.90% p.a. The Loan is repayable in 48 equally monthly instalment starting form September 3, 2021 of Rs. 17,720/- each. The above loan is secured against hypothecation of car.	5
(b)	<b>Sundaram Finance Limited</b> Rupee term loan of Rs.7,35,000/- carries interest @ 9.55% p.a. The Loan is repayable in 47 equally monthly instalment starting form July 3, 2022 of Rs. 18,810/- each. The above loan is secured against hypothecation of car.	6
(c)	<b>Sundaram Finance Limited</b> Rupee term loan of Rs.9,85,000/- carries interest @ 10.95% p.a. The Loan is repayable in 47 equally monthly instalment starting form April 10, 2023 of Rs. 25,830/- each. The above loan is secured against hypothecation of car.	10
(d)	<b>Sundaram Finance Limited</b> Rupee term loan of Rs.7,25,000/- carries interest @11.75% p.a. The Loan is repayable in 47 equally monthly instalment starting form March 3, 2023 of Rs. 19,330/- each. The above loan is secured against hypothecation of car.	7
(e)	<b>Indian Renewable Energy Development Agency Limited (IREDA)</b> Rupee term loan of Rs.35,70,53,000/- carries interest @ 9.95% p.a. The Loan is repayable in 20 quarterly instalments plus interest thereon and repayment starting form October 1, 2022 of Rs. 89,26,000/- each for first 4 installment, 1,78,53,000/- each for next "5 - 12" installment and 2,23,16,000/-each for "13-20" installment. The above loan is secured against hypothecation of 400 EV cars.	3,391
(f)	<b>Indian Renewable Energy Development Agency Limited (IREDA)</b> Rupee term loan of Rs.35,70,53,000/- carries interest @ 9.95% p.a. The Loan is repayable in 20 quarterly instalments plus interest thereon and repayment starting form March 1, 2023 of Rs. 89,26,000/- each for first 4 installment, 1,78,53,000/- each for next "5 - 12" installment and 2,23,16,000/-each for "13-20" installment. The above loan is secured against hypothecation of 400 EV cars.	3,481
(g)	<b>Indian Renewable Energy Development Agency Limited (IREDA)</b> Rupee term loan of Rs.71,41,00,000/- carries interest @ 9.95% p.a. The Loan is repayable in 20 quarterly instalments plus interest thereon and repayment starting form June 1, 2023 of Rs. 1,78,52,500/- each for first 4 installment, 3,57,05,000/- each for next "5 - 12" installment and 4,46,31,250/-each for "13-20" installment. The above loan is secured against hypothecation of 400 EV cars.	7,141
(h)	<b>Indian Renewable Energy Development Agency Limited (IREDA)</b> Rupee term loan of Rs.71,41,00,000/- carries interest @ 9.95% p.a. The Loan is repayable in 20 quarterly instalments plus interest thereon and repayment starting form September 1, 2023 of Rs. 1,78,52,500/- each for first 4 installment, 3,57,05,000/- each for next "5 - 12" installment and 4,46,31,250/-each for "13-20" installment. The above loan is secured against hypothecation of 400 EV cars.	7,141

# STATUTORY REPORTS

GENSOL ENGINEERING LIMITED		GENSOL
Notes to Standalone Financial Statements for the year ended March 31, 2023		
(i)	<b>Indian Renewable Energy Development Agency Limited (IREDA)</b> Rupee term loan of Rs.53,55,94,000/- carries interest @ 10.05% p.a. The Loan is repayable in 20 quarterly instalments plus interest thereon and repayment starting form December 1, 2023 of Rs. 1,33,89,850/- each for first 4 installment, 2,67,79,000/- each for next "5 - 12" installment and 3,34,74,625/-each for "13-20" installment. The above loan is secured against hypothecation of 600 EV cars.	(Amt. in Lakhs) 5,356
(j)	<b>Indian Renewable Energy Development Agency Limited (IREDA)</b> Rupee term loan of Rs.43,69,00,000/- carries interest @ 9.95% p.a. The Loan is repayable in 20 quarterly instalments plus interest thereon and repayment starting form September 1, 2023 of Rs. 1,09,22,500/- each for first 4 installment, 2,18,45,000/- each for next "5 - 12" installment and 2,73,06,250/-each for "13-20" installment. The above loan is secured against hypothecation of 400 EV cars.	4,369
(k)	<b>Power Finance Corporation Ltd. (PFC)</b> Rupee term loan of Rs.117,47,00,000/- carries interest @ 10.00% p.a. The Loan is repayable in 57 equal monthly principal instalments plus interest thereon starting form October - 2022 of Rs. 2,06,08,772/- each. The above loan is secured against hypothecation of 1000 cars (cars are awaited to deliver and this loan repayment is also under six months moratorium).	11,747

## 5.1 Registration of charges or satisfaction with Registrar of Companies :

Particular	Reason if Charge is registered beyond statutory period	Statutory period of registration	Actual date of registration
(i)(a) Motor Vehicle (Hypothecation)	NA	03-03-2022	15-02-2022
(i)(b) Motor Vehicle (Hypothecation)	NA	03-03-2022	15-02-2022
(i)(c) Motor Vehicle (Hypothecation)	Charge is already created with RTO and on RC book also	-	-
(i)(d) Motor Vehicle (Hypothecation)	NA	02-05-2022	20-04-2022
(i)(e) Motor Vehicle (Hypothecation)	NA	20-08-2022	29-07-2022
(i)(f) Motor Vehicle (Hypothecation)	NA	22-02-2023	27-02-2023
(i)(g) Motor Vehicle (Hypothecation)	NA	14-07-2022	26-09-2022
(i)(h) Motor Vehicle (Hypothecation)	Charge is already created with RTO and on RC book also within statutory period of registration.	02-11-2022	15-12-2022
(i)(i) Motor Vehicle (Hypothecation)	NA	02-11-2022	14-12-2022
(i)(j) Motor Vehicle (Hypothecation)	NA	05-11-2022	15-12-2022
(i)(k) Motor Vehicle (Hypothecation)	NA	31-07-2022	26-09-2022
(i)(l) Motor Vehicle (Hypothecation)	NA	04-02-2023	16-02-2023
(ii) (a) Motor Vehicle (Hypothecation) to (c)	Charge is already created with RTO and on RC book also	-	-
(ii) (d) Motor Vehicle (Hypothecation)	NA	31-03-2023	27-04-2023
(ii) ( e) Motor Vehicle (Hypothecation) to (i)	NA	23-04-2022	26-03-2022
(ii) (j) Motor Vehicle (Hypothecation)	NA	16-02-2023	30-01-2023
(ii) (k) Motor Vehicle (Hypothecation)	NA	01-04-2023	16-03-2023

## 6 Deferred Tax Liabilities (Net)

Particulars	As At March 31, 2023	As At March 31, 2022
<b>(a) Deferred tax assets</b>		
(i) Provision of Gratuity	19	17
(iii) Unabsorbed depreciation / Business Losses	184	-
	<b>204</b>	<b>17</b>
<b>(b) Deferred tax liabilities</b>		
(i) Difference between WDV of Property, Plant And Equipments and Intangible Assets as per Income tax and Company Act	1,341	232
	<b>1,341</b>	<b>232</b>
<b>Total</b>	<b>1,137</b>	<b>215</b>

# STATUTORY REPORTS

GENSOL ENGINEERING LIMITED			
Notes to Standalone Financial Statements for the year ended March 31, 2023			
<b>7 Other Long term liabilities</b>		(Amt. in Lakhs)	
<b>Particulars</b>		<b>As At</b>	<b>As At</b>
		<b>March 31, 2023</b>	<b>March 31, 2022</b>
Car Deposits		14,868	4,485
Other Deposits		777	-
Office Rent Deposit		-	7
<b>Total</b>		<b>15,645</b>	<b>4,492</b>
<b>8 Long Term Provisions</b>			
<b>Particulars</b>		<b>As At</b>	<b>As At</b>
		<b>March 31, 2023</b>	<b>March 31, 2022</b>
Provision for Employee Benefits		65	52
<b>Total</b>		<b>65</b>	<b>52</b>

# STATUTORY REPORTS

GENSOL ENGINEERING LIMITED		GENSOL	
Notes to Standalone Financial Statements for the year ended March 31, 2023			
<b>9</b>	<b>Short Term Borrowings</b>	(Amt. in Lakhs)	
	<b>Particulars</b>	<b>As At</b>	<b>As At</b>
		<b>March 31, 2023</b>	<b>March 31, 2022</b>
	Working Capital Loan from Bank		
	Secured	1,986	-
	Unsecured	5	4,005
	Bank Overdraft	504	-
	Current maturities of long term borrowings	5,107	242
	<b>Total</b>	<b>7,601</b>	<b>4,247</b>
	Notes : (a) Unsecured working capital loan is credit card payable.		
	(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits (including CC/LC/BG) of Rs. Fifty two Crores (Rs. 52,00,00,000/-), in aggregate, from Bandhan Bank of Rs. 25 Crores @ 9.90% p.a.(Rs. 25,00,00,000/-) and from ICICI Bank of Rs. 27 Crores @ 8.50%(Rs. 27,00,00,000/-) on the basis of security of current assets. Copies of quarterly returns or statements, furnished to bank have also been made available for our verification. We have verified the same and found some discrepancies, which are not material as they are below 2% of amount mentioned in stock statements. Summary of Reconciliation is mentioned below :		
		As per Stock	As per Books of
		Statement filed	Accounts
			Difference
	Sep-22		
	Debtors	7613	7630
	Trade Payable	2479	2652
	WIP	1189	1929
	Dec-22		
	Debtors	7026	7030
	Trade Payable	2522	2522
	WIP	1001	1024
	Mar-23		
	Debtors	6912	6872
	Trade Payable	3237	3292
	WIP	3547	3547
	Footnote : Figures submitted in stock statements are lower than actual figures as per books of accounts so they are not considered as material amount.		
<b>10</b>	<b>Trade Payables</b>		
	<b>Particulars</b>	<b>As At</b>	<b>As At</b>
		<b>March 31, 2023</b>	<b>March 31, 2022</b>
	Trade Payables		
	Due to Micro, Small and Medium Enterprises	257	441
	Others	3,035	730
	<b>Total</b>	<b>3,292</b>	<b>1,171</b>
	Note : Trade payable ageing schedule		
		As at March 31, 2023	
		MSME	Other
			As at March 31, 2022
		MSME	Other
	Less than 1 year	257	3,001
	1 - 2 year	0	3
	2 - 3 years	-	20
	More than 3 years	-	10
	<b>Total</b>	<b>257</b>	<b>3,035</b>
		<b>441</b>	<b>730</b>
<b>11</b>	<b>Other Current Liabilities</b>		
	<b>Particulars</b>	<b>As At</b>	<b>As At</b>
		<b>March 31, 2023</b>	<b>March 31, 2022</b>
	Advance from customers	2,212	517
	Statutory dues	307	126
	Other payables	340	944
	<b>Total</b>	<b>2,858</b>	<b>1,587</b>
<b>12</b>	<b>Short Term Provisions</b>		
	<b>Particulars</b>	<b>As At</b>	<b>As At</b>
		<b>March 31, 2023</b>	<b>March 31, 2022</b>
	Provision for Income Tax	-	46
	Provision for Employee Benefits	12	17
	<b>Total</b>	<b>12</b>	<b>63</b>

# STATUTORY REPORTS

GENSOL ENGINEERING LIMITED

Notes to Standalone Financial Statements for the year ended March 31, 2023



13 Property, Plant And Equipments

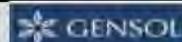
(Amt. in Lakhs)

Particular	Furniture & Fixtures	Computer	Mobile	Vehicles	Electrical Equipments	Commercial Vehicles	Server & Network	Land	Total
<b>Gross block</b>									
As on April 1, 2021	52	108	13	44	2	-	-	-	218
Additions	-	16	6	34	-	4,950	-	-	5,005
Sold during the year	-	-	-	43	-	-	-	-	43
As at March 31, 2022	52	124	19	34	2	4,950	-	-	5,180
Additions	-	27	11	170	1	16,582	14	1	16,806
Sold during the year	52	-	-	-	-	-	-	-	52
As at March 31, 2023	-	151	30	205	2	21,532	14	1	21,934
<b>Depreciation</b>									
As on April 1, 2021	26	84	7	30	1	-	-	-	147
For the year	7	20	4	8	0	17	-	-	56
Relating to sale/adjustment/transfer	-	-	-	34	-	-	-	-	34
As at March 31, 2022	33	104	10	4	1	17	-	-	170
For the year	4	23	4	13	0	1,050	1	-	1,096
Relating to sale/adjustment/transfer	37	15	3	3	0	10	-	-	68
As at March 31, 2023	-	113	11	15	1	1,057	1	-	1,197
<b>Net block</b>									
As at March 31, 2023	-	38	18	190	1	20,475	13	1	20,736
As at March 31, 2022	19	20	8	30	0	4,933	-	-	5,011

# STATUTORY REPORTS

GENSOL ENGINEERING LIMITED

Notes to Standalone Financial Statements for the year ended March 31, 2023



14 Intangible assets (Amt. in Lakhs)		
Particular	Software	Total
<b>Gross block</b>		
As on April 1, 2021	21	21
Additions	-	-
Sold during the year	-	-
As on March 31, 2022	21	21
Additions	9	9
Sold during the year	-	-
As on March 31, 2023	29	29
<b>Amortisation</b>		
As on April 1, 2021	15	15
For the year	3	3
Relating to sale/ adjustment/transfer	-	-
As on March 31, 2022	17	17
For the year	5	5
Relating to sale/ adjustment/transfer	4	4
As on March 31, 2023	19	19
<b>Net block</b>		
As on March 31, 2023	11	11
As at March 31, 2022	3	3

15 Capital Work-In-Progress (Amt. in Lakhs)	
Particular	Total
<b>Gross block</b>	
As on April 1, 2021	-
Additions	-
As on March 31, 2022	-
Additions	584
Sold during the year	-
As on March 31, 2023	684

CWIP Ageing	As At March 31, 2023			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Project in Progress	684	-	-	-
CWIP Ageing	As At March 31, 2022			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Project in Progress	-	-	-	-

# STATUTORY REPORTS

GENSOL ENGINEERING LIMITED			
Notes to Standalone Financial Statements for the year ended March 31, 2023			
<b>16</b>	<b>Non-Current Investments</b>	(Amt. in Lakhs)	
	<b>Particulars</b>	<b>As At</b>	<b>As At</b>
		<b>March 31, 2023</b>	<b>March 31, 2022</b>
	<b>Investment in unquoted equity shares of Subsidiaries</b>		
	<b>Solarig Gensol Utilities Private Ltd at cost</b>		
	9,34,494 equity shares of face value of Rs. 10 each fully paid (31 March 2022 - 9,34,494 shares)	380	380
	<b>Gensun Renewables Private Limited at cost</b>		
	5100 equity shares of face value of Rs. 10 fully paid (31 March 2022 -5100)	1	1
	<b>Gensol Electric Vehicles Private Limited at cost</b>		
	137953 equity shares of face value of Rs. 10 fully paid (31 March 2022 -Nil)	350	-
	<b>Investment in unquoted equity shares of other entities</b>		
	<b>Fair Climate Fund India Private Limited at cost</b>		
	526 equity shares of face value of Rs. 10 fully paid (31 March 2022 -Nil)	65	-
	<b>Investment in unquoted preference shares of other entities</b>		
	<b>Service Easy Technology Pvt Ltd at cost</b>		
	10967 preference shares of face value of Rs. 10 fully paid (31 March 2022 - Nil)	600	-
	<b>Total</b>	<b>1,396</b>	<b>381</b>
	Aggregate carrying value of unquoted investments	1,396	381
	Aggregate amount of diminution in value of investments	-	-
<b>17</b>	<b>Long Term Loans &amp; Advances</b>		
	<b>Particulars</b>	<b>As At</b>	<b>As At</b>
		<b>March 31, 2023</b>	<b>March 31, 2022</b>
	<b>Unsecured considered good</b>		
	Advance to Capital Creditors	12,326	81
	Loan and advances to subsidiaries	4,695	-
	<b>Total</b>	<b>17,021</b>	<b>81</b>
<b>18</b>	<b>Other Non-Current Assets</b>		
	<b>Particulars</b>	<b>As At</b>	<b>As At</b>
		<b>March 31, 2023</b>	<b>March 31, 2022</b>
	Security Deposit :		
	Car Deposits	1,171	378
	Rent Deposits	115	54
	Earnest Money Deposits	9	12
	Guest House Deposits	0	1
	Solar Project Deposits	600	-
	Other Deposits	21	5
	Unamortized Expenses	-	4
	In Fixed Deposit with maturity more than 12 month	9,178	379
	<b>Total</b>	<b>11,093</b>	<b>833</b>
<b>19</b>	<b>Inventories</b>		
	<b>Particulars</b>	<b>As At</b>	<b>As At</b>
		<b>March 31, 2023</b>	<b>March 31, 2022</b>
	Work-in-progress	1,032	4,678
	Stock in trade	-	1,348
	<b>Total</b>	<b>1,032</b>	<b>6,026</b>
<b>20</b>	<b>Trade Receivables</b>		
	<b>Particulars</b>	<b>As At</b>	<b>As At</b>
		<b>March 31, 2023</b>	<b>March 31, 2022</b>
	Trade Receivable		
	(i) Secured, considered good	-	-
	(ii) Unsecured, considered good	6,868	2,924
	(iii) Doubtful	-	-
	<b>Total</b>	<b>6,868</b>	<b>2,924</b>

# STATUTORY REPORTS

GENSOL ENGINEERING LIMITED		GENSOL	
Notes to Standalone Financial Statements for the year ended March 31, 2023			
<b>Note : Trade receivables ageing schedule</b>		(Amt. in Lakhs)	
		<b>As At</b>	<b>As At</b>
		<b>March 31, 2023</b>	<b>March 31, 2022</b>
Less than 6 months		5,846	2,474
6 months - 1 year		611	149
1 - 2 years		246	224
2 - 3 years		129	29
More than 3 years		36	49
<b>Total</b>		<b>6,868</b>	<b>2,924</b>
<b>21 Cash and Cash Equivalents</b>			
<b>Particulars</b>		<b>As At</b>	<b>As At</b>
		<b>March 31, 2023</b>	<b>March 31, 2022</b>
<b>(A) Cash &amp; Cash Equivalents</b>			
Cash on hand		76	10
<b>Balances with banks</b>			
(i) In current accounts		1,989	573
(ii) In overdraft accounts		8,146	105
(iii) In Deposit account :			
(i) In Fixed Deposit with maturity less than 3 month		2,267	18
<b>Other Bank Balance :</b>			
(i) In Fixed Deposit with maturity more than 3 month		16,046	372
(ii) In Fixed Deposit with maturity more than 12 month		9,178	379
<b>Sub-Total</b>		<b>37,703</b>	<b>1,457</b>
<b>Less :</b>			
(i) In Fixed Deposit with maturity more than 12 month		(9,178)	(379)
<b>Total</b>		<b>28,525</b>	<b>1,078</b>
<b>22 Short Term Loans &amp; Advances</b>			
<b>Particulars</b>		<b>As At</b>	<b>As At</b>
		<b>March 31, 2023</b>	<b>March 31, 2022</b>
(Unsecured, Considered Good)			
Loan and advances to subsidiaries		1,603	711
<b>Loan and advances to others:</b>			
Prepaid Expenses		51	29
Advances to Vendors		1,718	348
Advances to others (including advance to KMP )		30	15
<b>Total</b>		<b>3,402</b>	<b>1,102</b>
<b>22.1 Details of Loan and advances to promoters, Directors, KMPs and Related Parties</b>			
		<b>As At</b>	<b>As At</b>
		<b>March 31, 2023</b>	<b>March 31, 2022</b>
Related Parties* (Refer note no.: 39)		1,603	711
Advances to KMP (as per company's employees advance policy)		4	-
Percentage to Total short term loan & advances in the nature of loan		47%	64%
* Loan and advances are given to related parties @10.50 % p.a. without specifying any terms or period of repayment .			
Corporate guarantees given to financial institution / bank on behalf of subsidiary for facilities availed by them of Rs.360 Lakhs as at March 31, 2023.			
<b>23 Other Current Assets</b>			
<b>Particulars</b>		<b>As At</b>	<b>As At</b>
		<b>March 31, 2023</b>	<b>March 31, 2022</b>
Balance with Govt Authorities		1,700	708
Unbilled revenue		2,515	1,174
TDS Reimbursement from NBFC		13	14
TDS/TCS Receivables		230	250
Retention Money		193	335
Other Receivables		151	77
<b>Total</b>		<b>4,802</b>	<b>2,558</b>

# STATUTORY REPORTS

GENSOL ENGINEERING LIMITED			
Notes to Standalone Financial Statements for the year ended March 31, 2023			
<b>Schedule of Profit and Loss</b>			
<b>24</b>	<b>Revenue from operations</b>	(Amt. in Lakhs)	
	<b>Particulars</b>	<b>For the year ended March 31, 2023</b>	<b>For the year ended March 31, 2022</b>
	Sale of goods ( Solar power generating system)	22,371	9,800
	<b>Unbilled revenue - sale of services</b>		
	Closing balance - sale of goods	2,466	1,089
	Opening balance - sale of goods	(1,089)	-
	Sale of services (Related to solar power system)	9,247	3,965
	<b>Unbilled revenue - sale of services</b>		
	Closing balance - sale of services	49	85
	Opening balance - sale of services	(85)	(62)
	Lease rent income	3,609	474
	<b>Total</b>	<b>36,569</b>	<b>15,351</b>
<b>25</b>	<b>Other income</b>		
	<b>Particulars</b>	<b>For the year ended March 31, 2023</b>	<b>For the year ended March 31, 2022</b>
	Interest income	556	81
	Commission income	-	6
	Rent income	21	16
	Reimbursement income	167	131
	<b>Total</b>	<b>745</b>	<b>234</b>
<b>26</b>	<b>Cost of material consumed / cost of service</b>		
	<b>Particulars</b>	<b>For the year ended March 31, 2023</b>	<b>For the year ended March 31, 2022</b>
	Freight & transport expenses	332	511
	Liquidated damage expenses	25	124
	Site guest house rent expenses	54	23
	Solar epc expenses	771	214
	Operation and maintenance expenses	132	73
	Installation & commissioning expenses	483	428
	Lease rent expenses	1,724	581
	Custom & safeguard duties	222	25
	Site maintenance expenses	3	3
	<b>Total</b>	<b>3,747</b>	<b>1,982</b>
<b>27</b>	<b>Purchase of stock-in-trade</b>		
	<b>Particulars</b>	<b>For the year ended March 31, 2023</b>	<b>For the year ended March 31, 2022</b>
	Opening stock	1,348	-
	Add : Purchases	18,817	14,896
	Less : Closing stock	-	1,348
	<b>Total</b>	<b>20,165</b>	<b>13,548</b>
<b>28</b>	<b>Changes in inventories of finished goods, Stock-in -Trade and Work in-progress</b>		
	<b>Particulars</b>	<b>For the year ended March 31, 2023</b>	<b>For the year ended March 31, 2022</b>
	<b>Work in-progress</b>		
	Closing stock of work in-progress	1,032	4,678
	Opening stock of work in-progress	4,678	1,081
	<b>Total</b>	<b>3,646</b>	<b>(3,597)</b>

# STATUTORY REPORTS

GENSOL ENGINEERING LIMITED			
Notes to Standalone Financial Statements for the year ended March 31, 2023			
<b>29</b>	<b>Employee benefit expenses</b>	(Amt. in Lakhs)	
	<b>Particulars</b>	<b>For the year ended March 31, 2023</b>	<b>For the year ended March 31, 2022</b>
	Salary	1,240	893
	Contribution to provident and other funds	47	29
	Staff welfare expenses	24	2
	Management trainee expenses	18	30
	Gratuity	20	20
	<b>Total</b>	<b>1,349</b>	<b>974</b>
<b>30</b>	<b>Finance costs</b>		
	<b>Particulars</b>	<b>For the year ended March 31, 2023</b>	<b>For the year ended March 31, 2022</b>
	Interest on term loan & bank OD	1,363	56
	Interest to others	53	62
	Other finance expenses	114	353
	<b>Total</b>	<b>1,530</b>	<b>472</b>
<b>31</b>	<b>Depreciation and amortisation expenses</b>		
	<b>Particulars</b>	<b>For the year ended March 31, 2023</b>	<b>For the year ended March 31, 2022</b>
	Depreciation on property, plant and equipment	1,096	56
	Amortisation on intangible assets	5	3
	<b>Total</b>	<b>1,100</b>	<b>58</b>
<b>32</b>	<b>Other expenses</b>		
	<b>Particulars</b>	<b>For the year ended March 31, 2023</b>	<b>For the year ended March 31, 2022</b>
	Advertisement & business promotion expenses	31	9
	Audit fees	10	5
	Bad debt	103	6
	Bank charges	102	13
	Commission expenses	53	14
	Computer & software subscription expenses	51	7
	CSR Expenses	13	-
	Loss on sale of assets	32	-
	Donation	0	2
	Electricity expenses	11	9
	Forex loss	460	16
	Other expenses	57	47
	Insurance expenses	23	16
	Compliance expenses	33	12
	Legal & professional expenses	673	300
	Office expenses	12	11
	Printing & stationary	10	4
	Rates & taxes	8	11
	Rent expenses	132	74
	Repairs - vehicles	7	2
	Telephone and communication expenses	3	4
	Tender fees	1	2
	Travel expenses	354	152
	<b>Total</b>	<b>2,178</b>	<b>715</b>
<b>(i)</b>	<b>Remuneration to auditors*</b>		
	<b>Particulars</b>	<b>For the year ended March 31, 2023</b>	<b>For the year ended March 31, 2022</b>
	For statutory audit	10	5
	For other services	-	-
	<b>Total</b>	<b>10</b>	<b>5</b>

\*Excluding applicable taxes.

# STATUTORY REPORTS

GENSOL ENGINEERING LIMITED			
Notes to Standalone Financial Statements for the year ended March 31, 2023			
<b>33</b>	<b>Earning per equity share (face value of Rs. 10/- each)</b>	(Amt. in Lakhs)	
	<b>Particulars</b>	<b>For the year ended March 31, 2023</b>	<b>For the year ended March 31, 2022</b>
	Profit for the period attributable to Equity Shareholder	2,664	1,102
	No of weighted average equity shares outstanding during the year	1,15,83,188	1,09,36,923
	Nominal Value of Equity Share	10.00	10.00
	<b>Basic Earning Per Share</b>	<b>23.00</b>	<b>10.08</b>
	<b>Diluted Earning Per Share</b>	<b>23.00</b>	<b>10.08</b>
	<b>Note:</b>		
<b>1</b>	Earnings per share calculations are done in accordance with Accounting Standard 20 "Earnings Per Share". As per the requirements of AS 20 "Earnings Per Share", the weighted average number of equity shares considered for calculation of Basic and Diluted Earnings per Share.		
<b>34</b>	<b>Contingent liabilities and contingent assets</b>		
	<b>Particulars</b>	<b>As At March 31, 2023</b>	<b>As At March 31, 2022</b>
	<b>Contingent liabilities</b>		
	<b>A. Guarantees excluding financial guarantees</b>		
	Outstanding bank guarantees	4,291	787
	<b>B. Claims against Company not acknowledged as debts</b>	-	-
<b>35</b>	<b>Commitments</b>		
	<b>Particulars</b>	<b>As At March 31, 2023</b>	<b>As At March 31, 2022</b>
	<b>A. Capital Commitments</b>		
	Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-
	<b>Corporate guarantees given to financial institution / bank</b>		
	Corporate guarantees given to financial institution / bank on behalf of subsidiaries for facilities availed by them	360	359
<b>36</b>	<b>Operating lease arrangements</b>		
	<b>(A) Operating lease payment recognised in the Statement of Profit and Loss</b>		
	<b>Particulars</b>	<b>For the year ended March 31, 2023</b>	<b>For the year ended March 31, 2022</b>
	Office premises	132	74
	Car Lease Rent	1,724	581
	<b>Total</b>	<b>1,856</b>	<b>656</b>
	The Company has entered into lease agreement for taking car on lease having a lease period of 3 to 6 years. The Company has several lease contracts that includes lock-in period and extension/ termination options. The Company applies judgment in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create a economic incentive for it to exercise either the renewal or termination.		
	As of now, the Company's management has estimated that it may not to opt for the further extension/renewal of the agreement and consider only lock-in period as mentioned in the agreement due to frequent changes in technological environment. The lock in period as mentioned in the lease agreement is much lesser than the useful life of the asset and also the control of the assets will not get transferred to the Company at the end of the entire tenure of lease period. Therefore, the Company has considered these leases as operating lease and accounted for accordingly.		
<b>36.1</b>	<b>Future minimum rental payables under non-cancellable operating lease</b>		
	<b>Particulars</b>	<b>As At March 31, 2023</b>	<b>As At March 31, 2022</b>
	0 to 1 year	245	20
	1 to 5 year	633	-
	More than 5 year	-	-

# STATUTORY REPORTS

GENSOL ENGINEERING LIMITED			
Notes to Standalone Financial Statements for the year ended March 31, 2023			
37	Details of Dues to Micro, Small and Medium Enterprises as defined under MSMED Act, 2006	(Amt. in Lakhs)	
Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022	
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	257	441	
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-	
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-	
(iv) The amount of interest due and payable for the year	1.50	-	
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-	
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-	
Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.			
38	<b>Debentures</b>		
The Company has issued 13063 partly paid up 0.01% non-convertible debentures and 2937 fully paid up 0.01% non-convertible debentures during the year. According to section 73 and rules thereunder, the said issue of unlisted non-convertible debentures shall be considered as deposits. The company has taken legal opinion of some renowned Law firm and on the basis of the which, company has not considered them as deposits.			
39	<b>Related party disclosures</b>		
<b>Related party disclosures as required by Accounting Standard 18, "Related Party Disclosures".</b>			
<b>(A) List of related parties and relationships:</b>			
<b>Name of Relationship</b>		<b>Nature of Related Party</b>	
<b>Key Managerial Personnel ("KMP")</b>			
Anmol Singh Jaggi		Managing Director	
Puneet Singh Jaggi		Director	
Jasminder Kaur		Director	
Arun Menon		Independent Director	
Kamleshkumar Pratapsinh Parmar		Independent Director	
Gaurav Kharbanda		Independent Director	
Jabir Mahendi Aga		Chief Financial Officer	
Rajesh Kantilal Parmar		Company Secretary	
<b>Other</b>			
Ruhifatema Naqvi		Relative of CFO	
<b>Subsidiary Company</b>			
Gensun Renewables Private Limited			
Gensol Electric Vehicles Private Limited			
Gensol Utilities Private Limited			
<b>Enterprises over which Key Managerial Personnel are able to exercise significant influence / control with whom transactions have been taken place</b>			
Blu-Smart Charge Private Limited			
Blu-Smart Fleet Private Limited			
Blu-Smart Mobility Private Limited			
Blu-Smart Mobility Tech Private Limited			
Gensol Consultants Private Limited			
Matrix Gas and Renewables Pvt Ltd (Formerly Known as Gensol Renewables Pvt. Ltd.)			
Gensol Ventures Private Limited			
Gosolar Venture Private limited			
Param Care Private Limited			
Param Renewables Energy Private Limited			
Prescinto Technologies Private Limited			
Vert Smart Ventures Private Limited			
Param Seva Foundation			
Capbridge Ventures LLP			

# STATUTORY REPORTS

GENSOL ENGINEERING LIMITED											GENSOL
Notes to Standalone Financial Statements for the year ended March 31, 2023											
(B) Transactions with related parties:											(Amt. in Lakhs)
Nature of transactions	Salary	Sale of Goods / Services	CSR Expenditure	Purchase of Goods / Services	Rent Income	Interest Income	Interest Expenses	Loan & Advance Given	Loan & Advance Received	Deposit	Investment
Anmol Singh Jaggi	-	-	-	-	-	-	-	2 (133)	2 (133)	-	-
Jasminder Kaur	-	-	-	-	-	-	-	(1)	(1)	-	-
Puneet Singh Jaggi	-	-	-	-	-	-	-	91 (75)	103 (75)	-	-
Rajesh Parmar	9 (8)	-	-	-	-	-	-	0 (0)	0 (0)	-	-
Jabir Mahendi Aga	17 (15)	-	-	-	-	-	-	8 (2)	8 (2)	-	-
All Imran Naqvi	33 (28)	-	-	-	-	-	-	-	-	-	-
Ruhifatema Naqvi	17 (14)	-	-	-	-	-	-	-	-	-	-
Gensol Consultants Private Limited	-	1,920 (500)	-	-	-	9 (0)	-	-	-	-	-
Gensol Ventures Private Limited	-	-	-	-	1 (0)	-	3 (1)	-	-	-	-
Gensol Utilities Private Limited	-	-	-	-	11 (36)	68	-	3,211 (460)	2,471 (234)	-	(335)
Matrix Gas and Renewables Pvt Ltd	-	230	-	-	1	91	-	24,084 (683)	23,956 (720)	-	-
Gensol Electric Vehicle Private Limited	-	937	-	10	-	166	-	5,174	480	-	350
Gosolar Venture Private Limited	-	402 (750)	-	-	0	15	-	-	-	-	-
Gensun Renewables Private Limited	-	-	-	-	1 (12)	35	-	100 (199)	7 (128)	-	-
Blu-Smart Fleet Private Limited	-	1,854 (1,007)	-	-	-	5	-	-	-	1,710	-
Blu-Smart Mobility Private Limited	-	1,870 (133)	-	20	2 (1)	-	-	-	-	11,200 (1,932)	-
Blu-Smart Mobility Tech Private Limited	-	-	-	-	0	-	0	-	-	-	-
Param Renewable Energy Private Limited	-	24	-	73 (73)	11 (11)	-	-	-	-	-	-
Prescinto Technologies Private Limited	-	-	-	-	1 (0)	-	-	-	-	-	-
Param Seva Foundation	-	-	13	-	-	-	-	-	-	-	-
Capbridge Ventures LLP	-	-	-	-	1 (0)	-	-	-	-	-	-

Figures in brackets indicates figures of previous year.

# STATUTORY REPORTS

GENSOL ENGINEERING LIMITED										GENSOL
Notes to Standalone Financial Statements for the year ended March 31, 2023										
(C) Closing Balance with related parties:										(Amt. in Lakhs)
Particular	Salary Payable	Loans & Advances Received	Loans & Advances Given	Debtors	Advance From Customer	Other Receivables	Other Payables	Advance to Creditors	Deposit	Investment
Puneet Singh Jaggi	-	12	-	-	-	-	-	-	-	-
Rajesh Parmar	2	-	-	-	-	-	-	-	-	-
Jabir Mahendi Aga	(2)	-	-	-	-	-	-	-	-	-
Ali Imran Naqvi	1	-	-	-	-	-	-	-	-	-
Ruhifatema Naqvi	-	-	4	-	-	-	-	-	-	-
	(0)	-	(0)	-	-	-	-	-	-	-
Ruhifatema Naqvi	(1)	-	0	-	-	-	-	-	-	-
Gensol Consultants Private Limited	-	-	-	-	(443)	-	10	-	-	-
Gensol Ventures Private Limited	-	-	-	-	1	(84)	-	-	-	-
Gensol Utilities Private Limited	-	-	1,233	-	-	-	-	-	-	380
	-	-	(433)	-	-	-	-	-	(7)	(380)
Prescinto Technologies Private Limited	-	-	0	-	-	-	-	-	-	-
Gensun Renewables Private Limited	-	-	370	-	-	-	-	-	-	1
	-	-	(277)	-	-	-	-	-	-	(1)
Matrix Gas and Renewables Pvt Ltd	-	-	-	-	-	91	-	-	-	-
	-	-	-	-	-	-	(37)	-	-	-
Gosolar Ventures Private Limited	-	-	-	(3)	-	-	1	-	-	-
Blu-Smart Mobility Private Limited	-	-	44	-	-	-	-	-	12,355	-
	-	-	-	(3)	-	-	-	-	(1,932)	-
Blu-Smart Mobility Tech Private Limited	-	-	-	0	-	-	11	-	-	-
	-	-	-	-	-	-	-	-	-	-
Gensol Electric Vehicle Private Limited	-	-	4,695	-	-	-	-	-	-	-
Blu-Smart Fleet Private Limited	-	-	-	61	-	3	-	-	2,513	-
	-	-	-	-	(2)	-	-	-	(802)	-

Figures in brackets indicates figures of previous year.

# STATUTORY REPORTS

## GENSOL ENGINEERING LIMITED

Notes to Standalone Financial Statements for the year ended March 31, 2023



### 40 Segment Reporting

The Operating Segment is the level at which discrete financial information is available. Business segments are identified considering:

- (a) the nature of products and services
- (b) the differing risks and returns
- (c) the internal organisation and management structure, and
- (d) the internal financial reporting systems.

Revenue and expenses directly attributable to segments are reported under each reportable segment. Exceptional items and other expenses which are not attributable or allocable to segments are disclosed separately. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable assets and liabilities.

#### Business Segments

The Group has determined following reporting segments based on the information reviewed by the management.

- (a) EPC includes Engineering , advisory & EPC of Solar Power Projects.
- (b) Lease includes leasing of cars.

Management is responsible for allocating resources and assessing performance of the operating segments.

Segment revenue relating to each of the above domestic business segments includes Income from Services provided to group companies, where applicable. Segment results relate to profit from continuing operations before other income, finance costs, exceptional items and tax.

(Amt. in Lakhs)

Particular	EPC		Lease		Total	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
<b>Revenue</b>						
External Sales	32,959	14,342	3,609	1,009	36,569	15,351
Inter - Segment Sales	-	-	-	-	-	-
<b>Total Revenue</b>	<b>32,959</b>	<b>14,342</b>	<b>3,609</b>	<b>1,009</b>	<b>36,569</b>	<b>15,351</b>
<b>Result</b>						
<b>Segment result</b>	<b>5,073</b>	<b>1,523</b>	<b>(776)</b>	<b>265</b>	<b>4,297</b>	<b>1,788</b>
Unallocated corporate expenses					1,177	394
Unallocate Depreciation					50	42
Unallocated Other Income					21	16
<b>Operating profit</b>					<b>3,091</b>	<b>1,368</b>
Interest expenses					48	17
Interest income					556	81
Income taxes					934	330
<b>Net profit</b>					<b>2,664</b>	<b>1,102</b>
<b>Other information</b>						
<b>Segment assets</b>	<b>12,837</b>	<b>11,014</b>	<b>38,079</b>	<b>5,977</b>	<b>50,916</b>	<b>16,991</b>
Unallocated assets					44,654	3,005
<b>Total assets</b>					<b>95,569</b>	<b>19,996</b>
<b>Segment liabilities</b>	<b>8,125</b>	<b>5,825</b>	<b>53,268</b>	<b>8,496</b>	<b>61,392</b>	<b>14,321</b>
Unallocated Liabilities					10,934	1,096
<b>Total Liabilities</b>					<b>72,326</b>	<b>15,417</b>

# STATUTORY REPORTS

**GENSOL ENGINEERING LIMITED**
**Notes to Standalone Financial Statements for the year ended March 31, 2023**

**41 Ratios**

Ratio	As At		Variance
	March 31, 2023	March 31, 2022	
(a) Current Ratio,	3.24	1.94	131%
(b) Debt-Equity Ratio,	2.53	1.71	81%
(c) Debt Service Coverage Ratio,	3.43	4.69	-126%
(d) Return on Equity Ratio,	0.13	0.24	-11%
(e) Inventory turnover ratio,	7.81	3.36	445%
(f) Trade Receivables turnover ratio,	7.47	6.90	57%
(g) Trade payables turnover ratio,	12.35	13.30	-95%
(h) Net capital turnover ratio,	1.78	3.35	-158%
(i) Net profit ratio,	0.07	0.07	0%
(j) Return on Capital employed,	0.07	0.12	-5%
(k) Return on investment	NA	NA	NA

**Reason for Variation more than 25%**

(a) Current Ratio,	Due to increase in current assets as compared to previous year
(b) Debt-Equity Ratio,	Due to increase in debt as compared to previous year
(c) Debt Service Coverage Ratio,	Due to increased repayment of debt as compared to previous year
(e) Inventory turnover ratio,	Due to increase in cost of goods sold as compared to previous year
(f) Trade Receivables turnover ratio,	Due to increase in revenue from operation as compared to previous year
(g) Trade payables turnover ratio,	Due to increase in cost of goods sold as compared to previous year
(h) Net capital turnover ratio,	Due to increase in shareholders equity as compared to previous year

**Disclosure for Numerators and Denominators used:**

S.No	Ratio	Formula
(a)	Current ratio	Current Assets ÷ Current Liabilities
(b)	Debt-equity ratio	Borrowing ÷ Total Equity
(c)	Debt service coverage ratio	EBITDA ÷ [Finance Cost + Principal Repayments made during the period for non-current borrowings (including current Maturities)]
(d)	Return on equity ratio	Net Earnings / Shareholders' Equity
(e)	Inventory turnover ratio	Cost of goods sold ÷ Average Inventories
(f)	Trade receivable turnover ratio	Revenue from operations ÷ Average Trade Receivables
(g)	Trade payable turnover ratio	Cost of Purchase ÷ Average accounts payable
(h)	Net capital turnover ratio	Total Sales ÷ Total Equity
(i)	Net profit ratio	Net Profit after Tax ÷ Revenue from operations
(j)	Return on capital employed	EBITDA ÷ Capital employed i.e. Shareholders equity plus non current liabilities
(k)	Return on investment	Net return on Investment ÷ Cost of Investment

**42 Value of imported and indigenous materials**

(Amt. in Lakhs)

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Value	% of Total Material	Value	% of Total Material
Imported	632	3%	6034	41%
Indigenous	18185	97%	8862	59%

# STATUTORY REPORTS

GENSOL ENGINEERING LIMITED		GENSOL	
Notes to Standalone Financial Statements for the year ended March 31, 2023			
<b>43 Expenditure in Foreign Currency</b>		(Amt. in Lakhs)	
<b>Particulars</b>	<b>For the year ended March 31, 2023</b>	<b>For the year ended March 31, 2022</b>	
Import of Material and other Expenses	632	6,034	
<b>Total</b>	<b>632</b>	<b>6,034</b>	
<b>44 Earnings in foreign exchange :</b>			
<b>Particulars</b>	<b>For the year ended March 31, 2023</b>	<b>For the year ended March 31, 2022</b>	
Sale of Services	12	184	
<b>Total</b>	<b>12</b>	<b>184</b>	
<b>45</b>	Unhedged Foreign currency exposures hedged by derivative instruments is Nil. ( As at 31, March, 2022 - Nil)		
<b>46</b>	In accordance with the provisions of accounting standard on impairment of assets, (AS-28), the management has made assessment of loans, advances and other assets in use & considering the business prospects related thereto, no provision is considered necessary in these accounts on account of impairment of assets.		
<b>47</b>	The Company has made assessment of impact of COVID 19 related lockdown on carrying value of fixed assets, receivable and cash flow as at the balance sheet date and has concluded that there is no material adjustments required in these financial statement. The Company will continue to monitor any material changes to future economic conditions.		
<b>48</b>	In the opinion of the Board and to the best of their knowledge and belief, the value on realization of loans, advances and current assets in the ordinary course of business will not be less than the amount at which they are stated in the Balance Sheet.		
<b>49</b>	Company do not have any outstanding or any investment with companies struck off under section 248 of the companies Act, 2013 or section 560 of Companies Act, 1956.		
<b>50</b>	Company has provided for CSR expenditure during the year as per section 135 of the Companies act, 2013 are as below.		
		(Amt. in Lakhs)	
Amount required to be spent by the company		11	
Amount of expenditure incurred		13	
Shortfall at the end of year		-	
Total previous year shortfall		-	
Reason of shortfall		-	
Nature of CSR activities		Donation made to Param Seva Foundation	
Details of related party transaction		13	
Details of movements in provision during the year		-	
<b>51</b>	Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read Companies (Restriction on number of layers) Rules 2017.		
<b>52</b>	In the opinion of the Board and to the best of their knowledge and belief, the value on realization of loans, advances and current assets in the ordinary course of business will not be less than the amount at which they are stated in the Balance Sheet.		
<b>53 Utilisation of Borrowed funds and Share Premium :</b>			
	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 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 ultimate beneficiaries.		
	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 parties ("ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate beneficiaries.		

# STATUTORY REPORTS

## GENSOL ENGINEERING LIMITED

Notes to Standalone Financial Statements for the year ended March 31, 2023



### 54 Employee Benefit Plans

#### (A) Defined Benefit Plan

(i) Actuarial gains and losses in respect of defined benefit plans are recognised in the Profit and Loss Account.

(ii) The Defined Benefit Plan comprises of Gratuity

a) Gratuity is a benefit to an employee based on 15 days last drawn basic salary including dearness allowance (if any) for each completed year of continuous service with part thereof in excess of six months. The plan is unfunded. The Company operates a defined benefit plan (the Gratuity plan) covering eligible employees, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The details of gratuity as required under AS-15 (revised):

Particulars	For the year ended March 31, 2023	(Amt. in Lakhs) For the year ended March 31, 2022
<b>i. Reconciliation of Opening and Closing Balances of defined benefit obligation</b>		
Liability at the beginning of the year	69	66
Current Service Cost	23	18
Interest Cost	5	4
Past Service Cost	-	-
Liability Transferred in	-	-
Liability Transferred out	-	-
Benefit paid	(11)	(18)
Net Actuarial losses (gain) Recognised	(8)	(3)
Liability at the end of the year	77	69
<b>ii. Reconciliation of Opening and Closing Balances of the Fair value of Plan assets</b>		
Plan assets at the beginning of the year, at Fair value	-	-
Expected return on plan assets	-	-
Contributions	-	-
Benefit paid	-	-
Actuarial gain/(loss) on plan assets	-	-
Transfer to other Company	-	-
Plan assets at the end of the year, at Fair Value	-	-
<b>iii. Reconciliation of the Present value of defined benefit obligation and Fair value of plan assets</b>		
Obligations at the end of the year	77	69
Plan assets at the end of the year, at Fair value	-	-
Asset / (Liability) recognized in balance sheet as at the end of the year	(77)	(69)
<b>iv. Gratuity Cost for the year</b>		
Current service cost	23	18
Interest cost	5	4
Expected return on plan assets	-	-
Actuarial Gain or (Loss)	(8)	(3)
Recognised Past Service Cost-Vested	-	-
Recognised Past Service Cost-Unvested	-	-
Net Gratuity cost	19	20
<b>v. Actuarial Assumptions</b>		
Discount Rate (per annum)	7.45%	6.95%
Expected rate of return on plan assets	NA	NA
Annual Increase in Salary Cost	8.00% p.a.	8.00% p.a.
Withdrawal Rates	20% at younger ages reducing to 0.50% at older	
Mortality	Indian Assured Lives Mortality (2012-14) Table	
Retirement Age	60 Years	
Actuarial Valuation Method	Project Unit Credit Method	

# STATUTORY REPORTS

**GENSOL ENGINEERING LIMITED**
**Notes to Standalone Financial Statements for the year ended March 31, 2023**

**Notes**

- 1 (a) The discount rate is based on the benchmark yields available on Government Bonds as at the Balance Sheet date.  
 (b) The Management's estimate of the increases in the salaries of the employees over the long term. Estimated future salary increases should take account of inflation, seniority, promotion and other relevant factors such as supply and demand in employment market.

**2 Defined Contribution Plan**

Contribution to Defined Contribution plans, recognised as Expense, for the year is as under : (Amt. in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Employer's Contribution to Provident Fund	47	29
	<b>47</b>	<b>29</b>

**3 Experience Adjustments**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Defined Benefit Obligation	77	69
Plan Assets	-	-
Surplus/(Deficit)	(77)	(69)
Experience adjustments on plan liabilities	(6)	(2)
Actuarial loss/(gain) due to change in financial assumptions	(2)	(3)
Actuarial loss/(gain) due to change in demographic assumption	-	(0)
Experience adjustments on plan assets	-	-
<b>Net actuarial loss/ (gain) for the year</b>	<b>(8)</b>	<b>(5)</b>

55 Previous period figures have been regrouped / reclassified wherever necessary to confirm to current year classification / disclosure.

See accompanying explanatory notes forming part of the financial statements

In terms of our report attached

**For K. C. Parikh & Associates**

Chartered Accountants

Firm Regn. No. 107550W

For and on behalf of the Board of Directors

Gensol Engineering Limited

L74210GJ2012PLC129176

**CA. Chintan M. Doshi**

Partner

Membership No. 118298

**Puneet Singh Jaggi**

Wholetime Director

DIN-02479868

**Anmol Singh Jaggi**

Managing Director

DIN-01293305

Place : Ahmedabad

Date : May 29, 2023

**Rajesh Parmar**

Company Secretary

**Jabir Mahendi Aga**

Chief Financial Officer

# STATUTORY REPORTS

## 5. AUDITOR'S REPORT (Consolidated FY 2022-23)

### INDEPENDENT AUDITOR'S REPORT

#### To The Members of GENSOL ENGINEERING LIMITED

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

##### Opinion

We have audited the accompanying consolidated financial statements of Gensol Engineering Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") the consolidated Balance Sheet as at March 31, 2023, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year.

##### Basis for Opinion

We conducted our audit of the Consolidated financial statements in accordance with the Standards on Auditing specified (SAs) under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules made there under, 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

##### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

# STATUTORY REPORTS

Key audit matters	How our audit addressed the key audit matter
<p><b><u>Revenue Recognition:</u></b></p> <p>There are significant accounting judgements including estimation of costs to complete, determining the stage of completion and the timing of revenue recognition.</p> <p>The company recognises revenue and profit/loss on the basis of stage of completion based on the proportion of contract costs incurred at balance sheet date.</p>	<p><b><u>Refer Note – I of Accounting Policy:</u></b></p> <p>Our procedures included :</p> <ul style="list-style-type: none"> <li>- Testing of the design and implementation of controls involved for the determination of the estimates used as well as their operating effectiveness;</li> <li>- We selected a sample of contracts to test, using a risk based criteria which included individual contracts with: <ul style="list-style-type: none"> <li>- significant revenue recognised during the year or</li> <li>- significant accrued value of work done balances held at the year-end</li> </ul> </li> <li>- Obtained an understanding of management's process for reviewing long term contracts, the risk associated with the contract and any key judgments;</li> </ul>

## Other Matters

- a) We did not audit the financial statements of subsidiary company included in the consolidated financial statements whose financial statements reflect total assets and total revenue as mentioned below for the year ended on that date, as considered in the annual report of 2022-23:

Particulars	(Amount in Lakhs)	
	Total Assets	Total Revenues
<b>Gensun Renewables Private Limited</b>	980	162
<b>Gensol Utilities Private Limited (formerly known as Solarig Gensol Utilities Pvt Ltd )</b>	4117	2535
<b>Gensol Electric Vehicles Private Limited</b>	5573	8

This subsidiary company has been audited by other auditor whose report has been furnished to us, and our opinion in so far as it relates to the amounts is based solely on the report of the other auditor.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the Directors' Report including Annexures to the Directors' Report but does not include the consolidated financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially

# STATUTORY REPORTS

inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the other Information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

## **Management's Responsibility for the Consolidated Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated 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.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the consolidated 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 Consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the Consolidated 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

# STATUTORY REPORTS

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 Consolidated 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure A" a statement on the matters specified in paragraph 3(xxi) of the Order.
2. As required by Section 143(3) of the Act, based on our audit, 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 relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

# STATUTORY REPORTS

- c) The Consolidated Balance Sheet, the Consolidated Ind AS Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;
- a) In our opinion, the aforesaid Consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with rule 7 of the Companies (accounts) Rules, 2014.
- b) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
- c) 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- d) 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, we report that:
- According to the records of the Company examined by us and the information and explanation given to us, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- e) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were 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, the Standalone Financial Statements, no funds (which are material either individually or in the aggregate) 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 person or entity, including foreign entity ("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;

## STATUTORY REPORTS

b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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;

c) Based on the audit procedures that have been 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) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. The Company has not declared or paid any dividend during the year in contravention of the provision of Section 123 of the Companies Act, 2013.

**For, K C Parikh & Associates**  
Chartered Accountants  
Firm's Reg. No. 107550W

Date : May 29, 2023  
Place : Ahmedabad

**CA. Chintan M. Doshi**  
Partner  
M.No. : 118298  
UDIN: 23118298BGXOIC9587

# STATUTORY REPORTS

## Annexure – A to Independent Auditor's Report on Consolidated Financial Statements

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of GENSOL ENGINEERING LIMITED of even date)

In terms of the information and explanations sought by us and given by the Holding Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief and based on the consideration of report of respective auditors of the subsidiary companies, associates and joint ventures incorporated in India, we state that:

(xxi) There are no qualifications or adverse remarks by the respective auditors in their report on Companies (Auditors Report) Order, 2020 of the subsidiary companies as mentioned below, included in the consolidated financial statements.

Name of Company	CIN	Nature of Relationship
Gensun Renewables Private Limited	U74999GJ2018PTC100798	Subsidiary
Gensol Utilities Private Limited (Formerly known as Solaring Gensol Utilities Pvt Ltd)	U74120GJ2015FTC082558	Subsidiary
Gensol Electric Vehicles Private Limited	U34100PN2022PTC212856	Subsidiary

**For, K C Parikh & Associates**  
Chartered Accountants  
Firm's Reg. No. 107550W

Date : May 29, 2023  
Place : Ahmedabad

**CA. Chintan M. Doshi**  
Partner  
M.No. : 118298  
UDIN: 23118298BGXOIC9587

# STATUTORY REPORTS

## **Annexure – B to Independent Auditor's Report on Consolidated Financial Statements**

(Referred to in paragraph 2(c) under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of GENSOL ENGINEERING LIMITED of even date)

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

We have audited the internal financial controls over financial reporting of GENSOL ENGINEERING LIMITED ('the Company'), as of 31st March 2023 in conjunction with our audit of the Consolidated Financial Statements of the Company for the period ended and as 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 Standards on Auditing prescribed under Section 143(10) of the Act and the Guidance Note, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with the 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 auditors' judgment, including the assessment of the risks of material misstatement of the Consolidated 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 Consolidated Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those

# STATUTORY REPORTS

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 Consolidated 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 Consolidated 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 controls 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 and to the best of our information and according to the explanations given to us, the Company has, in all material respects, adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at September 30, 2018, 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.

**For, K C Parikh & Associates**  
Chartered Accountants  
Firm's Reg. No. 107550W

Date : May 29, 2023  
Place : Ahmedabad

**CA. Chintan M. Doshi**  
Partner  
M.No.: 118298  
UDIN: 23118298BGXOIC9587

# STATUTORY REPORTS

## 6. FINANCIAL STATEMENTS (Consolidated FY 2022-23)

GENSOL ENGINEERING LIMITED			
Consolidated Balance Sheet as at March 31, 2023			
Particulars	Note	As At	As At
		March 31, 2023 (Amt. in Lakhs)	March 31, 2022 (Amt. in Lakhs)
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders Funds</b>			
Share Capital	3	1,222	1,094
Reserves & Surplus	4	19,717	3,551
		<b>20,939</b>	<b>4,645</b>
Minority Interest		58	4
<b>Non Current Liabilities</b>			
Long Term Borrowings	5	44,740	3,934
Deferred Tax Liabilities (Net)	6	1,200	232
Other Long Term Liabilities	7	15,645	4,485
Long Term Provisions	8	71	57
<b>Total Non Current Liabilities</b>		<b>61,655</b>	<b>8,706</b>
<b>Current Liabilities</b>			
Short Term Borrowings	9	7,601	4,305
Trade Payables			
(i) Total outstanding dues of micro enterprises and small enterprises	10	260	486
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		3,078	781
Other Current Liabilities	11	5,781	1,771
Short Term Provisions	12	14	63
<b>Total Current Liabilities</b>		<b>16,734</b>	<b>7,407</b>
<b>Total Equity and Liabilities</b>		<b>99,387</b>	<b>20,762</b>
<b>ASSETS</b>			
<b>Non Current Assets</b>			
<b>Property, Plant And Equipments and Intangible Assets</b>			
Goodwill on Consolidation		364	-
Property, Plant and Equipments	13	21,523	5,534
Intangible Assets	14	11	3
Capital Work-In-Progress	15	3,555	-
Intangible assets under development	16	404	-
Non-current Investments	17	665	-
Long Term Loans & Advances	18	13,732	81
Other Non-Current Assets	19	11,287	855
<b>Total Non Current Assets</b>		<b>51,542</b>	<b>6,473</b>
<b>Current Assets</b>			
Inventories	20	1,032	6,026
Trade Receivables	21	7,314	3,524
Cash and Cash Equivalents	22	28,581	1,103
Short Term Loans & Advances	23	2,310	519
Other Current Assets	24	8,607	3,116
<b>Total Current Assets</b>		<b>47,845</b>	<b>14,288</b>
<b>Total Assets</b>		<b>99,387</b>	<b>20,762</b>

See accompanying explanatory notes forming part of the financial statements  
In terms of our report attached  
**For K. C. Parikh & Associates**  
Chartered Accountants  
Firm Regn. No. 107550W

For and on behalf of the Board of Directors  
**GENSOL ENGINEERING LIMITED**  
U74210CH2012PLC034105

**CA. Chintan M. Doshi**  
Partner  
Membership No. 118298  
Place : Ahmedabad  
Date : May 29, 2023

**Puneet Singh Jaggi**  
Whole-time Director  
DIN-02479868

**Anmol Singh Jaggi**  
Managing Director  
DIN-01293305

**Rajesh Parmar**  
Company Secretary

**Jabir Mahendi Aga**  
Chief Financial Officer

# STATUTORY REPORTS

## GENSOL ENGINEERING LIMITED



### Consolidated Statement of Profit and Loss for the year ended March 31, 2023

Particulars	Note	For the year ended	For the year ended
		March 31, 2023	March 31, 2022
		(Amt. in Lakhs)	(Amt. in Lakhs)
<b>Income</b>			
Revenue From Operations*	25	39,265	16,041
Other Income	26	469	198
<b>Total Income</b>		<b>39,735</b>	<b>16,240</b>
<b>Expenses</b>			
Cost of Material Consumed / Cost of Service	27	4,033	2,252
Purchase of Stock-in-Trade	28	22,079	13,548
Changes in Inventories of Finished Goods, Stock-in -Trade and Work in-Progress	29	3,646	(3,597)
Employee Benefit Expenses	30	1,437	1,148
Finance Costs	31	1,584	534
Depreciation And Amortisation Expenses	32	1,135	131
Other Expenses	33	2,358	787
<b>Total Expenses</b>		<b>36,273</b>	<b>14,803</b>
<b>Profit Before Tax</b>		<b>3,462</b>	<b>1,437</b>
<b>Tax Expense :</b>			
(i) Current Tax		3	109
(ii) Tax Adjustment of Earlier Years		12	(24)
(iii) Deferred Tax		968	240
<b>Total Tax Expenses</b>		<b>983</b>	<b>325</b>
<b>Profit After Tax Before Minority Interest</b>		<b>2,479</b>	<b>1,112</b>
Minority Interest in Post Acquisition Profit		(12)	3
<b>Profit for the Year</b>		<b>2,491</b>	<b>1,109</b>
<b>Earning Per Equity Share(Face Value of Rs. 10/- Each)</b>	34		
Basic (Rs.)		21.50	10.14
Diluted (Rs.)		21.50	10.14

See accompanying explanatory notes forming part of the financial statements in terms of our report attached

For K. C. Parikh & Associates

**Chartered Accountants**

Firm Regn. No. 107550W

For and on behalf of the Board of Directors

**GENSOL ENGINEERING LIMITED**

U74210CH2012PLC034105

**CA. Chintan M. Doshi**

Partner

Membership No. 118298

Place : Ahmedabad

Date : May 29, 2023

**Puneet Singh Jaggi**

Whole-time Director

DIN-02479868

**Rajesh Parmar**

Company Secretary

**Anmol Singh Jaggi**

Managing Director

DIN-01293305

**Jabir Mahendi Aga**

Chief Financial Officer

# STATUTORY REPORTS

## GENSOL ENGINEERING LIMITED

### Consolidated Cash Flow Statement for the year ended March 31, 2023



Particulars	For the year ended	For the year ended
	March 31, 2023	March 31, 2022
	(Amt. in Lakhs)	(Amt. in Lakhs)
<b>Cash Flow From Operating Activities</b>		
Profit Before Tax	3,462	1,437
Adjustment For:		
Depreciation and Amortisation Expense	1,135	131
Finance Costs	1,584	534
Bad Debts	103	6
Loss on sale of assets	32	-
minority interest	12	(3)
Interest Income	(288)	(60)
<b>Operating Profit Before Working Capital Changes</b>	<b>6,040</b>	<b>2,045</b>
<b>Changes in Working Capital</b>		
Trade Receivables	(3,892)	(1,751)
Other Current Assets	(5,491)	(2,474)
Inventories	4,994	(4,945)
Short Term Loans and Advances	(1,791)	1,113
Trade Payables	2,071	609
Other Current Liabilities	4,341	528
Provisions	(35)	(17)
<b>Cash Generated From/(Used in) Operations</b>	<b>6,237</b>	<b>(4,891)</b>
Direct Tax Paid	(335)	(124)
Tax Adjustment of Earlier Years	(12)	24
Income Tax Refund	-	130
<b>Net Cash Generated/(Used in) From Operations</b>	<b>5,890</b>	<b>(4,862)</b>
Capital Reserve on Account of Consolidation	-	81
Profit on Discontinue of Joint Venture	-	(182)
<b>Cash Flow From/(Used in) Extraordinary Activities</b>	<b>-</b>	<b>(101)</b>
<b>Net Cash Flow From/(Used in) Operating Activities (A)</b>	<b>5,890</b>	<b>(4,963)</b>
<b>Cash Flow From Investing Activities:</b>		
Purchase of Property, Plant And Equipment	(21,293)	(5,013)
Fixed Deposit with maturity more than 3 Months	(15,674)	(282)
Advance for Purchase of Property, Plant And Equipment	(13,651)	(81)
Non Current Investment	(665)	-
Other Non Current Assets	(10,432)	(684)
Interest Income	288	60
<b>Net Cash Flow From/(Used In) Investing Activities (B)</b>	<b>(61,428)</b>	<b>(6,000)</b>
<b>Cash Flow From Financing Activities:</b>		
Proceeds From Equity Share	13,664	-
Proceeds From Long Term Borrowings	42,055	3,691
Repayment of Long Term Borrowings	(1,249)	(103)
Other Long term Liabilities	11,160	4,248
Proceeds From Short Term Borrowings (Net)	3,297	3,599
Interest & Finance Charges	(1,584)	(534)
<b>Net Cash Flow From/(Used In) Financing Activities (C)</b>	<b>67,342</b>	<b>10,901</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>11,804</b>	<b>(62)</b>
Cash & Cash Equivalents as at Beginning of the Year	731	793
<b>Cash &amp; Cash Equivalents as at End of the Year</b>	<b>12,535</b>	<b>731</b>

# STATUTORY REPORTS

GENSOL ENGINEERING LIMITED

Consolidated Cash Flow Statement for the year ended March 31, 2023



**Notes :**

- The above cash flow statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statements specified under Section 133 of the Companies Act, 2013.

- Cash and bank balances at the end of the year comprises:**

Particulars	As At	As At
	March 31, 2023	March 31, 2022
Cash on Hand	77	11
Balances with Banks		
(i) In Current Accounts	2,045	596
(ii) In Overdraft Accounts	8,146	105
(iii) In Fixed Deposit With Maturity Less Than 3 Months	2,268	18
(iv) Other Cash & Cash Equivalents	-	2
<b>Cash &amp; Bank Balance as per Cash Flow Statement</b>	<b>12,535</b>	<b>731</b>
(i) In Fixed Deposit With Maturity More Than 3 Months	16,046	372
<b>Cash &amp; Bank Balance as per Balance Sheet</b>	<b>28,581</b>	<b>1,103</b>

See accompanying explanatory notes forming part of the financial statements

In terms of our report attached

**For K. C. Parikh & Associates**

Chartered Accountants

Firm Regn. No. 107550W

For and on behalf of the Board of Directors

**GENSOL ENGINEERING LIMITED**

U74210CH2012PLC034105

**CA. Chintan M. Doshi**

Partner

Membership No. 118298

Place : Ahmedabad

Date : May 29, 2023

**Puneet Singh Jaggi**

Whole-time Director

DIN-02479868

**Rajesh Parmar**

Company Secretary

**Anmol Singh Jaggi**

Managing Director

DIN-01293305

**Jabir Mahendi Aga**

Chief Financial Officer

# STATUTORY REPORTS

## GENSOL ENGINEERING LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2023



### 1 Corporate information

Gensol Engineering Limited ("the company") was originally incorporated in name of Gensol Engineering Private Limited in 2012 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Punjab & Chandigarh. Subsequently, the Company was converted into a Public Limited Company and the name of the Company was changed from "Gensol Engineering Private Limited" to "Gensol Engineering Limited" vide a fresh Certificate of Incorporation dated February 26, 2019 issued by the Registrar of Companies, Chandigarh. Further the company has changed its registered office from Chandigarh to Gujarat with Registrar of Companies, Gujarat vide a fresh Certificate of Incorporation dated January 31, 2022. The company is engaged in the business of Solar Consulting & EPC. The Company was incorporated on 25th September, 2012. The Company is also holding company of three subsidiaries namely Gensol Utilities Private Limited (formerly known as Solarig Gensol Utilities Private Limited) w.e.f September 15, 2021 with effective ownership of 100%, which is engaged in the business of Operation and Maintenance of solar projects, Gensun Renewables Private Limited with effective ownership of 51%, which is engaged in business of Solar power generation and distribution and Gensol Electric Vehicle Private Limited w.e.f January 6, 2023 with effective ownership of 58.92%, which is engaged in the business of manufacture of electric vehicles.

### 2 Summary of significant accounting policies

#### a. Basis of preparation of financial statements & use of estimates

The Financial Statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these Financial Statements to comply in all material respects with the accounting standards notified under Section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014.

The Financial Statements have been prepared on an accrual basis under the historical cost convention. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

The preparation of the financial statements in conformity with Indian GAAP requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the years in which the results are known / materialize.

#### b. Principles of consolidation:

The consolidated financial statements include the financial statements of GENSOL ENGINEERING LIMITED ('the Company'), its subsidiaries and joint ventures as described in Note No. 26 (collectively referred to as 'the Group'). The consolidated financial statements have been prepared on the basis of Accounting Standard 21, 'Consolidated Financial Statements', and Accounting Standard (AS) 27 'Financial reporting of Interests in Joint Ventures' issued by the Institute of Chartered Accountants of India. The consolidated financial statements have been prepared on the following basis:

(i) The financial statements of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the book value of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses in accordance with Accounting Standard-21 - "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India.

(ii) The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognised in the financial statements as Goodwill or Capital Reserve as the case may be.

(iii) Minority Interest's share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.

(iv) Minority Interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the company's shareholders.

(v) As far as possible, the Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate Financial Statements, except where it is not practicable to do so.

(vi) Intragroup balances and intragroup transactions are eliminated to the extent of share of the parent company in full.

(vii) Unrealised profits on account of intra group transactions have been accounted for depending upon whether the transaction is an upstream or a downstream transaction.

(viii) Interests in Joint Ventures have been accounted by using the proportionate consolidation method as per Accounting Standard 27 - "Financial Reporting of Interests in Joint Ventures".

# STATUTORY REPORTS

## GENSOL ENGINEERING LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2023



### c. Current & non-current classification

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle as 12 months and other criteria set out in Revised Schedule III to the Companies Act, 2013. Based on the nature of activities and time between the activities performed and their subsequent realisation in cash or cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

### d. Cash and cash equivalents

Cash comprises cash on hand and demand deposit with banks. Cash equivalents are short-term balances (with an original Maturity of twelve months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

### e. Cash flow statement

The Cash Flow Statement has been prepared in accordance with the indirect method prescribed under Accounting Standard - 3 of the Companies (Accounting Standards) Rules, 2006 (as amended). whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

### f. Property, Plant And Equipments and intangible assets

Property, Plant And Equipments and intangible assets are stated at cost of acquisition or construction less accumulated depreciation / amortisation and impairment losses, if any. The cost comprises of the purchase price and any attributable cost of bringing the assets to its working condition for its intended use.

### g. Capital Work in Progress:

Capital work in progress includes the cost of Property, Plant And Equipments that are not ready to use at the balance sheet date and advances paid to acquire Property, Plant And Equipments before the balance sheet date.

### h. Inventory

Inventories including materials and components are valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less estimated cost of completion and selling expenses.

### i. Investment

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments.

Long-term investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary in the opinion of the management.

Current investments are carried at the lower of cost and fair value, computed category wise.

### j. Depreciation and amortization

i) Depreciation on property, plant and equipments is calculated on straight line method (SLM) using the rates arrived at based on the useful life as specified in Schedule II of the Companies Act, 2013.

ii) During the financial year company has changed method of depreciatoin from written down value (WDV) to straight line method (SLM).

Type of assets	Useful Life (In Years)
Mobile	5
Furniture and fixtures	10
Computer	3
Comptner software	5
Vehicles	8
Server and Network	6
commercial vehicles	6
Electric Vehicles	8
Vehicles other than commercial vehicles	8
Site equipment	10
Solar plant	25
Office equipment	5

ii) Depreciation on assets acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition/ disposal.

# STATUTORY REPORTS

**GENSOL ENGINEERING LIMITED**

**Notes to Consolidated Financial Statements for the year ended March 31, 2023**



**k. Leases**

Assets acquired under lease where the Company has substantially all the risks and rewards incidental to ownership are classified as finance lease. Such assets are capitalised at the inception of the lease at the lower of the fair value or the present value of minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period.

Assets acquired on leases where a significant portion of the risks and rewards incidental to ownership is retained by the lessor are classified as Operating Lease. Lease rentals are charged to the Statement of Profit and Loss on straight line basis. The Company's significant leasing arrangements are in respect of operating leases for premises. The leasing arrangements which are not cancellable range between 11 months and five years generally, and are usually renewable by mutual consent on agreed terms. The aggregate lease rentals payable are charged as rent including lease rentals.

**l. Revenue recognition**

i) Revenue (income) is recognized when no significant uncertainty as to the measurability or collectability exists.

Revenues from services are recognised immediately when the service is provided. Sale of Goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer.

ii) Interest income is accounted for on an accrual basis.

**m. Borrowing costs**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are recognised in the Statement of Profit and Loss in the period they occur.

**n. Impairment of assets**

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Statement of Expenses in the period in which an asset is identified as impaired. The impairment loss, if any, recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

**o. Foreign exchange transactions**

i) Transactions denominated in foreign currencies are normally recorded at the exchange rates prevailing at the time of the transaction.

ii) Monetary items denominated in foreign currencies at the balance sheet date are restated at the rates prevailing on that date. All exchange differences arising on settlement and conversion of foreign currency transaction are included in the Statement of Profit and Loss.

iii) Non monetary foreign currency items are carried at cost.

**p. Employee benefits**

**(i) Short term employee benefits**

Short term employee benefits are recognised as an expense on accrual basis. Short term Project related employee benefits are recognized as an expenses at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

**(ii) Post employee benefits**

**a) Defined Benefit Plan:**

Gratuity being a defined benefit scheme is accrued based on actuarial valuations, carried out by an independent actuary as at the balance sheet date using the projected unit credit method.

Actuarial gain and losses in respect of post employment and other long term benefits are recognised as per actuarial assumptions in the Statement of Profit and Loss in the period in which they arise.

**b) Defined Contribution Plan :**

Provision is made for compensated absence based on actuarial valuation, carried out by an independent actuary as at the balance sheet date.

Company's contribution to Provident Fund, Employees' State Insurance Fund and labour welfare fund which are defined contribution plans determined under the relevant schemes and/or statute are charged to the Statement of Profit and Loss when incurred. There are no other obligations other than the contribution payable to the respective funds.

Termination benefits, if any, are recognized as an expense as and when incurred.

# STATUTORY REPORTS

GENSOL ENGINEERING LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2023



**q. Provisions, contingent liabilities and contingent assets**

Provisions involving substantial degree of estimation in measurements are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

**r. Segment reporting**

In accordance with Accounting Standard 17 "Segment Reporting" as prescribed under Companies (Accounting Standards) Rules, 2006 (as amended), the Company has determined its business segment as Engineering, advisory and EPC of Solar Power Projects. Since, there are no other business segments in which the Company operates; there are no other primary reportable segments. Therefore the segment revenue, segment results, segment assets, segment liabilities, Total cost incurred to acquire segment assets, depreciation charge are all as is reflected in the financial statement.

**s. Related party transactions**

Disclosure of transactions with related parties, as required by Accounting Standard 18 of the Companies (Accounting Standards) Rules, 2006 (as amended). "Related Party Disclosures" has been set out in a separate statement annexed to this note. Related parties as defined under the said Accounting Standard (as amended) have been identified on the basis of representations made by management and information available with the Company.

**t. Earning per share**

The Company reports basic and diluted earnings per share (EPS) in accordance with the Accounting Standard 20 as specified in the Companies (Accounting Standards) Rules, 2006 (as amended). The Basic EPS has been computed by dividing the income available to equity shareholders by the weighted average number of equity shares outstanding during the accounting year. The Diluted EPS has been computed using the weighted average number of equity shares and dilutive potential equity shares outstanding at the end of the year.

**u. Taxes on income**

i) Provision for income tax is made on the basis of estimated taxable income for the year at current rates.

Current Tax represents the amount of Income Tax Payable in respect of the taxable income for the reporting period as determined in accordance with the provisions of the Income Tax Act, 1961.

ii) Deferred tax

Deferred tax charge or credit is recognized using enacted or substantially enacted rates at the Balance Sheet date. Deferred tax assets and liabilities are recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases. In case of unabsorbed depreciation, deferred tax assets are recognized only to the extent there is virtual certainty of realization of such assets. Other deferred tax assets are recognized only to the extent there is reasonable certainty of realization of income in future. Such assets are reviewed as at each balance sheet date to reassess realization.

# STATUTORY REPORTS

## GENSOL ENGINEERING LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2023



### 3 Share Capital

Particulars	As At	As At
	March 31, 2023	March 31, 2022
<b>Authorised share capital</b>		
1,50,00,000 Equity Shares of Rs. 10/- each	1,500	1,250
	<b>1,500</b>	<b>1,250</b>
<b>Issued, subscribed &amp; fully paid up share capital</b>		
1,22,18,916 paid up equity shares of Rs. 10/- each	1,222	1,094
(Previous Year - 1,09,36,923 Paid up Equity Share of Rs. 10/- each)		
<b>Total</b>	<b>1,222</b>	<b>1,094</b>

#### 3.1 Reconciliation of number of shares outstanding at the end of year

Particulars	As At March 31, 2023		As At March 31, 2022	
	Number of shares	Amount	Number of shares	Amount
Equity shares at the beginning of the year	1,09,36,923	1,094	82,02,737	820
Add: Shares allotted during the year *	12,81,993	128	27,34,186	273
<b>Equity shares at the end of the year</b>	<b>1,22,18,916</b>	<b>1,222</b>	<b>1,09,36,923</b>	<b>1,094</b>

#### 3.2 Details of shareholders holding more than 5% of the aggregate shares in the company

Name of shareholder	As At March 31, 2022		As At March 31, 2021	
	No. of shares	Percentage	No. of shares	Percentage
Anmol Singh Jaggi	26,54,922	21.73%	26,52,794	24.26%
Puneet Singh Jaggi	23,30,086	19.07%	23,11,466	21.13%
Gensol Venture Private Limited	29,17,094	23.87%	28,19,649	25.78%
Prakash S Jalan	4,14,304	3.39%	6,59,328	6.03%

3.2 As per records of the company, including its register of shareholder and other declarations received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

#### 3.4 Shareholding of promoters

Promoter name	Shares held by promoters at the end of the year		
	No. of Share	% of Total shares	% Change during the year
Anmol Singh Jaggi	26,54,922	21.73%	0.08%
Puneet Singh Jaggi	23,30,086	19.07%	0.81%

#### 3.3 Terms/rights attached to equity shares

The company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

### 4 Reserves & Surplus

Particulars	As At	As At
	March 31, 2023	March 31, 2022
<b>Surplus in statement of Profit &amp; Loss</b>		
Outstanding at the beginning of the year	2,166	1,239
Add: Profit for the year	2,491	1,109
Adjustment on account of change in method of depreciation	140	-
Less : Adjustment on account of acquisition of subsidiary	-	(182)
<b>Outstanding at the end of the year</b>	<b>4,797</b>	<b>2,166</b>
<b>Securities premium account</b>		
Outstanding at the beginning of the year	1,304	1,577
Add: Addition during the year	13,536	-
Less : For issue of bonus shares	-	(273)
<b>Outstanding at the end of the year</b>	<b>14,839</b>	<b>1,304</b>
<b>Capital reserve on account of consolidation</b>		
Outstanding at the beginning of the year	81	-
Add: Addition during the year	-	81
<b>Outstanding at the end of the year</b>	<b>81</b>	<b>81</b>
<b>Total</b>	<b>19,717</b>	<b>3,551</b>

# STATUTORY REPORTS

**GENSOL ENGINEERING LIMITED**
**Notes to Consolidated Financial Statements for the year ended March 31, 2023**

**5 Long Term Borrowings**

Particulars	As At	As At
	March 31, 2023	March 31, 2022
<b>Term loans from bank</b>		
Secured	3,170	194
<b>Term loans from others</b>		
Secured	38,632	3,740
<b>Debentures</b>	2,937	
<b>Total</b>	<b>44,740</b>	<b>3,934</b>

Note : Company is not declared wilful defaulter by any bank or financial institutions or other lenders.

**Notes**

(Amt. in Lakhs)

S.No	Particular	As At
		March 31, 2023
(i)	<b>Secured - Term loan from Bank</b>	(Including Current Maturity)
(a)	<b>HDFC Bank Limited</b> Rupee term loan of Rs.2,22,06,220 carries interest @ 7.75% p.a. The Loan is repayable in 48 equally monthly instalment starting form 5th Mar'22 of Rs. 5,39,520 each. The above loan is secured against hypothecation of 10 EV cars.	169
(b)	<b>HDFC Bank Limited</b> Rupee term loan of Rs.16,24,076/- carries interest @ 7.75% p.a. The Loan is repayable in 48 equally monthly instalment starting form 5th Mar'22 of Rs. 39,458/- each. The above loan is secured against hypothecation of car.	12
(c)	<b>Axis Bank Limited</b> Rupee term loan of Rs.18,00,000/- carries interest @ 7.60% p.a. The Loan is repayable in 60 equally monthly instalment starting form 1st Sep'21 of Rs. 36,154/- each. The above loan is secured against hypothecation of car.	13
(d)	<b>HDFC Bank Limited</b> Rupee term loan of Rs.1,50,15,910/- carries interest @ 7.85% p.a. The Loan is repayable in 48 equally monthly instalment starting form 5th May'22 of Rs. 3,65,525/- each. The above loan is secured against hypothecation of 5 cars.	120
(e)	<b>ICICI Bank Limited</b> Rupee term loan of Rs.24,91,380/- carries interest @ 9.5% p.a. The Loan is repayable in 48 equally monthly instalment starting form 15th Aug'22 of Rs. 62,480/- each. The above loan is secured against hypothecation of 10 three wheeler.	21
(f)	<b>ICICI Bank Limited</b> Rupee term loan of Rs.27,90,000/- carries interest @ 9.1% p.a. The Loan is repayable in 60 equally monthly instalment starting form 5th Mar'23 of Rs. 58,780/- each. The above loan is secured against hypothecation of car.	28
(g)	<b>ICICI Bank Limited</b> Rupee term loan of Rs.14,45,925/- carries interest @ 7.95% p.a. The Loan is repayable in 60 equally monthly instalment starting form 10th July'23 of Rs. 29258/- each. The above loan is secured against hypothecation of car.	13
(h)	<b>ICICI Bank Limited</b> Rupee term loan of Rs.29,51,810/- carries interest @ 9.50% p.a. The Loan is repayable in 60 equally monthly instalment starting form 5th Nov'22 of Rs. 62026/- each. The above loan is secured against hypothecation of car.	28
(i)	<b>ICICI Bank Limited</b> Rupee term loan of Rs.19,90,634/- carries interest @ 9.50% p.a. The Loan is repayable in 60 equally monthly instalment starting form 5th Nov'22 of Rs. 41,829/- each. The above loan is secured against hypothecation of car.	19
(j)	<b>ICICI Bank Limited</b> Rupee term loan of Rs.5472872/- carries interest @ 9.50% p.a. The Loan is repayable in 60 equally monthly instalment starting form 5th Nov'22 of Rs. 1,14,912/- each. The above loan is secured against hypothecation of two cars.	51

# STATUTORY REPORTS

**GENSOL ENGINEERING LIMITED**
**Notes to Consolidated Financial Statements for the year ended March 31, 2023**


(k)	<b>ICICI Bank Limited</b> Rupee term loan of Rs.18,85,758/- carries interest @ 8.10% p.a. The Loan is repayable in 60 equally monthly instalment starting form 1st Aug'22 of Rs. 38293/- each. The above loan is secured against hypothecation of vehicle.	17
(l)	<b>HDFC Bank Limited</b> Rupee term loan of Rs.35,00,00,000/- carries interest @ 8.60% p.a. The Loan is repayable in 60 equally monthly instalment starting form 7th Feb'23 of Rs. 71,97,667/- each. The above loan is secured against hypothecation of 300 cars.	3,406
(ii)	<b>Secured - Term loan from Others</b>	
(a)	<b>Sundaram Finance Limited</b> Rupee term loan of Rs.7,00,000/- carries interest @ 9.90% p.a. The Loan is repayable in 48 equally monthly instalment starting form September 3, 2021 of Rs. 17,720/- each. The above loan is secured against hypothecation of car.	5
(b)	<b>Sundaram Finance Limited</b> Rupee term loan of Rs.7,35,000/- carries interest @ 9.50% p.a. The Loan is repayable in 47 equally monthly instalment starting form July 3, 2022 of Rs. 18,810/- each. The above loan is secured against hypothecation of car.	6
(c)	<b>Sundaram Finance Limited</b> Rupee term loan of Rs.9,85,000/- carries interest @ 10.95.% p.a. The Loan is repayable in 47 equally monthly instalment starting form April 10, 2023 of Rs. 25,830/- each. The above loan is secured against hypothecation of car.	10
(d)	<b>Sundaram Finance Limited</b> Rupee term loan of Rs.7,25,000/- carries interest @11.75% p.a. The Loan is repayable in 47 equally monthly instalment starting form March 3, 2023 of Rs. 19,330/- each. The above loan is secured against hypothecation of car.	7
(e)	<b>Indian Renewable Energy Development Agency Limited (IREDA)</b> Rupee term loan of Rs.35,70,53,000/- carries interest @ 9.95% p.a. The Loan is repayable in 20 quarterly instalments plus interest thereon and repayment starting form October 1, 2022 of Rs. 89,26,000/- each for first 4 installment, 1,78,53,000/- each for next "5 - 12" installment and 2,23,16,000/-each for "13-20" installment. The above loan is secured against hypothecation of 400 EV cars.	3,391
(f)	<b>Indian Renewable Energy Development Agency Limited (IREDA)</b> Rupee term loan of Rs.35,70,53,000/- carries interest @ 9.95% p.a. The Loan is repayable in 20 quarterly instalments plus interest thereon and repayment starting form March 1, 2023 of Rs. 89,26,000/- each for first 4 installment, 1,78,53,000/- each for next "5 - 12" installment and 2,23,16,000/-each for "13-20" installment. The above loan is secured against hypothecation of 400 EV cars.	3,481
(g)	<b>Indian Renewable Energy Development Agency Limited (IREDA)</b> Rupee term loan of Rs.71,41,00,000/- carries interest @ 9.95% p.a. The Loan is repayable in 20 quarterly instalments plus interest thereon and repayment starting form June 1, 2023 of Rs. 1,78,52,500/- each for first 4 installment, 3,57,05,000/- each for next "5 - 12" installment and 4,46,31,250/-each for "13-20" installment. The above loan is secured against hypothecation of 400 EV cars.	7,141
(h)	<b>Indian Renewable Energy Development Agency Limited (IREDA)</b> Rupee term loan of Rs.71,41,00,000/- carries interest @ 9.95% p.a. The Loan is repayable in 20 quarterly instalments plus interest thereon and repayment starting form September 1, 2023 of Rs. 1,78,52,500/- each for first 4 installment, 3,57,05,000/- each for next "5 - 12" installment and 4,46,31,250/-each for "13-20" installment. The above loan is secured against hypothecation of 400 EV cars.	7,141

# STATUTORY REPORTS

**GENSOL ENGINEERING LIMITED**
**Notes to Consolidated Financial Statements for the year ended March 31, 2023**


(i)	<b>Indian Renewable Energy Development Agency Limited (IREDA)</b> Rupee term loan of Rs.53,55,94,000/- carries interest @ 10.05% p.a. The Loan is repayable in 20 quarterly instalments plus interest thereon and repayment starting form December 1, 2023 of Rs. 1,33,89,850/- each for first 4 installment, 2,67,79,000/- each for next "5 - 12" installment and 3,34,74,625/-each for "13-20" installment. The above loan is secured against hypothecation of 600 EV cars.	5,356
(j)	<b>Indian Renewable Energy Development Agency Limited (IREDA)</b> Rupee term loan of Rs.43,69,00,000/- carries interest @ 9.95% p.a. The Loan is repayable in 20 quarterly instalments plus interest thereon and repayment starting form September 1, 2023 of Rs. 1,09,22,500/- each for first 4 installment, 2,18,45,000/- each for next "5 - 12" installment and 2,73,06,250/-each for "13-20" installment. The above loan is secured against hypothecation of 400 EV cars.	4,369
(k)	<b>Power Finance Corporation Ltd. (PFC)</b> Rupee term loan of Rs.117,47,00,000/- carries interest @ 10.00% p.a. The Loan is repayable in 57 equal monthly principal instalments plus interest thereon starting form October - 2022 of Rs. 2,06,08,772/- each. The above loan is secured against hypothecation of 1000 cars (cars are awaited to deliver and this loan repayment is also under six months moratorium).	11,747
(l)	<b>Reliance commercial finance limited</b> Rupee term loan of Rs. 3,54,00,000/- (excluding interest capitalised during moratorium period) carries interest @ 13.90% p.a. The loan is repayable in quarterly instalments plus interest thereon. The above loan are secured by way of pari passu charge on all the property, plant and equipments and current Assets of the borrower.	360

**5.1 Registration of charges or satisfaction with Registrar of Companies :**

Particular	Reason if charge is registered beyond statutory period	Statutory period of registration	Actual date of registration
(i)(a) Motor Vehicle (Hypothecation)	NA	03-03-2022	15-02-2022
(i)(b) Motor Vehicle (Hypothecation)	NA	03-03-2022	15-02-2022
(i)(c) Motor Vehicle (Hypothecation)	Charge is already created with RTO and on RC book also	-	-
(i)(d) Motor Vehicle (Hypothecation)	NA	02-05-2022	20-04-2022
(i)(e) Motor Vehicle (Hypothecation)	NA	20-08-2022	29-07-2022
(i)(f) Motor Vehicle (Hypothecation)	NA	22-02-2023	27-02-2023
(i)(g) Motor Vehicle (Hypothecation)	NA	14-07-2022	26-09-2022
(i)(h) Motor Vehicle (Hypothecation)	NA	02-11-2022	15-12-2022
(i)(i) Motor Vehicle (Hypothecation)	NA	02-11-2022	14-12-2022
(i)(j) Motor Vehicle (Hypothecation)	NA	05-11-2022	15-12-2022
(i)(k) Motor Vehicle (Hypothecation)	NA	31-07-2022	26-09-2022
(i)(l) Motor Vehicle (Hypothecation)	NA	04-02-2023	16-02-2023
(ii) (a) Motor Vehicle (Hypothecation) to (c)	Charge is already created with RTO and on RC book also	-	-
(ii) (d) Motor Vehicle (Hypothecation)		31-03-2023	27-04-2023
(ii) ( e) Motor Vehicle (Hypothecation) to (i)	NA	23-04-2022	26-03-2022
(ii) (j) Motor Vehicle (Hypothecation)	NA	16-02-2023	30-01-2023
(ii) (k) Motor Vehicle (Hypothecation)	NA	01-04-2023	16-03-2023
(ii)(l) Book debts; movable property (not being pledge); debt service reserve account	NA	14-06-2018	15-05-2018

# STATUTORY REPORTS

## GENSOL ENGINEERING LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2023



### 6 Deferred Tax Liabilities (Net)

Particulars	As At	As At
	March 31, 2023	March 31, 2022
<b>(a) Deferred tax assets</b>		
(i) Disallowances under Income Tax act	20	19
(ii) Difference between WDV of Property, Plant And Equipments and Intangible Assets as per Income tax and Company Act	-	4
(iii) Unabsorbed depreciation / Business Losses	278	90
	<b>297</b>	<b>112</b>
<b>(b) Deferred tax liabilities</b>		
(i) Difference between WDV of Property, Plant And Equipments and Intangible Assets as per Income tax and Company Act	1,497	343
	<b>1,497</b>	<b>343</b>
<b>Total</b>	<b>1,200</b>	<b>232</b>

### 7 Other Long Term Liabilities

Particulars	As At	As At
	March 31, 2023	March 31, 2022
Car deposits	14,868	4,485
Office deposits	-	-
Retention money payable	-	-
Other Deposits	777	-
<b>Total</b>	<b>15,645</b>	<b>4,485</b>

### 8 Long Term Provisions

Particulars	As At	As At
	March 31, 2023	March 31, 2022
Provision for employee benefits	71	57
<b>Total</b>	<b>71</b>	<b>57</b>

# STATUTORY REPORTS

## GENSOL ENGINEERING LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2023



### 9 Short Term Borrowings

Particulars	As At	As At
	March 31, 2023	March 31, 2022
Working capital loans from bank		
Secured	2,490	-
Unsecured	5	4,005
Working capital loans from other parties		
Unsecured	-	40
Current maturities of long term borrowings	5,107	259
<b>Total</b>	<b>7,601</b>	<b>4,305</b>

Notes : (a) Unsecured working capital loan is credit card payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits (including CC/LC/BG) of Rs. Fifty two Crores (Rs. 52,00,00,000/-), in aggregate, from Bandhan Bank of Rs. 25 Crores (Rs.. 25,00,00,000/-) and from ICICI Bank of Rs. 27 Crores (Rs.. 27,00,00,000/-) on the basis of security of current assets. Copies of quarterly returns or statements, furnished to bank have also been made available for our verification. We have verified the same and found some discrepancies, which are not material as they are below 2% of amount mentioned in stock statements. Summary of Reconciliation is mentioned below :

		As per Stock Statement filed	As per Books of Accounts	Difference
Sep-22	Debtors	7613	7630	18
	Trade Payable	2479	2652	173
	WIP	1189	1929	740
Dec-22	Debtors	7026	7030	4
	Trade Payable	2522	2522	-1
	WIP	1001	1024	23
Mar-23	Debtors	6912	6872	-40
	Trade Payable	3237	3292	55
	WIP	3547	3547	0

Footnote : Figures submitted in stock statements are lower than actual figures as per books of accounts so they are not considered as material amount.

### 10 Trade Payables

Particulars	As At	As At
	March 31, 2023	March 31, 2022
<b>Trade Payables</b>		
Due to micro, small and medium enterprises	260	486
Others	3,078	781
<b>Total</b>	<b>3,338</b>	<b>1,267</b>

Note : Trade payable ageing schedule

	As at March 31, 2023		As at March 31, 2022	
	MSME	Other	MSME	Other
Less than 1 year	260	3,001	486	722
1 - 2 year	0	3	-	28
2 - 3 years	-	20	-	4
More than 3 years	-	10	-	28
<b>Total</b>	<b>260</b>	<b>3,035</b>	<b>486</b>	<b>781</b>

# STATUTORY REPORTS

GENSOL ENGINEERING LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2023



## 11 Other Current Liabilities

Particulars	As At	As At
	March 31, 2023	March 31, 2022
<b>Other payables</b>		
Advance from customers	2,212	521
Statutory dues	540	258
Other payables	3,029	992
<b>Total</b>	<b>5,781</b>	<b>1,771</b>

## 12 Short Term Provisions

Particulars	As At	As At
	March 31, 2023	March 31, 2022
<b>Others</b>		
Provision for income tax	-	46
Provision of expenses	2	-
Provision for employee benefits	12	17
<b>Total</b>	<b>14</b>	<b>63</b>

# STATUTORY REPORTS

GENSOL ENGINEERING LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2023



13 Property, Plant and Equipments

(Amt. in Lakhs)

Particular	Furniture & Fixtures	Computer	Mobile	Vehicles	Office & Electrical Equipments	Commercial Vehicles	Factory Plant & Machinery	Solar Plant	Site & Electronic Equipment	Land	Server & Network	Total
<b>Gross block</b>												
As at March 31, 2021	53	118	15	51	4	-	-	714	23	-	-	978
Additions	-	16	6	35	-	4,950	-	-	1	-	-	5,007
Sold during the year	-	-	-	43	-	-	-	-	-	-	-	43
Addition due to consolidation	0	11	2	7	3	-	-	-	24	-	-	48
As at March 31, 2022	53	145	23	49	7	4,950	-	714	48	-	-	5,989
Additions	-	131	11	170	45	16,582	13	-	-	1	14	16,966
Sold during the year	52	-	-	-	-	-	-	-	-	-	-	52
As at March 31, 2023	0	276	34	220	52	21,532	13	714	48	1	14	22,903
<b>Depreciation</b>												
As at March 31, 2021	26	94	8	34	2	-	-	152	12	-	-	330
For the year	7	20	4	10	1	17	-	63	6	-	-	128
Relating to	-	-	-	34	-	-	-	-	-	-	-	34
Addition due to consolidation	0	10	2	5	2	-	-	-	13	-	-	31
As at March 31, 2022	33	125	14	15	5	17	-	216	31	-	-	455
For the year	4	39	4	14	1	1,050	0	27	5	-	1	1,147
Relating to	37	15	3	7	2	10	-	134	13	-	-	222
As at March 31, 2023	0	149	15	22	5	1,057	0	109	22	-	1	1,380
<b>Net block</b>												
As at March 31, 2023	0	127	19	197	47	20,475	12	605	26	1	13	21,523
As at March 31, 2022	20	21	8	34	2	4,933	-	498	18	-	-	5,534
As at March 31, 2021	26	24	7	17	2	-	-	562	11	-	-	648

# STATUTORY REPORTS

GENSOL ENGINEERING LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2023



14 Intangible Assets	(Amt. in Lakhs)	
	Particular	Total
<b>Gross block</b>		
As at 1st April 2020	21	21
Additions	-	-
Sold during the year	-	-
As at 31st March 2021	21	21
Additions	-	-
Sold during the year	-	-
As at March 31, 2022	21	21
Additions	9	9
Sold during the year	-	-
As at March 31, 2023	29	29
<b>Amortisation</b>		
As at 1st April 2020	9	9
For the year	5	5
Relating to	-	-
As at March 31, 2021	15	15
For the year	3	3
Relating to	-	-
As at March 31, 2022	17	17
For the year	5	5
Relating to	4	4
As at March 31, 2023	19	19
<b>Net block</b>		
As at March 31, 2023	11	11
As at March 31, 2022	3	3
As at March 31, 2021	6	6

15 Capital Work-in-Progress	(Amt. in Lakhs)			
	Particular	Total		
<b>Gross block</b>				
As on 1st April 2022				-
Additions				3,555
Sold during the year				-
As at March 31, 2023				3,555

As At March 31, 2023				
CWIP Ageing	Less than 1 year	1-2 years	2-3 years	More than 3 years
Project in Progress	3,555	-	-	-
Project in Progress	-	-	-	-
As At March 31, 2022				
Project in Progress	-	-	-	-

16 Intangible assets under development	Total	
	Particulars	Total
<b>Gross block</b>		
As on March 31, 2022		-
Additions during the year		404
Sold during the year		-
As on March 31, 2023		404

As At March 31, 2023				
CWIP Ageing	Less than 1 year	1-2 years	2-3 years	More than 3 years
Project in Progress	404	-	-	-
Project in Progress	-	-	-	-
As At March 31, 2022				
Project in Progress	-	-	-	-

Note : The Company evaluates impairment losses on the items of property, plant and equipment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. If such assets are considered to be impaired, the impairment loss is then recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount, which is the higher of an asset's net selling price and value in use. For the purpose of assessing impairment, assets are grouped at the smallest level for which there are separately identifiable cash flows. The Management has reviewed the recoverability of the assets and has concluded that no indication of impairment exists and hence, no impairment of asset is required.

# STATUTORY REPORTS

## GENSOL ENGINEERING LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2023



### 17 Non-current Investments

Particulars	As At	As At
	March 31, 2023	March 31, 2022
<b>Investment in unquoted equity shares</b>		
<b>Fair Climate Fund India Private Limited at cost</b>		
526 equity shares of face value of Rs. 10 fully paid (31 March 2022 -Nil)	65	-
<b>Investment in unquoted preference shares</b>		
<b>Service Easy Technology Pvt Ltd at cost</b>		
10967 preference shares of face value of Rs. 10 fully paid (31 March 2022 -Nil)	600	-
<b>Total</b>	<b>665</b>	<b>-</b>
<b>Aggregate carrying value of unquoted investments</b>	<b>665</b>	<b>-</b>
<b>Aggregate amount of impairment in value of investments</b>	<b>-</b>	<b>-</b>

### 18 Long Term Loans & Advances

Particulars	As At	As At
	March 31, 2023	March 31, 2022
<b>Unsecured considered good</b>		
Advance to capital creditors	13,732	81
<b>Total</b>	<b>13,732</b>	<b>81</b>

### 19 Other Non-Current Assets

Particulars	As At	As At
	March 31, 2023	March 31, 2022
<b>Security deposit :</b>		
Car deposits	1,171	378
Rent deposits	239	54
Solar Project Deposits	600	-
Earnest money deposits	30	34
Guest house deposits	0	1
Other deposits	69	5
Unamortized expenses	-	4
In fixed deposit with maturity more than 12 month	9,178	379
<b>Total</b>	<b>11,287</b>	<b>855</b>

### 20 Inventories

Particulars	As At	As At
	March 31, 2023	March 31, 2022
Work-in-progress	1,032	4,678
Stock in trade	-	1,348
<b>Total</b>	<b>1,032</b>	<b>6,026</b>

### 21 Trade Receivables

Particulars	As At	As At
	March 31, 2023	March 31, 2022
Trade receivable		
(i) Secured, considered good	-	-
(ii) Unsecured, considered good	7,314	3,524
(iii) Doubtful	-	-
<b>Total</b>	<b>7,314</b>	<b>3,524</b>

Note : Trade receivables ageing schedule

	As At	As At
	March 31, 2023	March 31, 2022
Less than 6 months	5,998	2,972
6 months - 1 year	723	155
1 - 2 years	314	241
2 - 3 years	165	66
More than 3 years	113	90
<b>Total</b>	<b>7,314</b>	<b>3,524</b>

# STATUTORY REPORTS

## GENSOL ENGINEERING LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2023



### 22 Cash and Cash Equivalents

Particulars	As At	As At
	March 31, 2023	March 31, 2022
<b>(A) Cash &amp; cash equivalents</b>		
Cash on hand	77	11
<b>Balances with banks</b>		
(i) In current accounts	2,045	596
(ii) In overdraft accounts	8,146	105
(iii) In deposit account :		
(i) In fixed deposit with maturity less than 3 month	2,268	18
<b>Other bank balance :</b>		
(i) In fixed deposit with maturity more than 3 month	16,046	372
(ii) In fixed deposit with maturity more than 12 month	9,178	379
(ii) Other cash & cash equivalent	-	2
<b>Sub-total</b>	<b>37,759</b>	<b>1,482</b>
<b>Less :</b>		
(i) In fixed deposit with maturity more than 12 month	(9,178)	(379)
<b>Total</b>	<b>28,581</b>	<b>1,103</b>

### 23 Short Term Loans & Advances

Particulars	As At	As At
	March 31, 2023	March 31, 2022
(Unsecured, Considered Good)		
Loan and advances to promoters, directors, KMPs and related parties	-	0
<b>Loan and advances to others:</b>		
Prepaid expenses	50.58	28.67
Advances to vendors	1,867.40	473.41
Margin Money for Gas Trading	359.90	-
Staff advances	32.36	16.74
<b>Total</b>	<b>2,310</b>	<b>519</b>

### 24 Other Current Assets

Particulars	As At	As At
	March 31, 2023	March 31, 2022
Unbilled revenue	3,185	1,666
Balance with govt authorities	2,313	748
TDS receivables from NBFC	13	14
TDS/TCS receivables from client	240	268
Other receivables	2,654	78
MAT credit receivables	4	4
Retention money	198	340
<b>Total</b>	<b>8,607</b>	<b>3,116</b>

# STATUTORY REPORTS

## GENSOL ENGINEERING LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2023



### 25 Revenue From Operations\*

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Sale of goods ( solar power generating system)	22,371	8,670
<b>Unbilled revenue - sale of goods</b>		
Closing balance - sale of services	2,466	1,089
Opening balance - sale of goods	(1,089)	-
Sale of services	9,620	5,771
<b>Unbilled revenue - sale of services</b>		
Closing balance - sale of services	719	576
Opening balance - sale of services	(576)	(334)
Opening balance - sale of services ( on account of acquisition of subsidiary)	-	(205)
Gas Trading Income	2,147	-
Lease rent income	3,609	474
<b>Total</b>	<b>39,265</b>	<b>16,041</b>

### 26 Other Income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest income	288	60
Reimbursement income	167	131
Commission income	-	6
Rent income	10	1
Misc income	1	0
Reversal of gratuity provision	4	-
<b>Total</b>	<b>469</b>	<b>198</b>

### 27 Cost of Material Consumed / Cost of Service

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Freight & Transport Expenses	333	512
Liquidation damage expenses	25	124
Operation and maintenance expenses	132	73
Factory Expenses	3	-
Site guest house rent expenses	56	27
Solar epc expenses	771	214
Installation & commissioning expenses	483	428
Lease rent expenses	1,724	581
Module cleaning & grass cutting services	24	113
Security expenses	34	107
Site maintenance expenses	19	32
Custom & safeguard duties	222	25
Gas Trading Expenses	188	-
Site tool expenses	19	18
<b>Total</b>	<b>4,033</b>	<b>2,252</b>

### 28 Purchase of Stock-in-Trade

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening stock	1,348	-
Add : Purchases	20,731	14,896
Less : Closing stock	-	1,348
<b>Total</b>	<b>22,079</b>	<b>13,548</b>

# STATUTORY REPORTS

GENSOL ENGINEERING LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2023



## 29 Changes in Inventories of Finished Goods, Stock-in -Trade and Work in-Progress

### Finished goods

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Work in-progress</b>		
Closing stock of work in-progress	1,032	4,678
Opening stock of work in-progress	4,678	1,081
<b>Total</b>	<b>3,646</b>	<b>(3,597)</b>

## 30 Employee Benefit Expenses

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salary	1,312	1,050
Contribution to provident and other funds	56	42
Staff welfare expenses	30	4
Management trainee expenses	18	30
Gratuity	20	22
<b>Total</b>	<b>1,437</b>	<b>1,148</b>

## 31 Finance Costs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest to banks & NBFCs	1,412	107
LC/BG/OD & loan processing charges	-	3
Interest to others	58	73
Other finance expenses	114	351
<b>Total</b>	<b>1,584</b>	<b>534</b>

## 32 Depreciation And Amortisation Expenses

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation on property, plant and equipment	1,130	110
Amortisation on intangible assets	5	21
<b>Total</b>	<b>1,135</b>	<b>131</b>

# STATUTORY REPORTS

## GENSOL ENGINEERING LIMITED

### Notes to Consolidated Financial Statements for the year ended March 31, 2023



#### 33 Other Expenses

Particulars	For the year ended	For the year ended
	March 31, 2023	March 31, 2022
Advertisement expenses	32	9
Audit fees	13	5
Bad debts	103	6
Bank charges	102	17
Commission expenses	53	14
Computer and software subscription expenses	51	9
CSR Expenses	13	-
Legal and Compliance expenses	34	13
Donation	0	2
Electricity expenses	11	9
Forex gain/(loss)	460	16
Office expenses	71	63
Insurance expenses	25	18
Loss on Sale of Assets	32	-
Professional and consultancy expenses	665	316
Printing & stationery expenses	15	5
Preliminary Expenses	9	-
Rates & taxes	163	44
Rent expenses	133	75
Vehicles repair & maintenance expenses	7	2
Telephone and communication expenses	3	4
Tender fees	1	2
Travel expenses	363	159
<b>Total</b>	<b>2,358</b>	<b>787</b>

#### (i) Payment to auditors\*

Particulars	For the year ended	For the year ended
	March 31, 2023	March 31, 2022
For statutory audit	13	5
For other services	-	-
For reimbursement of expenses	-	-
	13	5

\*Excluding applicable taxes.

# STATUTORY REPORTS

## GENSOL ENGINEERING LIMITED



### Notes to Consolidated Financial Statements for the year ended March 31, 2023

#### 34 The subsidiary/joint venture companies considered in the Consolidated Financial Statements are:

Name of subsidiaries/joint venture and country of incorporation	Effective ownership in subsidiaries/joint ventures	
	As At March 31, 2023	As At March 31, 2022
<b>Subsidiary</b>		
Gensun Renewables Private Limited (India) - Incorporated on 8th February, 2018	51%	51%
Gensol Utilities Private Limited (India) (wholly owned Subsidiary w.e.f. September 15, 2021)	100%	100%
Gensol Electric Vehicle Private Limited (India) w.e.f. January 6, 2023)	58.92%	-

#### 35 Earning Per Equity Share (Face Value of Rs. 10/- Each)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit for the period attributable to equity shareholders	2,491	1,109
No of weighted average equity shares outstanding during the year	1,15,83,188	1,09,36,923
Nominal value of equity shares	10	10
<b>Basic and diluted earning per share</b>	<b>21.50</b>	<b>10.14</b>
<b>Basic and Diluted Earning Per Share (annualised)</b>	<b>21.50</b>	<b>10.14</b>

#### Note:

- 1 Earnings per share calculations are done in accordance with Accounting Standard 20 "Earnings per share". As per the requirements of AS 20 "Earnings per share", the weighted average number of equity shares considered for calculation of basic and diluted earnings per share.

#### 36 Contingent Liabilities and Contingent Assets

Particulars	As At March 31, 2023	As At March 31, 2022
<b>Contingent liabilities</b>		
<b>A. Guarantees excluding financial guarantees</b>		
Outstanding bank guarantees of company & subsidiaries	4,291	787
<b>B. Claims against Company not acknowledged as debts</b>	-	-

#### 37 Commitments

Particulars	As At March 31, 2023	As At March 31, 2022
<b>A. Capital Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-
<b>Corporate guarantees given to financial institution / bank</b>		
Corporate guarantees given to financial institution / bank on behalf of subsidiaries for facilities availed by them	(360)	359

#### 38 Operating Lease Arrangements

##### (A) Operating lease payment recognised in the statement of profit and loss

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Office premises	133	75
Car lease rent	1,724	581
<b>Total</b>	<b>1,857</b>	<b>657</b>

The Company has entered into lease agreement for taking car on lease having a lease period of 3 to 6 years. The Company has several lease contracts that includes lock-in period and extension/ termination options. The Company applies judgment in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create a economic incentive for it to exercise either the renewal or termination.

As of now, the Company's management has estimated that it may not to opt for the further extension/renewal of the agreement and consider only lock-in period as mentioned in the agreement due to frequent changes in technological environment. The lock in period as mentioned in the lease agreement is much lesser than the useful life of the asset and also the control of the assets will not get transferred to the Company at the end of the entire tenure of lease period. Therefore, the company has considered these leases as operating lease and accounted for accordingly.

# STATUTORY REPORTS

## GENSOL ENGINEERING LIMITED

### Notes to Consolidated Financial Statements for the year ended March 31, 2023

#### Future minimum rental payables under non-cancellable operating lease

Particulars	As At	As At
	March 31, 2023	March 31, 2022
0 to 1 year	245	20
1 to 5 year	633	-
More than 5 year	-	-

(B) The company has let out portions of office premises along with furnitures & fixtures and other amenities on operating lease to its subsidiary Gensol utilities private limited (formerly known as solarig gensol utilities pvt ltd ). Lease rental income recognised in the statement of profit and loss is as follows:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Lease rental income recognised in the statement of profit and loss	10	1
<b>Total</b>	<b>10</b>	<b>1</b>

#### 39 Details of Dues to Micro, Small and Medium Enterprises as Defined under MSMED Act, 2006

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	260	486
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	1.50	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management.

#### 40 Debentures

The Company has issued 13063 partly paid up 0.01% non-convertible debentures and 2937 fully paid up 0.01% non-convertible debentures during the year. According to section 73 and rules thereunder, the said issue of unlisted non convertible debentures shall be considered as deposits. The company has taken legal opinion of some renowned Law firm and on the basis of the which, company has not considered them as deposits.

#### 41 Expenditure in Foreign Currency

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Expenses	632	6,034
<b>Total</b>	<b>632</b>	<b>6,034</b>

#### 42 Earnings in Foreign Exchange :

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Sale of services	12	184
<b>Total</b>	<b>12</b>	<b>184</b>

# STATUTORY REPORTS

## GENSOL ENGINEERING LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2023

### 43 Related Party Disclosures

Related party disclosures as required by accounting standard 18, "related party disclosures".

(A) List of related parties and relationships:

#### Nature of Relationship

##### Key managerial personnel ("KMP")

Anmol Singh Jaggi	Managing Director
Puneet Singh Jaggi	Director
Jasminder Kaur	Director
Arun Menon	Independent Director
Kamleshkumar Pratapsinh Parmar	Independent Director
Gaurav Kharbanda	Independent Director
Jabir Mahendi Aga	Chief Financial Officer
Rajesh Kantilal Parmar	Company Secretary

##### Others

Ruhifatema Naqvi	Relative of CFO
------------------	-----------------

##### Subsidiary company

Gensun Renewables Private Limited
Gensol Electric Vehicles Private Limited
Gensol Utilities Private Limited

##### Enterprises over which key managerial personnel are able to exercise significant influence / control with whom transactions have

Blu-Smart Charge Private Limited
Blu-Smart Fleet Private Limited
Blu-Smart Mobility Private Limited
Blu-Smart Mobility Tech Private Limited
Gensol Consultants Private Limited
Matrix Gas and Renewables Pvt Ltd (Formerly Known as Gensol Renewables Pvt. Ltd.)
Gensol Ventures Private Limited
Gosolar Venture Private limited
Param Care Private Limited
Param Renewables Energy Private Limited
Prescinto Technologies Private Limited
Vert Smart Ventures Private Limited
Param Seva Foundation
Capbridge Ventures LLP

# STATUTORY REPORTS

**GENSOL ENGINEERING LIMITED**

Notes to Consolidated Financial Statements for the year ended March 31, 2023


**(B) Transactions with related parties:**

Nature of transactions	Salary	Sale of Goods / Services	Reimbursement Income	Purchase of Goods / Services	Rent and interest income	Interest Expenses	Loan & Advance Given	Loan & Advance Received	Deposit
Anmol Singh Jaggi	-	-	-	-	-	-	2	2	-
	-	-	-	-	-	-	(136)	(136)	-
Jasminder Kaur	-	-	-	-	-	-	(1)	(1)	-
Puneet Singh Jaggi	-	-	-	-	-	-	91	104	-
	-	-	-	-	-	-	(75)	(75)	-
Rajesh Parmar	9	-	-	-	-	-	0	0	-
	(8)	-	-	-	-	-	(0)	(0)	-
Jabir Mahendi Aga	17	-	-	-	-	-	8	8	-
	(15)	-	-	-	-	-	-	-	-
All Imran Naqvi	33	-	-	-	-	-	-	-	-
	(28)	-	-	-	-	-	-	-	-
Ruhifatema Naqvi	17	-	-	-	-	-	-	-	-
	(14)	-	-	-	-	-	-	-	-
Gensol Consultants Private Limited	-	1,920	-	-	9	-	-	-	-
	-	(526)	-	-	(0)	-	-	-	-
Gensol Ventures Private Limited	-	-	-	-	1	3	-	-	-
	-	-	-	-	(1)	-	-	-	-
Matrix Gas and Renewables Pvt Ltd	-	2,377	-	-	92	-	-	-	-
	-	-	-	-	-	9	-	-	-
Gosolar Venture Private Limited	-	616	-	-	95	-	-	-	-
	-	(935)	-	-	-	-	-	-	-
Gensun Renewables Private Limited	-	-	-	-	35	-	100	7	-
	-	-	-	-	(12)	-	(199)	128	-
Blu-Smart Fleet Private Limited	-	1,854	-	-	5	-	-	-	1,710
	-	(1,007)	-	-	0	-	-	-	-
Blu-Smart Mobility Private Limited	-	1,870	-	20	2	-	-	-	11,200
	-	(133)	-	-	(1)	-	-	-	(1,932)
Blu-Smart Mobility Tech Private Limited	-	-	-	-	0	-	-	-	-
	-	-	-	-	-	-	-	-	-
Param Renewable Energy Private Limited	-	24	-	73	11	-	3	9	-
	-	-	-	(73)	(11)	-	(2)	(2)	-
Prescinto Technologies Private Limited	-	-	-	-	1	-	-	-	-
	-	-	-	-	(0)	-	-	-	-
Sunridge Green Ventures Private Limited	-	-	-	-	-	-	40	-	-
	-	-	-	-	-	-	(150)	-	-
Capbridge Ventures LLP	-	-	-	-	1	-	-	-	-
	-	-	-	-	(0)	-	-	-	-
Pratik Rajendrakumar Gupta	25	-	-	-	-	-	1	1	-
	-	-	-	-	-	-	-	-	-

Figures in brackets indicates figures of previous year.

# STATUTORY REPORTS

**GENSOL ENGINEERING LIMITED**
**Notes to Consolidated Financial Statements for the year ended March 31, 2023**

**(C) Closing Balance with related parties:**

Particular	Salary Payable	Loans & Advances Received	Loans & Advances Given	Debtors	Advance From Customer	Advance to Creditors	Other Receivable	Deposit	Other Payable
Puneet Singh Jaggi	-	-	-	12	-	-	-	-	0
									(1)
Rajesh Parmar	2	-	-	-	-	-	-	-	-
	(2)	-	-	-	-	-	-	-	-
Jabir Mahendi Aga	1	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Ali Imran Naqvi	-	-	-	4	-	-	-	-	-
	(0)	-	-	(0)	-	-	-	-	-
Ruhifatema Naqvi	-	-	-	(0)	-	-	-	-	-
	(1)	-	-	-	-	-	-	-	-
Gensol Consultants Private Limited	-	-	-	-	52	-	-	-	10
	-	-	-	-	(52)	(443)	-	-	-
Gensol Ventures Private Limited	-	-	-	-	-	1	-	-	-
	-	-	-	-	-	84	-	-	-
Prescinto Technologies Private Limited	-	-	-	-	-	-	-	-	-
Matrix Gas and Renewables Pvt Ltd	-	-	-	-	-	-	2,374	-	-
	-	-	-	-	-	-	-	-	(37)
Gosolar Ventures Private Limited	-	-	-	-	93	-	215	-	1
	-	-	-	-	3	-	(218)	-	-
Blu-Smart Mobility Private Limited	-	-	-	44	-	-	-	12,355	-
	-	-	-	-	3	-	-	1,932	-
Blu-Smart Mobility Tech Private Limited	-	-	-	-	-	-	-	-	11
	-	-	-	-	-	-	-	-	-
Param Renewable Private Limited	-	-	-	-	-	-	6	-	-
	-	-	-	-	-	-	(12)	-	-
Blu-Smart Fleet Private Limited	-	-	-	-	61	-	3	1,710	-
	-	-	-	-	-	(2)	-	802	-
Sunridge Green Ventures Private Limited	-	-	-	-	-	-	-	-	-
	-	(40)	-	-	-	-	-	-	-
Pratik Rajendrakumar Gupta	3	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-

*Figures in brackets indicates figures of previous year.*

# STATUTORY REPORTS

GENSOL ENGINEERING LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2023



## 44 Segment Reporting

(Amt. in Lakhs)

	EPC		Lease		Others		Elimination		Total	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
<b>Revenue</b>										
External Sales	32,959	14,342	3,609	1,009	2,705	690	(8)	-	39,265	16,041
Inter - Segment Sales	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue</b>	<b>32,959</b>	<b>14,342</b>	<b>3,609</b>	<b>1,009</b>	<b>2,705</b>	<b>690</b>	<b>(8)</b>	<b>-</b>	<b>39,265</b>	<b>16,041</b>
<b>Result</b>										
Segment result	5,073	1,523	(776)	265	27	2	(163)	2	4,161	1,793
Unallocated corporate expenses									1,177	394
Unallocate Depreciation									50	42
Unallocated Other Income									21	16
<b>Operating profit</b>									<b>2,954</b>	<b>1,373</b>
Interest expenses									48	17
Interest income									556	81
Income taxes									983	325
<b>Net profit</b>									<b>2,479</b>	<b>1,112</b>
<b>Other information</b>										
Segment assets	12,837	11,014	38,079	5,977	10,669	1,886	(6,852)	(1,120)	54,732	17,757
Unallocated assets									44,654	3,005
<b>Total assets</b>									<b>99,386</b>	<b>20,762</b>
Segment liabilities	8,125	5,825	53,268	8,496	9,689	1,413	(6,827)	(717)	64,254	15,017
Unallocated Liabilities									10,934	1,096
<b>Total Liabilities</b>									<b>75,188</b>	<b>16,113</b>

# STATUTORY REPORTS

## GENSOL ENGINEERING LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2023



### 45 Ratios

Ratio	As At	As At	Variance
	March 31, 2023	March 31, 2022	
(a) Current ratio,	2.86	1.93	48%
(b) Debt-equity ratio,	2.50	1.77	41%
(c) Debt service coverage ratio,	3.32	4.52	-27%
(d) Return on equity ratio,	0.12	0.24	-50%
(e) Inventory turnover ratio,	8.43	3.43	146%
(f) Trade receivables turnover ratio,	7.25	6.05	20%
(g) Trade payables turnover ratio,	10.75	17.81	-40%
(h) Net capital turnover ratio,	1.88	3.45	-46%
(i) Net profit ratio,	0.06	0.07	-8%
(j) Return on capital employed,	0.07	0.13	-44%
(k) Return on investment	NA	NA	NA

#### Reason for variation more than 25%

(a) Current ratio,	Increase in current assets as compared to previous year.
(b) Debt-equity ratio,	Increase in working capital loan and increase in term loan for purchase of fixed assets.
(d) Return on equity ratio,	Due to increase in shareholder's fund as compared to previous year.
(e) Inventory turnover ratio,	Due to decrease in Inventory.
(g) Trade payables turnover ratio,	Increase in purchase and cost of service compared to previous year.
(h) Net capital turnover ratio,	Due to increase in shareholder's fund as compared to previous year.
(j) Return on capital employed,	Due to increase in capital employed as compared to previous year.

#### Disclosure for numerators and denominators used:

S.No	ratio	Formula
(a)	Current ratio	Current assets ÷ Current liability
(b)	Debt-equity ratio	Borrowing ÷ Total equity
(c)	Debt service coverage ratio	EBITDA ÷ [Finance cost + principal repayments made during the period for non-current borrowings (including current maturities)]
(d)	Return on equity ratio	Net earnings / Shareholders' equity
(e)	Inventory turnover ratio	Cost of goods sold ÷ Average inventories
(f)	Trade receivable turnover ratio	Revenue from operations ÷ Average trade receivables
(g)	Trade payable turnover ratio	Cost of Purchase ÷ Average accounts payable
(h)	Net capital turnover ratio	Total sales ÷ Total equity
(i)	Net profit ratio	Net profit after Tax ÷ Revenue from operations
(j)	Return on capital employed	EBIT ÷ Capital employed i.e. shareholders equity plus non current liabilities
(k)	Return on investment	Net return on Investment ÷ Cost of Investment

# STATUTORY REPORTS

## GENSOL ENGINEERING LIMITED

### Notes to Consolidated Financial Statements for the year ended March 31, 2023



#### 46 Value of Imported and Indigenous Materials

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Value	% of Total Material	Value	% of Total Material
Imported	632	4%	6034	177%
Indigenous	20099	135%	8862	260%

#### 47 Subsidiaries' Net Assets and Share in Profit as at March 31, 2023 'are as Follow :

Name of the entity	Net assets		Share in profit and loss	
	As % of Consolidated net assets	Amount	As % of Consolidated profit and loss	Amount
Gensol Utilities Private Limited	2.32%	488	0.32%	8
Gensun Renewables Private Limited	0.74%	155	0.33%	8

48 Unhedged Foreign currency exposures hedged by derivative instruments is Nil. ( As at 31, March, 2022 - Nil)

49 In accordance with the provisions of accounting standard on impairment of assets, (AS-28), the management has made assessment of loans, advances and other assets in use & considering the business prospects related thereto, no provision is considered necessary in these accounts on account of impairment of assets.

50 The Company has made assessment of impact of COVID 19 related lockdown on carrying value of property, plant and equipments , receivable and cash flow as at the balance sheet date and has concluded that there is no material adjustments required in these financial statement. The company will continue to monitor any material changes to future economic conditions.

51 In the opinion of the Board and to the best of their knowledge and belief, the value on realization of loans, advances and current assets in the ordinary course of business will not be less than the amount at which they are stated in the balance sheet.

52 Company has not any transation with companies struck off under section 248 of the companies act, 2013 or section 560 of companies act, 1956.

53 Company has complied with the number of layers prescribed under clause (87) of section 2 of the act read companies (restriction on number of layers) Rules 2017.

54 Company has not provided for CSR expenditure during the year as company does not meet any criterias as mentioned under section 135 of the companies act, 2013.

55 In the opinion of the Board and to the best of their knowledge and belief, the value on realization of loans, advances and current assets in the ordinary course of business will not be less than the amount at which they are stated in the balance sheet.

#### 56 Utilisation of Borrowed funds and Share Premium :

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 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 ultimate beneficiaries.

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 parties ("ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

# STATUTORY REPORTS

GENSOL ENGINEERING LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2023



## 57 Employee Benefit Plans

### (A) Defined Benefit Plan

(i) Actuarial gains and losses in respect of defined benefit plans are recognised in the profit and loss account.

(ii) The defined benefit plan comprises of gratuity

a) Gratuity is a benefit to an employee based on 15 days last drawn basic salary including dearness allowance (if any) for each completed year of continuous service with part thereof in excess of six months. The plan is unfunded. The company operates a defined benefit plan (the gratuity plan) covering eligible employees, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The details of gratuity as required under AS-15 (revised):

Particulars	As At	As At
	March 31, 2023	March 31, 2022
<b>i. Reconciliation of opening and closing balances of defined benefit obligation</b>		
Liability at the beginning of the year	74	68
Liability due to acquisition of subsidiary	-	2
Current service cost	28	22
Interest cost	5	5
Past service cost	-	-
Liability transferred in	-	-
Liability transferred out	-	-
Benefit paid	(11)	(18)
Net actuarial losses (gain) recognised	(13)	(5)
Liability at the end of the year	83	74
<b>ii. Reconciliation of opening and closing balances of the fair value of plan assets</b>		
Plan assets at the beginning of the year, at fair value	-	-
Expected return on plan assets	-	-
Contributions	-	-
Benefit paid	-	-
Actuarial gain/(loss) on plan assets	-	-
Transfer to other Company	-	-
Plan assets at the end of the year, at Fair Value	-	-
<b>iii. Reconciliation of the present value of defined benefit obligation and fair value of plan assets</b>		
Obligations at the end of the year	83	74
Plan assets at the end of the year, at Fair value	-	-
Asset / (liability) recognized in balance sheet as at the end of the year	(83)	(74)
<b>iv. Gratuity cost for the year</b>		
Current service cost	28	22
Interest cost	5	5
Expected return on plan assets	-	-
Actuarial gain or (Loss)	(13)	(5)
Recognised past service cost-unvested	-	-
Net gratuity cost	20	22
<b>v. Actuarial assumptions</b>		
Discount rate (per annum)	7.45%	6.95%
Expected rate of return on plan assets	NA	NA
Annual increase in salary cost	8.00% p.a.	8.00% p.a.
Withdrawal rates	20% at younger ages reducing to 0.50% at older ages	
Mortality	Indian Assured Lives Mortality (2012-14) Table	
Retirement Age	60 Years	
Actuarial valuation method	Project unit credit	

# STATUTORY REPORTS

## GENSOL ENGINEERING LIMITED

### Notes to Consolidated Financial Statements for the year ended March 31, 2023

#### Notes

1 (a) The discount rate is based on the benchmark yields available on government bonds as at the balance sheet date.

(b) The Management's estimate of the increases in the salaries of the employees over the long term. Estimated future salary increases should take account of inflation, seniority, promotion and other relevant factors such as supply and demand in employment market.

#### 2 Defined Contribution plan

Contribution to Defined Contribution plans, recognised as Expense, for the year is as under :

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Employer's contribution to provident fund	56	42
	<b>56</b>	<b>42</b>

#### 3 Experience adjustments

Particulars	As At March 31, 2023	As At March 31, 2022
Defined benefit obligation	83	74
Plan assets	-	-
Surplus/(deficit)	(83)	(74)
Experience adjustments on plan liabilities	(11)	0
Actuarial loss/(gain) due to change in financial assumptions	(2)	(3)
Actuarial loss/ (gain) due to change in demographic assumption	-	-
Experience adjustments on plan assets	-	-
<b>Net actuarial loss/ (gain) for the year</b>	<b>(13)</b>	<b>(3)</b>

58 Previous year figures have been regrouped / reclassified to conform to current year's classification/disclosure.

See accompanying explanatory notes forming part of the financial statements

In terms of our report attached

**For K. C. Parikh & Associates**

Chartered Accountants

Firm Regn. No. 107550W

For and on behalf of the Board of Directors

**GENSOL ENGINEERING LIMITED**

U74210CH2012PLC034105

**Puneet Singh Jaggi**

Whole-time Director

DIN-02479868

**Anmol Singh Jaggi**

Managing Director

DIN-01293305

Membership No. 118298

Place : Ahmedabad

Date : May 29, 2023

**Rajesh Parmar**  
Company Secretary

**Jabir Mahendi Aga**  
Chief Financial Officer

# STATUTORY REPORTS

## 7. NOTICE TO SHAREHOLDERS

**NOTICE** is hereby given that the 11<sup>th</sup> (Eleventh) Annual General Meeting for the year 2022-2023 of the shareholders of Gensol Engineering Limited will be held on Friday, the 29<sup>th</sup> day of September 2023 at 09:00 A.M. through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”) to transact the following business. The venue of the AGM shall be deemed to be the Registered Office of the Company at 15th Floor, A Block, Westgate Business Bay, S G Road, Jivraj Park Ahmedabad 380051.

### **ORDINARY BUSINESS**

#### **Item No.1**

To receive, consider, approve and adopt the Audited Standalone Financial Statements of the Company for the year ended March 31, 2023, together with the reports of the Board of Directors and Auditors thereon.

#### **Item No. 2**

To receive, consider, approve and adopt the Audited Consolidated Financial Statements of the Company for the year ended March 31, 2023, together with the reports of the Board of Directors and Auditors thereon.

#### **Item No. 3**

To appoint a director in place of Mr. Puneet Singh Jaggi who retires by rotation and being eligible, offers him self for re-appointment.

### **SPECIAL BUSINESS**

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

**To ratify the remuneration of Cost Auditors for the financial year ending March 31, 2024**

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**

“RESOLVED THAT in accordance with the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration, as approved by the Board of Directors and set out in the Statement annexed to the Notice, to be paid to the Cost Auditors appointed by the Board of Directors, to conduct the audit of cost records of the Company for the financial year ending March 31, 2024, be and is hereby ratified.”

# STATUTORY REPORTS

## NOTICE TO SHAREHOLDERS

### Item No. 5

#### **Appointment of Ms.Vibhuti Patel as Independent Director of the Company.**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED that Ms.Vibhuti Patel (DIN: 10214165), who was appointed by the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, as an Additional Director of the Company with effect from July 11, 2023 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) and any other applicable provisions, if any, of the Companies Act, 2013 (“Act”) (including any modification and enactment thereof), and the Article of Association of the Company, and who is eligible for appointment and has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Independent Director of the Company, not liable to retire by rotation.”

### Item No. 6

#### **To Increase in Authorized Capital of the Company.**

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

“RESOLVED THAT pursuant to the provision of Section 61, 63 and other applicable provisions, if any, of the Companies Act 2013 (“Act”) and read with the Companies (Share Capital and Debenture) Rules, 2014 made thereunder (including any statutory modification or re enactment thereof for the time being in force), the Memorandum and Articles of Association of the Company, the consent of the members of the Company be and is hereby accorded to increase authorized share capital of the Company from Rs. 15,00,00,000.00 (Rupees Fifteen Crore only) divided into 1,50,00,000 (One Crore Fifty Lakhs) Equity Shares of Rs. 10.00 (Rupees Ten only) each To Rs. 40,00,00,000.00 (Rupees Fourty Crore only) divided into 4,00,00,000 (Four Crore Only) Equity Shares of Rs. 10.00 (Rupees Ten only) each and consequently clause no. V of the Memorandum of Association of the Company stands substituted by the following:

\*“V. The authorized share capital of the Company is Rs. 40,00,00,000.00 (Rupees Fourty Crore only) divided into 4,00,00,000 (Four Crore Only) Equity Shares of Rs.10.00 (Rupees Ten only) each.”

“RESOLVED FURTHER THAT in pursuant to the provision of Sections 61 and 64 of the Act read with Rule 15 of Companies (Share Capital and Debentures) Rules, 2014, any director of the company be and is hereby authorized to file e-form SH-7 along with the copy of altered memorandum with the Registrar of Companies with the fee as provided in the Companies (Registration of offices and fees) Rules, 2014 or any other e-form(s) and documents for and on behalf of the Company, if required, in connection therewith with any person, statutory and/or governmental authority in this regard as it may in its

# STATUTORY REPORTS

## NOTICE TO SHAREHOLDERS

absolutely discretion deem fit, and to do all acts and take all such steps as may be necessary proper or expedient to give effect to the aforesaid resolution.”

### **Item No. 7**

#### **To Issue Bonus shares of the Company.**

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

“**RESOLVED THAT** in pursuant of Section 63(2)(b) of the Companies Act, 2013, and the rules made thereunder, and as per the Articles of Association of the Company and subject to such approvals, consents, permissions and sanctions as may be necessary from appropriate authorities, consent of the members be and are hereby accorded for capitalization of a sum not exceeding Rs.25,24,85,980 (Rupees Twenty Five Crore Twenty Four Lakh Eighty Five Thousand Nine Hundred Eighty) from the Securities Premium Account, General Reserves or any other permitted reserves/ surplus of the Company for the purpose of issue of Bonus Shares of Rs. 10 (Rupees Ten Only) each, credited as fully paid-up to the holders of the Equity shares of the Company whose names shall appear on the Register of Members on the ‘Record Date’ determined by the Board, in the proportion of 2 (Two) Bonus Equity Share of Rs. 10 (Rupees Ten Only) for every 1 (One) fully paid-up Equity Shares of Rs. 10 (Rupees Ten Only) each held by them and the Bonus Shares so distributed shall, for all purposes, be treated as an increase in the Paid up capital of the Company.”

“**RESOLVED FURTHER THAT** the Bonus Shares so allotted shall rank pari passu in all respects with fully paid-up Equity Shares of the Company as existing on the Record Date.”

“**RESOLVED FURTHER THAT** No members shall entitle to a fraction of an equity shares as a result of implementation of this resolution and no certificate or coupon or cash shall be issued for fraction of equity shares and the bonus shall be rounded to the lower integer. All fractions of bonus equity shares shall be ignored and accordingly the number of issuances of bonus share may be reduced.”

“**RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, Any Director of the company is hereby authorized to do all such acts, deeds, matters and things and to give such directions as may be necessary or expedient, and to settle any question, difficulty or doubt that may arise in this regard as the Board in its absolute discretion may deem necessary or desirable and its decision shall be final and binding.”

By and On behalf of Board of Directors,  
Gensol Engineering Limited

Sd/-

Anmol Singh Jaggi  
Managing Director  
DIN: 01293305

Date: 05/09/2023  
Place: Ahmedabad

# STATUTORY REPORTS

## NOTICE TO SHAREHOLDERS

### NOTES:

1. The explanatory statement pursuant to Sections 102 and 110 of the Act stating all material facts and the reasons for the proposals set out in resolution no. 4 to 7 is annexed herewith.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM/AGM. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, the Body Corporates are entitled to appoint authorised representatives to attend the EGM/AGM through VC/OAVM and participate thereat and cast their votes through e- voting.
3. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the EGM/AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the EGM/AGM has been uploaded on the website of the Company at <http://gensol.in/investors>. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com), National Stock Exchanges of India Limited at [www.nseindia.com](http://www.nseindia.com) and EGM/AGM Notice is also available on the website on the website of Link Intime India Private Limited at <https://instavote.linkintime.co.in>
6. EGM/AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020, and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.

# STATUTORY REPORTS

## NOTICE TO SHAREHOLDERS

### **THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-**

#### **Remote e Voting Instructions for shareholders post change in the Login mechanism for Individual shareholders holding securities in demat mode, pursuant to SEBI circular dated December 9, 2020:**

Pursuant to SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in dematmode can vote through their demat account maintained with Depositories and Depository Participants only post 9<sup>th</sup> June, 2021.

The remote e voting period begins on Tuesday, September 26, 2023 at 09:00 A.M. and ends on Thursday, September 28, 2023 at 05:00 P.M. The remote e-voting module shall be disabled by Link Intime India Pvt. Ltd. for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. September 22, 2023 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being September 22, 2023. Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility.

Intentionally left blank, request to refer next page

# STATUTORY REPORTS

## NOTICE TO SHAREHOLDERS

Login method for Individual shareholders holding securities in demat mode/ physical mode is given below:

<u>Type of shareholders</u>	<u>Login Method</u>
<p><b>Individual Shareholders holding securities in demat mode with NSDL</b></p>	<p>If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password.</p> <p>After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register On line for IDeAS “Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

# STATUTORY REPORTS

## NOTICE TO SHAREHOLDERS

<p><b>Individual Shareholders holding securities in demat mode with CDSL</b></p>	<p>Existing user of who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</p> <p>After successful login of Easi / Easiest the user will be also able to see the E Voting Menu. The Menu will have links for e-Voting service provider i.e. NSDL, KARVY, LINKINTIME, CDSL. Click on e-Voting service provider name to cast your vote.</p> <p>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p> <p>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP where the E Voting is in progress.</p>
<p><b>Individual Shareholders (holding securities in demat mode) &amp; login through their depository participants</b></p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility.</p> <p>Once login, you will be able to see e Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

# STATUTORY REPORTS

## NOTICE TO SHAREHOLDERS

<p><b>Individual Shareholders holding securities in Physical mode &amp; evoting service Provider is LINKINTIME.</b></p>	<ol style="list-style-type: none"> <li>1. Open the internet browser and launch the URL: <a href="https://instavote.linkintime.co.in">https://instavote.linkintime.co.in</a></li> <li><input type="checkbox"/> Click on “<b>Sign Up</b>” under ‘<b>SHARE HOLDER</b>’ tab and register with your following details: -             <ol style="list-style-type: none"> <li>A. <b>User ID:</b> Shareholders/ members holding shares in <b>physical form shall provide</b> Event No + Folio Number registered with the Company.</li> <li>B. <b>PAN:</b> Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.</li> <li>C. <b>DOB/DOI:</b> Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP Company - in DD/MM/YYYY format)</li> <li>D. <b>Bank Account Number:</b> Enter your Bank Account Number (last four digits), as recorded with your DP/Company.</li> </ol> <ul style="list-style-type: none"> <li>• Shareholders/ members holding shares in <b>physical form</b> but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above</li> </ul> <li><input type="checkbox"/> Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&amp;*), at least one numeral, at least one alphabet and at least one capital letter).</li> <li><input type="checkbox"/> Click “confirm” (Your password is now generated).</li> </li></ol> <ol style="list-style-type: none"> <li>2. Click on ‘Login’ under ‘<b>SHARE HOLDER</b>’ tab.</li> <li>3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘<b>Submit</b>’.</li> <li>4. After successful login, you will be able to see the notification for e-voting. Select ‘<b>View</b>’ icon.</li> <li>5. E-voting page will appear.</li> <li>6. Refer the Resolution description and cast your vote by selecting your desired option ‘<b>Favour / Against</b>’ (If you wish to view the entire Resolution details, click on the ‘<b>View Resolution</b>’ file link).</li> <li>7. After selecting the desired option i.e. Favour / Against, click on ‘<b>Submit</b>’. A confirmation box will be displayed. If you wish to confirm your vote, click on ‘<b>Yes</b>’, else to change your vote, click on ‘<b>No</b>’ and accordingly modify your vote.</li> </ol>
---	---

# STATUTORY REPORTS

## NOTICE TO SHAREHOLDERS

### **Institutional shareholders:**

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

### **Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME, have forgotten the password:**

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

- In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address.
- Shareholders/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.
- The password should contain minimum 8 characters, at least one special character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter.

### **Individual Shareholders holding securities in demat mode with NSDL/ CDSL have forgotten the password:**

- Shareholders/ members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

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

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

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

### **Helpdesk for Individual Shareholders holding securities in demat mode:**

In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:

# STATUTORY REPORTS

## NOTICE TO SHAREHOLDERS

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 0222305873 8 or 22-23058542-43.

### **Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders & evoting service Provider is LINKINTIME.**

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

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

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

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

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

• Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**

• Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**

• Shareholders/ members holding shares in **physical form shall provide Folio Number** registered with the Company

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

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

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

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

Please refer the instructions (annexure) for the software requirements and kindly ensure to install the same on the device which would be used to attend the meeting. Please read the instructions carefully and participate in the meeting. You may also call upon the InstaMeet Support Desk for

# STATUTORY REPORTS

## NOTICE TO SHAREHOLDERS

any support on the dedicated number provided to you in the instruction/ InstaMEET website.

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

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

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

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

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

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

Note: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

# STATUTORY REPORTS

## NOTICE TO SHAREHOLDERS

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

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

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

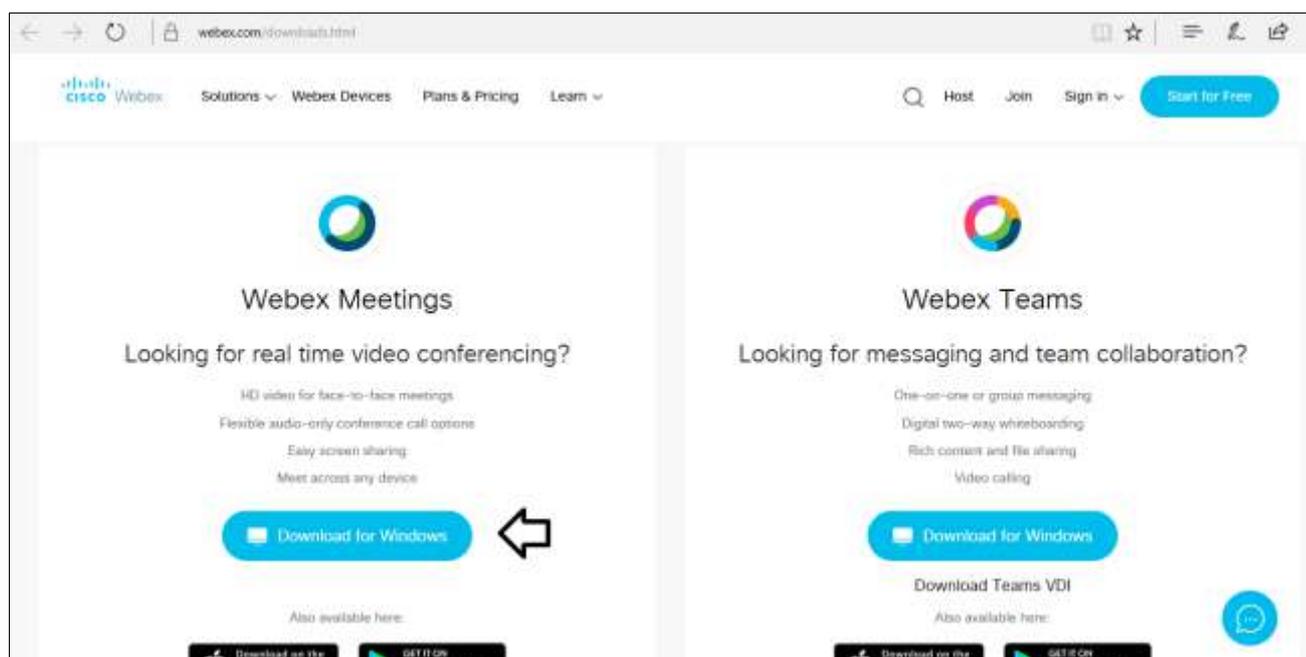
In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or contact on: - Tel: 022-49186175.

### Annexure

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

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

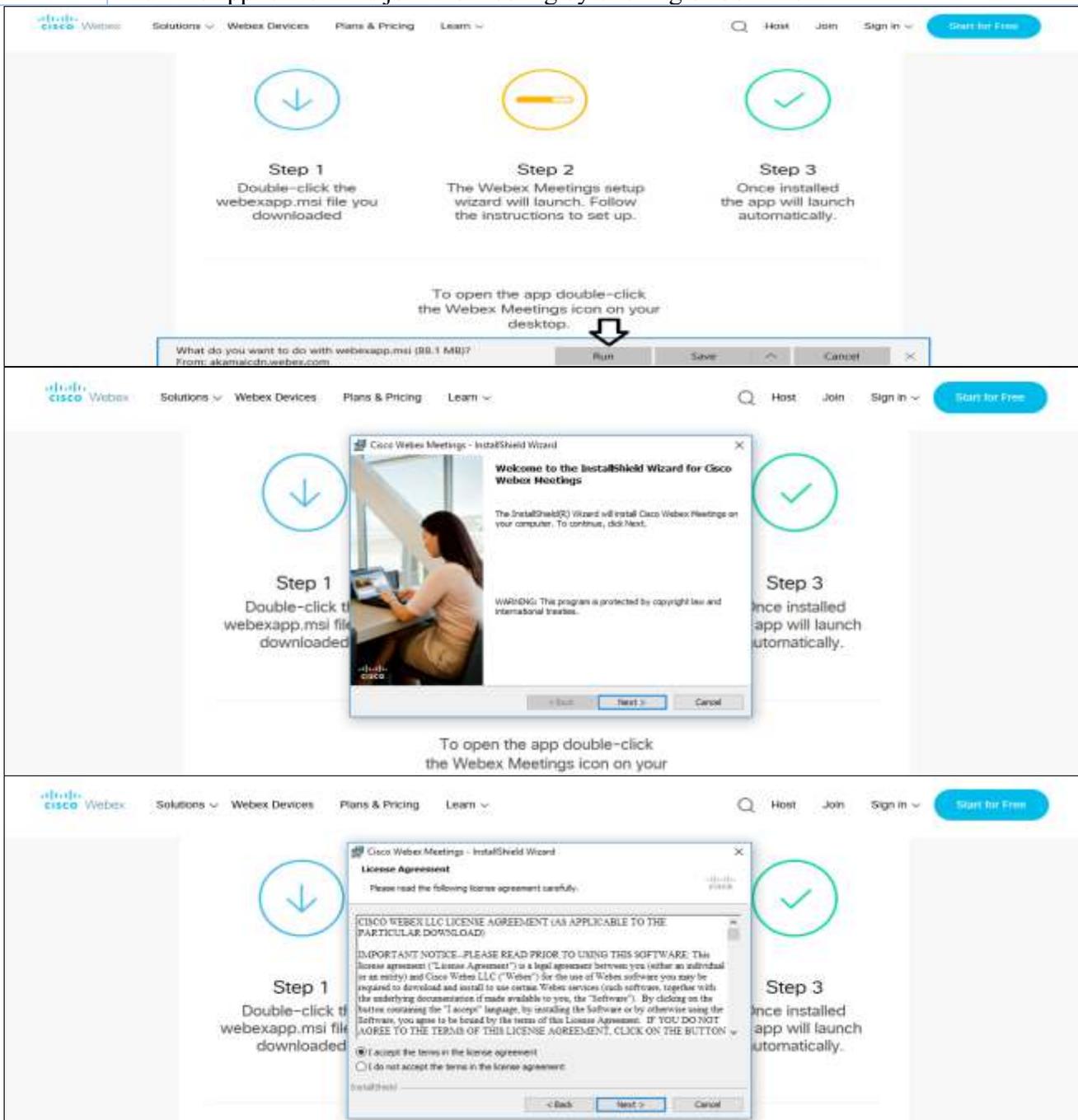
- a) Please download and install the Webex application by clicking on the link <https://www.webex.com/downloads.html/> <https://meetingsapac30.webex.com/webappng/sites/meetingsapac30/dashboard?siteurl=meetingsapac30>



# STATUTORY REPORTS

## NOTICE TO SHAREHOLDERS

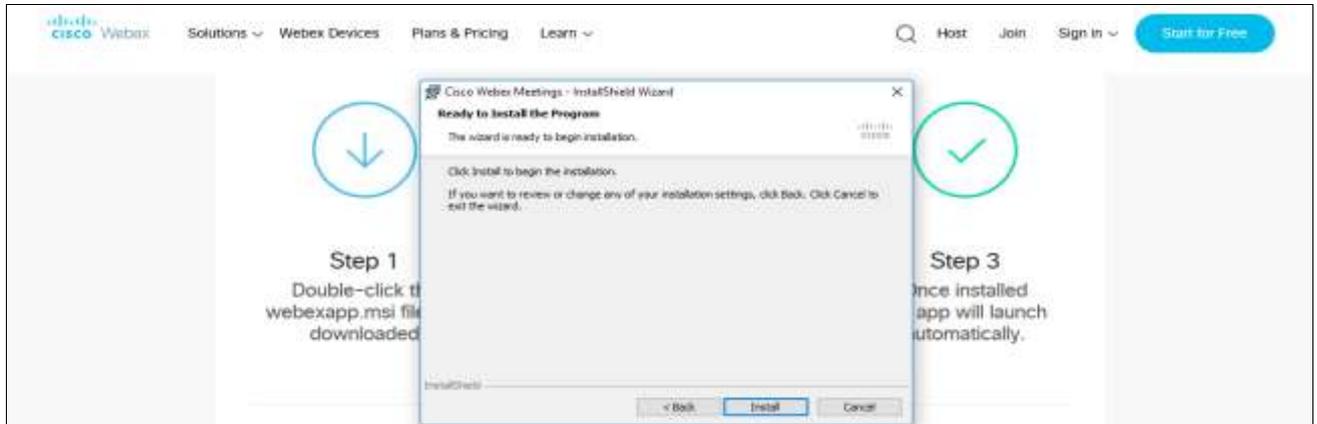
<b>Step 1</b>	<b>Enter your First Name, Last Name and Email ID and click on Join Now.</b>
<b>1 (A)</b>	If you have already installed the Webex application on your device, join the meeting by clicking on Join Now
<b>1 (B)</b>	If Webex application is not installed, a new page will appear giving you an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



The screenshots illustrate the installation process for the Cisco Webex application. The first screenshot shows the 'Step 1' instruction: 'Double-click the webexapp.msi file you downloaded'. The second screenshot shows the 'Step 2' instruction: 'The Webex Meetings setup wizard will launch. Follow the instructions to set up.' with a 'Cisco Webex Meetings - InstallShield Wizard' window overlaid. The third screenshot shows the 'Step 3' instruction: 'Once installed the app will launch automatically.' with a 'Cisco Webex Meetings - InstallShield Wizard' window overlaid showing a 'License Agreement'.

# STATUTORY REPORTS

## NOTICE TO SHAREHOLDERS



or

b) If you do not want to download and install the Webex application, you may join the meeting by following the process mentioned as under:



# STATUTORY REPORTS

## NOTICE TO SHAREHOLDERS

### EXPLANATORY STATEMENT (Pursuant to Section 102 of the Companies Act, 2013)

**Statement / Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 and additional information as required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Circulars issued thereunder:**

#### Item No.04

The Board of Directors has, on the recommendation of the Audit Committee, approved the appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company, for the financial year ending March 31, 2024, as per the following details.

Sr. No.	Name of Cost Auditor	Cost Audit Fees (Inclusive of Tax) (Amount In Rs.)
01	R J & Associates	60,000/-

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors, as recommended by the Audit Committee and approved by the Board of Directors of the Company, has to be ratified by the Members of the Company.

Accordingly, ratification by the Members is sought for the remuneration payable to the Cost Auditors for the financial year ending March 31, 2024 by passing an Ordinary Resolution as set out at Item No.4 of the Notice.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board commends the Ordinary Resolution set out at Item No.4 of the Notice for ratification by the Members

#### Item No. 5

The Board of Directors, at its meeting held on July 11, 2023, based on the recommendation of the Nomination and Remuneration Committee, appointed Ms. Vibhuti Patel as an Additional Director of the Company with effect from July 11, 2023. The Board, at the same meeting, also appointed Ms. Vibhuti Patel as Woman Independent Director of the Company, for a period of five years with effect from July 11, 2023, subject to approval of the Members. In terms of Section 161(1) of the Act, Ms. Vibhuti Patel holds the office of Additional Director only upto the date of this Annual General Meeting of the Company, and is eligible for appointment as a Director. The Company has received a notice in writing from a Member, in terms of Section 160(1) of the Act, proposing his candidature for the office of Director

# STATUTORY REPORTS

## NOTICE TO SHAREHOLDERS

Ms. Vibhuti Patel has also confirmed that she is not disqualified from being appointed as Director, in terms of the provisions of Section 164(1), 164(2) of the Act and is not debarred to hold the office of a Director by virtue of any order passed by SEBI or any other authority and has given his consent to act as a Director of the Company.

In the opinion of the Board, Ms. Vibhuti Patel fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for her appointment as an Independent Director of the Company and She is independent of the management. Considering Ms. Vibhuti Patel knowledge and experience, the Board of Directors is of the opinion that it would be in the interest of the Company to appoint her as an Independent Director for a period of five years with effect from July 11, 2023.

Copy of letter of appointment of Ms. Vibhuti Patel setting out the terms and conditions of appointment is being made available for inspection by the members through electronic mode. Additional information in respect of Ms. Vibhuti Patel, pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2), is given at Annexure to this Notice. Brief profile of Ms. Vibhuti Patel is given at Annexure to this Notice. Except Ms. Vibhuti Patel, being the appointee, or his relatives, none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the resolution set out at Item No. 5.

### Item No. 6

In order to issue further shares, the Company must first increase its authorized share capital.

Hence, the board of directors of the Company (“Board”), vide its resolution dated September 05, 2023 has proposed to increase the authorized share capital of the Company. Pursuant to Sections 61(1) (a) and 64(1) (a) of the Companies Act, 2013, the shareholders of the Company must accord their consent to the proposed increase in the authorised share capital. The Board, therefore, seeks approval of the shareholders for the same.

In order to reflect the increase authorised share capital of the Company, and in order to confirm to the requirements of the Companies Act, 2013, Clause V the Memorandum of Association of the Company must be amended.

A draft of the amended Memorandum of Association with the following Clause V shall be Tabled and initialed for discussion:

“V. The authorized share capital of the Company is Rs. 40,00,00,000.00 (Rupees Fourty Crore only) divided into 4,00,00,000 (Four Crore Only) Equity Shares of Rs. 10.00 (Rupees Ten only) each.”

# STATUTORY REPORTS

## NOTICE TO SHAREHOLDERS

In order to reflect the increase authorised share capital of the Company, and in order to conform to the requirements of the Companies Act, 2013 the Memorandum of Association of the Company must be amended and restated.

The Board now seeks the approval of shareholders for the same as an Special resolution.

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

### Item No. 7

The Board in its meeting held on September 05, 2023 considered and approved a Bonus issue of 2 (Two) Equity Share for every 1 (One ) Equity Share held as on a 'record date' to be determined by the Board.

None of the Directors, key managerial personnel and their relatives is in any way concerned or interested in the resolution except to the extent of their shareholding in the Company.

The Board recommends the resolution for the approval of the Members.

None of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Special Resolution except to the extent of their shareholding in the Company.

By and on Behalf of Board of Directors,  
Gensol Engineering Limited  
Sd/-

Anmol Singh Jaggi  
Managing Director  
DIN: 01293305  
Date: September 05, 2023

# STATUTORY REPORTS

## NOTICE TO SHAREHOLDERS

### Annexure to Notice

Details of Directors relating by rotation/seeking appointment/re-appointment at the Meeting:

Name of Director	Puneet Singh Jaggi
Date of Birth	May 30, 1987
Age	36 Years
Date of Appointment	February 27, 2019
Expertise in specific Functional Areas	He has and experience of more than 11 years in Solar Industry. He looks after designing of Technical, Architecture and manage entire Product development cycle of the company.
Qualifications	Bachelor of Technology (Chemical Engineering) from Indian Institute of Technology Roorkee
Directors in other Public Companies	NIL
Other Positions	Prescinto Technologies Private Limited Blu-Smart Mobility Tech Private Limited Blu-Smart Charge Private Limited Blu-Smart Fleet Private Limited Gensol Ventures Private Limited Gensol Consultants Private Limited Gensun Renewables Private Limited Param Renewable Energy Private Limited Gensol Utilities Private Limited Roaring Solar Power Private Limited Param Care Private Limited Gensol Ev Lease Private Limited
Membership of Committees in other unlisted Public Companies	Corporate Social Responsibility Committee
Inter Relationship	He is Brother of Mr. Anmol Singh Jaggi, who is Managing Director of the Company.
Shares held in the Company as at 31 <sup>st</sup> March,2023	23,30,086

# STATUTORY REPORTS

## NOTICE TO SHAREHOLDERS

### Annexure to Notice

Details of Directors relating by rotation/seeking appointment/re-appointment at the Meeting:

Name of Director	Ms. Vibhuti Patel
Date of Birth	16/09/1995
Age	28 years
Date of Appointment	July 11, 2023
Expertise in specific Functional Areas	Ms. Vibhuti Patel worked as a research analyst at GEMI, a leading environmental think tank. In this role, she conducted research on a variety of environmental issues, including renewable energy.
Qualifications	Graduation
Directors in other Public Companies	NIL
Other Positions	1. Anvi Power Industries Private Limited
Membership of Committees in other unlisted Public Companies	NIL
Inter Relationship	NIL
Shares held in the Company as at 31 <sup>st</sup> March, 2023	NIL



**Gensol Group**

15th Floor, Block-A, Westgate Business Bay  
Makarba, Ahmedabad, Gujarat - 380051

---

Ph: +91 79 61690000 | E: [cs@gensol.in](mailto:cs@gensol.in)