CITIZEN SOLAR PVT. LTD.
412, Sakar - 2, Ellisbridge Corner,
Ashram Road, Ahmedabad-380006

Firm Reg No : 100865W

KRUTESH PATEL& ASSOCIATES

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

INDEPENDENT AUDITORS' REPORT

To
The Members of
CITIZEN SOLAR PRIVATE LIMITED

Report on the standalone Financial Statements

- **Opinion :**

We have audited the accompanying Standalone financial statements of M/s. **Citizen Solar Private Limited** ("the Company") which comprises the Balance Sheet as at **31st December, 2023**, the Statement of Profit and Loss, and statement of cash flows for the period then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at December 31, 2023, and profit & loss, and its cash flows for the year ended on that date.

- **Basis for Opinion :**

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

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

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act.This responsibility also includes maintenance of adequate accounting records inaccordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of

Krutesh Patel & Associates FRN:100865W M. 175005 CA Darshit Oza

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

- **Auditor's Responsibility for the Audit of the Financial Statements :**

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

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

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- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' Report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

  We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
  We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable le, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements for the financial year ended 31st December, 2023 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

- **<u>Report on Other Legal and Regulatory Requirements :</u>**

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 report that reporting under the said order shall be furnished at the time of preparing the final audited financial statements for year ended till 31 March 2024.

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

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

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

c) The Balance Sheet and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.

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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 December, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st December, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

f) Concerning the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, the same shall be furnished along with audit report for the year ended on 31 March 2024.

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

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

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

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

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

(ii))The management has represented that to the best of its knowledge and belief, other than as disclosed in the notes to accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with understanding whether recorded in writing or otherwise, that the company shall whether directly and indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of ultimate beneficiaries; and

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

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

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

For,Krutesh Patel& Associates
Chartered Accountants

Place: Ahmedabad
Date: 17th February 2024

Krutesh Patel & Associates
FRN:100865W
M. 175003
CA Darshit Oza

Darshit Oza
Partner
M No. 175003
FRN: 100865W
UDIN : 24175003BKACJY1441

CITIZEN SOLAR PRIVATE LIMITED

Balance sheet as on 31 December 2023

Particulars	Note No.	*Figures as at the end of December 2023*	*For the year 31.03.2023*
		₹	₹
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	7,860,000	7,860,000
(b) Reserves and Surplus	2	74,951,408	68,410,841
(c) Money received against share warrants			
(2) Share Application money pending allotment			
(3) Non-Current Liabilities			
(a) Long-Term Borrowings	3	65,221,402	18,441,139
(b) Deferred Tax Liabilities (Net)	28	4,666,324	4,666,323
(c) Other Long Term Liabilities		-	-
(d) Long Term Provisions	4	345,979	395,722
(4) Current Liabilities			
(a) Short-Term Borrowings	4	59,551,606	73,309,871
(b) Trade Payables	5	33,947,011	10,314,379
(c) Other Current Liabilities	6	4,120,971	18,144,718
(d) Short-Term Provisions	7	430,243	4,053,042
Total Equity & Liabilities		**251,094,943**	**205,596,034**
II.ASSETS		₹	₹
(1) Non-Current Assets			
(a) (i)Property, Plants & Equipments	8	53,992,016	57,801,270
(ii) Intabgible Assets		4,236,625	791,500
(iii) Capital Work in Progress		-	-
(iv) Intangible Assets under Development		-	-
(b) Non-current investments		-	-
(c) Deferred tax assets (net)		-	-
(d) Long term loans and advances	9	12,613,582	11,501,650
(e) Other non-current assets		-	-
(2) Current Assets			
(a) Current investments		-	-
(b) Inventories	10	75,895,198	74,487,794
(c) Trade receivables	11	61,657,467	30,628,166
(d) Cash and cash equivalents	12	213,006	68,089
(e) Short-term loans and advances	13	41,457,649	30,317,565
(f) Other current assets	14	1,029,400	-
Total Assets		**251,094,943**	**205,596,034**
		- -	0

Notes attached there to form an integral part of the financial statements
As per our report of even date attached

For, Krutesh Patel & Associates
Chartered Accountants

Darshit Oza
Partner
Membership No. : 175003
Firm Reg. No.: 100865W

Krutesh Patel & Associates FRN:100865W M. 175003 CA Darshit Oza

Date : 17/02/2024

For, Citizen Solar Private Limited

Omprakash Jain
Director
DIN: 00171365

Tansukhraj Jain
Director
DIN : 00171418

CITIZEN SOLAR PVT. LTD. AHMEDABAD

Date : 17/02/2024

CITIZEN SOLAR PRIVATE LIMITED

Profit & Loss Statement as on 31 December 2023

Particulars	Note No.	*Figures as at the end of December 2023*	*For the year 31.03.2023*
Revenues		₹	₹
- Revenue from Operations	15	623,114,716	629,935,517
- Other income	16	3,271,802	2,603,626
Total Revenue		**626,386,518**	**632,539,143**
- Cost of Material Consumed	17	597,318,901	579,145,441
- Changes in Inventory	18	(16,271,301)	(9,830,459)
- Personnel Benefit Expense	19	18,304,142	24,073,659
- Financial Cost	20	3,719,490	3,397,962
- Depreciation and Amortization Expense	21	4,775,032	6,366,709
- Other Expenses	22	10,574,771	17,694,462
Total Expenses		**618,421,035**	**620,847,774**
Profit Before Tax		**7,965,483**	**11,691,369**
Less:			
- Current tax		(1,424,916)	(3,179,828)
- Deferred Tax	28	0	829,798
Profit After Tax		**6,540,567**	**9,341,339**
Basic & Dilluted Earning Per Share (₹)	26	8.32	11.88
Weighted Average Nos of Shares		786,000	786,000
Face Value of Share (₹)		10.00	10.00

Notes attached there to form an integral part of the financial statements
As per our report of even date attached

For, Krutesh Patel & Associates
Chartered Accountants

Darshit Oza
Partner
Membership No. : 175003
Firm Reg. No.: 100865W

Date : 17/02/2024
Place : Ahmedabad

Krutesh Patel & Associates
FRN:100865W
M. 175003
CA Darshit Oza

For, Citizen Solar Private limited

Omprakash Jain
Director
DIN: 00171365

Tansukhraj Jain
Director
DIN : 00171418

Date : 17/02/2024
Place : Ahmedabad

CITIZEN SOLAR PVT. LTD.
AHMEDABAD

CITIZEN SOLAR PRIVATE LIMITED

Notes Forming Integral Part of the Financial Statements as on 31 December 2023

Note : 1 Equity Share Capital

Particulars	Current Year ₹	Previous Year ₹
- **Authorised Capital**		
10,00,000 Equity Shares of Rs. 10/- Each	10,000,000	10,000,000
	10,000,000	10,000,000
Issued, Subscribed & Paid up Capital		
- 7,86,000 Equity Shares of Rs. 10/- each. Fully Paid Up	7,860,000	7,860,000
Total	**7,860,000**	**7,860,000**

b) Reconcillation of the number of Shares Outstanding

Particulars	Current Year ₹	Previous Year ₹
Equity Shares Outstanding at the Beginning of Year (Nos)	786,000	786,000
Equity Shares Outstanding at the Beginning of Year (₹)	7,860,000	7,860,000
Add:	-	-
Shares Issued for Consideration of Money (Nos)	-	-
Shares Issued for Consideration of Money (₹)	-	-
Equity Shares Outstanding at the End of Year (Nos)	**786,000**	**786,000**
Equity Shares Outstanding at the End of Year (₹)	**7,860,000**	**7,860,000**

c) Shares Held by The Promoters

Name of Share Holder	Change in (%)	As on December 2023	
		Nos	% of Shares
- Mr. Omprakash Lalchand Jain	-	87,500	11.13%
- Mrs. Ugmadevi Omprakash Jain	-	25,000	3.18%
- Mr. Harsh Omprakash Jain	-	96,500	12.28%
- Mr. Ravindra Omprakash Jain	-	85,800	10.92%
- Mrs. Kasturi Ravindra Jain	-	27,500	3.50%
- Mr. Tansukhraj Lalchand Jain	-	190,000	24.17%
- Mrs. Sangitadevi Tansukhraj Jain	-	90,000	11.45%
- Mr. Sagar Tansukhraj Jain	-	73,700	9.38%
		676,000	**86.01%**

Name of Share Holder	Change in (%)	As on March 2023	
		Nos	% of Shares
- Mr. Omprakash Lalchand Jain	-	87,500	11.13%
- Mrs. Ugmadevi Omprakash Jain	-	25,000	3.18%
- Mr. Harsh Omprakash Jain	-	96,500	12.28%
- Mr. Ravindra Omprakash Jain	-	85,800	10.92%
- Mrs. Kasturi Ravindra Jain	-	27,500	3.50%
- Mr. Tansukhraj Lalchand Jain	-	190,000	24.17%
- Mrs. Sangitadevi Tansukhraj Jain	-	90,000	11.45%
- Mr. Sagar Tansukhraj Jain	-	73,700	9.38%
		676,000	**86.01%**

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Notes Forming Integral Part of the Financial Statements as on 31 December 2023

(d) Rigjts Attached with Equity Shares: The Company has only one class of equity shares with voting rights having a par value of ₹ 10 per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General Meeting.

During the year ended March 31, 2022, the amount of dividend per equity share distributed to equity shareholders is ₹ 1.2 (PY ₹ 1.2) .

In the event of liquidation of the Company, the shareholders of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Note : 2 Reserve & Surplus

Particulars	Current Year ₹	Previous Year ₹
- Share Premium	27,160,000	27,160,000
- Surplus		
Opening Balance	41,250,841	32,302,502
Add: Profit for the period	6,540,567	9,341,339
Less : Proposed Dividend	0	(393,000)
Less : MAT Credit Receivable	0	0
Closing Balance	47,791,408	41,250,841
Total	**74,951,408**	**68,410,841**

Note : 3 Long Term Borrowings

Particulars	Current Year ₹	Previous Year ₹
- **Secured Loan**		
- From HDFC Bank Term Loan (Secured Loan)	6,011,971	3,588,481
- From HDFC Bank WC Term Loan - I (Secured Loan)	3,650,647	1,916,497
- From HDFC Bank WC Term Loan - II (Secured Loan)	9,573,000	9,349,012
- From HDFC Bank WCDL Term Loan - III (Secured Loan)	18,000,000	-
- Tata Safari Car Loan	1,586,717	1,478,349
- **Unsecured Loan**		
Inter Corporate Deposits	-	800,000
- **Business Deposits**		
From Dealers	21,399,067	1,308,800
- **Unsecured Loan**		
From Others	5,000,000	-
Total	**65,221,402**	**18,441,139**

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

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

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

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

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CITIZEN SOLAR PRIVATE LIMITED

Notes Forming Integral Part of the Financial Statements as on 31 December 2023

Note : 4 Non Current Provisions

	Particulars	₹ Current Year	₹ Previous Year
-	Provision for Gratuity	345,979	345,979
-	Provision for Leave Encashment	-	49,743
	Total	**345,979**	**395,722**

Note : 4 Short Term Borrowings

	Particulars	₹ Current Year	₹ Previous Year
-	Working Capital Finance	59,551,606	56,721,893
-	Current Maturities of Long Term Debts	-	16,587,978
	Total	**59,551,606**	**73,309,871**

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

Note : 5 Trades Payable (Other than MSME)

	Particulars	₹ Current Year	₹ Previous Year
	Sundry Creditors for Goods		
-	Trade Payable (All Outstanding for a period less than One Year)	33,947,011	10,314,379
	Total	**33,947,011**	**10,314,379**

Note : 6 Other Current Liabilities

	Particulars	₹ Current Year	₹ Previous Year
-	Advance from Parties (To be repayable in Cash or Kind)	3,744,421	16,489,297
-	Unpaid Salary	195,422	1,280,516
-	Unpaid PF	-	77,172
-	Unpaid ESI	-	21,618
-	Unpaid Professional Tax	400	9,800
-	Unpaid TDS & TCS	180,728	266,315
	Total	**4,120,971**	**18,144,718**

Note : 7 Short Term Provisions

	Particulars	₹ Current Year	₹ Previous Year
	Provision For Employees Benefit		
-	Provision for Gratuity	6,793	6,793
-	Provision for Leave Encashment	-	4,773
-	Provision for Bonus	-	250,000
-	Provision for Audit Fees	-	40,000
-	Provision for Expenses	423,450	1,875,449
-	Provision for I Tax	-	1,483,027
-	Proposed Dividend	-	393,000
	Total	**430,243**	**4,053,042**

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CITIZEN SOLAR PRIVATE LIMITED

Notes Forming Integral Part of the Financial Statements as on 31 December 2023

Note: 8 Property, Plant & Equipments

I. Fixed Assets at Ahmedabad

₹ ₹

Sr. No.	Particulars	Rate	Gross Block					Depreciaton				Net Block	
			Value at the beginning	*Addition during the year For more Than 180 Days*	*Addition during the year For Less Than 180 Days*	*Deduction during the year*	*Value at the end*	*Value at the beginning*	*Addition during the year*	*Deduction during the year*	*Value at the end*	*WDV as on 31.12.23*	*WDV as on 31.03.2023*
I	**Tangible Assets**												
1	Land & Building		9,939,309	-	-	-	9,939,309	-	-	-	-	9,939,309	9,939,309
2	Building-Indrad		2,337,269	-	-	-	2,337,269	373,525	58,916	-	432,441	1,904,829	1,963,744
3	Factory Shed		3,556,773	-	-	-	3,556,773	560,751	89,883	-	650,634	2,906,139	2,996,022
4	Computer		2,745,687	179,500	131,403	-	3,056,590	1,826,858	614,882	-	2,441,740	614,850	918,829
5	Electrical instruments		3,443,582	-	-	-	3,443,582	1,672,305	267,020	-	1,939,325	1,504,257	1,771,277
6	Furniture & Fixtures		6,514,368	-	-	-	6,514,368	3,079,821	535,470	-	3,615,291	2,899,077	3,434,547
7	Plant & Machinery		48,126,667	500,000	-	-	48,626,667	16,860,529	2,705,029	-	19,565,558	29,061,109	31,266,138
8	Vehicles		2,915,330	-	-	-	2,915,330	392,723	176,526	-	569,249	2,346,081	2,522,607
9	Solar System		3,272,500	-	-	-	3,272,500	283,703	172,431	-	456,134	2,816,366	2,988,797
	SUB TOTAL (A)		**82,851,485**	**679,500**	**131,403**	**0**	**83,662,388**	**25,050,215**	**4,620,157**	**0**	**29,670,372**	**53,992,016**	**57,801,270**
Note: 2	**Intangible Assets**												
	Certification		1,032,500.00	1,500,000	2,100,000	-	4,632,500	241,000	154,875	-	395,875	4,236,625	791,500
			-	-	-	-	-	-	-	-	-	-	-
	SUB TOTAL (B)		1,032,500.00	1,500,000	2,100,000	-	4,632,500	241,000	154,875	-	395,875	4,236,625	791,500
	Total [A + B] (Current Year)		**83,883,985**	**2,179,500**	2,231,403	-	**88,294,888**	25,291,215	4,775,032	-	**30,066,247**	**58,228,641.25**	**58,592,770**
	(Previous Year)		**0**	-	-	-	**0**	-	-	-	-	-	-

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CITIZEN SOLAR PRIVATE LIMITED

Notes Forming Integral Part of the Financial Statements as on 31 December 2023

Note : 9 Long Term Loans & Advances

Particulars	Current Year ₹	Previous Year ₹
Security Deposit		
- Electricity Deposit	1,228,940	1,275,947
- Fixed Deposit with Banks	11,384,642	10,225,703
Total	**12,613,582**	**11,501,650**

Note : 10 Inventories

Particulars	Current Year ₹	Previous Year ₹
- Raw Material	27,759,833	42,623,730
- Work-in-Progress	-	-
- Finished Goods	48,135,365	31,864,064
(All the above stock has been taken, valued and certified by the management)		
Total	**75,895,198**	**74,487,794**

Note : 11 Trade Receivables

Particulars	Current Year ₹	Previous Year ₹
Undisputed & Unsecured Outstanding for		
- Less than 6 Months	61,657,467	30,618,715
- More than 6 Months but less than 1 year	-	9,451
- More Than 1 Year but less than 2 Years	-	-
- More Than 2 Year but less than 3 Years	-	-
- More Than 3 Years	-	-
Total	**61,657,467**	**30,628,166**

Note : 12 Cash & Cash Equivalent

Particulars	Current Year ₹	Previous Year ₹
- **Cash-in-Hand**		
Cash Balance	213,006	54,134
Sub Total (A)	**213,006**	**54,134**
- **Bank Balance (In Current Accounts)**		
In Current Accounts	0	13,955
Sub Total (B)	**0**	**13,955**
Total [A + B]	**213,006**	**68,089**

Note : 13 Short Term Loans & Advances

Particulars	Current Year ₹	Previous Year ₹
- Business Deposit	975,466	982,486
- Fixed Deposit		
- Advance to Creditors	20,255,966	19,161,966
(Unsecured & Receivable in Cash or Kind)		
- Other Advances for Expenses	2,648,035	117,799
- Advance Income Tax & TDS	8,907	50,401
- Balance With Revenue Authorities (GST)	5,677,557	2,298,368
- Subsidy Claim Receivable	11,891,718	7,706,545
Total	**41,457,649**	**30,317,565**

Note : 14 Other Current Assets

Particulars	Current Year	Previous Year
- Preliminary Expenses	-	-
- Pre Operative Expenses	1,029,400	-
Total	**1,029,400**	**-**

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CITIZEN SOLAR PRIVATE LIMITED

Notes Forming Integral Part of the Financial Statements as on 31 December 2023

Note : 15 Revenue from Operations

Particulars	Current Year (₹)	Previous Year (₹)
- Sales	622,983,334	629,935,517
- Sale of RODTEP Licence	131,382	
Total	**623,114,716**	**629,935,517**

Note : 16 Other Income

Particulars	Current Year (₹)	Previous Year (₹)
- Discount Income	1,257,272	1,005,611
- Forex Gain	510,121	403,991
- Interest Income	187,173	565,422
- Other Income	1,317,236	628,602
- Commisssion Income	-	-
Total	**3,271,802**	**2,603,626**

Note : 17 Cost of Raw Material Consumed

Particulars	Current Year (₹)	Previous Year (₹)
Opening Stock		
- Raw Materials	42,623,730	31,845,475
Purchases		
- Purchases	554,476,279	575,998,412
Direct Expenses		
- Custom Duty Charges	21,981,942	8,536,269
- Electricity Expenses	2,627,485	3,037,821
- Freight & Transportation Expenses	2,902,753	1,890,153
- Job Work Expenses	159,380	315,899
- Machine Parts & Other Expenses	307,165	145,142
Closing Stock		
- Raw Materials	(27,759,833)	(42,623,730)
Total	**597,318,901**	**579,145,441**

Note : 18 Changes in Inventories

Particulars	Current Year (₹)	Previous Year (₹)
Opening Stock		
- Finished Goods	31,864,064	22,033,605
Closing Stock		
- Finished Goods	48,135,365	31,864,064
Total	**(16,271,301)**	**(9,830,459)**

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CITIZEN SOLAR PRIVATE LIMITED

Note : 19 Personnel Benefit Expenses

Particulars	Current Year (₹)	Previous Year (₹)
- Contribution to ESI	124,921	268,683
- Gratuity Expenses		1,694
- Leave Encashment	16,812	-
- Contribution to PF	480,999	517,400
- Salary, Allowance and Perquisites	17,450,599	23,285,882
- Staff Welfare	230,811	-
Total	**18,304,142**	**24,073,659**

Note : 19.1 Director Remuneration

Particulars	Current Year (₹)	Previous Year (₹)
- Salary, Allowance & Wages	2,160,000	2,400,000
Total	**2,160,000**	**2,400,000**

Note : 20 Financial Cost

Particulars	Current Year (₹)	Previous Year (₹)
- Interest on Term Loan	3,719,490	3,533,204
- Interest on CC	-	5,030,951
- Other Interest Expenses	-	163,393
	3,719,490	8,727,548
Less : Interest susidy Received	-	5,329,586
Total	**3,719,490**	**3,397,962**

Note : 21 Depreciation & Amortised Cost

Particulars	Current Year (₹)	Previous Year (₹)
- Depreciation	4,775,032	6,366,709
	-	-
Total	**4,775,032**	**6,366,709**

Note : 21.1 Payment to Auditors

Particulars	Current Year (₹)	Previous Year (₹)
- Audit Fees	-	40,000
- Tax Consultancy & Other	-	25,000
Total	**-**	**65,000**

Note : 22 Other Expenses

Particulars	Current Year (₹)	Previous Year (₹)
- Advertisement Expenses	259,025	1,666,742
- Brokerage & Commission Expenses	950,169	1,432,401
- Business Promotion Expenses	587,546	2,468,430
- Bank Commission	464,690	728,701
- Discount Expense	128,711	-
- Donation Expense	-	151,000
- General Expenses	584,173	760,237
- GST Expenses	10,476	299,496
- Installation Expenses	3,840	66,100
- Insurance Expense	527,700	525,081
- Legal & Professional Expenses	443,431	1,521,611
- Loading & Unloading Expenses	835	22,269
- Net Metering Charges	-	-
- Preliminary Expenses	-	214,480
- Packaging Expenses	227,750	671,066
- Petrol Expenses	608,802	542,185
- Rent, Rate & Taxes	273,888	192,629
- Repairs and Maintenance	1,928,611	3,211,213
- Stationery & Printing Expenses	360,113	586,311
- Security Expenses	617,105	805,066
- Telephone, Domain & Internet Expenses	395,509	238,009
- Travelling Expenses	2,202,397	1,591,435
Total	**10,574,771**	**17,694,462**

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22. Significant Accounting Policies

a) **Basis of Preparation of Financial Statements:**

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

b) **Use of Estimates:**

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

c) **Disclosure of Accounting Policies:**

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

d) **Valuation of Inventories:**

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

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

f) **Accounting of Fixed Assets:**

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

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

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

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

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

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

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

i) **Accounting for retirement benefits:**

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

j) **Accounting of Borrowing Cost:**

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

Borrowing cost capitalized in year	Nil

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

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

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

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l) **Impairment of Assets:**

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

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

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

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

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

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

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

25. **Related Party Disclosure:**

A. **List Related Parties and Relations**

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

2. **Key Management Personnel**

- Mr. Omprakash Jain
- Mr. Harsh Jain
- Mr. Tansukhraj L Jain
- Mr. Ravindra O Jain

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

1. Citizen Infoline Limited
2. Technotrends Marketing Private Limited

Transactions with Related Parties:- (Rupees in Lakhs)

Particulars	Transaction Value	
	31/12/2023	31/03/2023
A) Remuneration		
KMP		
a) Mr. Tansukhraj Jain	10,80,000	12,00,000
b) Mr. Harsh Jain	10,80,000	12,00,000
B) Interest Paid		
KMP	Nil	Nil
Enterprises over which KMP has influence		
Technotrends Marketing Private Limited	Nil	Nil
C) Rent Received		
Enterprises over which KMP has influence	Nil	Nil
D) Purchase of Goods		
Enterprises over which KMP has influence		
Technotrends Marketing Private Limited	Nil	Nil
Citizen Infoline Limited	2,95,86,592	2,65,99,453
E) Sales		
Enterprises over which KMP has influence		
Technotrends Marketing Private Limited	12,11,32,368	12,83,21,759
F) Receipt of Services/Job work		
Enterprises over which KMP has influence		
G) Closing Balance of Unsecured Loan		
Enterprises over which KMP has influence		
Citizen Infoline Limited	Nil	8,00,000

26. **Earnings Per Share:**

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

Particulars	31st December 2023	2022-23
Earnings Available for share holders (Rs)	65,40,567	93,41,339
Weighted average number of Equity Shares	7,86,000	7,86,000
Basic & Diluted EPS (Rs.)	8.32	11.88
Face value of share (Rs.)	10.00	10.00

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

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

29. SIGNIFICANT ACCOUNTING ASSUMPTIONS

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

A) ESTIMATES AND ASSUMPTION

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

(i) Useful lives of property, plant and Equipment

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

(ii) Defined Benefit Plans

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

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

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

Details of Gratuity valuations are given in Note 17.

(iii) Provision for inventories

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

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(iv) Impairment of Trade Receivables

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

(v) Impairment of other financial assets

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

Employee Benefit

(a) Defined Contribution Plans

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

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

Particulars	31st December 2023 (Rs)	2022-23 (Rs)
Employer's Contribution to PF/Pension Fund	4,62,033/-	4,97,502/-
Employer's Contribution to ESI	1,24,921/-	2,68,683/-

(b) Defined Benefit Plan

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

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

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at December 31, 2023. The present value of the defined benefit obligations and the related current service cost and past service cost were measured using the Projected Unit Credit Method.

The Data as per actuarial valuation will be provided along with audit report for the eyar ended on 31 March 2024.

30. <u>Deferred Tax Liabilities:</u>

The Provision for the deffered tax is not made. The same will be considered in the financial statements for the year ended on 31 March 2024.

31. Foreign Exchange Earning and Outgo

PARTICULARS	31st December 2023 *(Rs.)*	Previous Year *(Rs.)*
Foreign Exchange Earnings	Nil	Nil
Foreign Exchange Outgo	7,21,39,017/-	5,48,43,442/-/-

32. The Contingent Liabilities Include Rs. Nil/- (PY 2021-22 – 1,26,90,845/-) towards bank guarantee issued in favor of various beneficiaries.
33. There are no immovable properties whose title deeds are not held in the name of company.
34. The Company has not revalued it's Property, Plant and Equipment's during the year.

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35. No Loans and Advances are granted to Directors, KMPs, Promoters and related parties as defined under Companies Act, 2013.
36. There is no capital in progress during the year.
37. There is no intangible assets during the development.
38. There are no proceedings being initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
39. The Quarterly statements filed by the Company with Bank for current assets agree with books of accounts. No material disagreement is found.
40. The Company is not declared as willful defaulter by the Bank or financial institutions or any other lender.
41. The Company does not have any transactions with companies struck off under Section 248 of Companies Act, 2013.
42. There is no registration or satisfaction of charge yet to be registered with Registrar of Companies.
43. The provisions of Section 2(87) read with Companies (Restriction on Number of Layers) Rules, 2017 is not applicable to the company.
44. The Board has approved the scheme of amalgamation of the Company with Citizen Infoline Limited. Since the other Company is listed entity, the scheme is under the process of approval before BSE Limited. No scheme has been approved by any competent authority yet.

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

46. The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

47. Value of Imports on CIF Value Basis

Particulars	**31st December 2023**	**Year 2022-23**
Raw Materials	7,21,39,017	4,16,21,546
Components & Spares	Nil	Nil
Capital Goods	Nil	Nil

48. Total Value of Imported and Indigenous Consumption

Particulars	31st December 2023		Year 2022-23	
Imported	7,21,39,017		4,16,21,546	7.74
Indigenous	52,51,79,884		53,75,23,895	92.26
Total	**57,93,18,901**		**57,91,45,411**	**100%**

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

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

50. The Accompanying financial statements are prepared for the purpose of submissions to BSE limited in the matter of amalgamation with Citizen Infoline Limited. The necessary other disclosures will be included in the financial statements ended as on 31 March 2024. The same has not been considered in the attached financial statements.

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

For, Krutesh Patel& Associates
Chartered Accountants

Darshit Oza
Partner
Membership No. : 175003
Firm Reg. No.: 100865W

Krutesh Patel & Associates
FRN:100865W
M. 175003
CA Darshit Oza

Date : 17th February 2024
Place : Ahmedabad

For, Citizen Solar Private Limited

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

Date : 17th February 2024
Place : Ahmedabad

CITIZEN SOLAR PVT. LTD.
AHMEDABAD