COMPANY NO. U65993GJ2017PTC097598
AUTHORIZED CAPITAL: 1,00,00,000/-

CITIZEN SOLAR PRIVATE LIMITED

5th ANNUAL REPORT

2021-2022

Registered Office

412, SAKAR-II,
ELLISBRIDGE, ASHRAMROAD
AHMEDABAD – 380006

General Information

- **<u>Board of Directors</u> :-**
  - Mr. Omprakash Jain - Director
  - Mr. Harsh Jain - Director
  - Mr. Tansukhraj Jain - Director
  - Mr. Ravindra O Jain - Director

- **<u>Bankers</u> :-**
  - HDFC Bank

<u>Auditors</u> :-

M/s. Krutesh Patel& Associates
Chartered Accountants

B-310, Gopal Palace, Opp. Ocean Park,
Above Hotel Maan Residency,
Nehrunagar BRTS, Ahmedabad – 380 015

CITIZEN SOLAR PRIVATE LIMITED

NOTICE

NOTICE be and is hereby given that the 5th **ANNUAL GENERAL MEETING** of the Members of the Company CITIZEN SOLAR PRIVATE LIMITED having CIN No. U65993GJ2017PTC097598will be held 30th June 2022 Thursday at 11.00 A.M. at the registered office of the Company.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the company as on 31st March 2022, Profit & Loss A/c and cash flow statement for the year ended on that date and the report of Directors and Auditors thereon.

2. To declare a dividend on equity shares for the financial year ended March 31, 2022, and in this regard, pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT a dividend at the rate of Rs.0.50 (Fifty paise only) per equity share of 10/- (Ten rupees) each fully paid-up of the Company be and is hereby declared for the financial year ended March 31, 2022, and the same be paid as recommended by the Board of Directors of the Company, out of the profits of the Company for the financial year ended March 31, 2022."

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and such proxy need not be a member of the company. The proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the time from holding the aforesaid meeting.

2. The requirement to ratify the appointment at every Annual General Meeting has been removed by the Company (Amendment) Act, 2017. Hence, the same has not been included in the agenda of the AGM.

PLACE: AHMEDABAD
DATE: 5th JUNE 2022

BY ORDER OF THE BOARD

CITIZEN SOLAR PVT. LTD. AHMEDABAD

Omprakash Jain
Director
DIN:00171365

DIRECTORS' REPORT

To,
The Members,

Your Directors have pleasure in presenting the 5th Annual Report of your company together with the Audited Statement of Accounts for the year ended, 31st March 2022.

- **Financial Results :-**

(Amount in ₹ Lakhs)

PARTICULARS	2021-22	2020-21
Total Income	5460.25	5142.67
Total Expenditure	(5231.91)	(4874.77)
Profit Before Depreciation, Interest & Tax	228.34	259.34
Less : Interest	(41.47)	(96.22)
Less : Depreciation	(55.47)	(51.61)
Profit Before Tax	131.41	111.51
Less : Tax	(45.08)	(18.31)
Profit After Tax	**86.32**	**93.19**

- **Performance Overview:**

The Company has registered growth rate of 7% during the year. The Profit before tax has witnessed the growth rate of 19% during the year. Your directors expects the similar performance in the next year as well.

- **Dividend:**

Your directors recommend a dividend @ 5% on 7, 86,000 equity shares of Rs.10 each for the year ended 31st March 2022. It will be subject to the approval of members at the Annual General Meeting of the Company.

- **Auditors:**

M/s. Krutesh Patel& Associates (FRN: 100865W), Chartered Accountants, Ahmedabad, Statutory Auditors of the Company has been appointed to hold office till the conclusion of the 6th Annual General meeting of the Company. The requirement to ratify the appointment of the auditor at every annual general meeting has been removed by the amendment to the Companies Act, 2013.

- **Conservation of Energy:**

The Company is manufacturing solar power panel which promotes the green energy. The company is concerned about consumption of power.

- **Technology Absorption:**

The company has not imported any technology but the company is very conscious to absorb necessary technological advancement in its operations. The company is continuously upgrading existing technology as well as innovating for cost reduction and quality improvements for providing better services to our valuable customers.

- **Particulars of Employees :**

During the year, there were no employees, within the organization, who were in receipt of remuneration exceeding Rs.60,00,000/- p.a. or if employed for part of the year drawing remuneration in excess of Rs. 5,00,000/- p.m. as prescribed.

- **Abstracts of Annual Return:**

In pursuant to requirement of 93 (3) of Companies Act, 2013, the abstracts of annual return is herewith attached in Annexure of the report in prescribed Form No MGT-9.

- **Number of Board Meetings:**

During the year, Board of directors of company metSixtimes on following dates. 01/04/2021, 21/05/2021, 04/08/2021, 31/08/2021, 21/12/2021, 10/01/2022.The meeting was duly constituted, quorum was present and minutes were duly recorded.

- **Auditor's Observations :**

The observations contained in the Auditor's Report are self-explanatory and, therefore, no comments are called for separately.

- **Insurance :**

The current assets and fixed assets of the company are adequately insured against all types of risks.

- **Directors' Responsibility Statement:**

Pursuant to requirement under section 134(3)(c) of Companies Act 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed.

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

b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

d) The directors had prepared the annual accounts on a going concern basis; and

e) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

- **Particulars of Loan Granted u/s 186 of Companies Act, 2013:**

The Company has not granted any loan or made guarantee or made any investment in any other body corporate or any person u/s 186 of Companies Act, 2013.

- **Particulars of Contracts entered with related parties:**

All contract or arrangements were made with related parties' u/s 188 of Companies Act, 2013 has been made at fair value.

- **Risk Management Policy:**

The Company has taken adequate measures to protect against all risk which may arise in normal course of business viz economic, financial, credit, operational and others. The company also taken insurance of property to protect against risks. The Company does not have substantial properties which require insurance. The Company has taken insurance of Fixed Assets or Stock, as your director does not expects substantial risk of damage.

- **Corporate Social Responsibility:**

The Company is responsible corporate citizen of our country and concerns about its social responsibility. It is not mandated u/s 135 of Companies Act, 2013 to contribute its profit towards CSR. However, the company will contribute voluntarily when it has substantial profit and finds a good cause to help.

- **Disclosure as per Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

Under Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 read with Rule 14; we confirm that no complaint/case has been filed/pending with the Company during the year.

- **Appreciation :**

Your directors acknowledge with gratitude, the patronage of its esteemed customers, the strength it derives from its employees at all levels, the support from its Bankers and the loyalty of the large family of the company's customers, suppliers and shareholders.

Place: Ahmedabad
Date: 5th June 2022

CITIZEN SOLAR PVT LTD. AHMEDABAD

For and on Behalf of the Board

Omprakash Jain	**Tansukhraj Jain**
Director	**Director**

Firm Reg No : 100865W

KRUTESH PATEL& ASSOCIATES

CHARTERED ACCOUNTANTS
B-310, Gopal Palace, Opp. Ocean Park,
Above Hotel Maan Residency,
Jhansi ki Rani, Ahmedabad -380 015

INDEPENDENT AUDITORS' REPORT

To
The Members of
CITIZEN SOLAR PRIVATE LIMITED

Report on the standalone Financial Statements

- **Opinion :**

We have audited the accompanying Standalone financial statements of M/s. **Citizen Solar Private Limited** ("the Company") which comprises the Balance Sheet as at **31st March, 2022**, the Statement of Profit and Loss, and 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 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 state of affairs of the Company as at March 31, 2022, and profit/loss, and its cash flows for the year ended on that date.

- **Basis for Opinion :**

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

- **The responsibility of Management for the Standalone Financial Statements :**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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 principles generally accepted in India, including the accounting Standards specified under section 133 of the Act.This responsibility also includes maintenance of adequate accounting records inaccordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate

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implementation and maintenance of accounting policies;making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management 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 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 auditors' 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 judgement 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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- 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 Auditors' Report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' 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.

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 to 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 for the financial year ended 31st March, 2022 and are therefore the key audit matters. We describe these matters in our auditors' 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 :**

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

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

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books

c) The Balance Sheet, the Statement of Profit and Loss and Cash-Flow Statement 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, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

f) Concerning the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

g) Concerning the other matters to be included in the Auditor's Report by Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

a) The Company does not have any pending litigations which may impact its financial position in its financial statements.

b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

d) (i)The management has represented that to the best of its knowledge and belief, other than as disclosed in the notes to accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kinds of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("intermediaries"), with the understanding , whether recorded in writing or otherwise, that the intermediately 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 like on behalf of the Ultimate Beneficiaries;

(ii))The management has represented that to the best of its knowledge and belief, other than as disclosed in the notes to accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with understanding whether recorded in writing or otherwise, that the company shall whether directly and 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 ultimate beneficiaries; and

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

Krutesh Patel & Associates FRN: 100865W M : 140047 CA Krutesh Patel

Firm Reg No : 100865W

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CHARTERED ACCOUNTANTS

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(e). The Company has not declared or paid any dividend during the year in contravention of provisions of Section 123 of the Companies Act, 2013

(8) With respect to the matter to be included in the Auditor's Report under section 197(16) of the Act, in our opinion and according to the information and explanations given to us, the limits prescribed for the payments of remuneration is not applicable to the private company.

For,Krutesh Patel& Associates
Chartered Accountants

Place: Ahmedabad
Date: 5th June 2022

Krutesh Patel
Partner
FRN: 100865W
UDIN: 22140047AMDVZE2894

Firm Reg No : 100865W

KRUTESH PATEL & ASSOCIATES
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ANNEXURE A TO THE AUDITORS REPORT

(Referred to in paragraph 5 of our report of even date)

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of plant, property and Equipment's.

(b) The Company has a regular programme for physical verification in a phased periodic manner, which, in our opinion, is reasonable having regards to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to information and explanations given by the management, the title deeds/lease deeds of immovable properties included in Property, Plant and Equipment are held in the name of the Company.

(d) The Company has not revalued Property, Plant and Equipment's or intangible assets during the year.

(e) According to information and explanations given by the management, No proceeding has been initiated or pending against the company for holding any property under the Benami Transactions (Prohibition) Act, 1988 or rules made thereunder.

2. (a) The management has conducted physical verification of inventory at reasonable intervals during the year, and no material discrepancies were noticed on such physical verification.

(b) During any time of the year, the Company has sanctioned working capital limit in excess of Rupees Five Crore in in aggregate from banks or financial institutions on the basis of security of current assets.

(c) In our opinion and according to the information and explanations provided to us, the Quarterly statements filed by the company with banks are in agreement with books of accounts materially.

3. The Company has not made any investments or provided guarantee or security or granted loans to Companies, Partnership Firms, LLP or any other party or promoters or related parties as defined under Section 2(76) of Companies Act,2013 during the year.

4. In our opinion and according to the information and explanations provided to us, provisions of section 185 and 186 of the Companies Act 2013 and in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the Company.

5. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order do not apply to the Company.

6. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacturing activities, and are of the opinion that the said provisions are not applicable to the company.

7. (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Goods and Services Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and Other Statutory Dues applicable to it.

(b) According to the information and explanations provided to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-Tax, Service Tax, Sales-Tax, Goods and Services Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and Other Statutory Dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

8. No transactions not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961,

9. (a) In our opinion and according to the information and explanations provided by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.

(b) In our opinion and according to the information and explanations provided by the management, the Company has not been declared as wilful defaulter by any bank or financial institution or any other lender.

10. In our opinion and according to the information and explanations provided by the management, the Company has utilised the monies raised by way of debt instruments and term loans for the purposes for which they were raised.

11. (a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Financial Statements and according to the information and explanations provided by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

(b) The Auditor has not filed any report under sub-section (12) of section 143 of the Companies Act in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) The Auditor has not received any whistle blower complaint during the year.

12. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order do not apply to the Company and hence not commented upon.

13. According to the information and explanations provided by the management, transactions with the related parties comply with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements, as required by the applicable accounting standards.

14. (a) The Company has an internal audit system commensurate with the size and nature of business of the Company.

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(b) The reports of internal auditors were considered by the statutory auditor of the company.

15. According to the information and explanations provided by the management, the Company has not entered into any non-cash transactions with directors or persons connected with it as referred to in section 192 of Companies Act, 2013.

16. According to the information and explanations provided to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 do not apply to the Company.

17. The Company has not incurred cash losses during the financial year and in the immediately preceding financial year.

18. There is no resignation of the Statutory Auditor during the year.

19. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date

20. Provisions of Section 135(5) of Companies Act, 2013 are not applicable to the company.

21. The Consolidated financial statements are not applicable to the company.

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For, Krutesh Patel& Associates
Chartered Accountants

Krutesh Patel Partner
FRN: 100865W
UDIN :22140047AMDVZE2894

Date: 5th June 2022
Place: Ahmedabad

Krutesh Patel & Associates FRN: 100865W M. : 140047 CA Krutesh Patel

KRUTESH PATEL & ASSOCIATES

Firm Reg No : 100865W

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ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF CITIZEN SOLAR PRIVATE LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Citizen Solar Private Limited** ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls:

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India". 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 ofreliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility:

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's

Krutesh Patel & Associates FRN: 100865W M. : 140047 CA Krutesh Patel

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judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting:

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting:

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

Opinion:

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

Place: Ahmedabad
Date: 5th June 2022

Krutesh Patel & Associates
FRN: 100865W
M. : 140047
CA Krutesh Patel

For, Krutesh Patel& Associates
Chartered Accountants

Krutesh Patel
Partner
FRN: 100865W
UDIN . 22140047AMDVZE2894

CITIZEN SOLAR PRIVATE LIMITED

Balance sheet as on 31 March 2022

Particulars	Note No.	*Figures as at the end of Current Reporting Period*	*Figures as at the end of Previous Reporting Period*
		₹	₹
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	78,60,000	78,60,000
(b) Reserves and Surplus	2	5,94,62,502	5,24,29,911
(c) Money received against share warrants			
(2) Share Application money pending allotment			
(3) Non-Current Liabilities			
(a) Long-Term Borrowings	3	3,64,13,632	4,75,80,213
(b) Deferred Tax Liabilities (Net)	28	54,96,121	47,97,999
(c) Other Long Term Liabilities		-	-
(d) Long Term Provisions	4	5,09,432	2,58,596
(4) Current Liabilities			
(a) Short-Term Borrowings	4	6,81,44,391	7,58,96,270
(b) Trade Payables	5	-	2,30,43,001
(c) Other Current Liabilities	6	1,05,49,904	2,60,68,748
(d) Short-Term Provisions	7	13,87,894	34,25,669
Total Equity & Liabilities		**18,98,23,874**	**24,13,60,406**
II.ASSETS		₹	₹
(1) Non-Current Assets			
(a) (i)Property, Plants & Equipments	8	6,15,01,916	6,62,21,720
(ii) Intabgible Assets		9,98,000	-
(iii) Capital Work in Progress		-	-
(iv) Intangible Assets under Development		-	-
(b) Non-current investments		-	-
(c) Deferred tax assets (net)		-	-
(d) Long term loans and advances	9	98,79,933	78,71,838
(e) Other non-current assets		-	-
(2) Current Assets			
(a) Current investments		-	-
(b) Inventories	10	5,38,79,080	4,32,46,365
(c) Trade receivables	11	3,35,89,131	8,88,76,323
(d) Cash and cash equivalents	12	20,482	8,72,453
(e) Short-term loans and advances	13	2,97,40,852	3,38,42,752
(f) Other current assets	14	2,14,480	4,28,955
Total Assets		**18,98,23,874**	**24,13,60,406**

Notes attached there to form an integral part of Balance Sheet
This is the Balance Sheet referred to in our Report of even date.

For, Krutesh Patel & Associates
Chartered Accountants

Krutesh Patel
Partner
Membership No. : 140047
Firm Reg. No.: 100865W
Date : 5th June 2022
Place : Ahmedabad

Krutesh Patel & Associates FRN: 100865W M. : 140047 CA

For, Citizen Solar Private limited

Omprakash Jain
Director
DIN : 00171365

Date : 5th June 2022
Place : Ahmedabad

Tansukhraj Jain
Director
DIN : 00171418

CITIZEN SOLAR PVT. LTD. AHMEDABAD

CITIZEN SOLAR PRIVATE LIMITED

Profit & Loss Statement for the year ended on 31st March 2022

Particulars		Note No.	*Figures as at the end of Current Reporting Period*	*Figures as at the end of Previous Reporting Period*
Revenues			₹	₹
- Revenue from Operations		15	54,29,50,825	51,11,65,156
- Other income		16	30,74,541	31,02,144
	Total Revenue		54,60,25,366	51,42,67,300
- Cost of Material Consumed		17	47,93,60,549	43,91,81,161
- Changes in Inventory		18	58,88,541	37,80,480
- Personnel Benefit Expense		19	2,51,72,441	2,34,06,828
- Financial Cost		20	41,46,674	96,22,265
- Depreciation and Amortization Expense		21	55,47,100	51,61,167
- Other Expenses		22	1,27,69,494	2,19,64,545
	Total Expenses		53,28,84,799	50,31,16,446
Profit Before Tax			1,31,40,567	1,11,50,854
Less:				
- Current tax			-38,10,031	-15,05,483
- Deferred Tax		28	-6,98,122	-3,26,070
Profit After Tax			86,32,414	93,19,301
Basic & Dilluted Earning Per Share (₹)		26	10.98	11.86
Weighted Average Nos of Shares			7,86,000	7,86,000
Face Value of Share (₹)			10.00	10.00

The Accompanying notes are integral part of Financial Statements.
This is the Profit & Loss Statement referred to in our Report of even date.

For, Krutesh Patel & Associates
Chartered Accountants

Krutesh Patel
Partner
Membership No. : 140047
Firm Reg. No.: 100865W

Date : 5th June 2022
Place : Ahmedabad

Krutesh Patel & Associates FRN : 100865W M. : 140047 CA Krutesh Patel

For, Citizen Solar Private limited

Omprakash Jain
Director
DIN: 00171365

Tansukhraj Jain
Director
DIN : 00171418

Date : 5th June 2022
Place : Ahmedabad

CITIZEN SOLAR PVT. LTD. AHMEDABAD

CITIZEN SOLAR PRIVATE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2022

	PARTICULARS	For Year Ended on 31st March, 2022		For Year Ended on 31st March, 2021	
A.	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Net Profit before tax and extraordinary items		1,31,40,567		1,11,50,854
	Adjustment for :				
	Depreciation & amortization	55,47,100		50,31,767	
	Interest Income	-6,19,941		-6,49,635	
	Finance Cost	41,46,674		96,22,265	
			90,73,833		1,40,04,397
	Operating Profit before working capital changes				
	Adjustment for :				
	Inventories	-1,06,32,715		14,74,152	
	Trade and other Receivables	5,52,87,192		-1,17,84,420	
	Loan and Advances	20,93,805		-1,09,71,472	
	Other Current Assets	2,14,475		2,14,475	
	Trade Payables	-2,30,43,001		11,98,084	
	Other Current Liabilities	-1,55,18,844		1,17,53,753	
	Short Term Provisions	-23,86,666		-64,90,102	
			60,14,246		-1,46,05,530
	Cash Generated from Operations		2,82,28,646		1,05,49,721
	Less: Direct Taxes Paid		-3,21,034		-13,76,083
	Net Cash Inflow From Operating Activities (A)		2,79,07,612		91,73,638
B.	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Purchase of Fixed Assets	-63,09,050		-76,812	
	Increase/Decrease in Investment/Advances	0		0	
	Interest Income	6,19,941		6,49,635	
	Net Cash Outflow from Investing Activities (B)		-56,89,109		5,72,823
C.	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Proceeds from Long Term Borrowing	-1,11,66,581		27,98,732	
	Short Term Borrowings	-77,51,879		-21,53,678	
	Finance Cost	-41,46,674		-96,22,265	
	Net Cash Outflow from Financing Activities (C)		-2,30,65,134		-89,77,211
	Net Inflow of Cash & Cash Equivalents(A+B+C)		-8,46,631		7,69,250
	Cash & Cash Equivalents (Opening Bal.)		8,72,453		1,03,204
	Cash & Cash Equivalents (Closing Bal.)		20,482		8,72,453

For, Krutesh Patel & Associates
Chartered Accountants

Krutesh Patel
Partner
Membership No. : 140047
Firm Reg. No.: 100865W
Date : 5th June 2022
Place : Ahmedabad

Krutesh Patel & Associates
FRN : 100865W
M. : 140047
CA Krutesh Patel

For, Citizen Solar Private limited

Omprakash Jain
Director
DIN : 00171365

Tansukhraj Jain
Director
DIN : 00171418

Date : 5th June 2022
Place : Ahmedabad

CITIZEN SOLAR PVT. LTD.
AHMEDABAD

CITIZEN SOLAR PRIVATE LIMITED

Notes Forming Integral Part of the Financial Statements as at 31st March, 2022

Note : 1 Equity Share Capital

Particulars	Current Year ₹	Previous Year ₹
- **Authorised Capital**		
10,00,000 Equity Shares of Rs. 10/- Each	1,00,00,000	1,00,00,000
	1,00,00,000	1,00,00,000
Issued, Subscribed & Paid up Capital		
- 7,86,000 Equity Shares of Rs. 10/- each. Fully Paid Up	78,60,000	78,60,000
Total	78,60,000	78,60,000

b) Reconciliation of the number of Shares Outstanding

Particulars	Current Year ₹	Previous Year ₹
Equity Shares Outstanding at the Beginning of Year (Nos)	7,86,000	7,86,000
Equity Shares Outstanding at the Beginning of Year (₹)	78,60,000	78,60,000
Add:	-	-
Shares Issued for Consideration of Money (Nos)	-	-
Shares Issued for Consideration of Money (₹)	-	-
Equity Shares Outstanding at the End of Year (Nos)	**7,86,000**	**7,86,000**
Equity Shares Outstanding at the End of Year (₹)	**78,60,000**	**78,60,000**

c) Shares Held by The Promoters

Name of Share Holder	Change in (%)	As on March 2022	
		Nos	% of Shares
- Mr. Omprakash Lalchand Jain	-	87,500	11.13%
- Mrs. Ugmadevi Omprakash Jain	-	25,000	3.18%
- Mr. Harsh Omprakash Jain	-	96,500	12.28%
- Mr. Ravindra Omprakash Jain	-	85,800	10.92%
- Mrs. Kasturi Ravindra Jain	-	27,500	3.50%
- Mr. Tansukhraj Lalchand Jain	-	1,90,000	24.17%
- Mrs. Sangitadevi Tansukhraj Jain	-	90,000	11.45%
- Mr. Sagar Tansukhraj Jain	-	73,700	9.38%
- Citizen Infoline Limited	-13.99%	-	0.00%
		6,76,000	**86.01%**

Name of Share Holder	Change in (%)	As on March 2021	
		Nos	% of Shares
- Mr. Omprakash Lalchand Jain	-	87,500	11.13%
- Mrs. Ugmadevi Omprakash Jain	-	25,000	3.18%
- Mr. Harsh Omprakash Jain	-	96,500	12.28%
- Mr. Ravindra Omprakash Jain	-	85,800	10.92%
- Mrs. Kasturi Ravindra Jain	-	27,500	3.50%
- Mr. Tansukhraj Lalchand Jain	-	1,90,000	24.17%
- Mrs. Sangitadevi Tansukhraj Jain	-	90,000	11.45%
- Mr. Sagar Tansukhraj Jain	-	73,700	9.38%
- Citizen Infoline Limited	(0)	1,10,000	13.99%
		7,86,000	**100.00%**

Krutesh Patel & Associates FRN : 100865W M. : 140047 CA Krutesh Patel

CITIZEN SOLAR PRIVATE LIMITED

Notes Forming Integral Part of the Financial Statements as at 31st March, 2022

(d) Rigjts Attached with Equity Shares: The Company has only one class of equity shares with voting rights having a par value of ₹ 10 per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General Meeting. During the year ended March 31, 2022, the amount of dividend per equity share distributed to equity shareholders is ₹ 1.2 (PY ₹ 1.2). In the event of liquidation of the Company, the shareholders of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Note : 2 Reserve & Surplus

Particulars	Current Year ₹	Previous Year ₹
- Share Premium	2,71,60,000	2,71,60,000
- Surplus		
Opening Balance	2,52,69,911	1,63,43,610
Add: Profit for the period	86,32,414	93,19,301
Less : Proposed Dividend	-3,93,000	-3,93,000
Less : MAT Credit Receivable	-12,06,823	-
Closing Balance	3,23,02,502	2,52,69,911
Total	**5,94,62,502**	**5,24,29,911**

Note : 3 Long Term Borrowings

Particulars	Current Year ₹	Previous Year ₹
- **Secured Loan**		
- From HDFC Bank Term Loan (Secured Loan)	1,31,86,016	2,09,79,524
- From HDFC Bank WC Term Loan - I (Secured Loan)	85,54,616	1,47,92,718
- From HDFC Bank WC Term Loan - II (Secured Loan)	95,73,000	-
- **Unsecured Loan**		
Inter Corporate Deposits	46,00,000	1,07,50,000
- **Business Deposits**		
From Dealers	5,00,000	10,57,971
Total	**3,64,13,632**	**4,75,80,213**

1 The Term Loan from HDFC is secured agaisnt Plant, Machinery and Furniture of the Company as a primary security. It is secured by way of colletral security of factory land and building situated at Survey No 966, Kadi Ankhol Indrad Road, Indrad, Kadi, Ahmedabad and Residential Flat at A-503, Karyashiromani Tower, Dafnala Road, Shahibhau, Ahmedabad which is owned by Mr. Tansukhraj Jain. Further, it carried personal guarantee Mr. Omprakash Jain, Mr. Harsh O Jain, mr. Ravindra O Jain, Mr. Tansukhraj Jain, Mr. Pranavi Jain. The Loan carried rate of Interest of 8.90% at present. It is repayable in 60 EMI of Rs. 8,40,504/- each commencing on 7 December 2019.

2 HDFC Bank WC Term Loan - I is repayble in 48 EMI of Rs. 6,02,177/-starting from 7 July 2021. Till then, the Company is required to serve only interest @ 8.25% pa. It is secured by way of extention of security mentioned in point 1 above.

3 HDFC Bank WC Term Loan - II is repayble in 60 EMI of Rs. 2,97,780/-starting from 7 March 2024. Till then, the Company is required to serve only interest @ 7.50% pa. It is secured by way of extention of security mentioned in point 1 above.

4 Inter Corporate Deposit from M/s Citizen Infoline Limited is unsecured and repayable on demand. It is interest free deposit.

5 Inter Corporate Deposit from M/s Technotrends Marketing Private Limited is unsecured and repayable on demand. It carries interest rate of 6.00% pa. It has been repaid in full FY 2021-22.

Krutesh Patel & Associates
FRN : 100865W
M. : 140047
CA Krutesh Patel

CITIZEN SOLAR PRIVATE LIMITED

Notes Forming Integral Part of the Financial Statements as at 31st March, 2022

Note : 4 Non Current Provisions

	Particulars	Current Year ₹	Previous Year ₹
-	Provision for Gratuity	3,50,373	2,00,332
-	Provision for Leave Encashment	1,59,059	58,264
	Total	**5,09,432**	**2,58,596**

Note : 4 Short Term Borrowings

	Particulars	Current Year ₹	Previous Year ₹
-	Working Capital Finance	5,36,11,216	6,32,47,989
-	Current Maturities of Long Term Debts	1,45,33,175	1,26,48,281
	Total	**6,81,44,391**	**7,58,96,270**

1 The Working Capital from HDFC is secured agaisnt all the Current Assets of the Company as a primary security. It is secured by way of colletral security of factory land and building situated at Survey No 966, Kadi Ankhol Indrad Road, Indrad, Kadi, Ahmedabad and Residential Flat at A-503, Karyashiromani Tower, Dafnala Road, Shahibhau, Ahmedabad which is owned by Mr. Tansukhraj Jain. Further, it carried personal guarantee Mr. Omprakash Jain, Mr. Harsh O Jain, mr. Ravindra O Jain, Mr. Tansukhraj Jain, Mr. Pranavi Jain. The Loan carried rate of Interest of MCLR+1.60% i.e. 10.60% at present. It is repayable on demand.

Note : 5 Trades Payable (Other than MSME)

	Particulars	Current Year ₹	Previous Year ₹
	Sundry Creditors for Goods		
-	Trade Payable (All Outstanding for a period less than One Year)	-	2,30,43,001
	Total	-	**2,30,43,001**

Note : 6 Other Current Liabilities

	Particulars	Current Year ₹	Previous Year ₹
-	Advance from Parties (To be repayable in Cash or Kind)	92,26,124	2,48,47,190
-	Unpaid Salary	10,66,621	9,66,360
-	Unpaid PF	84,687	72,490
-	Unpaid ESI	22,418	22,243
-	Unpaid Professional Tax	9,430	9,910
-	GST Payable	-	-
-	Unpaid TDS	1,40,624	1,50,555
	Total	**1,05,49,904**	**2,60,68,748**

Note : 7 Short Term Provisions

	Particulars	Current Year ₹	Previous Year ₹
	Provision For Employees Benefit		
-	Provision for Gratuity	705	377
-	Provision for Leave Encashment	11,871	6,580
-	Provision for Bonus	3,00,438	2,03,172
-	Provision for Audit Fees	40,000	35,000
-	Provision for Expenses	60,200	27,87,540
-	Provision for I Tax	5,81,680	-
-	Proposed Dividend	3,93,000	3,93,000
	Total	**13,87,894**	**34,25,669**

Patel & Associates FRN: 100365W M. : 140047 CA Krutesh Patel

CITIZEN SOLAR PRIVATE LIMITED

Notes Forming Integral Part of the Financial Statements as at 31st March, 2022

Note: 8 Property, Plant & Equipments

I. Fixed Assets at Ahmedabad

Sr. No.	Particulars	Rate	Gross Block					Depreciaton				Net Block	
			Value at the beginning	*Addition during the year For more Than 180 Days*	*Addition during the year For Less Than 180 Days*	*Deduction during the year*	*Value at the end*	*Value at the beginning*	*Addition during the year*	*Deduction during the year*	*Value at the end*	*WDV as on 31.03.2022* ₹	*WDV as on 31.03.2021* ₹
I	**Tangible Assets**												
1	Land & Building		99,39,309	-	-	-	99,39,309	-	-	-	-	99,39,309	99,39,309
2	Building-Indrad		23,37,269	-	-	-	23,37,269	2,16,424	78,547	-	2,94,971	20,42,298	21,20,845
3	Factory Shed		35,56,773	-	-	-	35,56,773	3,21,069	1,19,838	-	4,40,907	31,15,866	32,35,704.00
4	Computer		6,47,637	20,04,050	-	-	26,51,687	5,40,909	4,66,106	-	10,07,015	16,44,672	1,06,728
5	Electrical instruments		34,43,582	-	-	-	34,43,582	9,62,092	3,54,186	-	13,16,278	21,27,304	24,81,490.00
6	Furniture & Fixture		65,14,368	-	-	-	65,14,368	16,51,938	7,13,923	-	23,65,861	41,48,507	48,62,430
7	Plant & Machinery		5,25,47,180	-	-	44,83,754.00	4,80,63,426	95,93,309	36,60,515	-	1,32,53,824	3,48,09,602	4,29,53,871.00
8	Vehicles		6,13,008	-	-	-	6,13,008	91,665	65,690	-	1,57,355	4,55,653	5,21,343.00
9	Solar System		-	-	32,72,500	-	32,72,500	-	53,795	-	53,795	32,18,705	-
	SUB TOTAL (A)		**7,95,99,126**	**20,04,050**	**32,72,500**	**44,83,754**	**8,03,91,922**	**1,33,77,406**	**55,12,600**	**0**	**1,88,90,006**	**6,15,01,916**	**6,62,21,720**
Note: 2	**Intangible Assets**												
	Certification		-	10,32,500	-	-	10,32,500	-	34,500	-	34,500	9,98,000	-
			-	-	-	-	-	-	-	-	-	-	-
	SUB TOTAL (B)		-	10,32,500	-	-	10,32,500	-	34,500	-	34,500	9,98,000	-
	Total [A + B] (Current Year)		**7,95,99,126**	**30,36,550**	32,72,500	44,83,754	**8,14,24,422**	1,33,77,406	55,47,100	-	**1,89,24,506**	**6,24,99,916**	**6,62,21,720**
	(Previous Year)		7,95,22,314	76,812	-	-	7,95,99,126	82,16,239	51,61,167	-	1,33,77,406	6,62,21,720	7,13,06,075

Krutesh Patel & Associates
FRN: 100865W
M.: 140047
CA Krutesh Patel

CITIZEN SOLAR PRIVATE LIMITED

Notes Forming Integral Part of the Financial Statements as at 31st March, 2022

Note : 9 Long Term Loans & Advances

Particulars	Current Year ₹	Previous Year ₹
Security Deposit		
- Godown Deposit	-	-
- Electricity Deposit	12,75,947	12,28,940
- MAT Credit Receivable	-	25,42,898
- Fixed Deposit with Banks	86,03,986	41,00,000
Total	**98,79,933**	**78,71,838**

Note : 10 Inventories

Particulars	Current Year ₹	Previous Year ₹
- Raw Material	3,18,45,475	1,53,24,219
- Work-in-Progress	-	-
- Finished Goods	2,20,33,605	2,79,22,146
(All the above stock has been taken, valued and certified by the management)		
Total	**5,38,79,080**	**4,32,46,365**

Note : 11 Trade Receivables

Particulars	Current Year ₹	Previous Year ₹
Undisputed & Unsecured Outstanding for		
- Less than 6 Months	3,23,75,775	8,26,60,863
- More than 6 Months but less than 1 year	23,626	-
- More Than 1 Year but less than 2 Years	-	62,15,460
- More Than 2 Year but less than 3 Years	11,89,730	-
- More Than 3 Years	-	-
Total	**3,35,89,131**	**8,88,76,323**

Note : 12 Cash & Cash Equivalent

Particulars	Current Year ₹	Previous Year ₹
- **Cash-in-Hand**		
Cash Balance	15,297	46,935
Sub Total (A)	**15,297**	**46,935**
- **Bank Balance (In Current Accounts)**		
In Current Accounts	5,185	8,25,518
Sub Total (B)	**5,185**	**8,25,518**
Total [A + B]	**20,482**	**8,72,453**

Note : 13 Short Term Loans & Advances

Particulars	Current Year ₹	Previous Year ₹
- Staff Loans	-	-
- Business Deposit	9,71,309	16,08,199
- Fixed Deposit	12,00,000	52,03,344
- Advance to Creditors	1,19,23,883	1,85,31,728
(Unsecured & Receivable in Cash or Kind)		
- Advance Income Tax & TDS	50,401	3,56,659
- Advance to Electricity	-	2,21,792
- Balance With Revenue Authorities (GST)	62,04,325	79,21,030
- Subsidy Claim Receivable	93,90,934	
Total	**2,97,40,852**	**3,38,42,752**

Note : 14 Other Current Assets

Particulars	Current Year	Previous Year
- Preliminary Expenses	59,498	1,18,996
- Pre Operative Expenses	1,54,982	3,09,959
Total	**2,14,480**	**4,28,955**

CITIZEN SOLAR PRIVATE LIMITED

Notes Forming Integral Part of the Financial Statements as at 31 March, 2022

Note : 15 Revenue from Operations

	Particulars	Current Year ₹	Previous Year ₹
-	Sales	54,29,50,825	51,11,65,156
	Total	**54,29,50,825**	**51,11,65,156**

Note : 16 Other Income

	Particulars	Current Year ₹	Previous Year ₹
-	Discount Income	18,45,372	17,90,526
-	Forex Gain	2,58,316	79,592
-	Interest Income	6,19,941	6,49,635
-	Other Income	3,22,562	271
-	Commisssion Income	28,350	5,82,120
	Total	**30,74,541**	**31,02,144**

Note : 17 Cost of Raw Material Consumed

	Particulars	Current Year ₹	Previous Year ₹
	Opening Stock		
-	Raw Materials	1,53,24,219	1,30,17,891
	Purchases		
-	Purchases	48,74,47,519	43,06,46,756
	Direct Expenses		
-	Custom Duty Charges	37,64,981	46,70,562
-	Electricity Expenses	20,55,527	40,28,067
-	Freight & Transportation Expenses	10,24,747	7,43,788
-	Job Work Expenses	4,17,830	6,20,985
-	Machine Parts & Other Expenses	11,71,201	7,77,331
	Closing Stock		
-	Raw Materials	(3,18,45,475)	-1,53,24,219
	Total	**47,93,60,549**	**43,91,81,161**

Note : 18 Changes in Inventories

	Particulars	Current Year ₹	Previous Year ₹
	Opening Stock		
-	Finished Goods	2,79,22,146	3,17,02,626
	Closing Stock		
-	Finished Goods	2,20,33,605	2,79,22,146
	Total	**58,88,541**	**37,80,480**

Note : 19 Personnel Benefit Expenses

	Particulars	Current Year ₹	Previous Year ₹
-	Contribution to ESI	2,01,505	2,31,527
-	Gratuity Expenses	1,50,369	21,687
-	Leave Encashment	1,32,955	17,224
-	Contribution to PF	5,32,303	3,19,388
-	Salary, Allowance and Perquisites	2,41,55,309	2,28,17,002
	Total	**2,51,72,441**	**2,34,06,828**

Krutesh Patel & Associates
FRN : 100865W
M. : 140047
CA Krutesh Patel

CITIZEN SOLAR PRIVATE LIMITED

Note : 19.1 Director Remuneration

	Particulars	Current Year ₹	Previous Year ₹
-	Salary, Allowance & Wages	24,00,000	24,00,000
	Total	**24,00,000**	**24,00,000**

Note : 20 Financial Cost

	Particulars	Current Year ₹	Previous Year ₹
-	Interest on Term Loan	4,27,516	42,24,693
-	Interest on CC	37,16,567	47,24,900
-	Other Interest Expenses	2,591	6,72,672
	Total	**41,46,674**	**96,22,265**

Note : 21 Depreciation & Amortised Cost

	Particulars	Current Year ₹	Previous Year ₹
-	Depreciation	55,47,100	51,61,167
		-	-
	Total	**55,47,100**	**51,61,167**

Note : 21.1 Payment to Auditors

	Particulars	Current Year ₹	Previous Year ₹
-	Audit Fees	37,500	35,000
-	Tax Consultancy & Other	56,500	85,000
	Total	**94,000**	**1,20,000**

Note : 22 Other Expenses

	Particulars	Current Year ₹	Previous Year ₹
-	Advertisement Expenses	10,34,710	6,05,551
-	Brokerage & Commission Expenses	12,81,582	21,75,007
-	Business Promotion Expenses	6,60,581	15,794
-	Bank Commission	6,57,172	8,51,294
-	Customer Subsidy Loss From Gov Tender Supply	-	8,84,524
-	Discount Expense	10,25,132	50,64,741
-	Donation Expense	-	5,50,000
-	General Expenses	6,88,304	6,62,940
-	GST Expenses	68,436	-
-	Installation Expenses	2,40,333	21,92,810
-	Insurance Expense	4,28,584	2,95,097
-	Legal & Professional Expenses	12,63,864	11,47,626
-	Loading & Unloading Expenses	44,302	1,77,090
-	Net Metering Charges	1,05,878	5,45,452
-	Preliminary Expenses	2,14,475	2,14,475
-	Packaging Expenses	5,63,138	7,93,171
-	Petrol Expenses	5,47,396	4,01,977
-	Rent, Rate & Taxes	1,89,375	3,48,564
-	Repairs and Maintenance	17,60,135	31,14,193
-	Stationery & Printing Expenses	2,71,324	3,54,686
-	Security Expenses	7,98,632	7,90,000
-	Telephone, Domain & Internet Expenses	2,31,475	1,01,074
-	Travelling Expenses	6,95,666	6,78,479
	Total	**1,27,69,494**	**2,19,64,545**

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23. Significant Accounting Policies

a) Basis of Preparation of Financial Statements:

The financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles and comply with the Companies (accounting Standard) Rules 2006, the relevant provision of the Companies Act 2013.

b) Use of Estimates:

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which the results are known / materialized.

c) Disclosure of Accounting Policies:

The Accounting Principles and policies, recognized as appropriate for measurement and reporting of the financial performance and the financial position on Accrual Basis except otherwise disclosed using historical cost i.e. not taking into account changing money values/impact of inflation, are applied in the preparation of the financial statement and those which are considered material to the affairs are suitably disclosed. The statement on Significant Accounting policy excludes disclosures regarding Accounting Standards in respect of which there are no material transactions during year.

d) Valuation of Inventories:

The Company has kept proper records of its inventories. The Cost of inventory is ascertained as sum total of cost of procurement, cost of conversions and cost of bringing inventories to its present location and conditions excluding any abnormal cost, administrative, financial, and selling and storage cost. While net realizable value is calculated on the basis of estimated sales price in the ordinary course of business less estimated cost of completion and estimated cost necessary to make sale. Net realizable value is calculated on the basis of most reliable evidence at the time of valuation. The comparison of cost and net realizable value is made item by item or by group of item.

Type of Inventory	Method of Valuation
▪ Raw Material	At Cost Price
▪ Packing Material	At Cost Price
▪ Finished Material	At Cost or Net Realizable value whichever is lower
▪ Process Material & others	At Cost Price

f) Accounting of Fixed Assets:

Fixed Assets reflected in the financial statements are stated at their cost of acquisition including taxes, duties (Net of Refunds) and other identifiable direct charges incurredand depreciation is charged at WDV method.

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g) **Accounting of Foreign Exchange Fluctuations:**

Transactions in foreign currency are recorded at the approximate exchange rate prevailing on the date of transactions. Foreign currency monetary assets and monetary liabilities not covered by forward exchange contracts are translated at year end exchange rates and profit and loss so determined and realized exchange gains/losses are recognized in profit and loss account.

h) **Accounting for the Government Grant:**

The company recognizes the Government grants only when there is reasonable assurance that:-

- The enterprise will comply with the conditions attached to them and
- The grant will be received.

During the year, the company has not received any grant.

i) **Accounting for retirement benefits:**

Contribution made to defined contribution retirement benefit plans viz Provident fund, Gratuity fund, which are recognized as expenses as they fall due and paid. All the above expenditures are debited to profit and loss account.

j) **Accounting of Borrowing Cost:**

Interest on Borrowings to finance fixed assets are capitalized only if the borrowing costs are directly attributable to the acquisition of fixed assets or assets get substantial period of time to get ready for intended use. Expenditure incurred on alteration/temporary construction is charged against revenue under appropriate head in year in which it incurred.

Borrowing cost capitalized in year	Nil

k) **Accounting for Taxes on Income:**

Provision for current income taxes is made on taxable income at the rate applicable to the relevant assessment year. Deferred taxes are recognized for future tax consequences attributable to timings difference between the financial statements determination of income and their recognition for tax purpose. The effect on deferred tax assets and liabilities of a change in tax rates is recognized for tax purposes. The effect on deferred tax assets and liabilities of a change in tax rates is recognized inProfit and Loss Account using the tax rates and tax laws that have been enacted or substantively enacted by balance sheet date.

Deferred tax assets are recognized and carried forward only to the extent that there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax assets will be realized. The Company has recognized its deferred tax assets because the management has reasonable reasons to believe that the company will be able to realize this deferred tax assets in the near future.

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l) **Impairment of Assets:**

The carrying value of fixed assets is evaluated whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable. There is no impairment loss recognized or identified during the reporting period.

m) **Provisions, Contingent Liabilities and Contingent Assets:**

Contingent liabilities are not provided for but are disclosed after a careful evaluation of facts and legal aspects of the matter involved. In general, liabilities and contingencies are provided for it. If, in the opinion and at the discretion of the management, there are reasonable prospects of such liabilities crystallizing or future outcome of such contingencies is likely to be materially detrimental to business.

24. **Contingencies and Events occurring after Balance sheet date:**

Sr No	Particulars	Amount (Rs)
1	Contingent Liabilities	Nil
2	Estimated Amount of Contracts remaining to be executed on Capital accounts and not provided for	Nil
3	Material Events occurring after Balance sheet date are taken into cognizance. There have been no material changes or events since the date of balance sheet affecting financial statements as on the Balance sheet date. Further, after the date of Balance sheet, no events or circumstances have occurred, though properly excluded from the accounts, are of such importance that they should be disclosed through any medium.	
4	Particulars of Disputed dues in respect of Income tax : NIL	

25. **Net Profit and Loss for the period, extra ordinary items and change in accounting policy:**

1	Net Profit for the period: All items of income and expense in the period are included for determination of net profit of the year unless specifically mentioned elsewhere in the financial statements or required by an Accounting Standard. Prior period items, extra ordinary items and changes in accounting policy are disclosed only if those have material impact on the affairs of the company.
2	Prior Period items: All material items of Income/ Expenditure pertaining to prior period and expenses to subsequent period are accounted separately.
3	Extra ordinary Items –Nil
4	Accounting Policies The company has consistently followed accounting policies and there are no material changes in accounting policy of the company from that followed in previous year.

26. Related Party Disclosure:

A. **List Related Parties and Relations**

1. **Subsidiaries, Fellow Subsidiaries & Associates:**

2. **Key Management Personnel**
   - Mr. Omprakash Jain
   - Mr. Harsh Jain
   - Mr. Tansukhraj L Jain
   - Mr. Ravindra O Jain

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3. **List of Relatives of Key Managerial Personnel and Enterprise over which Key Management Personnel and their relative excessive significant influence with whom transaction have taken place during the year**

1. Citizen Infoline Limited
2. Technotrands Marketing Private Limited

Transactions with Related Parties:- (Rupees in Lakhs)

Particulars	Transaction Value	
	31/03/2022	31/03/2021
A) Remuneration		
KMP		
a) Mr. Tansukhraj Jain	12,00,000	12,00,000
b) Mr. Harsh Jain	12,00,000	12,00,000
B) Interest Paid		
KMP	Nil	Nil
Enterprises over which KMP has influence		
Technotrands Marketing Private Limited	Nil	1,06,225
C) Rent Received		
Enterprises over which KMP has influence	Nil	Nil
D) Purchase of Goods		
Enterprises over which KMP has influence		
Technotrands Marketing Private Limited	1,04,970	4,51,441
Citizen Infoline Limited	35,04,439	Nil
E) Sales		
Enterprises over which KMP has influence		
Technotrands Marketing Private Limited	11,28,52,890	15,72,09,613
F) Receipt of Services/Job work		
Enterprises over which KMP has influence		
G) Closing Balance of Unsecured Loan		
Enterprises over which KMP has influence		
Technotrands Marketing Private Limited	Nil	63,50,000
Citizen Infoline Limited	46,00,000	44,00,000

27. **Earnings Per Share:**

Basic Earnings per Share are disclosed in the profit and loss account. There is no Diluted Earnings per Share as there are no dilative potential equity shares.

Particulars	2021-22	2020-21
Earnings Available for share holders (Rs)	86,32,414	93,19,301
Weighted average number of Equity Shares	7,86,000	7,86,000
Basic & Diluted EPS (Rs.)	10.98	11.86
Face value of share (Rs.)	10.00	10.00

28. The information regarding suppliers holding permanent registration certificate as a small-scale industrial undertaking or as an ancillary industrial undertaking issued by the Directorate of industries of state is not available. In absence of such information, the amount and interest due as per the Interest on delayed payments to Small and Ancillary Industries Act, 1993 is not ascertainable. There is no claim for payment of interest under the aforesaid Act.

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29. Disclosures under Section 22 of Micro, Small and Ancillary Industries Act, 2006 can be considered on receiving relevant information from suppliers who are covered under the act is received from such suppliers.

30. SIGNIFICANT ACCOUNTING ASSUMPTIONS

The preparations of the financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and accompanying disclosures including disclosures of contingent liabilities. Uncertainty about these assumptions may result in an outcome that requires a material adjustment to the carrying amount of assets or liabilities affected in a future period. The estimates and associated assumptions are based on historical experiences and various other factors that are believed to be reasonable under the circumstances existing when the financial statements were prepared. The estimates and assumptions are reviewed on the ongoing basis. The revision to accounting estimates is recognized in the year in which the estimates are revised and in any future affected.

A) ESTIMATES AND ASSUMPTION

The key assumptions that concerning the future and other key sources of estimation on reporting date, which may cause a material adjustment to the carrying amount of assets and liabilities within the next financial year, are listed below. The company based its estimates and assumptions on parameters available when financial statements are made. Existing circumstances and assumptions about future circumstances may change due to market change or circumstances arising beyond the control of the company.

(i) Useful lives of property, plant and Equipment

The company reviews the useful life of its property, plant and equipment at the end of each reporting period.

(ii) Defined Benefit Plans

The cost of defined benefit gratuity plan and other post-employment and the present value of the gratuity obligations are determined using actuarial valuations. An actuary makes assumptions which may differ from the actual developments in the future. These include the determination of discount rate, future salary increase, mortality rate. Due to the complexity of the valuations, a defined benefit obligation is highly sensitive changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds.

The mortality rate is based on publicly available mortality tables of India. Future salary and gratuity increase are based on expected future inflation rates in India.

Details of Gratuity valuations are given in Note 17.

(iii) Provision for inventories

Provision is made in the financial statements for slow and non-moving inventories based on estimate regarding their usability.

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To measure lifetime expected credit loss allowances of trade receivables, the company has used practical expedient as permitted under Ind AS 109. The expected credit loss allowance is made on a provision matrix based on experience and adjusted for forward-looking information.

(v) Impairment of other financial assets

The impairment of loss of other financial assets is based on an assumption about the risk of default coupled with past experiences and information about the future.

Employee Benefit
(a) Defined Contribution Plans

1. Provident Fund/Employee's Pension Fund
2. Employee's State Insurance

The company has recognized following expense has been recognized in the Profit and Loss account.

Particulars	2021-22 (Rs)	2020-21 (Rs)
Employer's Contribution to PF/Pension Fund	5,11,459/-	3,19,388/-
Employer's Contribution to ESI	2,01,505/-	2,31,527/-

(b) Defined Benefit Plan

Gratuity (Included in Employee Benefit-cost in Note 20 of the financial statement)

Gratuity is payable to all eligible employees as provisions of Payment of Gratuity Act, 1972.The benefit will be paid at the time of separation as per the tenure of employment and salary of the employee.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at March 31, 2022. The present value of the defined benefit obligations and the related current service cost and past service cost were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognized in the Company's financial statements as at the Balance Sheet date.

		2021-22		2020-21	
		Gratuity (Unfunded)	Leave Encashment (Unfunded)	Gratuity (Unfunded)	Leave Encashment (Unfunded)
(I)	**Reconciliation of opening and closing balances of the Defined Benefit obligation**				
	Defined Benefit Obligation at the beginning of year	2,00,709	64,844	1,79,022	1,25,392
	Current Service Cost	1,30,596	82.320	95,498	41,506
	Interest Cost	14.391	4.649	12,263	5,926
	Actuarial (gain)/loss	5,383	19,117	(86,075)	(30,207)
	Benefit Paid	0.00	0.00	0.00	0.00
	Defined Benefit obligation at year end	**1,50,369**	**1,70,930**	**2,00,709**	**64,844**

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(II)	**Reconciliation of opening and closing balances of the fair value of Plan Assets**				
	Fair value of Plan Assets at beginning of year	0.00	0.00	0.00	0.00
	Expected return on plan assets	0.00	0.00	0.00	0.00
	Expense Deducted from fund	0.00	0.00	0.00	0.00
	Actuarial (gain)/loss	0.00	0.00	0.00	0.00
	Employer Contribution	0.00	0.00	0.00	0.00
	Benefit Paid	0.00	0.00	0.00	0.00
	Fair Value of plan assets at year end	**0.00**	**0.00**	**0.00**	**0.00**
	Actual return on plan assets	0.00	0.00	0.00	0.00
(III)	**Reconciliation of fair value of assets and obligations**				
	Fair value of plan assets as at Balance Sheet date	0.00	0.00	0.00	0.00
	Present value of obligation as at Balance Sheet date	3,51,078	1,70,930	2,00,709	64,844
	Amount recognized in Balance Sheet	3,51,078 (Liability)	1,70,930 (Liability)	2,00,709 (Liability)	64,844 (Liability)
(IV)	**Expenses recognized during the year**				
	Current Service Cost	1,30,596	82,320	95,498	41,506
	Interest Cost	14,390	4,649	12263	5,926
	Expected return on plan assets	0.00	0.00	0.00	0.00
	Net Actuarial (gain)/loss	5,383	19,117	86075	(30,207)
	Total charge to P & L	**1,50,369**	**1,06,089**	**0.00**	**17,224**
(V)	**Actuarial Assumptions**				
	Mortality Table (LIC)	Indian Assured Life Mortality (2012-14)		Indian Assured Life Mortality (2012-14)	
	Discount rate(per annum)	7.17%	7.17%	7.17%	7.17%
	Expected rate of return on plan assets(per annum)	0.00%	0.00%	0.00%	0.00%
	Rate of escalation in salary(per annum)	7.00%	7.00%	7.00%	7.00%
	Attrition Rate	5.00%	5.00%	5.00%	5.00%
	The Company is expected to contribute to gratuity in next period				

31. Deferred Tax Liabilities:

Sr No	Particulars	Balance on March, 2022	Balance on March, 2021
I	Deferred tax liabilities		
	a. Difference in WDV depreciation	1,98,64,685	1,84,08,802.00
	b. Allowance for Leave Encashment	26,869	Nil
	(I)		

II	Deferred Tax Assets	0.00	0.00
	a. Difference in Employee Benefit Expenses	(1,50,369)	(45,041.00)
	(II)	0.00	0.00
	Net Deferred Tax Liability/(Assets)	1,97,41,185	1,84,53,843
	Normal Rate of Tax	27.82%	26.04%
	Deferred Tax Liability/(Assets)	54,96,121	47,97,999
	Increase/Decrease in Deferred Tax Liability	6,98,122 (Increase)	3,26,070 (Decrease)

32. Foreign Exchange Earning and Outgo

PARTICULARS	Current Year *(Rs.)*	Previous Year *(Rs.)*
Foreign Exchange Earnings	Nil	Nil
Foreign Exchange Outgo	2,56,34,668/-	2,46,38,015/-

33. The Contingent Liabilities Include Rs. 75,95,220/- (PY – Nil) towards bank guarantee issued in favor of various beneficiaries.
34. There are no immovable properties whose title deeds are not held in the name of company.
35. The Company has not revalued it's Property, Plant and Equipment's during the year.
36. No Loans and Advances are granted to Directors, KMPs, Promoters and related parties as defined under Companies Act, 2013.
37. There is no capital in progress during the year.
38. There is no intangible assets during the development.
39. There are no proceedings being initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
40. The Quarterly statements filed by the Company with Bank for current assets agree with books of accounts. No material disagreement is found.
41. The Company is not declared as willful defaulter by the Bank or financial institutions or any other lender.
42. The Company does not have any transactions with companies struck off under Section 248 of Companies Act, 2013.
43. There is no registration or satisfaction of charge yet to be registered with Registrar of Companies.
44. The provisions of Section 2(87) read with Companies (Restriction on Number of Layers) Rules, 2017 is not applicable to the company.
45. Ratio Analysis
    - Current Ratio

    The current ratio indicates a company's overall liquidity position. It is widely used by banks in making decisions regarding the advancing of working capital credit to their clients. Both of these numbers can be found in a Company's balance sheet.

    Current Ratio = Total Current Assets/Total Current Liabilities

    Current Ratio for FY 2021-22 is 1.47 times (PY2020-21 – 1.30) times. There is no material change during the year.

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- Debt Equity Ratio

Debt-to-equity ratio compares a Company's total debt to shareholders equity. Both of these numbers can be found in a Company's balance sheet.

Debt Equity Ratio = Total Debt/Share Holder's Equity.

Debt Equity Ratio for FY 2021-22 is 1.55 (PY –2020-2.05). The ratio has improved due to reduction in total borrowings of the company.

- Debt Service Coverage Ratio

Debt Service coverage ratio is used to analyses the firm's ability to payoff current interest and installments.

Debt Service Coverage Ratio = Earnings available for Debt Service/Debt Service

Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.

Debt service = Interest & Lease Payments + Principal Repayments. No repayments is considered for loan repayable on demands.

"Net Profit after tax" means reported amount of "Profit / (loss) for the period" and it does not include items of other comprehensive income.

The Debt Service Coverage Ratio for FY 2021-22 is 3.42 (PY – 2020-21 1.50 times). The improvement in ratio is due to reduction in interest cost due to interest subsidy and improvement in net profit.

- Return on Equity (ROE)

It measures the profitability of equity funds invested in the Company. The ratio reveals how profitability of the equity-holders' funds have been utilized by the Company. It also measures the percentage return generated to equity-holders. The ratio is computed as:

ROE = Net Profit after Taxes-Preference Dividend (if any)*100/ Shareholder's Equity

The Return on Equity for FY 2021-22 is 12.83% (PY 2020-21- 15.46%). There is significant change in the ratio due to increase in provision for tax.

- Inventory Turnover Ratio

This ratio also known as stock turnover ratio and it establishes the relationship between the cost of goods sold during the period or sales during the period and average inventory held during the period. It measures the efficiency with which a Company utilizes or manages its inventory.

Inventory Turnover Ratio = Sales/Average Inventory

Average Inventory = (Opening Inventory + Closing Inventory)/2

Inventory Turnover Ratio for FY 2021-22 is 11.18 times (PY 2020-21 – 11.62 times). There is significant change in this ratio during the year.

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- Trade receivable Turnover Ratio

It measures the efficiency at which the firm is managing the receivables.

Trade Receivable Turnover Ratio = Net Credit Sales/Average Accounts Receivable

Net credit sales consist of gross credit sales minus sales return.
Trade receivables includes sundry debtors and bill's receivables Average trade debtors = (Opening + Closing balance) / 2

Trade Receivable Turnover Ratio is 8.87 times in FY 2021-22 (PY 2020-21 – 6.16 times). The Company used to classify subsidy claim receivable as trade receivable. It has started classifying the same as Current Assets. Hence, it has led to improvement in the ratio.

- Trade Payables Turnover Ratio

It indicates the number of times sundry creditors have been paid during a period. It is calculated to judge the requirements of cash for paying sundry creditors. It is calculated by dividing the net credit purchases by average creditors

Trade Payables Turnover Ratio = Net Credit Purchases/Average Trade Payables

Net credit purchases consist of gross credit purchases minus purchase return.
Average trade Payables= (Opening + Closing balance / 2

Trade Payable Turnover Ratio is 42.31 times in FY 2021-22 (PY 2020-21 – 19.19 times). The improvement is due to reduction in trade payables.

- Net Capital Turnover Ratio

It indicates a company's effectiveness in using its working capital. The working capital turnover ratio is calculated as follows: Net Sales divided by the average amount of working capital during the same period.

Net Capital Turnover Ratio = Net Sales/ Working Capital

Net Sales shall be calculated as total sales minus sales returns. Working capital shall be calculated as current assets minus current liabilities.

Net Capital Turnover Ratio is 14.53times in FY 2021-22 (PY 2020-21 – 13.16 times). There is significant change during the year.

- Net Profit Ratio

It measures relationship between Net profit and Sales of the business.

Net profit Ratio = Net profit/Sales

Net profit shall be after tax.
Net sales shall be calculated as total sales minus sales returns.

Net profit for FY 2021-22 is 1.59% (PY -2020-21 1.82%). There is significant change in the ratio during the year due to provision of taxation.

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- Return on Capital Employed

Return on capital employed indicates the ability of a company's management to generate returns for both the debt holders and the equity holders. Higher the ratio, more efficiently is the capital being employed by the company to generate returns.

Return on Capital Employed = Earning Before Interest and Taxes * 100/Capital Employed

Capital Employed = Tangible Net worth + Total Debt + Differed Tax Liability

The return on Capital Employed for FY 2021-22 is 9.75% (PY 2020-21 – 11.02%). There is significant change in the ratio during the year due to provision of tax.

- Return on Investments

Return on investment (ROI) is a financial ratio used to calculate the benefit an investor will receive in relation to their investment cost. The higher the ratio, the greater the benefit earned.

ROI = Cash Profit *100/Total Investments

Cash Profit = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + other adjustments like loss on sale of Fixed assets etc.

Total Investments = Average Fixed Assets + Closing Balance of Working Capital Balance

The Average Fixed Assets is calculated as average of opening Fixed Assets and closing Fixed Assets. The value of fixed assets has been taken as per books net of depreciation.

The Return on Investments for FY 2021-22 is 13.93% (PY -13.78%). There is no significant change during the year.

46. There is no scheme has been approved under section 230 to 237 of Companies Act, 2013 during the year.

47. The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall 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 (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

48. The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall (i) 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

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49. Value of Imports on CIF Value Basis

Particulars	Year 2021-22	Year 2020-21
Raw Materials	2,29,10,903/-	1,53,95,137/-
Components & Spares	2,90,658/-	11,34,328/-
Capital Goods	Nil	Nil

50. Total Value of Imported and Indigenous Consumption

Particulars	Year 2021-22		Year 2020-21	
Imported	2,29,10,903	4.78	1,53,95,137	3.51
Indigenous	45,64,49,646	95.22	42,37,86,024	96.49
Total	**47,93,60,549**	**100%**	**43,91,81,161**	**100%**

51. There is no income which has not been recorded in the books of accounts has been surrendered or disclosed as income during the year under the tax assessments under Income tax Act, 1961.

The Company has not traded or invested in virtual currency or crypto currencies during the year.

The Accompanying notes are integral part of accounts.
As per our report of even date attached

For, Krutesh Patel& Associates
Chartered Accountants

Krutesh Patel
Partner
Membership No. : 140047
Firm Reg. No.: 100865W

Date : 5th June 2022
Place : Ahmedabad

Krutesh Patel & Associates FRN: 100865W M. : 140047 CA Krutesh Patel

For, Citizen Solar Private Limited

Omprakash Jain	**Tansukhraj Jain**
Director	**Director**
00171365	**00171418**

Date : 5th June 2022
Place : Ahmedabad

CITIZEN SOLAR PVT. LTD. AHMEDABAD