



GENSOL ENGINEERING LIMITED

2021-22

10TH ANNUAL REPORT



ENERGISING CHANGE

EMPOWERING THE FUTURE

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ANNUAL REPORT 2021-22

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Energising Change. Empowering the Future.

The world is experiencing drastic effects of extreme climate change, pollution, and environment degradation. It is time nations and industries converge to build solutions that address these pressing challenges. India, the fifth largest car market in the world heavily relies on fuel imports. Today, as the automotive industry in the world is undergoing seismic shifts to switch to alternative options, India's policymakers are realising the importance of shared and electric mobility to significantly invest in the electric mobility shift.

At Gensol Engineering, we believe that the sun holds unfathomable power to feed millions of species on earth. It is time we channelise this power to build it as a massive source of economic growth and development. As the world begins to sit up and take notice of the understated power of renewables and technological advancements, we at Gensol are energising this change to empower the future.



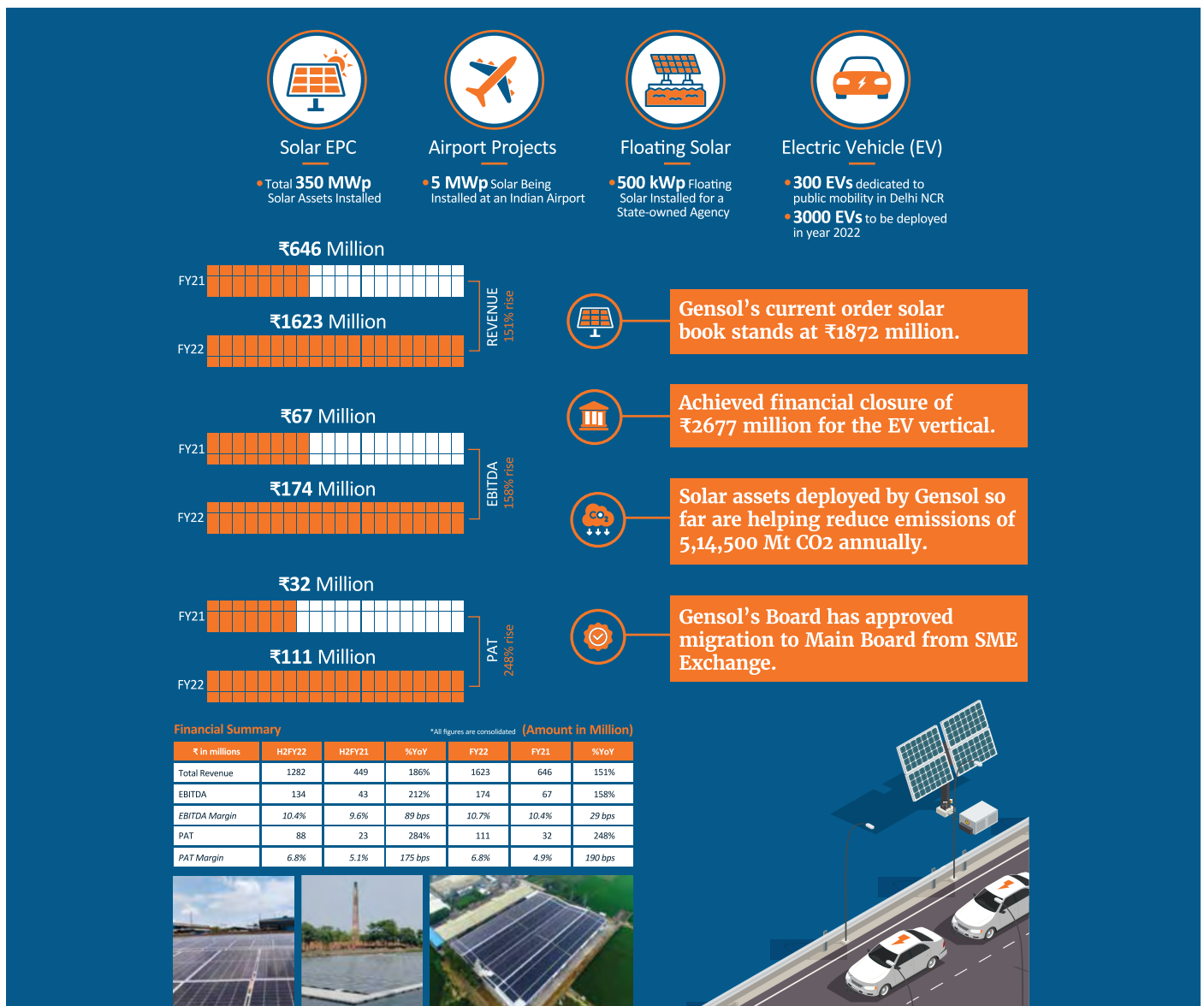
GENSOL - THE YEAR GONE BY



01 About Gensol | Gensol Engineering at a Glance

Incorporated in 2012, Gensol Engineering Limited is a part of the Gensol group of companies, which offer EPC and solar advisory services.

A microcosm of young thinkers, engineers, and leaders, Gensol is dedicated to help the world build solar power projects that maximise investor profits. The company is engaged in providing technical due diligence, detailed engineering, quality control, construction supervision, and other consulting services for solar projects across several geographies, including India. A one-stop solution for a value chain of the solar industry, the company provides advisory services to leading project developers, institutions, solar EPC companies, and government policymakers.



Note: The presented data and figures is as on March 31, 2022

GENSOL - THE YEAR GONE BY



01 About Gensol | The Gensol Value System

Gensol Engineering is backed by a robust value system of the Gensol Group that reflects in strong partnerships that they forge along the way, and projects that reflect world class quality and passionate engineering.



Spirit of Partnership

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



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.



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.



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.



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



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.



02 Business Segment & Services

EPC

Under its EPC business, the company manages turnkey engineering, construction, and procurement contracts internationally, with a team of 200+ engineers. Collectively, Gensol has erected solar power plants of over 350 MW capacity on ground and rooftops so far. With international reach, it provides consulting services to Kenya, Ukraine, Oman, Gabon, Sierra Leone, Nepal, Afghanistan, Indonesia, Philippines, and Chad.



EV Leasing

The Company is engaged in the business of buy-and-lease of EV cars with multiple logistic and ride-hailing platform to earn lease rental income on it.

EV Manufacturing

The Company understands that the case for immediate electrification of consumer transport is undeniable. Gensol will acquire majority stake in Gensol Electric Vehicles Private Limited which would further acquire technical and business know-how, patents, trademark and brand name related to electric vehicles from US based company. Gensol's R&D centre 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.





03 Key Business Drivers

Solar Business

The key factor driving growth in the solar power market in India is the increasing investments in renewable energy, spurred by the PM Modi's climate-motivated push at the recent COP26 summit in Geneva, which promises increasing India's non-fossil power capacity to 500 GW and meeting 50% of energy requirement from renewable sources by 2030. Piquantly, low carbon emissions from renewable sources and growing concerns regarding environmental protection is driving the adoption of renewable sources of energy, which has led to an increase in investments in renewable energy across the world.

Then again, the global energy mix has changed significantly over the past two decades. Improvement in energy efficiency and falling cost of renewable energy has played a vital role in balancing the energy supply and demand. According to an estimate, replacing coal plants with renewable sources is expected to save India 54000 cr (US\$ 6.75 billion) annually due to reduced power costs, which again is stimulating investments in the solar energy sector.

Most importantly, India has an electricity-GDP elasticity ratio of 0.8, which means 0.8 % change in electricity consumption achieve 1% change in national GDP, which underlines the high impact of energy consumption over the country's growth. Thus, 7% growth in energy supply will be required if India is to grow at 8%, which is likely to serve as a springboard for the solar industry in India. This prognosis is buttressed by the fact that the Central Electricity Authority, India's apex power sector planning body, estimates India's power requirement to grow to reach 817 GW by 2030.

In FY21, India stood third globally in terms of renewable energy investments. On a global perspective, the increased focus on renewable energy sources is raising the investments in the country's solar energy sector, which will catapult India's solar sector to stratospheric levels of growth, and will shore up its dominance in the renewable energy space the world over.

EV Business

Indians buy over 3M cars every year and the number will reach 4M annually in the next few years. Small cars and hatchback constitute over 40% of all cars purchased with 80% cars sold under INR 12L. Currently, there is no electric car in the Indian market in that price range. A recent survey shows that the majority of new car buyers are interested in Electric cars. But current options in the market are overpriced. As per the recent NITI Aayog report, price parity is not expected till 2nd half of the decade. At Gensol, we have identified this gap in the market which has an estimated market size of 3000-4000 Crores annually. In the next 2 years, we plan to launch fully electric vehicles in the sub-compact and compact hatchback segment at aggressive prices to meet Indian car buyer market demands.

We will also enter the last mile delivery vehicle market with superior engineering and technological features competing with international OEMs. Globally, the logistics and last mile delivery markets have grown significantly with sudden acceleration in 2020 due to lock-downs and safety concerns. Compact electric vehicles are increasingly sought after by all logistic providers. Gensol's cargo vehicle offers an unmatched ease of access in low footprint design with one of the lowest cost per mile offering perfect for not just Indian but North American and European markets.



04 Management of the Company

Promoters



Anmol Singh Jaggi,
Chairman & Managing Director

- Building India's largest & most responsible B2C electric mobility business at BluSmart Electric Mobility.
- Leading a team of 800 technocrats in the Renewable Energy services domain at Gensol Engineering Ltd.
- Business World Young Entrepreneur Award – 2010.



Puneet Singh Jaggi,
Whole Time Director

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

Key Management



Pranay Mundra,
President



Ali Imran Naqvi,
Chief Operating Officer



Rajesh Parmar,
CS & Compliance Officer



Jabir Mehendi Aga,
Chief Financial Officer



01 From the CMD's Desk

Dear Shareholders,

I trust you all are healthy, safe, and keeping well. It gives me immense pleasure to present our annual report and highlights of our performance, progress, challenges we have faced and path towards growing sustainably this year at Gensol Engineering. This report also represents a significant turning point in our ongoing efforts to give stakeholders thorough and honest information about the Company.



The world around us is rapidly changing. Economic uncertainty, volatile geopolitical challenges, rising crude oil and commodity prices and a critical call to action for climate change and preserving the planet is only the tip of the iceberg of our dynamic present. As we move towards a future that relies heavily in the advancement of technology and renewable energy to grow and sustain, we at Gensol are striving to energise this change by harnessing capabilities to provide holistic renewable energy solutions to the world. Our goal is to generate long-term value for the shareholders, and we are gradually heading in that direction by implementing several strategic initiatives.

Economic Overview and the EV Growth Story

The pandemic has presented the world with a challenging landscape. Like several other industries, the automotive industry was also deeply affected by the pandemic outbreak and subsequent lockdowns. This also created a significant impact in the EV industry, stalling and deferring projects. That said, India is known as one of the leading EV player globally in terms of sales and given the country's post pandemic economic growth along with conducive policy framework for EV adoption and the Government's ambition to achieve net zero carbon emission by 2070 has led to the EV industry gather momentum.

A Milestone Year at Gensol - Operational and Financial Highlights FY.22

We are delighted at our journey this financial year. The tireless efforts of the team to meet our collective vision of enhancing renewable energy production has augured well for the organisation and fruitful for our clients. These efforts have led to a robust business performance, setting us on a high growth trajectory.

In FY22, the company on consolidated level achieved a total revenue of ₹1,623 million, up by 151% YoY from ₹646 million in FY21. EBITDA improved by 158% whereas PAT improved by 248%.

Let me take this opportunity to walk you through our segmental performance. The Solar EPC Business reported ₹1556.60 million in FY22 grew by 156.22% compared to ₹607.6 million in FY21. The EV Lease Business reported ₹47.4 million in FY22 grew by 47.56% compared to ₹32.1 million in FY21.

THE GENSOL PROMISE OF VALUE CREATION



01 From the CMD's Desk

The Company has maintained its leadership position and continues to have a strong order book on the back of a robust demand environment for its products and services. The company's current solar order book as on 1st September 2022 stands at ₹4030.00 million.

Your company has also received sanctioned of Rs. 2,677 million loan from one the India's leading Financial Institutions to expand the electric car leasing business.

New Developments

Your company entered the electric vehicle ecosystem with the aim of manufacturing an electric car locally. The plant is located at the Chakan Industrial zone in Pune, Maharashtra with a capacity of 14,000 cars per year in the first phase.

The construction of the plant is in full swing and we expect the commercial production to commence from the last quarter of this fiscal. Once operational, this facility is expected to drive revenue growth from FY 2024 which will take the Company into the next orbit.

Looking Ahead

I am strongly inclined to believe Gensol has all the firepower and intent to translate all its endeavours into palpable reality. Without an iota of doubt, I am very positive about the trajectory of growth that India's solar industry is destined to embark upon and Gensol's unwavering commitment and link to this growth.

Gratitude

I would like to express my gratitude towards the Board for their constant guidance. Their trust in our business propositions and policies along with their invaluable has helped the Company scale new heights. I thank our investors, bankers, customers, channel partners and the wider community for placing their trust and confidence in us. Your unshakeable trust in us is an immutable source of power which keeps us pushing forwards despite all odds. I would like to thank you all for believing in the Gensol growth story and the value system of Quality, Engineering, Safety and Spirit of Partnership. Lastly, a big thank you to each our employees for tirelessly striving to build a valuable organisation that will scale new heights in India's renewable energy story.

With best regards,

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



THE GENSOL PROMISE OF VALUE CREATION

02 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 SME platform of the BSE limited is redefining its perception among existing customers and potential clients, a primary reason for its metamorphosis from a small company to a trust solar brand.



Backward Integration in Supply:
In order to increase market share, the company is working towards collaborating with suppliers to gain an edge in supply and pricing of long lead items.



Customer Engagement:
The management at 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 ever shining pool of a young, dynamic, multi-talented work force has been the hallmark of Gensol's growth story. Most importantly, Gensol's young management with an unflinching spirit to face challenges and remain immutable to risks has been the vital component of its existence.



Use of Technology:
On 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.



01 Management Discussion & Analysis

Global Economy

The year 2022 was full of peaks and troughs for the global economy. While the world was preparing to recover from the pandemic-induced losses at the start of the fiscal year, the second wave of the pandemic was nerve-wracking both for the people and businesses across the world. Lockdowns, pressure on the medical system, loss of life, restriction movements, supply-chain hurdles had a deep and lasting impact all over the world. While the economies slowly inched towards recovery, the Omicron wave put a partial pause. However, this turned out milder than expected and as the world prepared itself for opening of businesses, we stood face to face with one of the worst humanitarian crises as Russia waged a war on Ukraine. The war coupled with rising cases and downturn in China and the country's Zero-Covid Policy pushed back any economic recovery the world had made.

As per the International Monetary Fund (IMF), the global economic outlook is fairly uncertain and gloomy as it downgrades its projections for the next two years. With surging commodity and fuel costs along with supply-chain challenges from the war are a major catalyst for this forecast. The agency's baseline growth forecast of 6.1% last year has further slowed down to 3.2% for 2022 and 2.9% for the year 2023. This, along with China's economic slowdown, has had severe negative spillovers, with worldwide peaking, it is making decisions for policymakers between promoting growth and containing pricing pressures even more challenging.

As per Euromonitor, inflation is forecast to reach 7.9% in 2022, and towards 5.0% in 2023, compared with 2001-2019 average annual global inflation of 3.8%. This has made central banks across the world to tighten their monetary policies by increasing interest rates. Since March'22, the Federal Reserve has raised interest rates by 1.5%, one of the steepest increases in last decade and signalling more rises to combat this inflation that is running at a 40-year high. The series of interest rate hikes has led to stronger exchange rate in favour of the U.S. dollar and making other currencies weaker.

Against the above tough backdrop, the world economy is anticipated to undergo its greatest downturn in many decades. Global growth is projected to slow from 5.7% in 2021 to 2.9% in 2022 and average 3% in 2023-24, as per World Bank estimates.

Source: International Monetary Fund (IMF)
Euromonitor

Indian Economy

India has emerged as one of the fastest-growing major economies in the world. India is primarily a domestic demand-driven economy with consumption and investments contributing 70% to the country's economic activity. However, the country faced headwinds from global disruptions, geopolitical volatility, high commodity prices and supply chain disturbances. With central banks increasing the interest rates that has resulted in higher demand for US dollars, the rupee witnessed significant depreciation. Consequently, the country saw large portfolio outflows of ~\$28bn in FY22 followed up by \$13.3bn during the current financial year so far.



01 Management Discussion & Analysis

However, India's factory output, measured by the Index of Industrial Production (IIP) and 8 core industries point towards strengthening of industrial activity, while PMI Manufacturing touched an 8-month high in July 2022 with marked gains in growth of new business and output. As per the IMF, with strong and resilient fundamentals, India is expected to be amongst the fastest growing economies during 2022-23 according to the IMF, with signs of inflation moderating over the course of the year. The RBI anticipates the Indian GDP to grow at 7.2% in FY23 which is in-line with S&P Global rating's forecast of 7.3%.

Source: International Monetary Fund (IMF), Reserve Bank of India

Solar Power Industry

Solar energy, a renewable, clean source relies on solar panels converting sunlight into electricity and light. In 2021, the renewable energy industry remained remarkably resilient. With rapid technology improvements and decreasing costs of renewable energy resources, along with the increased competitiveness of battery storage, the renewables has become of the most competitive energy sources in many areas. Renewable energy growth is poised to accelerate in 2022, as concern for climate change and support for environmental, social, and governance (ESG) considerations grow and demand for cleaner energy sources from most market segments accelerates.

Despite suffering from supply chain constraints, increased shipping costs, and rising prices for key commodities, capacity installations remained at an all-time high. Wind and solar capacity additions of 13.8 GW in the first eight months of 2021 were up 28% over the same period in 2020. Many cities, states, and utilities set ambitious clean energy goals, increasing renewable portfolio standards and enacting energy storage procurement mandates.

India is endowed with a very vast solar energy potential with most parts of the country receiving about 300 sunny days and an average solar radiation incident over the land in the range of 4-7 kWh per day. Solar energy sector in India has emerged as a significant player in the grid connected power generation capacity over the years. It supports the Government's agenda of sustainable growth, while, emerging as an integral part of the solution to meet the nation's energy needs and an essential player for energy security.

Solar energy has taken a central place in India's National Action Plan on Climate Change with National Solar Mission as one of the key Missions. Launched on 11th January 2010, National Solar Mission (NSM) is a major initiative of the Government of India with active participation from States to promote ecological sustainable growth while addressing India's energy security challenges. It will also constitute a major contribution by India to the global effort to meet the challenges of climate change. In support of above mission, Government of India have launched various schemes to encourage generation of solar power in the country like Solar Park Scheme, VGF Schemes, CPSU Scheme, Defence Scheme, Canal bank & Canal top Scheme, Bundling Scheme, Grid Connected Solar Rooftop Scheme etc. With the gigantic renewable upcoming energy requirement, several big players are venturing into solar manufacturing.

Source: Ministry of New & Renewable Energy (MNRE) Government of India



01 Management Discussion & Analysis

Solar EPC Market Outlook

In the Solar Industry, Engineering, Procurement and Construction (EPC) is a term used for providing end-to-end solar services from designing the system, procuring the components, and installing the project.

The global solar EPC market has been displaying a robust growth owing to the renewable integration targets, investment subsidies, and self-consumption scheme, over the last few years. Factors such as the increase in industrial operations and several government initiatives to provide electricity to all people in the country are likely to drive the India power EPC market. However, the low domestic investments and slow processing of projects are expected to restrain the India power EPC market. New and efficient technologies like supercritical and ultra-supercritical coal power plants, along with the government initiative to increase renewable energy share is likely going to create several opportunities for the India power EPC market in the future.

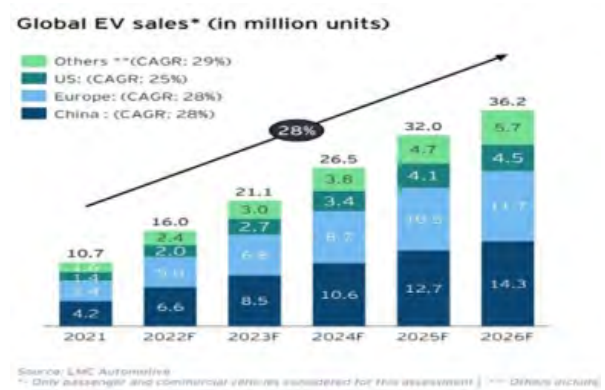
Source: Mordor Intelligence

Policy Initiatives

The Union Budget 2022 allocated ₹ 19,500 crore to boost manufacturing of solar modules with priority to fully integrate manufacturing units to solar PV modules under the government's flagship Production Linked Incentive (PLI) scheme. This will facilitate domestic manufacturing for the Government's ambitious goal of 280 GW of installed solar capacity by 2030, while strengthening the domestic solar manufacturing ecosystem, reducing India's import dependence, create jobs, attract investments, and enable the Make in India vision.

Electric Vehicle (EV) Industry

While the electric vehicle (EV) revolution has been top-of-mind for quite some time, FY 2021-22 saw an uptick in EV demand finally materialize. Sales of EVs doubled in 2021 from the previous year to a new record of 6.6 million. Back in 2012, just 120 000 electric cars were sold worldwide. In 2021, more than this number are sold each week. Nearly 10% of global car sales were electric in 2021, four times the market share in 2019. Global sales of electric cars have kept rising in 2022, with 2 million sold in the first quarter, up 75% from the same period in 2021.



The success of EVs is being driven by multiple factors such, primarily with sustained policy support. Public spending on subsidies and incentives for EVs nearly doubled in 2021 to nearly USD 30 billion. A growing number of countries have pledged to phase out internal combustion engines or have ambitious vehicle electrification targets for the coming decades. Meanwhile, several carmakers have plans to electrify their fleets that go further than policy targets. Five times newer EV models were available in 2021 than in 2015, increasing the attractiveness for consumers.



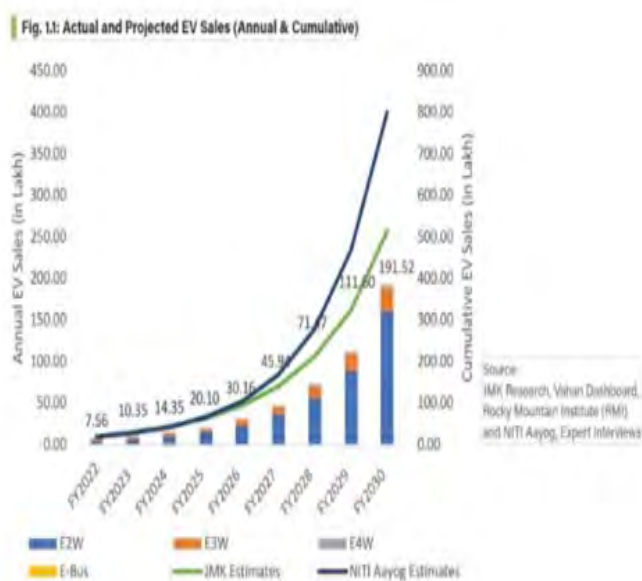
01 Management Discussion & Analysis

The case for immediate electrification of consumer transport is undeniable. The transport sector accounts for about 17% of global greenhouse gas emissions and stimulating supply and demand for electric-vehicle (EV) adoption in the mass market will be pivotal for Asian countries to meet national emissions goals and a global 1.5-degree climate change target. EVs are gaining attention across EV ecosystem development is a major opportunity to seize significant growth through new green business-building endeavours. Global EV sales reported 11 million units in 2021 and expected to grow at CAGR of 28% by 2026.

Source: India Business Economy Forum (IBEF), Mordor Intelligence

India's EV Market

The Indian automobile industry is expected to become the third largest by 2030. Despite, the EV industry being at a nascent stage in the country. It stands at less than 1% of the total vehicle sales against global share of 8.3%.



So far, the growth in India's EV market was primarily attributed to progressive state policies and encouraging incentives under FAME-II. Going ahead, however, when FAME-II ends in 2024 and most of the state-driven policies end by 2025, the market will grow on its own on the foundation of a strong EV ecosystem. India's EV adoption will then vary widely based on the type, end-use, and price of the vehicle in the market.

It is expected that the early wave of electric mobility in India (till FY 2025) will be driven by public and shared mobility, including last-mile connectivity services, and not by private cars. It is with this assumption, and the overall development of charging infrastructure, that estimates cumulative EV sales to reach approximately five crores by FY 2030.

The Government of India's think-tank NITI Aayog's analyses of the success of FAME II and other measures shows that India could realize EV sales penetration of 30% of private cars, 70% of commercial cars, 40% of buses and 80% of two and three-wheelers by 2030. Against this, our growth projections indicate that at the current growth rates and projected CAGR of 49.79% in annual sales till FY 2030, India may only achieve 5 crore EV sales. To achieve higher sales penetration, more policy, infrastructure and industry support is needed.

The EV push in India opens a plethora of business opportunities across three key segments – mobility, infrastructure, and energy. These prospects, among others, include those in the battery infrastructure, solar vehicle charging, EV OEM market, EV franchising, and battery swapping technologies. NITI Aayog estimates that a total investment of US\$ 267 billion (Rs. 19.7 lakh crore) in EVs, battery infrastructure, and charging infrastructure is needed to make the full transition to Evs.



01 Management Discussion & Analysis

Despite this, EVs have a long road ahead due to the challenges of high battery prices, inadequate charging infrastructure, cost of overall electric vehicle much higher than the existing internal combustion engine (ICE) vehicles, among others. However, the limelight the space is getting along with the billions of dollars of investment worldwide, the technology is evolving every day and EVs are likely to become a norm sooner than later.

Source: India Business Economy Forum (IBEF), Mordor Intelligence





01 Management Discussion & Analysis

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 optimizing 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 help 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 come out profitable.

Segment Overview

The total revenue from operations of the Company stands at ₹ 1604.1 million as against ₹ 639.7 million in the Financial Year 2020-21, reflecting a growth of over 150% on a YoY basis. The Company's EBITDA stood at ₹174.8 million compared to ₹67.2 million in the previous fiscal. The Company reported a total profit after tax of ₹ 110.9 million as against a profit after tax of ₹ 31.9 million in the Financial Year 2020-21.

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

Review of Financial Performance for the Year

(Rs. Million)	FY 22	FY 21
Revenue from Operations (Net)	1604.1	639.7
Other income	19.8	6.3
Total Income	1624	646
Operating Profit (EBITDA)	174.8	67.2
EBITDA Margin (%)	10.90%	10.50%
EBIT	161.7	53.7
EBIT Margin (%)	10.08%	8.39%
Net Profit	110.9	31.9
Net Profit Margin (%)	6.91%	4.99%



01 Management Discussion & Analysis

Key Ratios (Consolidated)

Particulars	FY 22	FY 21
EBITDA to Sales (%)	10.90%	10.50%
PAT to Sales (%)	6.91%	4.99%
Total Debt to Equity	1.77	0.29
Net Debt to EBITDA	4.08	0.25
Return on Capital Employed (%)	20.40%	16.90%

Capital Expenditure

Total capital expenditure incurred for the year was Rs. 500.7 million majorly includes purchase of four-wheel electric cars which are further leased-out to ride hailing platform.

Risk Management

The Company has a robust and comprehensive risk management framework commensurate with the nature of business. Well-defined internal processes enable timely identification and analysis of both internal as well as external risk factors. With business continuity in focus, the risk management framework ensures timely mitigation or curtailment of foreseeable risks through well devised strategies. Based on existing market presence, market size, growth opportunity and geopolitical risks, the Company's Risk Management team thoroughly assesses and analyses the risks and accordingly suggest appropriate mitigation measures.

Risk	Business Impact	Mitigation measures
Supplier Concentration Risk	With limited number of reputed 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.

STATUTORY REPORTS



Risk	Business Impact	Mitigation measures
Competitive Risk	<p>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.</p>	<p>The Company's rich experience of more than one decade in the solar industry has built a strong brand equity. Its unique offering of providing innovative, technically advanced, complete end to- end solutions at competitive cost sled by it s widespread operations gives it a significant edge over competition.</p>
Operational Risk	<p>Operational risks may result from inadequate control on internal processes, people, and systems. External factors also pose threat to business operations.</p>	<p>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.</p>
Module Price Hike Risk and Commodity Risk	<p>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.</p> <p>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.</p>	<p>The Company closely monitors price of all products it uses and maintains inventory accordingly.</p>
Cyber Fraud Risk	<p>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.</p>	<p>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.</p>



01 Management Discussion & Analysis

Human Resources Overview

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 initiated several measures to keep its employees safe, engaged, and productive during the pandemic. The Company rolled out a remote working facility wherever applicable, while maintaining utmost safety of onsite employees. Several diverse training and development initiatives were conducted.

These HR initiatives have helped reinforce the Company's commitment to bridging the crisis response to the new normal by laying a solid foundation to recover and thrive.

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 endeavored to harmonize 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.

Internal Controls and their Adequacy

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.



01 Management Discussion & Analysis

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 factor.

STATUTORY REPORTS



02 Director's Report

To the Members,

The Directors present the 10th Annual Report of Gensol Engineering Limited ("the Company") along with the Audited Financial Statements for the financial year ended 31st March 2022.

FINANCIAL RESULTS

(Amount in Lakhs)

Sr.	Particulars	STANDALONE		CONSOLIDATED	
		F.Y. 2021-22	F.Y. 2020-21	F. Y. 2021-22	F. Y. 2020-21
1	Revenue from Operations (Net)	15,351	6,011	16,041	6,397
2	Other Income	234	72	198	63
3	Total Income	15,585	6,083	16,240	6,460
4	Total Expenditure	14,153	5,720	14,803	6,084
5	Profit before tax	1,432	362	1,437	375
6	Tax expense	330	50	325	56
7	Net Profit for the year	1,102	312	1,109	319

PERFORMANCE REVIEW

The Company's revenue from operations on Standalone basis for the year under review is Rs. 15,351 Lakhs has compared to Rs. 6,011 Lakhs in the previous year. There is notable increase in revenue of Rs. 9,340 Lakhs during the year under review.

The Company's revenue from operations on Consolidated basis for the year under review is Rs. 16,041 Lakhs has compared to Rs. 6,397 Lakhs in the previous year. There is notable increase in revenue of Rs. 9,644 Lakhs during the year under review.

250%
PROFIT





02 Director's Report

SHARE CAPITAL

A) AUTHORIZED SHARE CAPITAL

The authorized share capital of the company as on March 31, 2022, ₹12,50,00,000 (Rupees Twelve Crores Fifty Lakhs Only) divided into 1,25,00,000 (One Crore Twenty-Five Lakhs) Equity Shares of Rs. 10/- (Rupees Ten Only) each.

B) PAID UP SHARE CAPITAL

The Paid-up share capital of the Company as on March 31, 2022, is ₹ 10,93,69,230/- (Rupees Ten Crore Ninety-Three Lakh Sixty-Nine Thousand Two Hundred Thirty Only) divided into 1,09,36,923 (One Crore Nine Lakhs Thirty-Six Thousand Nine Hundred Twenty-Three) equity shares of ₹ 10/- (Rupees Ten Only).

During the year under reviewed, the Board of Directors of the Company has approved Bonus shares to the Members of the Company as on record date in ratio of 1:3 (for every 3 equity shares 1 equity share).

DIVIDEND

The Directors have not recommended any Dividend on equity shares of the company for the year

MEETINGS

A. Board Meetings

The Board of Directors met Seven times during the financial year 2021-22. The meetings were held on 30.06.2021, 25.08.2021, 04.09.2021, 14.10.2021, 13.11.2021, 01.02.2022, 08.02.2022. The attendance particulars of each Director at the Board Meetings for the financial year 2021-22 are as under:

Sr	Name of Director	No. of Board meetings held during the year	No. of Board Meetings attended during the year
1	Anmol Singh Jaggi	7	7
2	Jasminder Kaur	7	7
3	Puneet Singh Jaggi	7	7
4	Kamleshkumar P. Parmar	7	7
5	Gaurav Kharbanda	7	7
6	Arun Menon *	-	-

* Mr. Arun Menon has been appointed as an Independent Director on April 19, 2022

B. Committee Meetings

- The Audit Committee met four times during the year 2021-22. The meetings were held on 30.06.2021, 04.09.2021, 13.11.2021, 08.02.2022.
- The Nomination and Remuneration Committee met Once during the year 2021-22. The meetings were held on 08.02.2022.
- The Stakeholders Relationship Committee met Once during the year 2021-22. The meetings were held on 08.02.2022.
- The Corporate Social Responsibility Committee met Once during the year 2021-22. The meetings were held on 08.02.2022.
- Meeting of Independent Director met Once during the year 2021-22. The meetings were held on 08.02.2022.



02 Director's Report

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 2022: -

Sr	Name of Member	Category of Directors	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	Name of Member	Category of Directors	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

C. Stakeholder's Relations Committee

Sr	Name of Member	Category of Directors	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

D. Corporate Social Responsibility Committee

Sr	Name of Member	Category of Directors	Profile
1	Mr. Gaurav Kharbanda	Non-Executive Independent	Chairman
2	Mr. Puneet Singh Jaggi	Executive	Member
3	Mr. Anmol Singh Jaggi	Executive	Member



02 Director's Report

E. Independent Directors Committee

Sr	Name of Member	Category of Directors	Profile
1	Mr. Gaurav Kharbanda	Non-Executive Independent	Member
2	Mr. Kamleshkumar P. Parmar	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, Ms. Jasminder kaur is liable to retire by rotation and is eligible to offer herself for re-appointment.
- During the year Appointment of Mr. Arun Menon as Independent Director with effect from 19th April 2022.
- Board of Directors of the Company as on date are as follows:

Sr	Name of Director	Designation
1	Anmol Singh Jaggi	Managing Director
2	Puneet singh Jaggi	Whole-Time Director
3	Jasminder Kaur	Non-Executive Director
4	Gaurav Kharbanda	Non-Executive Independent Director
5	Arun Menon	Non-Executive Independent Director
6	Kamleshkumar P. Parmar	Non-Executive Independent Director



02 Director's Report

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 www.gensol.in.

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 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.

STATUTORY REPORTS



02 Director's Report

DISQUALIFICATIONS OF DIRECTORS:

During the financial year 2021-2022 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 held in the year 2019 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.

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 2021-22.

A Secretarial Audit Report for the Financial Year 2021-22 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.



02 Director's Report

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, 2022.

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

During the year under review, there were two subsidiary companies (I) Gensun Renewable Private Limited, and (II) Gensol Utilities Private Limited. In this respect the AOC-1 is annexed as “**Annexure- B**” with this Directors Report.

During the year under review, there was no holding and associate company as on March 31, 2022

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. 2021-22.

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 2021-22.



02 Director's Report

INVESTOR GRIEVANCES REDRESSAL STATUS:

During the Financial Year 2021-22, 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

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 www.gensol.in.

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, 15, 16 and 21 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.

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

CORPORATE GOVERNANCE

During the year under review, the company is not fall under the ambit of applicability of Corporate Governance as the company is listed on SME Platform of the BSE Limited.



02 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 2021-22 :-

- 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 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.



02 Director's Report

TECHNOLOGY ABSORPTION:

Your Company firmly believes that adoption and use of technology is a fundamental business requirement for carrying out business effectively and 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	2021-22	2020-21
Total foreign exchange outgo	6,034	460
Total foreign exchange inflow	184	64

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 2020-2021 company has Profit Before Tax is Rs. 362.00 Lakhs, hence, the Company is not liable for spending the amount on account of CSR in the year 2021-2022.

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.

MATERIAL CHANGES & COMMITMENTS

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 2021-22, no order has been passed by any regulatory authorities or Courts impacting the going concern status and Company's operations in future.



02 Director's Report

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 31st March 2022, 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 31st March 2022 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 2021-22

ACKNOWLEDGEMENT

Your directors express their grateful appreciation for the assistance and cooperation 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/-

Date: September 06, 2022
Place: Ahmedabad

Anmol Singh Jaggi
Chairman & Managing Director
DIN: 01293305



02 Director's Report

“ANNEXURE A”

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31 MARCH, 2022

{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, 2022 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 record maintained by the Company for the financial year ended on 31 March, 2022 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

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;



02 Director's Report

- 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
- l. 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 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.



02 Director's Report

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 27,34,186 bonus shares in the ratio of 1:3 (for every 3 shares 1 equity share).
2. The Registered office of the Company has been changed from Union Territory of Chandigarh to the State of Gujarat.

Jatinbhai Harishbhai Kapadia
K. Jatin & Co
Company Secretary
COP: 12043
FCS: 11418
Peer Review Cert. No: 1753/2022.
UDIN:F011418D000852841

Date: 26th August 2022
Place: Ahmedabad



02 Director's Report

“ANNEXURE B”

Form AOC-1

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

Statement containing salient features of the financial statement of subsidiaries 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 rates on the last date of the relevant Financial year in the case of foreign subsidiaries. NA
5. Share capital: 100000.00
6. Reserves and surplus: 6,44,966
7. Total assets: 73,202,360.00
8. Total Liabilities: 7,24,57,394.00
9. Investments: 0.00
10. Turnover: 12881512.00
11. Profit before taxation: 35678.00
12. Provision for taxation: (560433.00)
13. Profit after taxation: 596111.00
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



02 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

Particulars	Status
Name of Associates or Joint Ventures	-
Latest audited Balance Sheet Date	-
Date on which the Associate or Joint Venture was associated or acquired	-
Shares of Associate or Joint Ventures held by the company on the yearend	-
Number of shares held	-
Amount of Investment in Associates or Joint Venture	-
Name of Associates or Joint Ventures	-
Extent of Holding (in percentage)	-
Description of how there issignificant influence	-
Reason why the associate/joint venture is not consolidated	-
Networth attributable to shareholding as per latest audited Balance Sheet	-
Profit or Loss for the year	-
Considered in Consolidation	-
Not Considered in Consolidation	-

1. Names of associates or joint ventures which are yet to commence operations.
2. 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 KC Parikh and Associates
(Chartered Accountants)
FRN : 107550W

FOR GENSOL ENGINEERING LIMITED

CA Chintan M Doshi
Partner
Membership N : 118298
Place: Ahmedabad
Date : September 06, 2022

Anmol Singh Jaggi Puneet Singh Jaggi
Managing Director Whole Time Director
DIN: 01293305 DIN: 02479868



02 Director's Report

Form AOC-1

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

Statement containing salient features of the financial statement of subsidiaries 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 rates as on the last date of the relevant Financial year in the case of foreign subsidiaries. NA
5. Share capital: 9344950.00
6. Reserves and surplus: 36649507.00
7. Total assets: 115359486.00
8. Total Liabilities: 69365029.00
9. Investments: 0.00
10. Turnover: 56117096.00
11. Profit before taxation: 202584.00
12. Provision for taxation: 2550.00
13. Profit after taxation: 200034.00
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



02 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

Particulars	Status
Name of Associates or Joint Ventures	-
Latest audited Balance Sheet Date	-
Date on which the Associate or Joint Venture was associated or acquired	-
Shares of Associate or Joint Ventures held by the company on the yearend	-
Number of shares held	-
Amount of Investment in Associates or Joint Venture	-
Name of Associates or Joint Ventures	-
Extent of Holding (in percentage)	-
Description of how there issignificant influence	-
Reason why the associate/joint venture is not consolidated	-
Networth attributable to shareholding as per latest audited Balance Sheet	-
Profit or Loss for the year	-
Considered in Consolidation	-
Not Considered in Consolidation	-

1. Names of associates or joint ventures which are yet to commence operations.
2. 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 : September 06, 2022

Anmol Singh Jaggi Puneet Singh Jaggi
Managing Director Whole Time Director
DIN: 01293305 DIN: 02479868



02 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
Blu-Smart Fleet Private Limited & Group Company	sale of goods/services	NIL	Rs. 10,07,00,000 (Rupees Ten Crore Seventy Lakhs Only)	June 30, 2021	NIL
Gosolar venture Private Limited & Group Company	sale of goods/services	NIL	Rs. 7,50,00,000 (Rupees Seven Crore Fifty-Lakhs Only)	June 30, 2021	NIL
Gensol Consultants Private Limited & Group Company	sale of goods/services	NIL	Rs. 500,00,000.00 (Rupees Five Crore Only)	June 30, 2021	NIL
Blu-Smart Mobility Private Limited & Group Company	sale of goods/services	NIL	Rs. 2,00,000 (Rupees Two Lakhs Only)	June 30, 2021	NIL
Param Renewable Energy Private Limited & Group Company	Purchase of Property, Plant and Equipment	NIL	Rs. 73,00,000 (Rupees Seventy-Three Lakhs Only)	June 30, 2021	NIL
Gensol Utilities Private Limited & Group Company	Rent Income	NIL	14,40,000 (Rupees Fourteen Lakhs Forty Thousand Only)	June 30, 2021	NIL
Blu-Smart Mobility Private Limited & Group Company	Rent Income	NIL	60,000 (Sixty Thousand Only)	June 30, 2021	NIL
Gensun Renewables Private Limited & Group Company	Rent Income	NIL	12,000 (Twelve Thousand Only)	June 30, 2021	NIL

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

Sd

Anmol Singh Jaggi
Director
DIN: 01293305

Date: September 06, 2022
Place: Ahmedabad



03 Auditor's Report | Standalone

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 31st March 2022, 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 2022, 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. 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 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, 2022. 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.



03 Auditor's Report | Standalone

INDEPENDENT AUDITOR'S REPORT

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.

Key audit matters	How our audit addressed the key audit matter
<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>Our procedures included :</p> <ul style="list-style-type: none"> ▪ Testing of the design and implementation of controls involved for the determination of the estimates used as well as their operating effectiveness; ▪ We selected a sample of contracts to test, using a risk based criteria which included individual contracts with: <ul style="list-style-type: none"> ▪ significant revenue recognised during the year or ▪ significant accrued value of work done balances held at the year-end ▪ Obtained an understanding of management's process for reviewing long term contracts, the risk associated with the contract and any key judgments;

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'.



03 Auditor's Report | Standalone

INDEPENDENT AUDITOR'S REPORT

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, 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.



03 Auditor's Report | Standalone

INDEPENDENT AUDITOR'S REPORT

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)(l) 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.

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.



03 Auditor's Report | Standalone

INDEPENDENT AUDITOR'S REPORT

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, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.



03 Auditor's Report | Standalone

INDEPENDENT AUDITOR'S REPORT

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.

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.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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 24, 2022

Place : Ahmedabad CA. Chintan M. Doshi

Partner

M.No.: 118298

UDIN: 22118298ALHFPT4919



03 Auditor's Report | Standalone

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 2022 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.



03 Auditor's Report | Standalone

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 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 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 Regn. No. 107550W

Date : May 24, 2022
Place : Ahmedabad CA. Chintan M. Doshi
Partner
M.No.: 118298UDIN: 22118298ALHFPT4919



03 Auditor's Report | Standalone

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

- I) a) The company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.
- 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 the records of the Company, the Company has not revalued its Property, Plant and Equipment or intangible assets or both during the year.
- d) 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 of Rs. Eight Crores (Rs. 8,00,00,000/-), in aggregate, from State Bank of India 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 in agreement with books of accounts. Discrepancies noticed during such verification, were reasonably explained by the management.



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- lii) 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

Amount (in Lakhs)

Particulars	Advance in the nature of Loans	Guarantees
Aggregate amount provided during the year		
Subsidiaries	686	367
Associates	-	-
Joint Ventures	-	-
Other Parties	1277	-
Balance Outstanding as at March 31, 2022		
Subsidiaries	711	359
Associates	-	-
Joint Ventures	-	-
Other Parties	78	-

- b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made and the terms and conditions of the loans granted in the nature of advances of Rs. 8.03 Crores and corporate guarantees provided for it's subsidiary of Rs. 3.59 Crores during the year are, prima facie, not prejudicial to the interest of the Company.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, Company has provided advances in the nature of loans and there are no stipulated terms and conditions provided by the company for repayment of principal and payment of interest.
- d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, Company has provided advances in the nature of loans and there is no overdue amount remains outstanding as at the year end.
- e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.
- f) Company has granted advances in nature of loans without specifying any terms or period of repayment as mentioned below :



03 Auditor's Report | Standalone

Particulars	Amount (in Lakhs)	
	All Parties	Related Parties
Aggregate advances in nature of loans		
Repayable on demand	-	-
Provided without specifying any terms or period of repayment	1963	1238
Percentage of Advances in nature of Loans to total Loans	100%	63%

- iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of investments made and loans, guarantees and security given by the Company, in our opinion the provisions of Section 185 and 186 of the Companies Act, 2013 ("the Act") have been complied with.
- v) According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public during the year.
- vi) To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 for the products of the company.
- vii) a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, 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.
- viii) 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.
- 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.



03 Auditor's Report | Standalone

- 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 2022, 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) 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 made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- 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.



03 Auditor's Report | Standalone

- 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.
- (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 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.



03 Auditor's Report | Standalone

- xx) (a) In our opinion and according to the information and explanations given to us, company is not fulfilling any of the conditions mentioned under section 135(1) of the Act, hence reporting under this clause is not required
- (b) In our opinion and according to the information and explanations given to us, company is not fulfilling any of the conditions mentioned under section 135(1) of the Act, hence reporting under this clause is not required.
- xxi) In our opinion there are no instances noticed where qualification or adverse remarks by the respective auditors in the CARO reports of the companies included in the consolidated financial statements.

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

Date: May 24, 2022
Place : Ahmedabad

CA. Chintan M. Doshi
Partner
UDIN: 22118298ALHFPT4919

STATUTORY REPORTS



04 Financial Statement | Standalone

GENSOL ENGINEERING LIMITED

Standalone Balance Sheet as at March 31, 2022

Particulars	Note	As At	As At
		March 31, 2022	March 31, 2021
		(Amt. in Lakhs)	(Amt. in Lakhs)
EQUITY AND LIABILITIES			
Shareholders Funds			
Share Capital	3	1,094	820
Reserves & Surplus	4	3,485	2,657
		4,579	3,477
Non Current Liabilities			
Long Term Borrowings	5	3,590	5
Deferred Tax Liabilities (Net)	6	215	-
Other Long Term Liabilities	7	4,492	240
Long Term Provisions	8	52	57
		8,349	302
Current Liabilities			
Short Term Borrowings	9	4,247	499
Trade Payables			
(i) Total outstanding dues of micro enterprises and small enterprises	10	441	89
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		730	535
Other Current Liabilities	11	1,587	1,159
Short Term Provisions	12	63	78
		7,068	2,360
Total		19,996	6,139
ASSETS			
Non Current Assets			
Property, Plant And Equipments and Intangible Assets			
Property, Plant And Equipments	13	5,011	71
Intangible Assets	14	3	6
		5,014	77
Non-Current Investments	15	380	46
Deferred Tax Assets (Net)	6	-	31
Long Term Loans & Advances	16	81	-
Other Non-Current Assets	17	833	160
		6,308	314
Current Assets			
Inventories	18	6,026	1,081
Trade Receivables	19	2,924	1,525
Cash And Cash Equivalents	20	1,078	875
Short Term Loans & Advances	21	1,102	1,872
Other Current Assets	22	2,558	473
		13,688	5,826
Total		19,996	6,139

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

Puneet Singh Jaggi

Director

DIN-02479868

Anmol Singh Jaggi

Director

DIN-01293305

CA. Chintan M. Doshi

Partner

Membership No. 118298

Place : Ahmedabad

Date : May 24, 2022

Rajesh Parmar

Company Secretary

Place : Ahmedabad

Date : May 24, 2022

Jabir Mahendi Aga

Chief Financial Officer

Place : Ahmedabad

Date : May 24, 2022

STATUTORY REPORTS



04 Financial Statement | Standalone

GENSOL ENGINEERING LIMITED Standalone Statement of Profit and Loss for the year ended March 31, 2022

Particulars	Note	For the year ended	For the year ended
		March 31, 2022	March 31, 2021
		(Amt. in Lakhs)	(Amt. in Lakhs)
INCOME			
Revenue from operations*	23	15,351	6,011
Other income	24	234	72
Total income		15,585	6,083
EXPENSES			
Cost of material consumed / cost of service	25	1,982	935
Purchase of stock-in-trade	26	13,548	3,411
Changes in inventories of finished goods, Stock-in -Trade and Work in-progress	27	(3,597)	(369)
Employee benefit expenses	28	974	970
Finance costs	29	472	122
Depreciation and amortisation expenses	30	58	58
Other expenses	31	715	594
Total expenses		14,153	5,720
Profit before tax		1,432	362
Tax expense :			
(i) Current tax		109	53
(ii) Tax adjustment of earlier years		(24)	-
(iii) Deferred tax		246	(3)
Total tax expense		330	50
Profit for the year		1,102	312
Earning per equity share(face value of Rs. 10/- each)	32		
Basic (Rs.)		10.08	3.81
Diluted (Rs.)		10.08	3.81

Note:-* Revenue from operation includes sales return

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

Puneet Singh Jaggi
Director
DIN-02479868

Anmol Singh Jaggi
Director
DIN-01293305

CA. Chintan M. Doshi
Partner
Membership No. 118298
Place : Ahmedabad
Date : May 24, 2022

Rajesh Parmar
Company Secretary
Place : Ahmedabad
Date : May 24, 2022

Jabir Mahendi Aga
Chief Financial Officer
Place : Ahmedabad
Date : May 24, 2022



04 Financial Statement | Standalone

GENSOL ENGINEERING LIMITED		
Standalone Cash Flow Statement for the year ended March 31, 2022		
Particulars	For the year ended March 31, 2022 (Amt. in Lakhs)	For the year ended March 31, 2021 (Amt. in Lakhs)
Cash flow from operating activities		
Profit Before Tax	1,432	362
Adjustment for:		
Depreciation and amortisation expense	58	58
Finance costs	472	122
Bad debt	6	19
Interest income	(81)	(41)
Operating Profit Before Working Capital Changes	1,887	521
Changes in Working Capital		
Trade receivables	(1,405)	631
Other current assets	(2,215)	(313)
Other non current assets	(758)	(81)
Inventories	(4,945)	(369)
Short term loans and advances	771	516
Long term loans and advances	4,171	24
Trade payables	548	(257)
Other current liabilities	528	(53)
Provisions	(20)	(49)
Net Cash Generated From Operations	(1,438)	569
Direct tax paid	(125)	(37)
Tax adjustment of earlier years	24	-
Income tax refund	130	-
Net Cash Flow from/(used in) Operating Activities (A)	(1,409)	532
Cash Flow From Investing Activities:		
Purchase of Property, Plant And Equipment	(4,996)	(13)
Non Current Investment	(335)	0
Fixed Deposit with maturity less than 12 months and more than 3 months	(282)	(90)
Interest income	81	41
Net Cash Flow from/(used in) Investing Activities (B)	(5,531)	(63)
Cash Flow from Financing Activities:		
Proceeds of long term borrowings	3,648	106
Repayment of long term borrowings	(64)	(300)
Proceeds/ (Repayment) from short term borrowings (Net)	3,748	(47)
Interest & financial charges	(472)	(122)
Net Cash Flow from/(used in) Financing Activities (C)	6,861	(364)
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	(79)	105
Cash & cash equivalents as at beginning of the year	785	680
Cash & cash equivalents as at end of the year	706	785



04 Financial Statement | Standalone

GENSOL ENGINEERING LIMITED

Standalone Cash Flow Statement for the year ended March 31, 2022

Notes :

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. Cash and bank balances at the end of the year comprises:

Particulars	As At	As At
	March 31, 2021	March 31, 2021
Cash on hand	10	13
Balances with banks		
(i) In current accounts	573	439
(ii) In overdraft accounts	105	-
(ii) In Fixed Deposit with maturity less than 3 Month	18	333
Cash & Bank balance as per Cash flow statement	706	785
(i) In Fixed Deposit with maturity more than 3 Month	372	90
Cash & Bank balance as per Balance Sheet	1,078	875

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

Puneet Singh Jaggi

Director

DIN-02479868

Anmol Singh Jaggi

Director

DIN-01293305

CA. Chintan M. Doshi

Partner

Membership No. 118298

Place : Ahmedabad

Date : May 24, 2022

Rajesh Parmar

Company Secretary

Place : Ahmedabad

Date : May 24, 2022

Jabir Mahendi Aga

Chief Financial Officer

Place : Ahmedabad

Date : May 24, 2022



04 Financial Statement | Standalone

GENSOL ENGINEERING LIMITED

Notes to Standalone Financial Statements for the year ended March 31, 2022

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

Property, Plant And Equipments 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. 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.

g. 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.



04 Financial Statement | Standalone

GENSOL ENGINEERING LIMITED

Notes to Standalone Financial Statements for the year ended March 31, 2022

h. Depreciation and amortization

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.

Type of Assets	Useful Life (In Years)
Mobile	5
Furniture and Fixtures	10
Computer	3
Compter Software	5
Vehicles	8
Electric Vehicle	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.

i. Leases

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.

j. 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.

k. 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.

l. 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.

m. 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.

n. 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.



04 Financial Statement | Standalone

GENSOL ENGINEERING LIMITED

Notes to Standalone Financial Statements for the year ended March 31, 2022

(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.

o. 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.

p. 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.

q. 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.

r. 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.

s. 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.



04 Financial Statement | Standalone

GENSOL ENGINEERING LIMITED

Notes to Standalone Financial Statements for the year ended March 31, 2022

3 Share Capital	(Amt. in Lakhs)	
	As At March 31, 2022	As At March 31, 2021
Particulars		
Authorised Share capital		
1,25,00,000 Equity Share of Rs. 10/- each	1,250	900
	1,250	900
Issued, Subscribed & Fully Paid Up Share Capital		
1,09,36,923 Paid up Equity Share of Rs. 10/- each (Previous Year - 82,02,737 Paid up Equity Share of Rs. 10/- each)	1,094	820
Total	1,094	820

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

Particulars	As At March 31, 2022		As At March 31, 2021	
	Number of Shares	Amount	Number of Shares	Amount
Equity shares at the beginning of the year	82	820	82	820
Add: Shares Allotted during the year *	27	273	-	-
Equity Shares at the end of the year	109	1,094	82	820

* During the year company has issued bonus share

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	27	24.26%	20	23.94%
Puneet Singh Jaggi	23	21.13%	17	21.00%
Gensol Venture Private Limited	28	25.78%	21	25.78%
Prakash S Jalan	7	6.03%	5	6.50%

3.3 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		% Change during the year
	No. of Share	% of Total shares	
Anmol Singh Jaggi	27	24.26%	35.07%
Puneet Singh Jaggi	23	28.18%	34.20%

3.5 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, 2022	March 31, 2021
Surplus in Statement of Profit & Loss		
Outstanding at the beginning of the year	1,080	768
Add: Profit for the year	1,102	312
Outstanding at the end of the year	2,182	1,080
Securities Premium Account		
Outstanding at the beginning of the year	1,577	1,577
Add: Addition during the year	-	-
Less : For Issue of Bonus Shares	(273)	-
Outstanding at the end of the year	1,303	1,577
Total	3,485	2,657



04 Financial Statement | Standalone

GENSOL ENGINEERING LIMITED

Notes to Standalone Financial Statements for the year ended March 31, 2022

5 Long Term Borrowings	(Amt. in Lakhs)	
	As At March 31, 2022	As At March 31, 2021
Particulars		
Term loan from Bank		
Secured (Refer footnote no. i)	194	-
Term loan from Others		
Secured (Refer footnote no : ii)	3,397	-
Unsecured	-	6
Total	3,590	6

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, 2022 (Including Current Maturity)
(i)	Secured - Term loan from Bank	
(a)	HDFC Bank Limited Rupee term loan of Rs.2,22,06,220 carries interest @ 8.10% 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.	218
(b)	HDFC Bank Limited Rupee term loan of Rs.16,24,076/- carries interest @ 8.10% 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.	16
(c)	Axis Bank Limited 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.	16
(ii)	Secured - Term loan from Others	
(a)	Sundaram Finance Limited Rupee term loan of Rs.7,00,000/- carries interest @ 10.35% 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.	6
(b)	Indian Renewable Energy Development Agency Limited (IREDA) 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.	3,571



04 Financial Statement | Standalone

GENSOL ENGINEERING LIMITED

Notes to Standalone Financial Statements for the year ended March 31, 2022

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	01-02-2022
(i)(b) Motor Vehicle (Hypothecation)	NA	03-03-2022	01-02-2022
(i)(c) Motor Vehicle (Hypothecation)	Charge is already created with RTO and on RC book also	-	-
(ii)(a) Motor Vehicle (Hypothecation)	Charge is already created with RTO and on RC book also	-	-
(ii)(b) Motor Vehicle (Hypothecation); Book debts; Floating charge	NA	23-04-2022	24-03-2022

6 Deferred Tax Liabilities (Net)

(Amt. in Lakhs)

Particulars	As At March 31, 2022	As At March 31, 2021
(a) Deferred tax assets		
(i) Provision of Gratuity	17	18
(ii) Difference between WDV of Property, Plant And Equipments and Intangible /	-	12
	17	31
(b) Deferred tax liabilities		
(i) Difference between WDV of Property, Plant And Equipments and Intangible /	232	-
	232	-
Total	215	(31)

7 Other Long term liabilities

Particulars	As At March 31, 2022	As At March 31, 2021
Car Deposit	4,485	232
Office Rent Deposit	7	7
Retention Money Payable	-	1
Total	4,492	240

8 Long Term Provisions

Particulars	As At March 31, 2022	As At March 31, 2021
Provision for Employee Benefits	52	57
Total	52	57



04 Financial Statement | Standalone

GENSOL ENGINEERING LIMITED

Notes to Standalone Financial Statements for the year ended March 31, 2022

9 Short Term Borrowings		(Amt. in Lakhs)	
Particulars	As At	As At	
	March 31, 2022	March 31, 2021	
Working Capital Loan from Bank			
Secured	-	199	
Unsecured	4,005	3	
Current maturities of long term borrowings	242	297	
Total	4,247	499	

Notes : (a) Unsecured working capital loan is comprised of letter of credit (against personal guarantee of Directors and 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 of Rs. Eight Crores (Rs. 8,00,00,000/-), in aggregate, from State Bank of India 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 :

Sep-21	As per Stock Statement filed	As per Books of Accounts	Difference	Difference in %
Debtors	1884	1879	5	0.28%
WIP	1188	1257	-70	Refer Footnote

Dec-21	As per Stock Statement filed	As per Books of Accounts	Difference	Difference in %
Debtors	2618	2654	-36	Refer footnote
WIP	1288	1273	15	1.17%

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		As At	As At
Particulars		March 31, 2022	March 31, 2021
	Trade Payables		
Due to Micro, Small and Medium Enterprises		441	89
Due to Related Parties		-	2
Others		730	532
Total		1,171	623

Note : Trade payable ageing schedule

	As at March 31, 2022	
	MSME	Other
Less than 1 year	441	683
1 - 2 year	-	25
2 - 3 years	-	1
More than 3 years	-	21
Total	441	730

11 Other Current Liabilities		As At	As At
Particulars		March 31, 2022	March 31, 2021
	Advance from customers		517
Statutory dues		126	619
Other payables		944	296
Total		1,587	1,159

12 Short Term Provisions		As At	As At
Particulars		March 31, 2022	March 31, 2021
	Others		
Provision for Income Tax		46	69
Provision for Employee Benefits		17	10
Total		63	78



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GENSOL ENGINEERING LIMITED

Notes to Standalone Financial Statements for the year ended March 31, 2022

13 Property, Plant And Equipments

(Amt. in Lakhs)

Particular	Furniture & Fixtures	Computer	Mobile	Vehicles	Electrical Equipments	Commercial Vehicles	Total
Gross block							
As on April 1, 2020	52	101	7	44	1	-	205
Additions	-	7	6	-	1	-	13
Sold during the year	-	-	-	-	-	-	-
As on March 31, 2021	52	108	13	44	2	-	218
Additions	-	16	6	34	-	4,950	5,005
Sold during the year	-	-	-	43	-	-	43
As on March 31, 2022	52	124	18	34	2	4,950	5,180
Depreciation							
As on April 1, 2020	17	49	5	23	0	-	95
For the year	9	35	2	6	0	-	53
Relating to sale/adjustment/transfer	-	-	-	-	-	-	-
As on March 31, 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 on March 31, 2022	33	104	10	4	1	17	170
Net block							
As at March 31, 2022	19	20	8	30	0	4,933	5,011
As at March 31, 2021	26	23	6	14	1	-	71
As at March 31, 2020	35	51	2	21	0	-	110

14 Intangible assets

(Amt. in Lakhs)

Particular	Software	Total
Gross block		
As on 1st April 2020	21	21
Additions	-	-
Sold during the year	-	-
As on 31st March 2021	21	21
Additions	-	-
Sold during the year	-	-
As on March 31, 2022	21	21
Amortisation		
As on 1st April 2020	9	9
For the year	5	5
Relating to sale/adjustment/transfer	-	-
As on March 31, 2021	15	15
For the year	3	3
Relating to sale/adjustment/transfer	-	-
As on March 31, 2022	17	17
Net block		
As at March 31, 2022	3	3
As at March 31, 2021	6	6
As at March 31, 2020	11	11



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GENSOL ENGINEERING LIMITED

Notes to Standalone Financial Statements for the year ended March 31, 2022

15 Non-Current Investments		(Amt. in Lakhs)	
Particulars	As At	As At	
	March 31, 2022	March 31, 2021	
Investment in unquoted equity shares of Subsidiaries			
Solarig Gensol Utilities Private Ltd at cost			
9,34,494 equity shares of face value of Rs. 10 each fully paid (31 March 2021 - 4,51,475 shares)	380	45	
Gensun Renewables Private Limited at cost			
5100 equity shares of face value of Rs. 10 fully paid (31 March 2021 -5100)	1	1	
Total	381	46	
Aggregate carrying value of unquoted investments	381	46	
Aggregate amount of diminution in value of investments	-	-	
16 Long Term Loans & Advances			
Particulars	As At	As At	
	March 31, 2022	March 31, 2021	
Unsecured considered good			
Advance to Capital Creditors	81	-	
Total	81	-	
17 Other Non-Current Assets			
Particulars	As At	As At	
	March 31, 2022	March 31, 2021	
Security Deposit :			
Car Deposits	378	-	
Rent Deposits	54	83	
Earnest Money Deposits	12	7	
Guest House Deposits	1	0	
Other Deposits	5	25	
Unamortized Expenses	4	8	
In Fixed Deposit with maturity more than 12 month	379	36	
Total	833	160	
18 Inventories			
Particulars	As At	As At	
	March 31, 2022	March 31, 2021	
Work-in-progress	4,678	1,081	
Stock in trade	1,348	-	
Total	6,026	1,081	
19 Trade Receivables			
Particulars	As At	As At	
	March 31, 2022	March 31, 2021	
Trade Receivable			
(i) Secured, considered good	-	-	
(ii) Unsecured, considered good	2,924	1,525	
(iii) Doubtful	-	-	
Total	2,924	1,525	
Note : Trade receivables ageing schedule			
	As At	As At	
	March 31, 2022	March 31, 2021	
Less than 6 months	2,474	1,314	
6 months - 1 year	149	51	
1 - 2 years	224	48	
2 - 3 years	29	111	
More than 3 years	49	1	
Total	2,924	1,525	



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GENSOL ENGINEERING LIMITED

Notes to Standalone Financial Statements for the year ended March 31, 2022

20 Cash And Cash Equivalents

Particulars	As At	As At
	March 31, 2022	March 31, 2021
(A) Cash & Cash Equivalents		
Cash on hand	10	13
Balances with banks		
(i) In current accounts	573	439
(ii) In overdraft accounts	105	-
(iii) In Deposit account :		
(i) In Fixed Deposit with maturity less than 3 month	18	333
Other Bank Balance :		
(i) In Fixed Deposit with maturity more than 3 month	372	90
(ii) In Fixed Deposit with maturity more than 12 month	379	36
Sub-Total	1,457	912
Less :		
(i) In Fixed Deposit with maturity more than 12 month	(379)	(36)
Total	1,078	875

21 Short Term Loans & Advances

Particulars	As At	As At
	March 31, 2022	March 31, 2021
(Unsecured, Considered Good)		
Loan and advances to promoters, Directors, KMPs and Related Parties	711	587
Loan and advances to others:		
Prepaid Expenses	29	14
Advances to Vendors	348	1,261
Advances to others	15	10
Total	1,102	1,872

21.1 Details of Loan and advances to promoters, Directors, KMPs and Related Parties

	As At	As At
	March 31, 2022	March 31, 2021
Related Parties* (Refer note no.: 38)	711	587
Percentage to Total short term loan & advances in the nature of loan	64%	31%

* Loan and advances are given to related parties @7.00 % 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.359 Lakhs as at March 31, 2022.

22 Other Current Assets

Particulars	As At	As At
	March 31, 2022	March 31, 2021
Balance with Govt Authorities	708	98
Unbilled Service revenue	1,174	62
TDS Reimbursement from NBFC	14	13
TDS/TCS Receivables	250	133
Retention Money	335	166
Other Receivables	77	0
Total	2,558	473



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GENSOL ENGINEERING LIMITED Notes to Standalone Financial Statements for the year ended March 31, 2022

Schedule of Profit and Loss			
23 Revenue from operations (Amt. in Lakhs)			
Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021	
Sale of goods (Solar power generating system)	9,800	1,652	
Unbilled revenue - sale of services			
Closing balance - sale of goods	1,089	-	
Opening balance - sale of goods	-	-	
Sale of services (Related to solar power system)	3,965	3,998	
Unbilled revenue - sale of services			
Closing balance - sale of services	85	62	
Opening balance - sale of services	(62)	(23)	
Lease rent income	474	321	
Total	15,351	6,011	
Note :			
24 Other income			
Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021	
Interest income	81	41	
Commission income	6	-	
Reversal of gratuity provision	-	10	
Rent income	16	16	
Reimbursement income	131	-	
Misc income	0	3	
Forex gain	-	2	
Total	234	72	
25 Cost of material consumed / cost of service			
Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021	
Freight & transport expenses	511	47	
Liquidated damage expenses	124	-	
Site guest house rent expenses	23	30	
Solar epc expenses	214	138	
Operation and maintenance expenses	73	-	
Installation & commissioning expenses	428	351	
Lease rent expenses	581	285	
Custom & safeguard duties	25	66	
Site maintenance expenses	3	16	
Total	1,982	935	
26 Purchase of stock-in-trade			
Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021	
Opening stock	-	-	
Add : Purchases	14,896	3,411	
Less : Closing stock	1,348	-	
Total	13,548	3,411	
27 Changes in inventories of finished goods, Stock-in -Trade and Work in-progress			
Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021	
Work in-progress			
Closing stock of work in-progress	4,678	1,081	
Opening stock of work in-progress	1,081	711	
Total	(3,597)	(369)	



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GENSOL ENGINEERING LIMITED

Notes to Standalone Financial Statements for the year ended March 31, 2022

(Amt. in Lakhs)			
28 Employee benefit expenses		For the year ended	For the year ended
Particulars		March 31, 2022	March 31, 2021
Salary		893	918
Contribution to provident and other funds		29	19
Staff welfare expenses		2	1
Management trainee expenses		30	32
Gratuity		20	-
Total		974	970
29 Finance costs			
Particulars		For the year ended	For the year ended
		March 31, 2022	March 31, 2021
Interest on term loan & bank OD		56	70
LC/BG & loan processing charges		3	6
Interest to others		62	38
Other finance expenses		351	8
Total		472	122
30 Depreciation and amortisation expenses			
Particulars		For the year ended	For the year ended
		March 31, 2022	March 31, 2021
Depreciation on property, plant and equipment		56	53
Amortisation on intangible assets		3	5
Total		58	58
31 Other expenses			
Particulars		For the year ended	For the year ended
		March 31, 2022	March 31, 2021
Advertisement & business promotion expenses		9	1
Audit fees		5	4
Bad debt		6	19
Bank charges		13	10
Commission expenses		14	23
Computer & software subscription expenses		7	15
Donation		2	-
Electricity expenses		9	11
Forex loss		16	6
Other expenses		47	13
Insurance expenses		16	5
Labour charges		-	23
Compliance expenses		12	2
Legal & professional expenses		300	182
Office expenses		11	22
Printing & stationary		4	4
Rates & taxes		11	13
Rent expenses		74	105
Repairs - vehicles		2	0
Security expenses		-	2
Telephone and communication expenses		4	7
Tender fees		2	2
Travel expenses		152	126
Total		715	594
(i) Payment to auditors*			
Particulars		For the year ended	For the year ended
		March 31, 2022	March 31, 2021
For statutory audit		5	4
For other services		-	-
Total		5	4

*Excluding applicable taxes.



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GENSOL ENGINEERING LIMITED

Notes to Standalone Financial Statements for the year ended March 31, 2022

32 Earning per equity share(face value of Rs. 10/- each)		(Amt. in Lakhs)	
Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021	
Profit for the period attributable to Equity Shareholder	1,102	312	
No of weighted average equity shares outstanding during the year	109	82	
Nominal Value of Equity Share	10.00	10.00	
Basic and Diluted Earning Per Share	10.08	3.81	

Note:

- 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.

33 Contingent liabilities and contingent assets		As At	As At
Particulars	March 31, 2022	March 31, 2021	March 31, 2021
Contingent liabilities			
A. Guarantees excluding financial guarantees			
Outstanding bank guarantees	787	330	

34 Commitments		As At	As At
Particulars	March 31, 2022	March 31, 2021	March 31, 2021
Corporate guarantees given to financial institution / bank			
Corporate guarantees given to financial institution / bank on behalf of subsidiaries for facilities availed by them	359	356	

35 Operating lease arrangements		For the year ended	For the year ended
(A) Operating lease payment recognised in the Statement of Profit and Loss		March 31, 2022	March 31, 2021
Particulars			
Office premises		74	105
Car Lease Rent		581	285
Total		656	390

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.

Future minimum rental payables under non-cancellable operating lease

Particulars	As At March 31, 2022	As At March 31, 2021
0 to 1 year	20	108
1 to 5 year	-	116
More than 5 year	-	-



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GENSOL ENGINEERING LIMITED

Notes to Standalone Financial Statements for the year ended March 31, 2022

36 Details of Dues to Micro, Small and Medium Enterprises as defined under MSMED Act, 2006

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	441	89
(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	-	-
(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.

37 Segment Reporting

The Company is engaged primarily in the business of Engineering , advisory and EPC of Solar power projects and leasing of cars. Accordingly, there are no separate reportable segments as per Accounting Standard 17 – “Segment Reporting”.

38 Related party disclosures

Related party disclosures as required by Accounting Standard 18, “Related Party Disclosures”.

(A) List of related parties and relationships:

Name of Relationship	Nature of Related Party
Key Managerial Personnel (“KMP”)	
Anmol Singh Jaggi	Managing Director
Puneet Singh Jaggi	Director
Jasminder Kaur	Director
Jabir Mahendi Aga	Chief Financial Officer
Rajesh Parmar	Company Secretary
Subsidiary Company	
Gensun Renewables Private Limited	
Gensol Utilities Private Limited (Formerly Known as Solarig Gensol Utilities Pvt Ltd)	
Enterprises over which Key Managerial Personnel are able to exercise significant influence / control with whom transactions have been taken place	
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	
Sunborne Energy Gujarat One Private Limited	
Capbridge Ventures LLP	



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GENSOL ENGINEERING LIMITED

Notes to Standalone Financial Statements for the year ended March 31, 2022

(B) Transactions with related parties:

Nature of transactions	Salary	Sale of Goods / Services	Reimbursement income	Purchase of Goods / Services	Rent Income and interest income	Interest Expenses	Loan & Advance Given	Loan & Advance Received	Deposit	Investment
Anmol Singh Jaggi	-	-	-	-	-	-	133	133	-	-
							(131)	(126)	-	-
Jasminder Kaur	-	-	-	-	-	-	1	1	-	-
							(6)	(6)	-	-
Puneet Singh Jaggi	-	-	-	-	-	-	75	75	-	-
							(253)	(247)	-	-
Rajesh Parmar	8	-	-	-	-	-	-	-	-	-
	(6)	-	-	-	-	-	-	-	-	-
Jabir Mahendi Aga	15	-	-	-	-	-	-	-	-	-
	(14)	-	-	-	-	-	-	-	-	-
Gensol Consultants Private Limited	-	500	-	-	0	-	-	-	-	-
	-	(271)	-	-	(0)	-	-	-	-	-
Gensol Ventures Private Limited	-	-	-	-	0	1	-	-	-	-
	-	-	-	-	(0)	-	(33)	(35)	-	-
Gensol Utilities Private Limited (Formerly Known as Solarig Gensol Utilities Pvt Ltd)	-	-	-	-	36	-	460	234	-	335
Matrix Gas and Renewables Pvt Ltd (Formerly Known as Gensol Renewables Pvt.)	-	-	-	-	(14)	-	(440)	(271)	-	-
	-	-	-	-	0	9	199	128	-	-
	-	-	-	-	(0)	-	(880)	(848)	-	-
Gosolar Venture Private Limited	-	750	-	-	0	-	-	-	-	-
	-	(377)	-	(304)	(0)	-	-	-	-	-
Gensun Renewables Private Limited	-	-	-	-	12	-	199	128	-	-
	-	-	-	-	(0)	-	(31)	(21)	-	-
Blu-Smart Fleet Private Limited	-	1,007	-	-	-	2	-	-	571	-
	-	(323)	-	-	-	-	-	-	(24)	-
Blu-Smart Mobility Private Limited	-	2	131	-	1	-	-	-	1,932	-
	-	-	-	-	(1)	-	(9)	(9)	-	-
Blu-Smart Mobility Tech Private Limited	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	(5)	(5)	-	-
Param Renewable Energy Private Limited	-	-	-	73	11	-	-	-	-	-
	-	-	-	(5)	-	-	-	-	-	-
Prescinto Technologies Private Limited	-	-	-	-	0	-	-	-	-	-
	-	-	-	-	(0)	-	(476)	(475)	-	-

Figures in brackets indicates figures of previous year.



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GENSOL ENGINEERING LIMITED Notes to Standalone Financial Statements for the year ended March 31, 2022

(C) Closing Balance with related parties:

Particular	Salary Payable	Loans & Advances Received	Loans & Advances Given	Debtors	Advance From Customer	Other Payables	Advance to Creditors	Deposit	Investment
Rajesh Parmar	2	-	-	-	-	-	-	-	-
	(2)	-	-	-	-	-	-	-	-
Jabir Mahendi Aga	-	-	-	-	-	-	-	-	-
	(2)	-	-	-	-	-	-	-	-
Gensol Consultants Private Limited	-	-	-	-	443	-	-	-	-
	-	-	-	(23)	-	-	-	-	-
Gensol Ventures Private Limited	-	-	-	-	84	-	-	-	-
	-	(2)	-	-	-	-	-	-	-
Gensol Utilities Private Limited (Formerly Known as Solarig Gensol Utilities Pvt Ltd)	-	-	433	-	-	-	-	7	380
	-	-	(207)	-	-	-	-	(7)	(45)
Prescinto Technologies Private Limited	-	-	-	-	-	-	-	-	-
	-	-	-	(0)	-	-	-	-	-
Gensun Renewables Private Limited	-	-	277	-	-	-	-	-	1
	-	-	(208)	-	-	-	(0)	-	(1)
Matrix Gas and Renewables Pvt Ltd (Formerly Known as Gensol Renewables Pvt. Ltd.)	-	-	-	-	-	37	-	-	-
	-	-	-	-	-	(32)	-	-	-
Gosolar Ventures Private Limited	-	-	-	3	-	-	-	-	-
	-	-	-	-	-	-	(141)	-	-
Blu-Smart Mobility Private Limited	-	-	-	3	-	-	-	1,932	-
	-	-	-	-	-	-	-	-	-
Blu-SMART Mobility Tech Private Limited	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	(0)	-	-
Blu-Smart Fleet Private Limited	-	-	-	-	2	-	-	802	-
	-	-	-	-	(51)	-	-	(232)	-

Figures in brackets indicates figures of previous year.



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GENSOL ENGINEERING LIMITED

Notes to Standalone Financial Statements for the year ended March 31, 2022

39 Ratios

Ratio	As At	As At	Variance
	March 31, 2022	March 31, 2021	
(a) Current Ratio,	1.94	2.47	-22%
(b) Debt-Equity Ratio,	1.71	0.15	1079%
(c) Debt Service Coverage Ratio,	4.69	1.72	172%
(d) Return on Equity Ratio,	0.24	0.09	168%
(e) Inventory turnover ratio,	3.36	4.44	-24%
(f) Trade Receivables turnover ratio,	6.90	3.25	112%
(g) Trade payables turnover ratio,	18.82	5.78	225%
(h) Net capital turnover ratio,	3.35	1.73	94%
(i) Net profit ratio,	0.07	0.05	38%
(j) Return on Capital employed,	0.20	0.15	30%
(k) Return on investment*	NA	NA	NA

* Company has made investment in it's subsidiaries only and they have not shared any profit to their shareholder's so there is no actual return on investment.

Reason for Variation more than 25%

(b) Debt-Equity Ratio,	Increase in working capital loan for purchase of material and increase in term loan for purchase of fixed assets.
(c) Debt Service Coverage Ratio,	Company has achieved operating profit of 205% more as compared to previous year.
(d) Return on Equity Ratio,	Company has achieved Profit after tax of 253% more as compared to previous year.
(e) Inventory turnover ratio,	Due to increase in Inventory.
(f) Trade Receivables turnover ratio,	Company has achieved revenue from operation of 155% more as compared to previous year.
(h) Net capital turnover ratio,	Company has achieved revenue from operation of 155% more as compared to previous year.
(i) Net profit ratio,	Company has achieved Profit after tax of 253% more as compared to previous year.
(j) Return on Capital employed,	Company has achieved EBITDA of 205% more 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

40 Value of imported and indigenous materials

Particulars	For the year ended March		For the year ended March 31, 2021	
	Value	% of Total Material	Value	% of Total Material
Imported	6034	41%	454	13%
Indigenous	8862	59%	2957	87%



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GENSOL ENGINEERING LIMITED

Notes to Standalone Financial Statements for the year ended March 31, 2022

41 Expenditure in Foreign Currency		(Amt. in Lakhs)	
Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021	
Import of Material and other Expenses	6,034	460	
Total	6,034	460	

42 Earnings in foreign exchange :			
Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021	
Sale of Services	184	64	
Total	184	64	

- 43** Unhedged Foreign currency exposures hedged by derivative instruments is Nil. (As at 31, March, 2021 - Nil)
- 44** 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.
- 45** 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.
- 46** 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.
- 47** 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.
- 48** 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.
- 49** 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.
- 50** 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.
- 51** 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.



04 Financial Statement | Standalone

GENSOL ENGINEERING LIMITED

Notes to Standalone Financial Statements for the year ended March 31, 2022

52 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, 2022	For the year ended March 31, 2021
i. Reconciliation of Opening and Closing Balances of defined benefit obligation		
Liability at the beginning of the year	66	77
Current Service Cost	18	25
Interest Cost	4	5
Past Service Cost	-	-
Liability Transferred in	-	-
Liability Transferred out	-	-
Benefit paid	(18)	(1)
Net Actuarial losses (gain) Recognised	(3)	(39)
Liability at the end of the year	69	66
ii. Reconciliation of Opening and Closing Balances of the Fair value of Plan assets		
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	-	-
iii. Reconciliation of the Present value of defined benefit obligation and Fair value of plan assets		
Obligations at the end of the year	69	66
Plan assets at the end of the year, at Fair value	-	-
Asset / (Liability) recognized in balance sheet as at the end of the year	(69)	(66)
iv. Gratuity Cost for the year		
Current service cost	18	25
Interest cost	4	5
Expected return on plan assets	-	-
Actuarial Gain or (Loss)	(3)	(39)
Recognised Past Service Cost-Vested	-	-
Recognised Past Service Cost-Unvested	-	-
Net Gratuity cost	20	(10)
v. Actuarial Assumptions		
Discount Rate (per annum)	6.95%	6.35%
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 1% at older ages	
Mortality	Indian Assured Lives Mortality (2006-08) Table	
Retirement Age	60 Years	
Actuarial Valuation Method	Project Unit Credit Method	



04 Financial Statement | Standalone

GENSOL ENGINEERING LIMITED

Notes to Standalone Financial Statements for the year ended March 31, 2022

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, 2022	For the year ended March 31, 2021
Employer's Contribution to Provident Fund	29	19
	29	19

3 Experience Adjustments

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Defined Benefit Obligation	69	66
Plan Assets	-	-
Surplus/(Deficit)	(69)	(66)
Experience adjustments on plan liabilities	(2)	(40)
Actuarial loss/(gain) due to change in financial assumptions	(3)	1
Actuarial loss/ (gain) due to change in demographic assumption	(0)	-
Experience adjustments on plan assets	-	-
Net actuarial loss/ (gain) for the year	(5)	(39)

- 53 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
 U74210CH2012PLC034105

CA. Chintan M. Doshi
 Partner
 Membership No. 118298

Puneet Singh Jaggi
 Director
 DIN-02479868

Anmol Singh Jaggi
 Director
 DIN-01293305

Rajesh Parmar
 Company Secretary

Jabir Mahendi Aga
 Chief Financial Officer

Place : Ahmedabad
 Date : May 24, 2022

Place : Ahmedabad
 Date : May 24, 2022

Place : Ahmedabad
 Date : May 24, 2022



05 Auditor Report | Consolidated

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, 2022, 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, 2022, 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, 2022. 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.



05 Auditor Report | Consolidated

INDEPENDENT AUDITOR'S REPORT To The Members of GENSOL ENGINEERING LIMITED Report on the Audit of the Consolidated Financial Statements

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.

Key audit matters	How our audit addressed the key audit matter
<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>Our procedures included :</p> <ul style="list-style-type: none"> -Testing of the design and implementation of controls involved for the determination of the estimates used as well as their operating effectiveness; -We selected a sample of contracts to test, using a risk based criteria which included individual contracts with: <ul style="list-style-type: none"> -significant revenue recognised during the year or -significant accrued value of work done balances held at the year-end -Obtained an understanding of management's process for reviewing long term contracts, the risk associated with the contract and any key judgments;

Other Matters

- a) We did not audit the financial statements of joint venture and 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 2020-21:



05 Auditor Report | Consolidated

Amount (in Lakhs)

Particulars	Total Assets	Total Revenues
Gensun Renewables Private Limited	732	129
Gensol Utilities Private Limited (formerly known as Solarig Gensol Utilities Pvt Ltd)	1154	561

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 and disclosures included in respect of this joint venture, 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 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.



05 Auditor Report | Consolidated

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)(l) 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 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.



05 Auditor Report | Consolidated

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 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;.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
 - d) 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.



05 Auditor Report | Consolidated

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) 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.

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.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

Date : May 24, 2022
Place : Ahmedabad

CA. Chintan M. Doshi
Partner
M.No. : 118298
UDIN: 22118298ALHKGD3365



05 Auditor Report | Consolidated

Annexure – A to Independent Auditor's Report on Consolidated 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 2022 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.



05 Auditor Report | Consolidated

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.

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, KC Parikh & Associates
Chartered Accountants
Firm's Reg. No. 107550W

Date : May 24, 2022
Place : Ahmedabad

CA. Chintan M. Doshi
Partner
M.No. : 118298
UDIN: 22118298ALHKGD3365

STATUTORY REPORTS



06 Financial Statement | Consolidated

GENSOL ENGINEERING LIMITED

Consolidated Balance Sheet as at March 31, 2022

Particulars	Note	As At	As At
		March 31, 2022 (Amt. in Lakhs)	March 31, 2021 (Amt. in Lakhs)
EQUITY AND LIABILITIES			
Shareholders Funds			
Share Capital	3	1,094	820
Reserves & Surplus	4	3,551	2,816
		4,645	3,636
Minority Interest		4	1
Non Current Liabilities			
Long Term Borrowings	5	3,934	346
Deferred Tax Liabilities (Net)	6	232	-
Other Long Term Liabilities	7	4,485	237
Long Term Provisions	8	57	58
		8,706	641
Current Liabilities			
Short Term Borrowings	9	4,305	706
Trade Payables			
(i) Total outstanding dues of micro enterprises and small enterprises	10	486	117
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		781	542
Other Current Liabilities	11	1,771	1,258
Short Term Provisions	12	63	78
		7,407	2,701
Total		20,762	6,978
ASSETS			
Non Current Assets			
Property, Plant And Equipments and Intangible Assets			
Property, Plant and Equipments	13	5,534	649
Intangible Assets	14	3	6
		5,537	655
Deferred Tax Assets (Net)	15	-	6
Long Term Loans & Advances	16	81	-
Other Non-Current Assets	17	855	171
		6,473	831
Current Assets			
Inventories	18	6,026	1,081
Trade Receivables	19	3,524	1,779
Cash and Cash Equivalents	20	1,103	883
Short Term Loans & Advances	21	519	1,633
Other Current Assets	22	3,116	772
		14,288	6,147
Total		20,762	6,978

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

Director

DIN-02479868

Anmol Singh Jaggi

Director

DIN-01293305

CA. Chintan M. Doshi

Partner

Membership No. 118298

Place : Ahmedabad

Date : May 24, 2022

Rajesh Parmar

Company Secretary

Place : Ahmedabad

Date : May 24, 2022

Jabir Mahendi Aga

Chief Financial Officer

Place : Ahmedabad

Date : May 24, 2022

STATUTORY REPORTS



06 Financial Statement | Consolidated

GENSOL ENGINEERING LIMITED

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

Particulars	Note	For the year ended	For the year ended
		March 31, 2022	March 31, 2021
		(Amt. in Lakhs)	(Amt. in Lakhs)
Income			
Revenue From Operations*	23	16,041	6,397
Other Income	24	198	63
Total Income		16,240	6,460
Expenses			
Cost of Material Consumed / Cost of Service	25	2,252	1,040
Purchase of Stock-in-Trade	26	13,548	3,411
Changes in Inventories of Finished Goods, Stock-in -Trade and Work in-Progress	27	(3,597)	(369)
Employee Benefit Expenses	28	1,148	1,076
Finance Costs	29	534	176
Depreciation And Amortisation Expenses	30	131	135
Other Expenses	31	787	616
Total Expenses		14,803	6,084
Profit Before Tax		1,437	375
Tax Expense :			
(i) Current Tax		109	53
(ii) Tax Adjustment of Earlier Years		(24)	-
(iii) Deferred Tax		240	4
Total Tax Expenses		325	56
Profit After Tax Before Minority Interest		1,112	319
Minority Interest in Post Acquisition Profit		3	0
Profit For The Year		1,109	319
Earning Per Equity Share(Face Value of Rs. 10/- Each)	32		
Basic (Rs.)		10.14	3.89
Diluted (Rs.)		10.14	3.89

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

Director

DIN-02479868

Anmol Singh Jaggi

Director

DIN-01293305

CA. Chintan M. Doshi

Partner

Membership No. 118298

Rajesh Parmar

Company Secretary

Jabir Mahendi Aga

Chief Financial Officer

Place : Ahmedabad

Date : May 24, 2022

Place : Ahmedabad

Date : May 24, 2022

Place : Ahmedabad

Date : May 24, 2022



06 Financial Statement | Consolidated

GENSOL ENGINEERING LIMITED		
Consolidated Cash Flow Statement for the year ended March 31, 2022		
Particulars	For the year ended	For the year ended
	March 31, 2022	March 31, 2021
	(Amt. in Lakhs)	(Amt. in Lakhs)
Cash Flow From Operating Activities		
Profit Before Tax	1,437	375
Adjustment For:		
Depreciation and Amortisation Expense	131	135
Finance Costs	534	176
Bad Debts	6	22
Interest Income	(60)	(41)
Operating Profit Before Working Capital Changes	2,048	668
Changes in Working Capital		
Trade Receivables	(1,751)	826
Other Current Assets	(2,474)	(570)
Other Non Current Assets	(772)	(84)
Inventories	(4,945)	(369)
Short Term Loans and Advances	1,113	613
Long Term Loans and Advances	4,167	3
Trade Payables	609	(263)
Other Current Liabilities	614	(111)
Provisions	(17)	(81)
Cash Generated From/(Used in) Operations	(1,408)	633
Direct Tax Paid	(124)	(52)
Tax Adjustment of Earlier Years	24	-
Income Tax Refund	130	4
Net Cash Generated/(Used in) From Operations	(1,378)	585
Capital Reserve on Account of Consolidation	81	-
Profit on Discontinue of Joint Venture	(182)	-
Cash Flow From/(Used in) Extraordinary Activities	(101)	-
Net Cash Flow From/(Used in) Operating Activities (A)	(1,479)	585
Cash Flow From Investing Activities:		
Purchase of Property, Plant And Equipment	(5,014)	(22)
Fixed Deposit With Maturity Less Than 12 Months and More Than 3 Months	(282)	(90)
Interest Income	60	41
Net Cash Flow From/(Used In) Investing Activities (B)	(5,236)	(71)
Cash Flow From Financing Activities:		
Proceeds From Long Term Borrowings	3,691	140
Repayment of Long Term Borrowings	(103)	(346)
Proceeds From Short Term Borrowings (Net)	3,599	(31)
Interest & Finance Charges	(534)	(176)
Net Cash Flow From/(Used In) Financing Activities (C)	6,653	(413)
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	(62)	101
Cash & Cash Equivalents as at Beginning of the Year	793	693
Cash & Cash Equivalents as at End of the Year	731	793



06 Financial Statement | Consolidated

GENSOL ENGINEERING LIMITED

Consolidated Cash Flow Statement for the year ended March 31, 2022

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, 2022	March 31, 2021
Cash on Hand	11	13
Balances with Banks		
(I) In Current Accounts	596	446
(II) In Overdraft Accounts	105	-
(III) In Fixed Deposit With Maturity Less Than 3 Months	18	333
(IV) Other Cash & Cash Equivalents	2	0
Cash & Bank Balance as per Cash Flow Statement	731	793
(I) In Fixed Deposit With Maturity More Than 3 Months	372	90
Cash & Bank Balance as per Balance Sheet	1,103	883

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
 Director
 DIN-02479868

Anmol Singh Jaggi
 Director
 DIN-01293305

CA. Chintan M. Doshi
 Partner
 Membership No. 118298
 Place : Ahmedabad
 Date : May 24, 2022

Rajesh Parmar
 Company Secretary
 Place : Ahmedabad
 Date : May 24, 2022

Jabir Mahendi Aga
 Chief Financial Officer
 Place : Ahmedabad
 Date : May 24, 2022



06 Financial Statement | Consolidated

GENSOL ENGINEERING LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2022

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 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. The Company is also holding company of Gensun Renewables Private Limited, with effective ownership of 51%.

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".



06 Financial Statement | Consolidated

GENSOL ENGINEERING LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2022

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

Property, plant and equipments 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. 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.

i. Depreciation and amortization

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.

Type of assets	Useful Life (In Years)
Mobile	5
Furniture and fixtures	10
Computer	3
Compter software	5
Vehicles	8
Electric vehicle	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.



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GENSOL ENGINEERING LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2022

j. 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.

k. 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.

l. 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.

m. 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.

n. 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.

o. 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.



06 Financial Statement | Consolidated

GENSOL ENGINEERING LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2022

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 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.

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.



06 Financial Statement | Consolidated

GENSOL ENGINEERING LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2022

3 Share Capital

Particulars	(Amt. in Lakhs)	
	As At March 31, 2022	As At March 31, 2021
Authorised share capital		
1,25,00,000 Equity Shares of Rs. 10/- each	1,250	900
	1,250	900
Issued, subscribed & fully paid up share capital		
1,09,36,923 paid up equity shares of Rs. 10/- each (Previous year - 82,02,737 paid up equity shares of Rs. 10/- each)	1,094	820
Total	1,094	820

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

Particulars	As At March 31, 2022		As At March 31, 2021	
	Number of shares	Amount	Number of shares	Amount
Equity shares at the beginning of the year	82	820	82	820
Add: Shares allotted during the year *	27	274	-	-
Equity shares at the end of the year	109	1,094	82	820

* During the year company has issued bonus shares.

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	27	24.26%	20	23.94%
Puneet Singh Jaggi	23	21.13%	17	21.00%
Gensol Venture Private Limited	28	25.78%	21	25.78%
Prakash S Jalan	7	6.03%	5	6.50%

3.3 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		% Change during the year
	No. of Share	% of Total shares	
Anmol Singh Jaggi	27	24.26%	35.07%
Puneet Singh Jaggi	23	28.18%	34.20%

3.5 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	
	March 31, 2022	March 31, 2021
Surplus in statement of Profit & Loss		
Outstanding at the beginning of the year	1,239	920
Add: Profit for the year	1,109	319
Less : Adjustment on account of acquisition of subsidiary	(182)	-
Outstanding at the end of the year	2,166	1,239
Securities premium account		
Outstanding at the beginning of the year	1,577	1,577
Add: Addition during the year	-	-
Less : For issue of bonus shares	(273)	-
Outstanding at the end of the year	1,304	1,577
Capital reserve on account of consolidation		
Outstanding at the beginning of the year	-	-
Add: Addition during the year	81	-
Outstanding at the end of the year	81	-
Total	3,551	2,816



06 Financial Statement | Consolidated

GENSOL ENGINEERING LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2022

5 Long Term Borrowings	(Amt. in Lakhs)	
	As At March 31, 2022	As At March 31, 2021
Particulars		
Term loans from bank		
Secured (Refer footnote no. i)	194	1
Unsecured	-	-
Term loans from others		
Secured (Refer footnote no. ii)	3,740	340
Unsecured	-	6
Total	3,934	346

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, 2022 (including Current Maturity)
(i)	Secured - term loan from bank	
(a)	HDFC bank limited Rupee term loan of Rs.2,22,06,220 carries interest @ 8.10% 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.	218
(b)	HDFC bank limited Rupee term loan of Rs.16,24,076/- carries interest @ 8.10% 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.	16
(c)	HDFC bank limited Rupee term loan of Rs.6,34,500/- carries interest @ 9.00% p.a. The loan is repayable in 65 equally monthly instalment starting form 7th Oct'17 of Rs. 13,174/- each. The above loan is secured against hypothecation of car.	1
(d)	Axis bank limited 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.	16
(ii)	Secured - term loan from others	
(a)	Sundaram finance limited Rupee term loan of Rs.7,00,000/- carries interest @ 10.35% 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.	6
(b)	Indian renewable energy development agency limited (IREDA) 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.	3,571
(c)	Reliance commercial finance limited 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.	359



06 Financial Statement | Consolidated

GENSOL ENGINEERING LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2022

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	01-02-2022
(i)(b) Motor vehicle (hypothecation)	NA	03-03-2022	01-02-2022
(i)(c) Motor vehicle (hypothecation)	Charge is already created with RTO and on RC book also	-	-
(i)(d) Motor vehicle (hypothecation); Book debts; floating charge	Charge is already created with RTO and on RC book also	-	-
(ii)(a) Motor Vehicle (hypothecation)	Charge is already created with RTO and on RC book also	-	-
(ii)(b) Motor vehicle (hypothecation); book debts; floating charge	NA	23-04-2022	24-03-2022
(ii)(c) Book debts; movable property (not being pledge); debt service reserve account	NA	14-06-2018	15-05-2018

6 Deferred Tax Liabilities (Net)

Particulars	As At March 31, 2022	As At March 31, 2021
(a) Deferred tax assets		
(i) Disallowances under Income Tax act	19	19
(ii) Difference between WDV of Income tax act and Companies Act	4	14
(ii) Unabsorbed depreciation / Business Losses	90	86
	112	119
(b) Deferred tax liabilities		
(i) Difference between WDV of Income tax act and Companies Act	343	113
	343	113
Total	232	(6)

7 Other Long Term Liabilities

(Amt. in Lakhs)

Particulars	As At March 31, 2022	As At March 31, 2021
Car deposits	4,485	232
Office deposits	-	4
Retention money payable	-	1
Total	4,485	237

8 Long Term Provisions

Particulars	As At March 31, 2022	As At March 31, 2021
Provision for employee benefits	57	58
Total	57	58



06 Financial Statement | Consolidated

GENSOL ENGINEERING LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2022

9 Short Term Borrowings		(Amt. in Lakhs)	
Particulars	As At	As At	
	March 31, 2022	March 31, 2021	
Working capital loans from bank			
Secured	-	199	
Unsecured	4,005	3	
Working capital loans from other parties			
Unsecured	40	190	
Current maturities of long term borrowings	259	314	
Total	4,305	706	

Notes :

	As At
	March 31, 2022
Unsecured loan from others	
i) Interest free loan from sunridge green ventures pvt ltd of Rs. 190.00 Lacs (Including current maturity) starting from January, 2017 and the same is repayable on demand.	40
Unsecured loan from bank	
Unsecured working capital loan is comprised of letter of credit (against personal guarantee of directors) and credit card payable.	4,005

(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 of Rs. eight crores (Rs. 8,00,00,000/-), in aggregate, from State Bank of India 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 :

Sep-21	As per Stock Statement filed	As per Books of Accounts	Difference	Difference in %
Debtors	1884	1879	5	0.28%
WIP	1188	1257	-70	Refer Footnote
Dec-21	As per Stock Statement filed	As per Books of Accounts	Difference	Difference in %
Debtors	2618	2654	-36	Refer footnote
WIP	1288	1273	15	1.17%

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, 2022	March 31, 2021
Trade Payables		
Due to micro, small and medium enterprises	486	117
Due to related parties	-	2
Others	781	539
Total	1,267	658

Note : Trade payable ageing schedule

	As at March 31, 2022	
	MSME	Other
Less than 1 year	486	722
1 - 2 year	-	28
2 - 3 years	-	4
More than 3 years	-	28
Total	486	781



06 Financial Statement | Consolidated

GENSOL ENGINEERING LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2022

11 Other Current Liabilities		(Amt. in Lakhs)	
Particulars	As At	As At	
	March 31, 2022	March 31, 2021	
Other payables			
Advance from customers	521	245	
Statutory dues	258	692	
Other payables	992	320	
Total	1,771	1,258	
12 Short Term Provisions			
Particulars	As At	As At	
	March 31, 2022	March 31, 2021	
Others			
Provision for income tax	46	69	
Provision for employee benefits	17	10	
Total	63	78	



06 Financial Statement | Consolidated

GENSOL ENGINEERING LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2022

13 Property, Plant and Equipments (Amt. in Lakhs)									
Particular	Furniture & Fixtures	Computer	Mobile	Vehicles	Office & Electrical Equipments	Commercial Vehicles	Solar Plant	Site & Electronic Equipment	Total
Gross block									
As at April 1, 2020	53	111	9	51	3	-	712	17	956
Additions	-	7	6	-	1	-	2	6	22
Sold during the year	-	-	-	-	-	-	-	-	-
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
Depreciation									
As at April 1, 2020	17	58	6	27	2	-	81	9	200
For the year	9	36	2	7	1	-	71	3	130
Relating to	-	-	-	-	-	-	-	-	-
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
Net block									
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



06 Financial Statement | Consolidated

GENSOL ENGINEERING LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2022

14 Intangible Assets		(Amt. in Lakhs)	
Particular	Software	Total	
Gross block			
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	
Amortisation			
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	
Net block			
As at March 31, 2022	3	3	
As at March 31, 2021	6	6	

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.



06 Financial Statement | Consolidated

GENSOL ENGINEERING LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2022

16 Long Term Loans & Advances		(Amt. in Lakhs)	
Particulars	As At	As At	
	March 31, 2022	March 31, 2021	
Unsecured considered good			
Advance to capital creditors	81	-	
Total	81	-	
17 Other Non-Current Assets			
Particulars	As At	As At	
	March 31, 2022	March 31, 2021	
Security deposit :			
Car deposits	378	-	
Rent deposits	54	83	
Earnest money deposits	34	18	
Guest house deposits	1	0	
Other deposits	5	26	
Unamortized expenses	4	8	
In fixed deposit with maturity more than 12 month	379	36	
Total	855	171	
18 Inventories			
Particulars	As At	As At	
	March 31, 2022	March 31, 2021	
Work-in-progress	4,678	1,081	
Stock in trade	1,348	-	
Total	6,026	1,081	
19 Trade Receivables			
Particulars	As At	As At	
	March 31, 2022	March 31, 2021	
Trade receivable			
(i) Secured, considered good	-	-	
(ii) Unsecured, considered good	3,524	1,779	
(iii) Doubtful	-	-	
Total	3,524	1,779	
Note : Trade receivables ageing schedule			
	As At	As At	
	March 31, 2022	March 31, 2021	
Less than 6 months	2,972	1,412	
6 months - 1 year	155	77	
1 - 2 years	241	158	
2 - 3 years	66	131	
More than 3 years	90	2	
Total	3,524	1,779	



06 Financial Statement | Consolidated

GENSOL ENGINEERING LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2022

20 Cash and Cash Equivalents		(Amt. in Lakhs)	
Particulars	As At	As At	
	March 31, 2022	March 31, 2021	
(A) Cash & cash equivalents			
Cash on hand	11	13	
Balances with banks			
(i) In current accounts	596	446	
(ii) In overdraft accounts	105	-	
(iii) In deposit account :			
(i) In fixed deposit with maturity less than 3 month	18	333	
Other bank balance :			
(i) In fixed deposit with maturity more than 3 month	372	90	
(ii) In fixed deposit with maturity more than 12 month	379	36	
(ii) Other cash & cash equivalent	2	0	
Sub-total	1,482	919	
Less :			
(i) In fixed deposit with maturity more than 12 month	(379)	(36)	
Total	1,103	883	
21 Short Term Loans & Advances			
Particulars	As At	As At	
	March 31, 2022	March 31, 2021	
(Unsecured, Considered Good)			
Loan and advances to promoters, directors, KMPs and related parties	0	173	
Loan and advances to others:			
Prepaid expenses	29	15	
Advances to vendors	473	1,434	
Staff advances	17	10	
Total	519	1,633	
21.1 Details of Loan and advances to promoters, directors, KMPs and related parties			
	As At	As At	
	March 31, 2022	March 31, 2021	
Related parties* (Refer note no.: 38)	0.35	173	
Percentage to total short term loan & advances in the nature of loan	0%	11%	
* Loan and advances are given to related parties @7.00 % p.a. without specifying any terms or period of repayment .			
22 Other Current Assets			
Particulars	As At	As At	
	March 31, 2022	March 31, 2021	
Unbilled revenue	1,666	334	
Balance with govt authorities	748	116	
TDS receivables from NBFC	14	13	
TDS/TCS receivables from client	268	140	
Other receivables	78	0	
MAT credit receivables	4	-	
Retention money	340	169	
Total	3,116	772	



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GENSOL ENGINEERING LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2022

23 Revenue From Operations*		(Amt. in Lakhs)	
Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021	
Sale of goods (solar power generating system)	8,670	1,652	
Unbilled revenue - sale of goods			
Closing balance - sale of services	1,089	-	
Opening balance - sale of goods	-	-	
Sale of services	5,771	4,137	
Unbilled revenue - sale of services			
Closing balance - sale of services	576	334	
Opening balance - sale of services	(334)	(47)	
	(205)	-	
Opening balance - sale of services (on account of acquisition of subsidiary)			
Lease rent income	474	321	
Total	16,041	6,397	
24 Other Income			
Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021	
Interest income	60	41	
Reimbursement income	131	-	
Commission income	6	-	
Rent income	1	9	
Misc income	0	3	
Reversal of gratuity provision	-	8	
Forex gain	-	2	
Total	198	63	
25 Cost of Material Consumed / Cost of Service			
Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021	
Freight & Transport Expenses	512	48	
Liquidation damage expenses	124	-	
Operation and maintenance expenses	73	-	
Site guest house rent expenses	27	34	
Solar epc expenses	214	139	
Installation & commissioning expenses	428	351	
Lease rent expenses	581	285	
Module cleaning & grass cutting services	113	47	
Security expenses	107	31	
Site maintenance expenses	32	25	
Custom & safeguard duties	25	66	
Site tool expenses	18	14	
Total	2,252	1,040	
26 Purchase of Stock-in-Trade			
Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021	
Opening stock	-	-	
Add : Purchases	14,896	3,411	
Less : Closing stock	1,348	-	
Total	13,548	3,411	



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GENSOL ENGINEERING LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2022

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

(Amt. in Lakhs)		
Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Finished goods		
Work in-progress		
Closing stock of work in-progress	4,678	1,081
Opening stock of work in-progress	1,081	711
Total	(3,597)	(369)

28 Employee Benefit Expenses

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salary	1,050	1,017
Contribution to provident and other funds	42	25
Staff welfare expenses	4	1
Management trainee expenses	30	32
Gratuity	22	-
Total	1,148	1,076

29 Finance Costs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest to banks & NBFCs	107	125
LC/BG/OD & loan processing charges	3	6
Interest to others	73	38
Other finance expenses	351	8
Total	534	176

30 Depreciation And Amortisation Expenses

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation on property, plant and equipment	110	120
Amortisation on intangible assets	21	15
Total	131	135



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GENSOL ENGINEERING LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2022

31 Other Expenses	(Amt. in Lakhs)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Particulars		
Advertisement expenses	9	1
Audit fees	5	4
Bad debts	6	22
Bank charges	17	13
Commission expenses	14	23
Computer expenses	9	15
Compliance expenses	13	2
Donation	2	-
Electricity expenses	9	11
Forex gain/(loss)	16	6
Office expenses	63	38
Insurance expenses	18	6
Labour charges	-	23
Professional expenses	316	182
Printing & stationery expenses	5	5
Rates & taxes	44	18
Rent expenses	75	105
Repairs - Vehicles	2	0
Security expenses	-	2
Telephone and communication expenses	4	7
Tender fees	2	2
Travel expenses	159	130
Total	787	616

(i) Payment to auditors*

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
	For statutory audit	5
For other services	-	-
For reimbursement of expenses	-	-
	5	4

*Excluding applicable taxes.



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GENSOL ENGINEERING LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2022

32 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, 2022	As At March 31, 2021
Subsidiary		
Gensun Renewables Private Limited (India) - Incorporated on 8th February, 2018	51%	51%
Gensol Utilities Private Limited (India) (formerly known as Solarig Gensol Utilities Private Limited)(wholly owned Subsidiary w.e.f. September 15, 2021)	100%	49%

33 **Earning Per Equity Share(Face Value of Rs. 10/- Each)** (Amt. in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit for the period attributable to equity shareholders	1,109	319
No of weighted average equity shares outstanding during the year	109	82
Nominal value of equity shares	10	10
Basic and diluted earning per share	10.14	3.89

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.

34 **Contingent Liabilities and Contingent Assets**

Particulars	As At March 31, 2022	As At March 31, 2021
Contingent liabilities		
A. Guarantees excluding financial guarantees		
Outstanding bank guarantees of company & subsidiaries	787	330

35 **Commitments**

Particulars	As At March 31, 2022	As At March 31, 2021
Corporate guarantees given to financial institution / bank		
Corporate guarantees given to financial institution / bank on behalf of subsidiaries for facilities availed by them	359	350

36 **Operating Lease Arrangements**

Particulars	(Amt. in Lakhs)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
(A) Operating lease payment recognised in the statement of profit and loss		
Office premises	75	105
Car lease rent	581	285
Total	657	390

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.

Future minimum rental payables under non-cancellable operating lease

Particulars	As At March 31, 2022	As At March 31, 2021
0 to 1 year	20	108
1 to 5 year	-	116
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:



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GENSOL ENGINEERING LIMITED		
Notes to Consolidated Financial Statements for the year ended March 31, 2022		
Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Lease rental income recognised in the statement of profit and loss	1	9
Total	1	9
37 Details of Dues to Micro, Small and Medium Enterprises as Defined under MSMED Act, 2006		
Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	486	117
(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	-	-
(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 Segment Reporting		
The company is engaged primarily in the business of engineering , advisory and EPC of solar power projects. Accordingly, there are no separate reportable segments as per accounting standard 17 – "segment reporting".		
39 Expenditure in Foreign Currency		
Particulars	For the year ended March 31, 2022	(Amt. in Lakhs) For the year ended March 31, 2021
Expenses	6,034	460
Total	6,034	460
40 Earnings in Foreign Exchange :		
Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Sale of services	184	64
Total	184	64
41 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	Nature of Related Party	
Key managerial personnel ("KMP")		
Anmol Singh Jaggi	Managing Director	
Puneet Singh Jaggi	Director	
Jasminder Kaur	Director	
Jabir Mahendi Aga	Chief Financial Officer	
Rajesh Parmar	Company Secretary	
Subsidiary company		
Gensun Renewables Private Limited		
Gensol Utilities Private Limited (formerly known as Solarig Gensol Utilities Pvt Ltd)		
Enterprises over which key managerial personnel are able to exercise significant influence / control with whom transactions have been taken place		
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		
Sunborne Energy Gujarat One Private Limited		
Sunridge Green Ventures Private Limited		

STATUTORY REPORTS



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GENSOL ENGINEERING LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2022

(B) Transactions with related parties:

Nature of transactions	Salary	Sale of Goods / Services	Reimbursement income	Purchase of Goods / Services	Rent Income and interest income	Interest Expenses	Loan & Advance Given	Loan & Advance Received	Deposit
Anmol Singh Jaggi	-	-	-	-	-	-	136	136	-
							(131)	(126)	-
Jasminder Kaur	-	-	-	-	-	-	1	1	-
							(6)	(6)	-
Puneet Singh Jaggi	-	-	-	-	-	-	75	75	-
							(253)	(247)	-
Rajesh Parmar	8	-	-	-	-	-	-	-	-
	(6)	-	-	-	-	-	-	-	-
Jabir Mahendi Aga	15	-	-	-	-	-	-	-	-
	(14)	-	-	-	-	-	-	-	-
Gensol Consultants Private Limited	-	525	-	-	0	-	-	-	-
	-	(287)	-	-	(0)	-	(3)	(3)	-
Gensol Ventures Private Limited	-	-	-	-	0	1	-	-	-
	-	-	-	-	(0)	-	(33)	(35)	-
Matrix Gas and Renewables Pvt Ltd (formerly known as Gensol Renewables Pvt. Ltd.)	-	-	-	-	(0)	-	(880)	(848)	-
Gosolar Venture Private Limited	-	935	-	-	0	-	-	-	-
	-	(460)	-	(304)	(0)	-	-	-	-
Gensun Renewables Private Limited	-	-	-	-	0	-	199	128	-
	-	-	-	-	(0)	-	(31)	(21)	-
Blu-Smart Fleet Private Limited	-	1,007	-	-	-	2	-	-	571
	-	(323)	-	-	-	-	-	-	(24)
Blu-Smart Mobility Private Limited	-	2	131	-	1	-	-	-	1,932
	-	-	-	-	(1)	-	(9)	(9)	-
Blu-Smart Mobility Tech Private Limited	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	(5)	(5)	-
Param Renewable Energy Private Limited	-	-	-	73	11	-	-	-	-
	-	-	-	(5)	-	-	(10)	(4)	-
Prescinto Technologies Private Limited	-	-	-	-	0	-	-	-	-
	-	-	-	-	(0)	-	(476)	(475)	-
Sunridge Green Ventures Private Limited	-	-	-	-	-	-	150	-	-
	-	-	-	-	-	-	-	-	-

Figures in brackets indicates figures of previous year.



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GENSOL ENGINEERING LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2022

(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	-	-	1	-	-	-	-	-	-
			(0)						
Rajesh Parmar	2	-	-	-	-	-	-	-	-
	(2)								
Jabir Mahendi Aga	-	-	-	-	-	-	-	-	-
	(2)								
Gensol Consultants Private Limited	-	-	-	52	443	-	-	-	-
				(32)					
Gensol Ventures Private Limited	-	(2)	-	-	84	-	-	-	-
Prescinto Technologies Private Limited	-	-	-	1	-	-	-	-	-
				(0)					
Matrix Gas and Renewables Pvt Ltd (formerly known as Gensol Renewables Pvt. Ltd.)	-	-	-	-	-	(32)	-	-	-
Gosolar Ventures Private Limited	-	-	-	221	-	(141)	-	-	-
Blu-Smart Mobility Private Limited	-	-	-	3	-	-	-	1,932	-
Blu-Smart Mobility Tech Private Limited	-	-	-	-	-	(0)	-	-	-
Param Renewable Private Limited	-	-	-	12	-	-	10	-	-
				(6)					
Blu-Smart Fleet Private Limited	-	-	-	-	2	-	-	802	-
					(51)			(232)	
Sunridge Green Ventures Private Limited	-	40	-	-	-	-	-	-	-
		(190)							

Figures in brackets indicates figures of previous year.



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GENSOL ENGINEERING LIMITED

Notes to Standalone Financial Statements for the year ended March 31, 2022

42 Ratios

Ratio	As At	As At	Variance
	March 31, 2022	March 31, 2021	
(a) Current ratio,	1.93	2.28	-15%
(b) Debt-equity ratio,	1.77	0.29	513%
(c) Debt service coverage ratio,	4.52	1.91	137%
(d) Return on equity ratio,	0.24	0.09	172%
(e) Inventory turnover ratio,	3.43	4.56	-25%
(f) Trade receivables turnover ratio,	6.05	2.90	108%
(g) Trade payables turnover ratio,	17.81	5.64	216%
(h) Net capital turnover ratio,	3.45	1.76	96%
(i) Net profit ratio,	0.07	0.05	39%
(j) Return on capital employed,	0.20	0.17	21%
(k) Return on investment*	NA	NA	NA

* Company has made investment in it's subsidiaries only and they have not shared any profit to their shareholder's so there is no actual return on investment.

Reason for variation more than 25%

(b) Debt-equity ratio,	Increase in working capital loan for purchase of material and increase in term loan for purchase of fixed assets.
(c) Debt service coverage ratio,	Company has achieved operating profit of 160% more as compared to previous year.
(d) Return on equity ratio,	Company has achieved Profit after tax of 248% more as compared to previous year.
(e) Inventory turnover ratio,	Due to increase in Inventory.
(f) Trade receivables turnover ratio,	Company has achieved revenue from operation of 151% more as compared to previous year.
(g) Trade payables turnover ratio,	Increase in cost of service 285% and average trade payables 22% more as compared to previous year.
(h) Net capital turnover ratio,	Company has achieved revenue from operation of 151% more as compared to previous year.
(i) Net profit ratio,	Company has achieved Profit after tax of 248% more as compared to previous year.
(j) Return on capital employed,	Company has achieved EBITDA of 160% more 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



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GENSOL ENGINEERING LIMITED

Notes to Standalone Financial Statements for the year ended March 31, 2022

43 Value of Imported and Indigenous Materials

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
	Value	% of Total Material	Value	% of Total Material
Imported	6034	41%	454	13%
Indigenous	8862	59%	2957	87%

44 Subsidiaries' Net Assets and Share in Profit as at March 31, 2022 '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	0.16%	7	0.18%	2
Gensun Renewables Private Limited	9.89%	460	0.54%	6

45 Unhedged Foreign currency exposures hedged by derivative instruments is Nil. (As at 31, March, 2021 - Nil)

46 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.

47 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.

48 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.

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

50 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.

51 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.

52 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.

53 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.



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GENSOL ENGINEERING LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2022

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	As At	As At
	March 31, 2022	March 31, 2021
i. Reconciliation of opening and closing balances of defined benefit obligation		
Liability at the beginning of the year	68	77
Liability due to acquisition of subsidiary	2	-
Current service cost	22	26
Interest cost	5	5
Past service cost	-	-
Liability transferred in	-	-
Liability transferred out	-	-
Benefit paid	(18)	-1
Net actuarial losses (gain) recognised	(5)	(39)
Liability at the end of the year	74	68
ii. Reconciliation of opening and closing balances of the fair value of plan assets		
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	-	-
iii. Reconciliation of the present value of defined benefit obligation and fair value of plan assets		
Obligations at the end of the year	74	68
Plan assets at the end of the year, at Fair value	-	-
Asset / (liability) recognized in balance sheet as at the end of the year	(74)	(68)
iv. Gratuity cost for the year		
Current service cost	22	26
Interest cost	5	5
Expected return on plan assets	-	-
Actuarial gain or (Loss)	(5)	(39)
Recognised past service cost-unvested	-	-
Net gratuity cost	22	-8
v. Actuarial assumptions		
Discount rate (per annum)	6.95%	6.35%
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 1% at older ages	
Mortality	Indian assured lives mortality (2006-08) table	
Retirement Age	60 Years	
Actuarial valuation method	Project unit credit method	

NOTICE TO SHAREHOLDERS



07 Notice to Shareholders

NOTICE is hereby given that the 10th (Tenth) Annual General Meeting for the year 2021-2022 of the shareholders of Gensol Engineering Limited will be held on Friday, the 30th day of September 2022 at 10:00 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 A/2 12th Floor, Palladium Building Opp. Vodafone House Corporate Road, Prahladnagar Ahmedabad-380015

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, 2022, 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, 2022, together with the reports of the Board of Directors and Auditors thereon.

Item No. 3

To Re-appoint a director in place of Ms. Jasminder Kaur who retires by rotation and being eligible, offers herself for re-appointment..

SPECIAL BUSINESS

Item No. 4

To ratify the remuneration of Cost Auditors for the financial year ending March 31, 2023 and, in this regard, 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, 2023, be and is hereby ratified.”

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

Sd/-
Anmol Singh Jaggi
Managing Director
DIN: 01293305
Date: September 06, 2022
Place: Ahmedabad

NOTICE TO SHAREHOLDERS



07 Notice to Shareholders

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“the Act”), which sets out details relating to Special Businesses to be transacted at the 10th AGM, is annexed hereto.

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 www.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) 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>

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.

NOTICE TO SHAREHOLDERS



07 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 demat mode can vote through their demat account maintained with Depositories and Depository Participants only post 9th June, 2021.

The remote e-voting period begins on Monday, September 27, 2021 at 09:00 A.M. and ends on Wednesday, September 29, 2021 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 23, 2021 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 23, 2021.

Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility.

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ul style="list-style-type: none">• 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: https://eservices.nsdl.com 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.• 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 & voting during the meeting.• If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp• Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ 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 & voting during the meeting.

NOTICE TO SHAREHOLDERS



07 Notice to Shareholders

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ul style="list-style-type: none"> 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 https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi / Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL, KARVY, LINKINTIME, CDSL. Click on e-Voting service provider name to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi./Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & 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.
Individual Shareholders (holding securities in demat mode) & login through their depository participants	<ul style="list-style-type: none"> You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. 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 & voting during the meeting.
Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME.	<ul style="list-style-type: none"> Open the internet browser and launch the URL: https://instavote.linkintime.co.in Click on "Sign Up" under 'SHARE HOLDER' tab and register with your following details: - <ul style="list-style-type: none"> A. User ID: Shareholders/ members holding shares in physical form shall provide Event No + 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. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format) D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company. Shareholders/ members holding shares in physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above Set the password of your choice (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).

NOTICE TO SHAREHOLDERS



07 Notice to Shareholders

Type of shareholders	Login Method
Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME.	<ul style="list-style-type: none">1. Click “confirm” (Your password is now generated).2. Click on ‘Login’ under ‘SHARE HOLDER’ tab.3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘Submit’.4. After successful login, you will be able to see the notification for e-voting. Select ‘View’ icon.5. E-voting page will appear.6. Refer the Resolution description and cast your vote by selecting your desired option ‘Favour / Against’ (If you wish to view the entire Resolution details, click on the ‘View Resolution’ file link).7. After selecting the desired option i.e. Favour / Against, click on ‘Submit’. A confirmation box will be displayed. If you wish to confirm your vote, click on ‘Yes’, else to change your vote, click on ‘No’ and accordingly modify your vote.

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:

- o Click on ‘Login’ under ‘SHARE HOLDER’ tab and further Click ‘forgot password?’
 - o 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”.

NOTICE TO SHAREHOLDERS



07 Notice to Shareholders

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:

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 evoting@nsdl.co.in 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 helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 22-23058542-43.

Process and manner for attending the Extra Ordinary 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 any support on the dedicated number provided to you in the instruction/ InstaMEET website.

NOTICE TO SHAREHOLDERS



07 Notice to Shareholders

Instructions for Shareholders/ Members to Speak during the Extra Ordinary 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 panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist 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 Extra Ordinary 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 Extra Ordinary 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.

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 or contact on: - Tel: 022-49186175.

NOTICE TO SHAREHOLDERS



07 Notice to Shareholders

Annexure

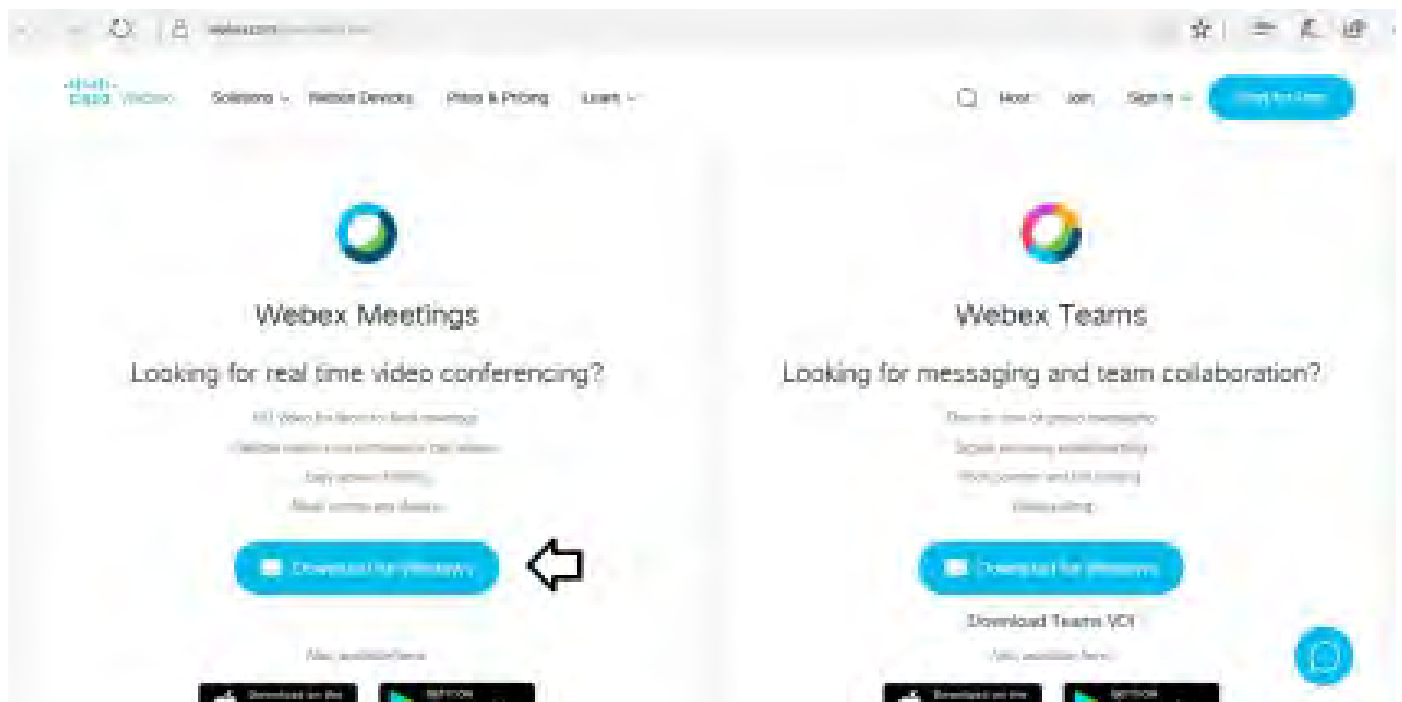
Guidelines to attend the EGM proceedings of Link Intime India Pvt. Ltd.: InstaMEET

For a smooth experience of viewing the EGM 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:

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>



Step 1	Enter your First Name, Last Name and Email ID and click on Join Now.
1 (A)	If you have already installed the Webex application on your device, join the meeting by clicking on Join Now
1 (B)	If Webex application is not installed, a new page will appear giving you an option to either Add Webex to chrome or Run a temporary application . Click on Run a temporary application, an exe file will be downloaded. Click on this exe file to run the application and join the meeting by clicking on Join Now

NOTICE TO SHAREHOLDERS



The screenshot shows the Cisco Webex website with a navigation bar at the top. Below the navigation bar, there are three steps outlined with circular icons: a downward arrow for Step 1, a pencil for Step 2, and a checkmark for Step 3. Below the steps, a text box says "To open the app double-click the Webex Meetings icon on your desktop." Below this text is a Windows file explorer window showing a file named "webexapp.msi (88.1 MB)" with a "Run" button highlighted.

Step 1
Double-click the webexapp.msi file you downloaded

Step 2
The Webex Meetings setup wizard will launch. Follow the instructions to set up.

Step 3
Once installed the app will launch automatically.

To open the app double-click the Webex Meetings icon on your desktop.

The screenshot shows the Cisco Webex website with a navigation bar. Below the navigation bar, there are two steps outlined with circular icons: a downward arrow for Step 1 and a checkmark for Step 3. In the center, a screenshot of the "Cisco Webex Meetings - InstallShield Wizard" window is shown. The window title is "Cisco Webex Meetings - InstallShield Wizard" and it contains a "Welcome to the InstallShield Wizard for Cisco Webex Meetings" message. Below the message, there is a "Next >" button highlighted. Below the screenshot, a text box says "To open the app double-click".

Step 1
Double-click the webexapp.msi file downloaded

Step 3
Once installed app will launch automatically.

To open the app double-click

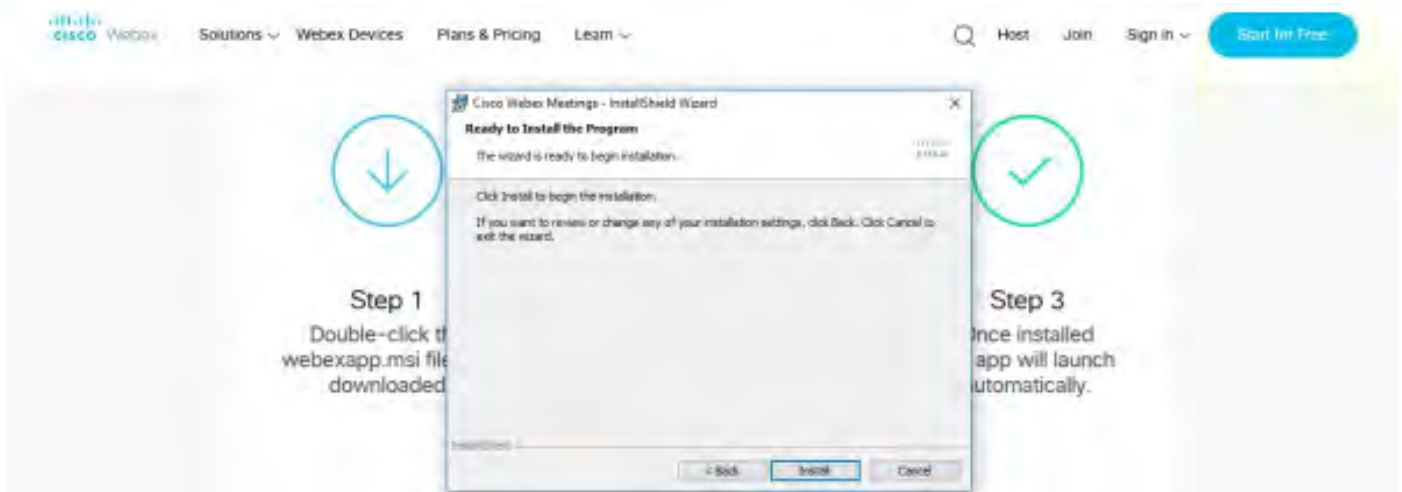
The screenshot shows the Cisco Webex website with a navigation bar. Below the navigation bar, there are two steps outlined with circular icons: a downward arrow for Step 1 and a checkmark for Step 3. In the center, a screenshot of the "Cisco Webex Meetings - InstallShield Wizard" window is shown. The window title is "Cisco Webex Meetings - InstallShield Wizard" and it contains a "License Agreement" message. Below the message, there is a "Next >" button highlighted. Below the screenshot, a text box says "To open the app double-click".

Step 1
Double-click the webexapp.msi file downloaded

Step 3
Once installed app will launch automatically.

To open the app double-click

NOTICE TO SHAREHOLDERS



or

a) If you do not want to download and install the Webex application, you may join the meeting by following the process mentioned as under:



NOTICE TO SHAREHOLDERS



07 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:

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, 2023, as per the following details.

Sr	Name of Cost Auditor	Cost Audit Fees (Inclusive of Tax) (Amount In Rs.)
1	Heenabahen Doshi & Associates	58,000

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, 2023 by passing an Ordinary Resolution as set out at Item No. 5 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. 5 of the Notice for ratification by the

By and on Behalf of sBoard of Directors,
Gensol Engineering Limited

Sd/-

Anmol Singh Jaggi
Managing Director
DIN: 01293305
Date:

NOTICE TO SHAREHOLDERS



07 Notice to Shareholders

Annexure to Notice:

Details of the Director seeking re-appointment in the 10th AGM pursuant to the provisions of Regulation 36 of SEBI Listing Regulations and Clause 1.2.5 of Secretarial Standards on General Meetings are as under:

Particulars	Details
Name of Director	Jasminder Kaur
Date of Birth	23/01/1964
Age	58 years
Date of Appointment	April 01, 2016
Expertise in specific Functional Areas	Having experience in Human Resource Activities.
Qualifications	Master of Arts and Bachelor of Education.
Directors in other Public Companies	NIL
Other Positions	NIL
Membership of Committees in other unlisted Public Companies	NIL
Inter Relationship	Mother of Mr. Anmol Singh Jaggi, Managing Director Mother of Mr. Puneet Singh Jaggi, Wholetime Director
Shares held in the Company as at 31st March,2022	NIL



Gensol Group

A2, 12th Floor, Palladium, Opposite
Vodafone House, Corporate Road, Prahladnagar, Ahmedabad - 380051

Ph: 079-40068236-39 | Fax: 079-40068235 | E: marketing@gensol.in