



**BADAYA & CO.**  
**Chartered Accountants**

**106, Golden Sunrise, C-36(B), Near Rajdhani Hospital, Lajpath Marg,  
C-Scheme, Jaipur (Raj.) Phone: 0141-2363149**

**INDEPENDENT AUDITORS' REPORT**

**To the Members of Insolation Energy Limited**

**Report on the audit of the Consolidate financial Statements**

**Opinion**

We have audited the Consolidate financial statements of **INSOLATION ENERGY LIMITED** ("hereinafter referred to as "the Holding Company") and its Wholly owned subsidiary namely **INSOLATION GREEN ENERGY PRIVATE LIMITED** (the Holding Company and its Wholly owned subsidiary together referred to as "the Group"), which comprise the Consolidate Balance Sheet as at 31st March, 2022, the Consolidate Statement of Profit & Loss and Consolidate Statement of Cash Flow for the year then ended, and notes to the Consolidate financial statements including a summary of the 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 Consolidate financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit, statement of preliminary and pre-operative expenses and cash flows for the year ended on that date.

**Basis for opinion**

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the Consolidate financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Consolidate financial statements under the provisions of the Act and the rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key audit matters**

Reporting of key audit matters as per SA 701 are not applicable to the Company as it is an unlisted company.



### **Information other than the Consolidate financial statements and auditors' report thereon**

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexure to Board's Report, Business Responsibility Report but does not include the Consolidate financial statements and our auditor's report thereon.

Our opinion on the Consolidate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidate financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard

### **Management's Responsibility for the Consolidate financial Statements**

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Consolidate financial statements that give a true and fair view of the Consolidate financial position, Consolidate financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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 Consolidate financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidate 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.

The board of directors are also responsible for overseeing the Company's Consolidate financial reporting process.





### **Auditor's responsibilities for the audit of the Consolidate financial statements**

Our objectives are to obtain reasonable assurance about whether the Consolidate 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 Consolidate 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 Consolidate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal Consolidate 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 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 Consolidate 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 Consolidate financial statements, including the disclosures, and whether the Consolidate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, 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 Consolidate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on other legal and regulatory requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Consolidate balance sheet, the Consolidate statement of profit and loss, and the Consolidate cash flow statement dealt with by this report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid Consolidate 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 March 31, 2022 taken on record by the board of directors, none of the directors is disqualified as on March 31, 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 Consolidate financial controls over Consolidate financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal Consolidate financial controls over Consolidate financial reporting;
  - (g) 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, in our opinion and to the best of our information and according to the explanations given to us;
    - a. The Company does not have any pending litigations which would impact its Consolidate financial position;
    - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and





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

d. (i) The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, 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 or in any other person(s) or entity(ies), 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 company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), 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 Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

e. The company has not declared or paid any dividend during the year is in accordance with section 123 of the Companies Act 2013, Hence clause not applicable.

For BADAYA & CO.  
Chartered Accountants  
Firm Registration No. 006395C



(ROHIT BADAYA)

Partner

M No.-078599

UDIN: 22078599ALZBGI1600

Date: 28<sup>th</sup> June, 2022

Place: Jaipur

**ANNEXURE-A**

**Annexure Referred to our report of even date of M/S INSOLATION ENERGY LIMITED.**

- (i) As required by paragraph 3(xxi) of the CARO 2020, we report that the auditors of the Company have not been given any qualifications or adverse remarks in their CARO report on the standalone/consolidated financial statements.

For BADAYA & CO.  
Chartered Accountants  
Firm Registration No. 006395C



  
(RONIT BADAYA)  
Partner

M No.-078599

UDIN: 22078599ALZBG11600

Date: 28<sup>th</sup> June, 2022

Place: Jaipur

**Annexure Referred to our report of even date of M/S INSOLATION ENERGY LIMITED.**

**Report on the Internal financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

We have audited the internal financial controls over Consolidate financial reporting of Insolation Energy Limited ('the Company') as of 31 March, 2022 in conjunction with our audit of the Consolidate financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over Consolidate 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 Consolidate financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). 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 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 Consolidate financial information, as required under the Companies Act, 2013.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over Consolidate financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal financial Controls Over Consolidate financial Reporting (the 'Guidance Note') and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over Consolidate financial reporting were 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 Consolidate financial reporting and their operating effectiveness. Our audit of internal financial controls over Consolidate financial reporting included obtaining an understanding of internal financial controls over Consolidate 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 Consolidate 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 Consolidate financial reporting.

**Meaning of Internal financial Controls Over Consolidate financial Reporting:**

A company's internal financial control over Consolidate financial reporting is a process designed to provide reasonable assurance regarding the reliability of Consolidate financial reporting and the preparation of Consolidate financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over Consolidate financial reporting include those policies and procedures that (1) pertain to 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 Consolidate 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 the 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 Consolidate financial statements.

**Inherent limitations of Internal financial Controls Over Consolidate financial Reporting:**


Because of the inherent limitations of internal financial controls over Consolidate 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 reporting to future periods are subject to the risk that the internal financial control over Consolidate financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over Consolidate financial reporting and such internal financial controls over Consolidate financial reporting were operating effectively as at 31 March 2022, based on the internal control over Consolidate 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 Consolidate financial Reporting issued by the Institute of Chartered Accountants of India.

For BADAYA & CO.  
Chartered Accountants  
Firm Registration No. 006395C



  
(ROHIT BADAYA)

Partner  
M No.-078599

UDIN: 22078599ALZBGI1600

Date: 28<sup>th</sup> June, 2022  
Place: Jaipur



**INSOLATION ENERGY LIMITED**  
(Formerly Known as Insolation Energy Private Limited)

**CIN:U40104RJ2015PLC048445**

**CONSOLIDATE BALANCE SHEET AS AT 31.03.2022**

Rupees in Lakhs

PARTICULARS	Note No.		AS AT 31st March 2022
<b><u>EQUITY &amp; LIABILITIES</u></b>			
<b>SHARE HOLDERS' FUNDS</b>			
Share Capital	2.1		1,500.00
Reserve and Surplus	2.2		714.23
<b>NON CURRENT LIABILITIES</b>	3.0		
Long Term Borrowings	3.1		931.51
Deferred Tax Liabilities (Net)	3.2		44.41
Other Long Term Liabilities	3.3		21.30
Long Term Provision	3.4		22.41
<b>CURRENT LIABILITIES</b>	4.0		
Short Term Borrowings	4.1		2,194.42
Trade Payable	4.2		
total outstanding dues from micro and small Enterprises		729.30	
total outstanding dues from creditors other than micro and small Enterprises		438.95	1,168.25
Other Current liabilities	4.3		136.81
Short term Provisions	4.4		218.69
<b>TOTAL</b>			<b>6,952.04</b>
<b><u>ASSETS</u></b>			
<b>NON CURRENT ASSETS</b>	5.0		
<b>Property, Plant and Equipment and Intangible Assets</b>	5.1		
Property, Plant and Equipment	5.1(a)		1,122.33
Non Current Investments	5.2		-
Long Term Loans & Advances	5.3		171.27
Other Non Current Assets	5.4		149.23
<b>CURRENT ASSETS</b>	6.0		
Inventories	6.1		2,341.55
Trade receivables	6.2		1,651.10
Cash and cash equivalents	6.3		840.16
Short-term loans and advances	6.4		673.43
Other current assets	6.5		2.98
<b>TOTAL</b>			<b>6,952.04</b>
See accompanying notes to the Financial Statements	1~21		-

For and on behalf of the Board of Directors

(Mandeep Gupta)  
DIN:02917023  
Chairman and  
Whole time Director

(Nitesh Kumar Lata)  
Chief Financial Officer  
PAN: AHJPL0744N

(Vikas Jain)  
DIN:00812760  
Managing Director

(Snigdha Khandelwal)  
Company Secretary  
PAN: DIXPK8538M

**AUDITORS REPORT**

As per our report of even date  
For BADAYA & CO.  
Chartered Accountants  
F.R. No.: 006395C

(ROHIT BADAYA)  
Partner  
M No.: 078599



Place: Jaipur  
Date: 28th June 2022


**INSOLATION ENERGY LIMITED**  
(Formerly Known as Insolation Energy Private Limited)  
**CONSOLIDATE STATEMENT OF PROFIT AND LOSS**  
**FOR THE YEAR ENDING 31 MARCH 2022**

			Rupees in Lakhs
PARTICULARS	Note No.		AS AT 31st March 2022
<b>INCOME</b>			
Revenue from Operation	8		21,539.27
Other Income	9		7.97
<b>Total Income</b>	<b>(a)</b>		<b>21,547.24</b>
<b>EXPENSES</b>			
Cost of Material Consumed	10		17,873.87
Purchase of Stock-in-trade	11		686.98
Change in Inventories of finished goods, stock in process & stock in trade	12		(236.04)
Employee Benefit Expense	13		577.15
Finance Cost	14		227.06
Depreciation and amortization expense	5.1		196.55
Other expenses	15		1,284.25
<b>Total expenses</b>	<b>(b)</b>		<b>20,609.82</b>
Profit before exceptional and extraordinary items and tax	(a-b)		937.42
Exceptional Items			-
Prior Period Items			1.63
Profit/(Loss) before extraordinary items and tax			935.80
Extraordinary items			-
Profit before tax			935.80
Tax Expenses			
(a) Current Tax		253.23	
(b) Deferred Tax	20	(12.02)	241.21
<b>Profit/(Loss) for the year</b>			<b>694.59</b>
Basic and Diluted Earning Per Share	18		24.14
See accompanying notes to the Financial Statements	<b>1-21</b>		

**Insolation Energy Limited.**

  
(Manish Gupta)  
DIN: 02917023  
Chairman and  
Whole time Director

  
(Vikas Jain)  
DIN: 00812760  
Managing Director

  
(Nitesh Kumar Lata)  
Chief Financial Officer  
PAN: AHJPL0744N

  
(Srigdha Khandelwal)  
Company Secretary  
PAN: DIXPK8538M

**AUDITORS REPORT**

As per our report of even date  
For BADAYA & CO.  
Chartered Accountants  
F.R. No.: 006395C

  
(ROHIT BADAYA)  
Partner  
M No.: 078599



Place: Jaipur  
Date: 28th June 2022



**INSOLATION ENERGY LIMITED**  
(Formerly Known as Insolation Energy Pvt. Ltd.)  
**CIN:U40104RJ2015PLC048445**  
**Cash Flow as at 31st March, 2022**

		Rupees in Lakhs	
A	CASH FLOW FROM OPERATING ACTIVITIES		AS AT 31st March 2022
	<b>Net Profit After Tax</b>		694.59
	Adjustments for:		694.59
	Deferred Tax	(12.02)	
	Loss on Fixed Assets	1.74	
	Depreciation	196.55	
	<b>Operating Profit before Working Capital Changes</b>		186.27
	<b>Adjustments for:</b>		<b>880.86</b>
	Decrease/(Increase) in Inventories	(875.65)	
	Decrease/(Increase) in Trade Receivables	(670.76)	
	Decrease/(Increase) in Short term Loans and Advances	620.72	
	Decrease/(Increase) in other Non Current Assets	(107.17)	
	Decrease/(Increase) in other Current Assets	(0.76)	
	Increase/(Decrease) in Short Term Borrowings	834.23	
	Decrease/(Increase) in Long Term loans & Advances	0.29	
	Increase/(Decrease) in Trade Payables	113.99	
	Increase/(Decrease) in Other Current liabilities	(37.22)	
	Increase/(Decrease) in Short term provisions	120.54	
	<b>Cash generated from operations</b>		(1.79)
	<b>Net Cash flow from Operating activities</b>		<b>879.07</b>
B	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Decrease/(Increase) in Fixed Assets	(315.09)	
	Sale of Fixed Assets	2.27	(312.82)
	<b>Net Cash used in Investing activities</b>		<b>(312.82)</b>
C	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Proceeds from Share Capital	-	
	Proceeds from Long term Borrowings	200.37	
	Proceeds from other financial assets	-	
	Proceeds from long term provisions	5.66	
	Decrease/(Increase) in Non Current Investment	-	
	Other long term liabilities	43.61	
	<b>Net Cash used in financing activities</b>		<b>249.64</b>
	Net increase in cash & Cash Equivalents		815.90
	Cash and Cash equivalents at beginning of the year		24.26
	Cash and Cash equivalents at end of year		840.16

For and on behalf of the Board of Directors Insolation Energy Limited.

  
(Manish Gupta)  
DIN:02917023  
Chairman and  
Whole time Director

  
(Vikas Jain)  
DIN:00812769  
Managing Director

  
(Nitesh Kumar Lata)  
Chief Financial Officer  
PAN: AHJPL0744N

  
(Snigdha Khandelwal)  
Company Secretary  
PAN: DIXPK8538M

**AUDITORS REPORT**

As per our report of even date  
For BADAYA & CO.  
Chartered Accountants  
F.R. No.: 006395C

  
(ROHIT BADAYA)  
Partner  
M No.: 078599



Place: Jaipur  
Date: 28th June 2022

**INSOLATION ENERGY LIMITED**

**Note:1**

**SIGNIFICANT ACCOUNTING POLICIES AND THE NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

(Forming Part of Balance Sheet as on 31.03.2022 and Statement of Profit & Loss account on that date)

**A. CORPORATE INFORMATION:**

The Company was originally formed & incorporated as a Private Limited Company in the state of Rajasthan under the Companies Act, 2013 in name and style of "Insolation Energy Private Limited" vide certificate of incorporation dated October 15th, 2015 bearing Corporate Identity Number U40104RJ2015PTC048445 issued by the Registrar of Companies, Jaipur. Subsequently, company was converted into Public Limited Company vide special resolution passed by shareholders of Company at the Extra Ordinary General Meeting held on January 24th 2022 and the name of the company was changed to Insolation Energy Limited pursuant to issuance of Fresh Certificate of Incorporation dated February 07th, 2022 by Registrar of Companies, Jaipur with Corporate Identification Number U40104RJ2015PLC048445.

The company is mainly engaged in the business of manufacturing of Solar Panels in the brand name of INA. The Company is having manufacturing unit at Khasara No. 766/02, Village- Bagwada, Tehsil- Amer, Jaipur, Rajasthan - 303805.

The Company has wholly owned subsidiary namely Insolation Green Energy Private Limited is a Private Limited Company incorporated under Companies act, 2013 on 28th of August, 2021 in the state of Rajasthan, having its registered office at K No.766/02 Village Bagwada Tehsil-Amer Jaipur, Rajasthan, India- 303805 with a main object of manufacturing of Solar Panels, Batteries etc. The Company is setting up manufacturing plant at Khasra No. 11/1, 1136/9, 1140/10 Jatawali Industrial Area, Jatawali, Tehsil- Chomu, Jaipur-303806. The project is under construction and will commence commercial production in financial year 2022-23.

**B. SIGNIFICANT ACCOUNTING POLICIES:**

**(i) BASIS OF PREPARATION:**

The Financial Statement of the subsidiary used in the consolidation are drawn up to the same reporting date as that of the Insolation Energy Limited i.e. 31st March, 2022.

The accompanying financial statements are prepared in compliance with the requirements under Section 133 of the Companies Act, 2013 ("the Act"), read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standard Amendment Rules, 2016) and other Generally Accepted Accounting Principles ("GAAP") in India, under the historical cost convention, on the accrual basis of accounting. The amount in financial statements are Rupees in Lakhs.

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

**(ii) PRINCIPLES OF CONSOLIDATION**

The Consolidated Financial Statements consist of Insolation Energy Limited and its wholly owned subsidiary namely Insolation Green Energy Private Limited. The Consolidated Financial Statements have been prepared on a line-by-line basis

**(iii) USE OF ESTIMATES**

The preparation of financial statements in conformity with the generally accepted accounting principles requires the Management to make estimates and assumptions that affects the reported balances of assets and liabilities and disclosures relating to the contingent assets and liabilities at the date of financial statements and the reported amount of income and expenses during the year.

**(iv) REVENUE RECOGNISATION:**

- a. Revenue from sale of goods is recognized when significant risk and rewards of ownership of the goods have been passed to the buyer and it is reasonable to expect ultimate collection. Sale of goods is recognized net of GST and other taxes as the same is recovered from customers and passed on to the government.
- b. Interest is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.
- c. Income from export entitlement is recognized as on accrual basis.





(v) **FOREIGN CURRENCY TRANSACTION**

**Initial recognition**

- a. Transactions in foreign currency are accounted for at exchange rates prevailing on the date of the transaction.
- b. **Measurement of foreign currency monetary items at Balance Sheet date**  
Foreign currency monetary items (other than derivative contracts) as at Balance Sheet date are restated at the year end conversion of currency rates.
- c. **Exchange difference**  
Exchange differences arising on settlement of monetary items are recognized as income or expense in the period/year in which they arise.  
Exchange difference arising of foreign currency monetary items as at the year End being difference between exchange rate prevailing on initial recognition transactions is adjusted in statement of Profit & Loss for the respective year.

(vi) **INVESTMENTS**

Non-Current/ Long-term Investments are stated at cost. Provision is made for diminution in the value of the investments, if, in the opinion of the management, the same is considered to be other than temporary in nature. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

Current investments are carried at lower of cost and fair value determined on an individual basis. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

(vii) **PROPERTY, PLANT AND EQUIPMENT**

**Tangible Assets**

The tangible items of property, plant and equipment are carried at cost less accumulated depreciation and accumulated impairment losses, if any, using the cost model as prescribed under Accounting Standard, AS-10 "Property, Plant & Equipment". Cost of an item of property, plant and equipment comprises of the purchase price, including import duties, if any, non-refundable purchase taxes, after deducting trade discounts and rebates, and costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(viii) **DEPRECIATION AND AMORTIZATION**

Depreciation on fixed assets provided on the written down value method at the rates provided in schedule II of Companies act, 2013 on pro-rata basis.

Class of Asset	Useful life as per Schedule II	Useful life as per Group
Computer	3 years	3 Years
Furniture & Fixtures	10 Years	10 Years
Office Equipment	5 Years	5 Years
Plant and Machinery	15 Years	15 Years
Electric distribution Plant (Solar)	35 Years	35 Years
Factory Shed/Building	30 Years	30 Years
Vehicles	10 Years	10 Years
Motor Car	8 Years	8 years

(ix) **INVENTORIES**

Inventories of traded goods are valued at lower of cost and net realizable value. Cost comprises of all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost formula used is FIFO.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost necessary to make the sale.



**(x) IMPAIRMENT OF ASSETS**

Assessment is done at each Balance Sheet date as to whether there is any indication that a tangible asset might be impaired.

**(xi) EMPLOYEE BENEFITS**

**(i) Short-term employee benefits**

Short term employee benefits are recognized as an expense at the undiscounted amount in the statement of Profit and loss for the year which includes benefits like salary, wages, bonus and are recognized as expenses in the period in which the employee renders the related service.

**(ii) Post-Employment benefits:**

**Defined Contribution Plan:**

The Company has Defined Contribution Plans for Post-employment benefits in the form of Provident Fund for all employees which are administered by Regional Provident Fund Commissioner. Provident Fund and Employee State Insurance are classified as defined contribution plans as the Company has no further obligation beyond making the contributions. The Company's contributions to Defined Contribution plans are charged to the Statement of Profit and Loss as and when incurred.

**Defined benefit Plans:**

Unfunded Plan the Company has a defined benefit plan for post-employment benefit in the form of Gratuity. Liability for the above defined benefit plan is provided on the basis of valuation, as at the Balance Sheet date, carried out by an independent actuary. The actuarial method used for measuring the liability is the Projected Unit Credit method.

**(xii) BORROWING COSTS**

Borrowing costs are interest, commitment charges and other costs incurred by an enterprise in connection with Short Term/ Long-Term borrowing of funds. Borrowing cost directly attributable to acquisition or construction of qualifying assets are capitalized as a part of the cost of the assets, up to the date the asset is ready for its intended use. All other borrowing costs are recognized in the Statement of Profit and Loss in the year in which they are incurred.

**(xiii) EARNING PER SHARE**

The earnings in ascertaining the Company's EPS comprises the net profit after tax attributable to equity shareholders and includes the post-tax effect of any extraordinary items. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit/(loss) after tax attributable to Equity Shareholders (including the post-tax effect of extra ordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period.

**(xiv) TAXATION**

Tax expense for the year comprising current tax & deferred tax are considered in determining the net profit for the year. Provision is made for current tax based on tax liability computed in accordance with relevant tax laws applicable to the Company. Provision is made for deferred tax for timing difference arising between taxable incomes & accounting income at currently enacted or substantively enacted tax rates, as the case may be. Deferred tax assets (other than in situation of unabsorbed depreciation and carry forward losses) are recognized only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each Balance Sheet date. Deferred tax assets, in situation of unabsorbed depreciation and carry forward losses under tax laws are recognized only to the extent that where is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be recognized. Deferred Tax Assets and Deferred Tax Liability are been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liability and where the Deferred Tax Asset and Deferred Tax Liability relate to Income taxes is levied by the same taxation authority.





(xv) **DISCLOSURE OF CONTINGENT LIABILITIES**

**Provisions**

A provision is recognized when the Company has a present obligation as a result of past event, if it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation.

**Contingent Liability**

Contingent Liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

**Contingent Assets**

Contingent Assets are neither recognized nor disclosed in the financial statements.

(xvi) **SEGMENT REPORTING**

The Company is engaged in manufacturing of a wide range of Solar Panels which includes Solar Module, Solar PCU, Solar Battery. Considering the nature of Business and Financial Reporting of the Company, the Company is operating in only one segment. Hence Segment reporting is not applicable.

(xvii) **CASH AND CASH EQUIVALENTS**

Cash & cash equivalents comprise cash and cash on deposit with banks and corporations. The company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amount of cash to be cash equivalents.

(xviii) **MISCELLANEOUS EXPENDITURE**

(a) Preliminary expenses will be amortized over a period of 5 years to the project.

(b) Pre-operative expenditure incurred during the construction period will be capitalizes under the respective assets head as the part of indirect construction cost to the extent the indirect expenses related to the assets. Other indirect expenditure incurred during the construction period, which is not directly related to construction activity or which is not identical thereto is written off over a period of 5 years to the project started from the year in which commencement of commercial production.

(xix) **STATEMENT OF CASH FLOW**

Cash flows are reported using the indirect method, whereby profit/loss before 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. Cash flow for the year are classified by operating, investing and financing activities.

**NOTES TO BALANCE SHEET**

2.1	SHARE CAPITAL		As at 31 March 22
	<b>AUTHORISED</b>		
	2,30,00,000 Equity Shares Rs 10/-per share		2,300.00
	(Previous year 40,00,000 equity shares Rs. 10/- Per share)		
			<b>2,300.00</b>
	<b>ISSUED, SUBSCRIBED AND PAID-UP CAPITAL</b>		<b>As at 31 March 22</b>
	1,50,00,000 Equity Shares of Rs 10/- face value per share		1,500.00
	(Previous year 25,00,000 equity shares Rs. 10/- Per share)		
			<b>1,500.00</b>



The reconciliation of the number of shares outstanding is Setout as below			As at 31 March 22
Particulars			No of Shares (In Lakhs)
Equity Share at the beginning of the year			25.00
Add: Share issued during the year			125.00
Equity Share at the end of the year			150.00

Rights, Preferences and Restrictions attached to shares:	
The Company has only one class of equity shares having face value of Rs.10/- each. Company has issued bonus shares of Rs. 12,50,00,000 (Rupees Twelve crore fifty lakhs only) each share of Rs. 10 i.e. 1,25,00,000 shares for consideration other than cash. Company has not buy back any shares from the date of incorporation.	

The detail of Share Holders holding more than 5%			As at 31 March 22
Name of the Shareholders	No of Shares (In Lakhs)		% held
Manish Gupta	72.75		48.50%
Vikas Jain	72.75		48.50%

Shares held by promoters at the end of the year				
S. No	Promoter name	No of Shares (In Lakhs)	%of total shares	% Change during the year
	Manish Gupta	72.75	48.50%	Nil
	Vikas Jain	72.75	48.50%	Nil
	Payal Gupta	0.00060	0.00040%	0.00040%
	Ekta Jain	0.00060	0.00040%	0.00040%

2.2	RESERVES AND SURPLUS		As at 31 March 22
	Capital Reserve		
	Capital Reserve (Part of Investment)		-
	Other Reserve & Surplus		714.23
			714.23

-Analysis of Income			Post (21-22)
a.	Profit & Loss		694.59
b.	Reserve & Surplus		1,269.64
c.	Less: Utilised for issue of Bonus shares		(1,250.00)
	Balance (a+b-c)		714.23
	Insolation energy limited		714.23
	Minority share		-
		Total 100.00%	





	NOTE '3' - NON CURRENT LIABILITIES		As at 31 March 22
3.1	<b>Long Term Borrowings</b>		
	<b>Secured Loans</b>		
	<b>Term Loans from banks</b>		
a	Bank Term loan (I) (SBI)		56.31
b	Bank Term loan(II) (SBI)		12.01
c	Bank Term loan(III) (SBI)		61.76
d	Bank Term loan(IV) (SBI)		75.84
e	Bank Term loan(V) (SBI)		-
f	Bank Term loan(VI) (SBI)		33.61
g	Bank Term loan(VII) (SBI)		238.47
h	Bank Term loan(VIII) (SBI)		262.67
i	Car Loan		47.34
			788.01
	<b>Unsecured Loans</b>		
	From Directors	1.00	
	From Others	142.50	143.50
			143.50
			<b>931.51</b>
	<b>Security of secured term loan of Bank (SBI)/ Short term borrowing Bank (SBI)</b> Primary: a) First charge by way of Hypothecation on all current & fixed assets including book debts of the Company both present and future. b) First Charge on all other movable and immovable fixed assets, plant & Machinery etc. (present and future) of the Company. Collateral: 1. Equitable mortgage of factory Land and Building situated at Khasra No. 766/2, Village Bagwara, Tehsil-Amer Dist. -Jaipur in the name of Sh. Manish Gupta and Sh. Vikas Jain Director of the Company admeasuring 5645.89 sq. mtrs and other personal assets of Directors and Guarantors. Guarantees: Personal Guarantees of Directors and Third Party Guarantees: 1. Sh. Vikas Jain s/o Sh. Mahendra Kumar Jain (Director) 2. Sh. Manish Gupta s/o late Sh. Subhash Chandra Gupta (Director) 3. Smt. Payal Gupta w/o Sh. Manish Gupta (Guarantor) 4. Smt. Ekta Jain w/o Sh. Vikas Jain (Guarantor)		
	Security details for Car Loans given under Point No. 3.1(i)		
	<b>Security details for secured term loan from SBI bank term loan (VIII) taken by wholly owned subsidiary company</b> First charge by way of hypothecation on all current and fixed assets including book debts of the Company both present and future and First charge on all other movable and immovable fixed assets , plant and machinery etc. (present and future) of the Company. Equitable mortgage of the immovable property of Industrial Plot No. Khasra No. 11/1, 1136/9, 1140/10, Village jatawali, Teh-Chomu, Jaipur, Rajasthan, admeasuring 10,000 sq.mtr. in the name of Sh. Manish Gupta and Sh. Vikas Jain valued at Rs. 1.87 cr. and Collateral- Cash Collateral of Rs. 1.80 Cr in the name of M/s Insolation Green Energy Ltd. personal guarantee of directors namely Manish Gupta and Vikas Jain and corporate guarantee of Insolation energy Limited		



3.1(a)	Term Loan of SBI is repayable in 24 monthly instalment as under.			
	<b>F. Y.</b>	<b>Total No of Instalments</b>	<b>Amount of Instalments in Lacs</b>	<b>Total Repayment (Rs. In lacs)</b>
	2021-22	4.00	7.17	28.67
	2022-23	12.00	7.17	86.00
	2023-24	7.00	7.17	50.17
	2023-24	1.00	7.17	7.17
	<b>Total</b>	<b>24.00</b>		<b>172.00</b>
3.1(b)	Term Loan II SBI is repayable in 38 monthly instalment as under.			
	<b>F. Y.</b>	<b>Total No of Instalments</b>	<b>Amount of Instalments in Lacs</b>	<b>Total Repayment (Rs. In lacs)</b>
	2021-22	4.00	0.55	2.21
	2022-23	12.00	0.55	6.63
	2023-24	12.00	0.55	6.63
	2024-25	9.00	0.55	4.97
	2024-25	1.00	0.55	0.55
	<b>Total</b>	<b>38.00</b>		<b>21.00</b>
3.1(c)	Term Loan III SBI is repayable in 60 monthly instalment as under.			
	<b>F. Y.</b>	<b>Total No of Instalments</b>	<b>Amount of Instalments in Rs.</b>	<b>Total Repayment (Rs. In lacs)</b>
	2021-22	4.00	1.42	5.67
	2022-23	12.00	1.42	17.00
	2023-24	12.00	1.42	17.00
	2024-25	12.00	1.42	17.00
	2025-26	12.00	1.42	17.00
	2026-27	7.00	1.42	9.92
	2026-27	1.00	1.42	1.42
	<b>Total</b>	<b>60.00</b>		<b>85.00</b>
3.1(d)	Term Loan IV SBI is repayable in 66 monthly instalment as under.			
	<b>F. Y.</b>	<b>Total No of Instalments</b>	<b>Amount of Instalments in Rs.</b>	<b>Total Repayment (Rs. In lacs)</b>
	2021-22	4.00	1.53	6.12
	2022-23	12.00	1.53	18.36
	2023-24	12.00	1.53	18.36
	2024-25	12.00	1.53	18.36
	2025-26	12.00	1.53	18.36
	2026-27	12.00	1.53	18.36
	2027-28	2.00	1.54	3.08
	<b>Total</b>	<b>66.00</b>		<b>101.00</b>





3.1(e)	Term Loan V SBI is repayable in 12 monthly instalment as under.			
	<b>F. Y.</b>	<b>Total No of Instalments</b>	<b>Amount of Instalments in Rs.</b>	<b>Total Repayment (Rs. In lacs)</b>
	2021-22	4.00	5.00	20.00
	2022-23	7.00	5.00	35.00
	2022-23	1.00	7.00	7.00
	<b>Total</b>	<b>12.00</b>		<b>62.00</b>
3.1(f)	Term Loan VI SBI is repayable in 19 monthly instalment as under.			
	<b>F. Y.</b>	<b>Total No of Instalments</b>	<b>Amount of Instalments in Rs.</b>	<b>Total Repayment (Rs. In lacs)</b>
	2021-22	4.00	9.29	37.17
	2022-23	12.00	12.50	150.00
	2023-24	3.00	3.61	10.83
	<b>Total</b>	<b>19.00</b>		<b>198.00</b>
3.1(g)	Term Loan VII SBI is repayable in 19 monthly instalment as under.			
	<b>F. Y.</b>	<b>Total No of Instalments</b>	<b>Amount of Instalments in Rs.</b>	<b>Total Repayment (Rs. In lacs)</b>
	2021-22	-	-	-
	2022-23	-	-	-
	2023-24	3.00	6.67	20.00
	2022-24	12.00	6.67	80.00
	2023-25	12.00	6.67	80.00
	2022-25	9.00	6.67	60.00
	<b>Total</b>	<b>36.00</b>		<b>240.00</b>
3.1(h)	Term Loan VIII SBI is repayable in 98 monthly instalment as under.			
	<b>F. Y.</b>	<b>Total No of Instalments</b>	<b>Amount of Instalments in Rs.</b>	<b>Total Repayment (Rs. In lacs)</b>
	2021-22	2	-	-
	2022-23	12	-	-
	2023-24	12	10.00	120.00
	2024-25	12	10.00	120.00
	2025-26	12	15.00	180.00
	2026-27	12	20.00	240.00
	2027-28	12	20.00	240.00
	2028-29	12	25.00	300.00
	2029-30	12	25.00	300.00
	<b>Total</b>	<b>98</b>		<b>1,500.00</b>



3.1(i)	Bank of Baroda Car Loan is secured by first charge on Car and secured by personal Guarantee of Manish Gupta, Vikas Jain, Directors of the Company .
(i)	Bank of Baroda Car Loan (Volvo XC 60) is secured by Hypothecation of Car of Rs. 50,00,000/- repayable in 59 equal monthly instalments of Rs. 99834/- (principal plus interest) and 1 instalment of Rs. 111494/- starts from April 2021.
(ii)	Bank of Baroda Car Loan (Kia Seltos) is secured by Hypothecation of Car of Rs. 12,00,000/- repayable in 36 monthly instalments of Rs. 37383 (principal plus interest) starts from December 2020.
(iii)	Bank of Baroda Car Loan (Baleno) is secured by Hypothecation of Car of Rs. 7,00,000/- repayable in 36 monthly instalments of Rs. 21807/- (principal plus interest) starts from November 2020.
(iv)	Bank of Baroda Car Loan (Fortuner) is secured by Hypothecation of Car of Rs. 28,00,000/- repayable in 36 monthly instalments of Rs. 87548/- starts from October 2020.
(v)	SBI Car Loan (Kia Seltos) is secured by Hypothecation of Car of Rs. 15,00,000/- repayable in 36 monthly instalments of Rs. 41,666.66(principal plus interest) starts from March 2022.

3.2	<b>Deferred Tax Liabilities (Net)</b>		<b>As at 31 March 22</b>
	Balance at the beginning	56.43	
	Addition/(Deletion) during the year	(12.02)	44.41
			44.41

3.3	<b>Other Long term liabilities</b>		<b>As at 31 March 22</b>
	Creditors for Capital Goods		21.30
			21.30

3.4	<b>Long-term provisions</b>		<b>As at 31 March 22</b>
	<b>Provision for employee benefits</b>		
	For Gratuity		15.32
	For Leave encashment		7.09
			22.41

<b>The following table sets out the status of the Gratuity Scheme in respect of employees of the Company:</b>		
	<b>(Amount in Lakhs)</b>	
	<b>As at March 31</b>	
	<b>2022</b>	
Projected Benefit Obligation	15.88	
Funding Status	Unfunded	
Fund Balance	N.A.	
Current Liability	0.56	
Non-Current Liability	15.32	





The actuarial assumptions used in accounting for the gratuity plan were as follows:		
Particulars	As at March 31	
	2022	
<b>Demographic Assumption:</b>		
Mortality Rate	Indian Assured Lives	
Retirement Age	58 Years	
Attrition Rate	5% at younger ages older ages according	
<b>Financial Assumption:</b>		
Salary Escalation Rate	5.00% p.a	
Discount Rate	7.25% p.a	

NOTE '4' - CURRENT LIABILITIES		As at 31 March 22	
4.1	Short Term Borrowings		
	Loans repayable on demand		
	From banks		
(a)	SLC (SBI)	250.00	
(b)	Cash Credit (SBI)	1,580.63	1,830.63
	Current maturities of Long term borrowings		
	Bank Term loan (SBI)	86.00	
	Bank Term loan (II) (SBI)	6.63	
	Bank Term loan (III) (SBI)	17.00	
	Bank Term loan (IV) (SBI)	18.36	
	Bank Term loan (V) (SBI)	51.32	
	Bank Term loan (VI) (SBI)	150.00	
	Bank Term loan (VII) (SBI)	-	
	Car Loan	34.48	363.79
			<b>2,194.42</b>

4.2	Trade Payables		As at 31 March 22	
	To Micro and Small Enterprises	729.30		
	To other than Micro and Small Enterprises	438.95		1,168.25
				1,168.25
Breakup of Trade payable outstanding as on 31.03.2022				
	Particulars	Outstanding for following periods from due date of payment		
		Less than 1 year	1-2 years	2-3 years
(i)	MSME	729.30	-	-
(ii)	Others	428.18	0.59	10.18
(iii)	Disputed dues - MSME	-	-	-
(iv)	Disputed dues - Others	-	-	-



4.3	<b>Other Current Liabilities</b>		<b>As at 31 March 22</b>
	<b>Statutory Liabilities</b>		
	TDS Payable	15.94	
	TCS Payable	1.18	
	GST Payable on RCM	1.41	
	ESI Payable	0.37	
	PF Payable	1.33	20.22
	<b>Other liabilities</b>		
	Advance against Supply & Services	116.59	116.59
			136.81

4.4	<b>Short Term Provisions</b>		<b>As at 31 March 22</b>
(a)	<b>Provision for Employee benefit</b>		
	For Gratuity	0.56	
	For Leave encashment	0.53	1.09
(b)	<b>Others</b>		
	Provision for Income Tax (FY 21-22)	251.21	
	Less: MAT Credit utilisation	-	
	Less: Advance tax	75.00	
	Less:TDS & TCS Receivables	13.97	
	Less:TDS & TCS Receivables of FY 2020-21	0.03	162.21
	Provision for Audit fees	3.25	
	Electricity Exp Payable	3.24	
	Provision for Exp.	48.91	55.40
			218.69

	<b>NOTE-'5'- NON CURRENT ASSETS</b>		<b>As at 31 March 22</b>
5.2	<b>NON CURRENT INVESTMENT</b>		
	<b><u>Investments in equity instruments (unquoted)</u></b>		
	Investment in Fully paid 18,10,000 equity share of Rs. 10/- , in Wholly Owned Subsidiary Company (Insolation Green Energy Pvt Ltd)	181.00	
	Less: Paid up Capital of wholly owned subsidiary	181.00	-
			-





	<b>Cost of Investment (Capital Reserve)</b>		<b>As at 31 March 22</b>
	Cost of Investment/ Capital Reserve	181.00	
	Less: Paid up Share Capital of wholly owned subsidiary company	181.00	-
			-

5.3	<b>LONG TERM LOANS &amp; ADVANCES (Unsecured &amp; Considered Good)</b>		<b>As at 31 March 22</b>
	<b>(a) Capital Advances</b>		
	Advance for Capital Goods		171.27
	<b>(b) Loans and advances to related parties</b>		-
	(Unsecured Loan to Wholly Owned Subsidiary Company (Insolation Green Energy Pvt Ltd)	143.74	
	Less: Unsecured loan of Insolation Green energy Pvt Ltd	143.74	-
			171.27

	<b>Type of Borrower</b>	<b>Amount of loan or advance in the nature of loan outstanding</b>
	Related Parties	143.74

5.4	<b>Other Non Current Assets</b>		<b>As at 31 March 22</b>
	<b>Security Deposits</b>		
	Security Deposit	14.16	
	Earnest Money Deposit	5.00	19.16
	<b>Preliminary &amp; Deferred Expenses</b>		
	Opening Balance	0.86	
	Add: Expenses incurred for increase in capital	22.39	
	Less: Written Off	0.86	22.39
	<b>Pre-operative Expenses</b>		
	Opening Balance	3.97	
	Add: Expenses incurred during year	77.35	
		81.32	
	Less: Written Off	3.97	77.35
	IPO Expenses		5.75
	Club Membership		10.00
	<b>Non-current (Deposit with remaining maturity of more than 12 months)</b>		
	Fixed Deposit Receipt (Margin money for Bank Guarantee)	14.59	14.59
			149.23



	NOTE '6' - CURRENT ASSETS		As at 31 March 22
6.1	<b>Inventories</b> (As Verified, valued & certified by the management)		
	Raw material	1,606.46	
	Work in Progress	109.04	
	Finished Goods	427.76	
	Stock in Trade	40.50	
	Stores & Packing Material	157.77	2,341.55
			2,341.55

6.2	<b>Trade Receivable</b>		As at 31 March 22
(a)	Secured, considered good	-	
(b)	Unsecured, considered good	1,651.10	
(c)	Doubtful	-	1,651.10
			1,651.10

Trade Receivables ageing schedule as on 31.03.2022			
	Outstanding for following periods from due date of payment	Undisputed Trade receivables - considered good	Undisputed Trade Receivables - considered doubtful
	Less than 6 months	1,582.29	-
	6 months - 1 year	52.92	-
	1-2 years	15.36	-
	2-3 years	-	-
	More than 3 years	0.52	-
	<b>Total</b>	<b>1,651.10</b>	

6.3	<b>Cash and cash equivalents</b>		As at 31 March 22
	Balances with banks	2.56	
	Cash on hand	4.56	
	<b>Other Bank balance</b>	-	
	Deposit with original maturity of more than 3 months but less than 12 months (deposited against margin money)	183.03	
	Fixed Deposit receipt	650.00	840.16
			840.16





6.4	<b>Short Term Loan &amp; Advances</b> (Unsecured, Considered good unless otherwise stated)		<b>As at 31 March 22</b>
	Advance to others		511.66
	GST Receivable		124.50
	Income tax refundable FY 2017-18		0.42
	Prepaid Expenses		36.85
			673.43
6.5	<b>Other Current Assets</b>		<b>As at 31 March 22</b>
	Accrued Interest		2.98
			2.98



NOTES ON PROFIT AND LOSS ACCOUNT			
	PARTICULARS		For the Year ended March,2022
	<b>NOTE '7' - REVENUE FROM OPERATIONS</b>		
	<b>Manufacturing Sale</b>		
	Sale of products	20,734.91	
	<b>Trading Sales</b>		
	Sale of products	704.18	21,439.09
	<b>Other Operating Revenues</b>		
	Net gain on foreign currency transactions	1.02	
	Discount Received	46.74	
	Other income	52.43	100.18
			21,539.27
	<b>NOTE '8' - OTHER INCOME</b>		<b>As at 31 March 22</b>
	Interest Received on FDR		6.02
	Subsidy Received		3.69
	Profit on Sale of Fixed Assets		(1.74)
			7.97
	<b>NOTE '9' - COST OF MATERIAL CONSUMED</b>		<b>As at 31 March 22</b>
	<b>RAW MATERIAL</b>		
	Op. Stock	1,061.75	
	Add: Purchases	17,862.96	
		18,924.71	
	Less: Closing Stock	1,606.46	17,318.25
	<b>STORES &amp; PACKING MATERIAL CONSUMED</b>		
	Op. Stock	62.87	
	Add: Purchases	650.52	
		713.39	
	Less: Closing Stock	157.77	555.62
			17,873.87
	<b>NOTE '10' - PURCHASE OF STOCK-IN-TRADE</b>		<b>As at 31 March 22</b>
	Purchases		686.98
			686.98



	NOTE '11' - CHANGE IN INVENTORIES OF FINISHED GOODS, STOCK IN PROCESS & STOCK IN TRADE		As at 31 March 22
	<b>Finished Goods</b>		
	Op.Stock	236.74	
	Less: Closing Stock	427.76	(191.02)
	<b>Work In Progress</b>		
	Op. Stock	26.75	
	Less: Closing Stock	109.04	(82.29)
	<b>Trading Items</b>		
	Op.Stock	77.78	
	Less: Closing Stock	40.50	37.27
			(236.04)

	NOTE '12' - EMPLOYEE COSTS		As at 31 March 22
	Salary & wages	424.27	
	Salary to Directors	123.87	
	Contributions to Provident Fund and Other Fund	12.47	
	Gratuity	3.88	
	Recruitment Exp	0.33	
	Staff Welfare	12.33	577.15
			577.15

	NOTE '13' - FINANCE COSTS		As at 31 March 22
	Interest to Bank	170.11	
	Interest to Others	11.56	
	Interest on Income Tax	17.14	
	Interest On Car Loan	6.13	
	Other Borrowing Cost	22.13	227.06
			227.06

	NOTE '14' - OTHER EXPENSES		As at 31 March 22
	<b>Manufacturing Exp.</b>		
	Custom Charges	459.18	
	Power & Fuel expenses	89.02	
	Freight Inward	38.36	
	Damages	1.06	
	Installation Exp.	29.35	
	Repair & Maint. of Plant	37.25	654.22





<b>Selling and Distribution Exp</b>		
Advertisement Exp	40.57	
Business Promotion Exp.	10.27	
Commission and Brokerage	91.11	
Discount paid and Balance W/o	1.52	
Exhibition Exp	9.02	
Freight Outward	183.22	
Loading and Unloading Charges	1.88	337.59
<b>Administrative Exp.</b>		
AMC Charges	3.48	
Bank Charges	35.89	
Computer & Web Charges	5.65	
Conveyance Charges	42.01	
Courier Charges	2.19	
Donation	0.06	
CSR Expenses	11.39	
Electricity expenses(Office)	0.37	
Gardening Expenses	0.06	
Festival exp.	4.54	
Maintenance Expenses	9.76	
Insurance	16.43	
Legal & Professional Charges	20.02	
Membership Fees	3.00	
Office Exp	3.74	
Preliminary Exp W/o	0.86	
Pre-Operative Exp W/o	3.97	
Printing & Stationery	3.72	
Rent	78.57	
Repair & Maintenance (Electric)	2.28	
Repair & Maintenance (Furniture)	1.63	
Repair & Maintenance (Building)	1.08	
Repair & Maintenance (Others)	3.37	
Vehicle Running & Maint.	0.51	
Security Services	11.63	
Telephone Expenses	3.73	
Testing Fees	12.18	
Tour & Travelling expenses	5.95	288.09
<b>PAYMENT TO AUDITORS</b>		
Statutory Audit Fees	2.50	
Tax Audit Fees	0.25	
Other Fees	1.60	4.35
		1,284.25



	NOTE '15' TAX EXPENSES		As at 31 March 22
	Current year tax		251.21
	Tax relating to earlier years		2.02
			253.23

	NOTE '16' VALUE OF RAW MATERIALS, COMSUMABLES ,PACKING MATERIAL AND STOCK IN TRADE (PURCHASE)		As at 31 March 22
	Imported		10,947.82
	Indigenous		8,252.64
			19,200.46

	NOTE '17' VALUE OF IMPORTS ON CIF BASIS IN RESPECT OF		As at 31 March 22
	Raw Materials and Stock in Trade		10,938.28
	Stores, Chemicals and Packing Materials		9.54
			10,947.82

	NOTE '18' EARNINGS PER SHARE (EPS)		As at 31 March 22
	i) Net Profit after tax as per Statements of Profit and Loss attributable to Equity Shareholders		694.59
	ii) Weighted Average number of equity shares used as denominator for calculating EPS		28.77
	iii) Basic and Diluted Earnings per share (In Rs.)		24.14
	iv) Face Value per equity share (In Rs.)		10.00

	NOTE '19' RELATED PARTY DISCLOSURES		As at 31 March 22
	The disclosure of transactions with the related parties are given below:		
	(i) List of Related Parties where control exists and relationships:		
	<b>Name of Related Party</b>	<b>Relationship</b>	
	Fluidcon Engineers Pinkcity Pipe Fittings Pvt. Ltd.	Associate Concern	
	Manish Gupta Vikas Jain Nitesh Kumar Lata Snigdha Khandelwal	Key Managerial Personnel	



<b>Transactions during the year with related parties</b>		
<b>Salary to Directors</b>		
Manish Gupta		60.00
Vikas Jain		60.00
Akhilesh Kumar Jain		3.87
<b>Loan from Director as on 31.03.2022</b>		
Manish Gupta		0.50
Vikas Jain		0.50
<b>Rent to Directors</b>		
Manish Gupta		36.00
Vikas Jain		36.00
<b>Purchase from Related Parties</b>		
Fluidcon Engineers		29.68
<b>Sales to Related Parties</b>		
Fluidcon Engineers		192.12

<b>NOTE '20' PROVISION FOR DEFERRED TAX</b>		
		<b>As at 31 March 22</b>
Provision for deferred tax liabilities has been made on account of difference in depreciation charges as per income tax act, and as per Companies Act, being timing difference.		
WDV of Fixed Assets as per Companies Act		903.85
WDV of Fixed Assets as per Income Tax Act		715.16
Difference in WDV		188.70
Unabsorbed depreciation or Unabsorbed losses		-
Gratuity and leave encashment provision		12.22
Other Disallowance Including u/s 43B		-
Other provisions		-
Timing Difference		176.47
Tax Rate as per Income Tax		25.17%
(DTA) / DTL		44.41
<b>Deferred Tax Assets &amp; Liabilities Summary</b>		
Opening Balance of (DTA) / DTL		56.43
Add: Provision for the Year		(12.02)
Closing Balance of (DTA) / DTL		44.41





**NOTE'21' OTHER NOTES AND CONTINGENT LIABILITIES**

1 In the opinion of Management current assets, loans & advance are approximately of the value stated if realized in ordinary course of business unless other wise stated the provision of liabilities are adequate and not excess of the amount reasonable necessary.

2 Trade Payable, Trade receivables, Unsecured Loans, Sundry Advances, loans and advance, security deposits are subject to confirmation.

3 **Corporate Social Responsibility (CSR)**

(a) amount required to be spent by the company during the year,	11.30
(b) amount of expenditure incurred,	11.39
(c) shortfall at the end of the year,	-
(d) total of previous years shortfall,	NA
(e) reason for shortfall,	NIL
(f) nature of CSR activities,	Education and health aid
(g) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	NIL
(h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.	NA

4 Amounts in the Consolidate financial statements are rounded off to nearest Lakhs. Figures in brackets indicate negative values.

5 Company is contingent liable:-

(i) In respect of demand/ penalty if any in respect of Pending Sales Tax/ GST/Entry Tax/VAT/Income Tax/ Other Taxes ,if any. The same will be accounted for in the year of actual arise demand/payment.

(ii) Estimated amount of Contracts remaining to be execute on capital account and not provide for amount of Rs. 806.88 lakhs (Previous Year of Rs. 1.17 lakhs)

(iii) The Company is liable for Export obligations to be fullfill under machine imports under EPCG Licence amount of Rs. 104.65 lakhs (Previous year 104.65 lakhs). In case Company is unable to fulfill export obligation then company is liable to pay amounting to Rs. 198.83 Lakhs (previous year of Rs. 198.83 Lakhs) the amount of duty save plus interest thereon.

6 The company does not own any immovable property required to be registered in the name of Company.

7 The disclosure of the Loans and Advances in the nature of the loans granted to promoters, directors, KMPs and the related parties (as defined in Companies Act, 2013) either severally or jointly with any other persons that are

a) Repayable on demand or

b) Without specifying any terms or period of repayments.

Type of Borrowers	Amount of loans and advances in the nature of loan outstanding	Percentage to the total loans and advances in the nature of loans.
Promoters	NIL	NIL
Directors	NIL	NIL



8 **Benami Property**

No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules thereunder

9 **Returns and filing to Banks and financial institutions**

The company has availed borrowings from banks and financial institutions on the basis of the security of its current assets. The quarterly returns and statements filed with them are in agreements with the books of accounts

10 **Wilful Defaulters**

The company is not declared as wilful defaulter by any bank or financial institutions or other lender

11 **Relationship with struck of companies**

The company has not entered into any transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

12 **Registration or satisfaction of charges with Registrar of Companies**

There are certain loans taken by the company on the security of the assets of the company and registration of the charges has not been done with Registrar of Companies beyond the statutory period allowed for registration. The details of the them are as under

S.No.	Name of the Bank	Nature of Loan	Sanctioned Amount	Date of availing the loan
1	Bank of Baroda	Auto Loan	12	30.10.2020
2	Bank of Baroda	Auto Loan	7	22.10.2020

**Reasons for non-compliance: Not required by the lender**

13 **Financial Ratios**

The previous year ratio taken from standalone balance sheet as this is the first balance sheet of consolidation

**a) Current ratio (Current Assets / Current Liabilities)**

Particulars	FY 2021-22	FY 2020-21
Current Assets	5,509.21	3,988.79
Current Liabilities <sup>(1)</sup>	3,718.17	2,686.63
<b>Current ratio</b>	<b>1.48</b>	<b>1.48</b>
% Change	-0.20%	

Reasons for variation in excess of 25% - N.A.

(1) Current Liabilities include short term borrowings availed by the Company.

**b) Debt-Equity Ratio (Debt / Equity)**

Particulars	FY 2021-22	FY 2020-21
Debt <sup>(2)</sup>	4,737.81	3,520.09
Net worth	2,214.23	1,519.64
<b>Debt-Equity Ratio</b>	<b>2.14</b>	<b>2.32</b>
% change	-7.63%	

Reasons for variation in excess of 25% - N.A.

(2) Debt includes total liabilities except networth of the company.



**c) Debt-Service Coverage Ratio (Profit After Tax + Depreciation + Interest on term loans / Interest on loan+loan repayment during the year)**

Particulars	FY 2021-22	FY 2020-21
PAT + Dep + Intt on TL	961.80	876.63
Loan Instalments + Interest on term loan	360.71	165.40
<b>Debt Service Coverage Ratio</b>	<b>2.67</b>	<b>5.30</b>
% Change	-49.69%	

Reasons for variation in excess of 25% - Due to increase in the instalment of GECL, the DSCR is down to 2.67.

**d) Return on Equity Ratio (PAT / Net Worth)**

Particulars	FY 2021-22	FY 2020-21
PAT	694.59	679.48
Net worth	2214.23	1519.64
<b>Return on Equity Ratio</b>	<b>31.37%</b>	<b>44.71%</b>
% change	-29.84%	

**Reasons for variation in excess of 25%** - The earning after profits are increased in current year, However due to increase in networth by retention of earning in business, the net worth of company increase which have direct impact on return on equity ratio.

**e) Inventory Turnover Ratio (Turnover / Average Inventory)**

Particulars	FY 2021-22	FY 2020-21
Inventory	1,903.72	1,054.85
Turnover	21,539.27	16,262.42
<b>Inventory Turnover Ratio</b>	<b>11.31</b>	<b>15.42</b>
% change	-26.61%	

Reasons for variation in excess of 25% - Due to increase in holding of inventory at the year end the inventory turnover ratio slightly low.

**f) Trade Receivables Turnover Ratio (Turnover / Trade Receivables)**

Particulars	FY 2021-22	FY 2020-21
Trade Receivables	1,651.10	980.33
Turnover	21,539.27	16,262.42
<b>Trade Receivables Turnover Ratio</b>	<b>13.05</b>	<b>16.59</b>
% change	-21.36%	

Reasons for variation in excess of 25% - N.A.





**g) Trade Payables Turnover Ratio (Purchases / Trade payables)**

Particulars	FY 2021-22	FY 2020-21
Trade Payables	1,168.25	1,054.25
Purchases	19,200.46	14,487.65
<b>Trade Payables Turnover Ratio</b>	<b>16.44</b>	<b>13.74</b>
% change	19.60%	

Reasons for variation in excess of 25% - N.A.

**h) Net Capital Turnover Ratio (Turnover / Net worth)**

Particulars	FY 2021-22	FY 2020-21
Net Working Capital	1,791.04	1,302.17
Turnover	21,539.27	16,268.55
<b>Net Capital Turnover Ratio</b>	<b>12.03</b>	<b>12.49</b>
% Change	-3.74%	

Reasons for variation in excess of 25% - N.A.

**i) Net Profit Ratio (PAT / Sales)**

Particulars	FY 2021-22	FY 2020-21
PAT	694.59	679.48
Sales	21,539.27	16,262.42
<b>Net Profit Ratio</b>	<b>3.22%</b>	<b>4.18%</b>
% change	-22.82%	

Reasons for variation in excess of 25% - N.A.

**j) Return on Capital Employed (Earnings before Interest and Tax / Capital Employed)**

Particulars	FY 2021-22	FY 2020-21
Capital employed <sup>(3)</sup>	3,145.74	2,250.78
EBIT	1,140.73	1,047.59
<b>Return on capital employed</b>	<b>36.26%</b>	<b>46.54%</b>
% change	-22.09%	

Reasons for variation in excess of 25% - N.A.

(3) Capital employed includes Networth and long-term borrowings.

**k) Return on Investments (Profit After Tax / Networth)**

Particulars	FY 2021-22	FY 2020-21
PAT	694.59	679.48
Networth	2,214.23	1,519.64
<b>Return on Investment</b>	<b>31.37%</b>	<b>44.71%</b>
% change	-29.84%	

Reasons for variation in excess of 25% - The Networth increase due to relation of profit after tax therefore, there is increase in PAT compare to previous year but the percentage in return of investment decrease due to increase in net worth due to retention of profit.



14

**Utilisation of Borrowed Funds and Share Premium**

The company has not advanced or loan or invested funds to any other persons or entities with the understanding that, that person/entity should invest in any other person or entity identified in any manner whatsoever by or on behalf of the company or provided any guarantee, security, or like to or on behalf of the company.

The company has not received any amount from any other persons/entity with the understanding, whether written or oral, that the company shall directly or indirectly invest in any other person or entity.

**For and on behalf of the Board of Directors  
Insolation Energy Limited.**

(Manish Gupta)  
DIN: 02917023  
Chairman and  
Whole time Director

(Nitesh Kumar Lata)  
Chief Financial Officer  
PAN: AHJPL0744N

(Vikas Jain)  
DIN: 00812760  
Managing Director

(Snigdha Khandelwal)  
Company Secretary  
PAN: DIXPK8538M

**AUDITORS REPORT**

As per our report of even date  
For BADAYA & CO.

Chartered Accountants

F.R. No.: 006395C

(ROHIT BADAYA)  
Partner  
M No.: 078599



Place: Jaipur  
Date: 28th June 2022

**INSULATION ENERGY LIMITED**

**PROPERTY, PLANT AND EQUIPMENT AS ON 31ST MARCH, 2022**

NOTE- 5.1

Rupees in Lakhs

PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	OPENING BLOCK	ADDITION	SALES/DEDUCTIONS	AS ON 31ST MAR, 22	UP TO 31.03.2021	FOR THE YEAR	DEDUCTIONS	TOTAL	AS ON 31ST MAR, 22	AS ON 31ST MARCH, 21
BUILDING	380.12	28.80	-	408.91	98.93	26.71	-	125.64	283.27	281.18
PLANT & EQUIPMENT	585.25	37.88	-	623.13	249.11	65.81	-	314.93	308.20	336.13
Solar Panel	75.92	-	-	75.92	2.05	23.07	-	25.12	50.80	73.87
MFA	293.45	5.43	10.30	288.58	134.90	28.69	6.28	157.31	131.27	158.54
FURNITURE & FIXTURES	47.96	-	-	47.96	21.67	6.81	-	28.48	19.49	26.29
OFFICE EQUIPMENT	7.10	0.39	-	7.50	2.11	2.41	-	4.52	2.98	4.99
MOBILE	2.19	2.36	-	4.55	0.67	0.93	-	1.60	2.94	1.52
COMPUTER & PRINTER	26.22	3.81	-	30.03	19.55	4.38	-	23.93	6.11	6.67
MOTOR VEHICLE	134.21	17.94	-	152.14	15.60	37.73	-	53.34	98.80	118.60
TOTAL -A	1,552.41	96.61	10.30	1,638.72	544.60	196.55	6.28	734.86	903.85	1,007.81

Capital WIP		218.48	-	218.48	-	-	-	-	218.48	-
<b>TOTAL -B</b>	<b>-</b>	<b>218.48</b>	<b>-</b>	<b>218.48</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>218.48</b>	<b>-</b>
<b>TOTAL -A+B</b>	<b>1,552.41</b>	<b>315.08</b>	<b>10.30</b>	<b>1,857.20</b>	<b>544.60</b>	<b>196.55</b>	<b>6.28</b>	<b>734.86</b>	<b>1,122.33</b>	<b>1,007.81</b>
Figures For Previous Year	1,191.76	360.65	-	1,552.41	404.69	139.91	-	544.60	1,007.81	787.07

