

**Date: 01.09.2023**

To,  
Manager - Listing Compliance  
National Stock Exchange of India Limited  
'Exchange Plaza'. C-1, Block G,  
Bandra Kurla Complex, Bandra (E),  
Mumbai - 400 051

**Ref.: Solex Energy Limited Symbol: SOLEX****Sub-Submission of Annual Report 2022-23 under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015****Dear Sir/ Ma'am**

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosed herewith Annual Report for Financial Year 2022-23 along with Notice convening 09<sup>th</sup> Annual General Meeting.

The Annual Report for the Financial Year 2022-23 is also uploaded on the Company's website at <https://solex.in/annual-report/>.

This is for your information and record.

Thanking you  
Yours faithfully,

**For, Solex Energy Limited**

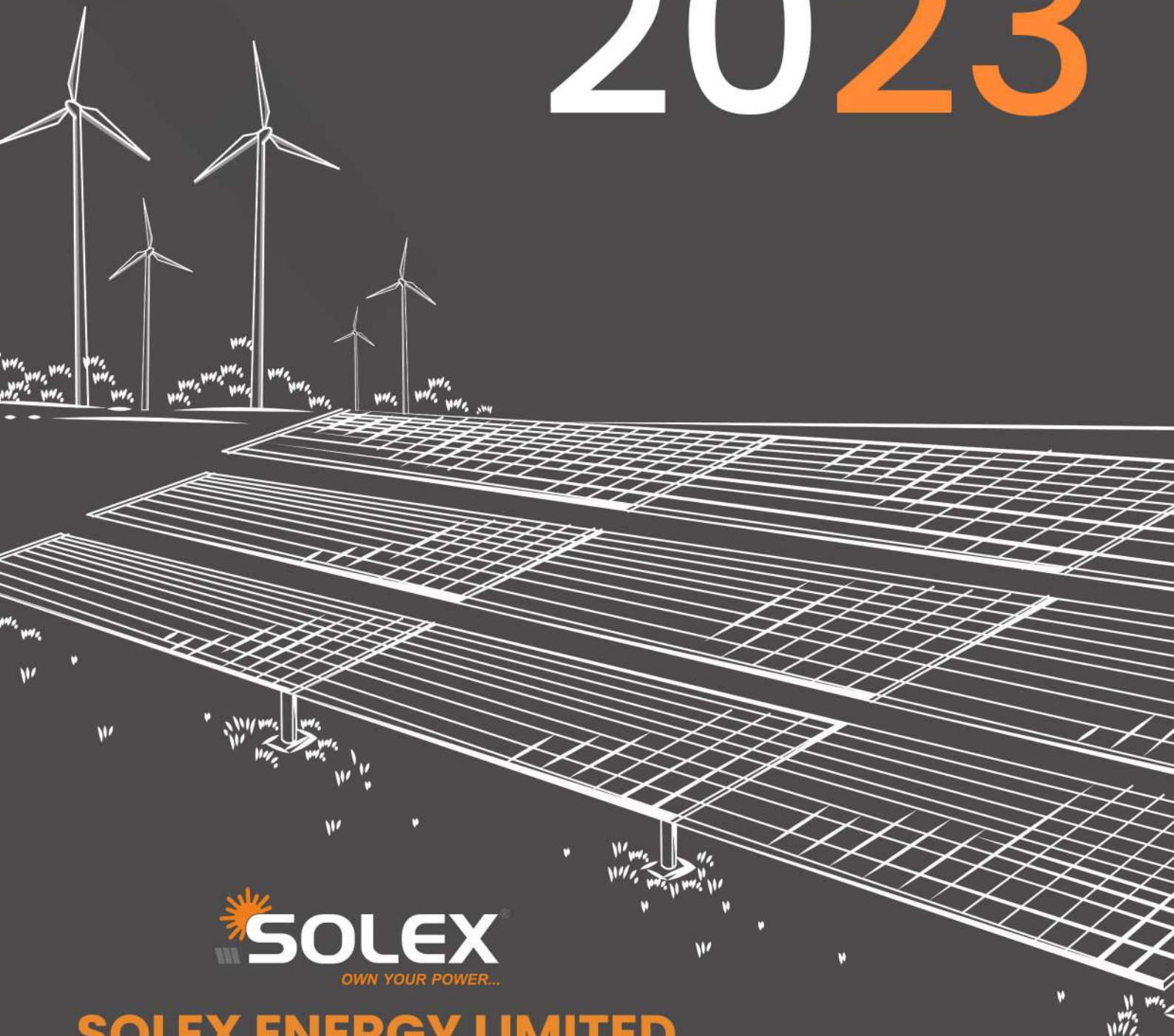
DILIPKUMAR  
GAJANAND  
NIKHARE

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SERIALNUMBER=F4899C86002  
4FE5C58A553EA032CE762E442B  
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CN=DILIPKUMAR GAJANAND

**Dilipkumar Nikhare**  
**Company Secretary & Compliance Officer****Encl.: As Above**

# Annual Report

# 2023



**SOLEX ENERGY LIMITED**

## *Chairman's Message*



**Dear Shareholders,**

*Warm greetings from the Solex Family!*

*As we come together as members of the Solex Family, I extend my sincere greetings to all of you. It is a moment of great pleasure for me to address you. The past year has been an incredible journey for Solex, and I am truly grateful to all shareholders and team members for their steadfast presence during both challenging and prosperous times. Your unwavering support has been pivotal in strengthening our foundation and propelling us to a leading position in the solar energy sector.*

*India's energy landscape is diverse, embracing traditional sources and the promising realm of renewables like solar, wind, and green hydrogen. With the nation's power demand on the rise, the need to enhance our generating capacity becomes even more crucial. In this context, solar energy stands as a vital player, not only within India but globally. Our deep involvement in this sector fills us with optimism. It's truly encouraging to witness the government's persistent commitment to fostering the growth of solar and renewable energies throughout the nation.*

*Our strategic goal is to achieve a Module Manufacturing Capacity of 4 GW for the most advanced N-type TOPCon cell technology within a few years, implemented in a phased manner. Since the inauguration of our Tadkeshwar factory on September 1, 2022, it has been operating efficiently across three shifts. Our operations extend to Turn Key Projects, covering Residential Rooftop, Commercial, Industrial, and Utility ventures. Additionally, we engage in Original Equipment Manufacturing (OEM) partnerships with esteemed Indian and international entities for module production on their brand name.*

*I'm proud to share that our Solex modules are certified by renowned bodies like UL Lab, with IEC, UL, CEC, BIS, and ALMM endorsements. Our State-of-the-Art Facility has earned an esteemed "A" rating from leading Factory Audit Firms, solidifying our global stature.*

*With a skilled in-house team, we're committed to incorporating cutting-edge advancements in solar panel manufacturing. We consistently integrate the latest technologies to enhance our products' quality and efficiency. Our in-house Reliability Testing Laboratory underscores our dedication to product performance and longevity.*

*The prospects for both domestic and export ventures are promising, positioning Solex favourably in European and North American markets. Encouragingly, substantial orders are in the finalization stage. Our participation in global exhibitions reflects our commitment to international engagement.*

*India's goal of developing 500 GW of non-fossil fuel energy capacity by 2030 opens a significant opportunity for us to contribute to renewable energy growth. With PAN India presence, we are committed to expanding our contributions to energy conservation and renewable energy globally. Our vision is to become a Global Factory, with significant industrial and commercial projects already in our grasp.*

*In the end, I extend my heartfelt appreciation to all stakeholders of Solex Energy Limited for your unwavering support. With your collaboration and the dedicated efforts of Team Solex, we are poised to achieve remarkable sustainable growth ahead.*

***With sincere regards,***

***Chetan S. Shah***  
***Chairman & Managing Director***

# Introducing **TAPI**<sup>™</sup>

**Daughter of The Sun**

NEW SOLAR PV MODULE  
SERIES ORIGINATING  
FROM CITY OF  
RIVER TAPI

- Up To 750 Wp
- DCR & Non-DCR
- Monofacial and Bifacial
- Special Module for Water pumps
- International Quality Standards
- Fully Automatic Production Facility
- In-house Reliability Test Laboratory



Accolade **SOLEX**<sup>®</sup>

OWN YOUR POWER...

Accolades

Accolades

Accolades

Accolades

Accolades

Accolades

**Accolades**



# Our Footprints across PAN INDIA

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# Board of Directors

## & Key Managerial Personnel



**Chetan S. Shah**  
Chairman & Managing Director



**Kalpeshkumar R. Patel**  
Whole Time Director



**Anil Rathi**  
Non Executive Director



**Vipul M. Shah**  
Non Executive Director



**Piyush K. Chandak**  
Executive Director



**Kiran R. Shah**  
Director & Chief Financial Officer



**Amitkumar D. Trivedi**  
Independent Director



**Kamlesh P. Yagnik**  
Independent Director



**Rajeshbhai T. Patel**  
Independent Director



**Dilipkumar G. Nikhare**  
Company Secretary & Compliance Officer





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## **CORPORATE INFORMATION:**

### **BOARD OF DIRECTORS**

Chetan S. Shah	[DIN 02253886] Chairman & Managing Director
Kalpeshkumar R. Patel	[DIN 01066992] Wholetime Director
Anil Rathi	[DIN 01405654] Non-Executive Director
Piyush K. Chandak	[DIN 09195922] Executive Director
Vipul M. Shah	[DIN 01547319] Non-Executive Director
Kiran R. Shah	[DIN 09046468] Executive Director
Kamlesh P. Yagnik	[DIN 02019379] Independent Director
Rajeshbhai T. Patel	[DIN 07920531] Independent Director
Amitkumar D. Trivedi	[DIN 08450070] Independent Director (w.e.f. 12-12-2022)

### **COMPANY SECRETARY & COMPLIANCE OFFICER**

Dilipkumar G. Nikhare

### **CHIEF FINANCIAL OFFICER**

Kiran R. Shah

### **REGISTERED OFFICE & FACTORY**

Plot No. 131/A, Phase 1 Nr. Krimy Industries,  
GIDC Vithal Udyognagar, Anand -388121  
CIN: L40106GJ2014PLC081036  
Email: [info@solex.in](mailto:info@solex.in)  
Web: [www.solex.in](http://www.solex.in)

### **CORPORATE OFFICE**

301-303, Trinity Business Park, Near Madhuvan Circle,  
L.P. Savani Road, Pal, Surat - 395009, Gujarat, India.

### **BOARD COMMITTEES**

#### **Audit Committee:**

Rajeshbhai Tulsibhai Patel- Chairman  
Vipul Mulchand Shah  
Amit Dalpatram Trivedi

#### **Nomination and Remuneration Committee:**

Rajeshbhai Tulsibhai Patel- Chairman  
Vipul Mulchand Shah  
Amit Dalpatram Trivedi

### **STATUTORY AUDITOR**

#### **HRK & CO.**

CHARTERED ACCOUNTANTS  
"The Financial Hub" Office no. 117-120,  
Centre Point, above IDBI Bank, NH- No 8,  
Near Mahavir Nagar, Vapi-396195

### **SECRETARIAL AUDITOR**

#### **RPAP & CO.**

PRACTICING COMPANY SECRETARIES  
104 Ashwamegh Avenue, Nr. Mithakhali Underbridge,  
Navrangpura, Ahmedabad- 380009.

**COST AUDITOR**  
**P.K. CHATTERJEE & ASSOCIATES**  
115, Radhey Nagar Housing Society  
Nr. Sargam Shopping Center,  
Parle Point, Surat -395007

**INTERNAL AUDITOR**  
**SAVJANI & ASSOCIATES.,**  
CHARTERED ACCOUNTANTS  
Office No. 412, A-wing, "9 Square"  
Nana Mava Main Road,  
Rajkot-360005

**BANKER**  
**BANK OF BARODA**  
Vallabh Vidyanagar Branch  
Nana Bazaar, Opp. Nalini College,  
Vallabh Vidyanagar- 388120

**STATE BANK OF INDIA**  
Specialised Commercial Branch  
A-301, 3rd Floor, ICC Building,  
Opp. Civil Hospital, Majuragate,  
Ring Road, Surat-395002

**HDFC BANK LTD**  
HDFC Bank House,  
Senapati Bapat Marg,  
Lower Parel West Mumbai-400013

**UNION BANK OF INDIA**  
Rajendra Marg, K 103,  
Dass Chamber, Post Box No 17,  
Vallabh Vidyanagar, Anand-388120

**ICICI BANK LIMITED**  
ICICI Bank Tower, Near Chakli Circle,  
Old Padra Road, Vadodara-390007

**REGISTRAR & SHARE TRANSFER AGENT**  
Skyline Financial Private Limited  
D153A, 1st Floor,  
Okhla Industrial Area Phase 1,  
New Delhi – 110 020

**WEBSITE**  
[www.solex.in](http://www.solex.in)

**INVESTOR SERVICES MAIL ID**  
[cs@solex.in](mailto:cs@solex.in)

**CORPORATE IDENTITY NUMBER**  
L40106GJ2014PLC081036

## DIRECTOR'S REPORT

To,  
The Members of  
**SOLEX ENERGY LIMITED**

Your directors have pleasure in presenting the 9<sup>th</sup> Annual Report of your Company together with the Audited Financial Statements for the year ended 31<sup>st</sup> March, 2023.

Your Director's Report is prepared based on the Standalone Financial Statements of the Company and the Report on the performance and financial position of the Company.

The Company's financial performance for the year ended on 31<sup>st</sup> March, 2023 is summarized below:

### 1. **FINANCIAL HIGHLIGHTS** (Rs. In Lakh)

Particulars	Current Year 2022-23	Previous Year 2021-22
Total Income	16438.83	7229.36
Profit before Interest and Depreciation	1399.88	222.99
Less: Interest	561.22	75.07
Profit Before Depreciation	838.66	147.92
Less: Depreciation	453.49	25.16
<b>Profit Before Tax</b>	<b>385.17</b>	<b>122.76</b>
<b>Less/Add: Tax Expenses</b>		
Taxes for Earlier years	1.89	(6.20)
Current Tax	66.09	33.02
Deferred Tax	46.11	(2.85)
Total Tax Expenses	114.09	23.97
<b>Profit for the year</b>	<b>271.07</b>	<b>98.79</b>

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

The Total Income increased from Rs. 7229.36 lakh to Rs. 16438.83 lakh in the current year. The Profit before Tax for the year is Rs. 385.17 lakh as against Rs. 122.76 lakh in previous year. The net profit increased to Rs. 271.07 lakh from Rs. 98.79 lakh in the previous year.

### 3. **TRANSFER TO RESERVES IN TERMS OF SECTION 134 (3) (J) OF THE COMPANIES ACT, 2013**

During the year, the Company has not apportioned any amount to other reserve. The profit earned during the year has been carried to the balance sheet of the Company.

### 4. **MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

## **5. POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION**

The current policy is to have an appropriate mix of executive, non-executive and independent directors to maintain the independence of the Board, and separate its functions of governance and management. As of March 31, 2023, the Board had nine members, three are executive directors of which one is a woman director and Chief Financial Officer, two non-executive, one whole time Director and three independent directors.

The policy of the Company on directors' appointment and remuneration, including the criteria for determining qualifications, positive attributes, independence of a director and other matters, as required under sub-section (3) of Section 178 of the Companies Act, 2013, is available on our website, at <https://solex.in/investor/>, <https://solex.in/investor/composition-of-various-committees-of-board-of-directors-2/>

We affirm that the remuneration paid to the directors is as per the terms laid out in the Nomination and Remuneration Policy of the Company.

## **6. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES**

There are no Subsidiary, Joint Ventures or Associate Companies and neither have ceased to be Subsidiary, Joint Venture or Associate Companies during the year.

## **7. CHANGE IN THE NATURE OF BUSINESS**

There is no change in the nature of the business of the company.

## **8. MEETINGS OF THE BOARD OF DIRECTORS**

During the year 8 (Eight) Board Meetings and one Independent Directors' meeting was held, and the details of the number of Board Meeting held during the year as follow:

<b>No. of Board Meeting</b>	<b>Date of Board Meeting</b>
01/2022-23	27.04.2022
02/2022-23	30.05.2022
03/2022-23	28.06.2022
04/2022-23	30.08.2022
05/2022-23	15.10.2022
06/2022-23	14.11.2022
07/2022-23	12.12.2022
08/2022-23	23.01.2023

### **Independent Directors' Meeting:**

Date of Independent Director Meeting: 16.02.2023

## **9. CORPORATE GOVERNANCE**

As per regulation 15(2) of the SEBI LODR (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Compliance with the Corporate Governance provisions shall not apply in respect of the following class of the Companies:

- a) Listed entity having paid up equity share capital not exceeding ₹10 Crore and Net Worth not exceeding ₹25 Crore, as on the last day of the previous financial year;
- b) Listed entity which has listed its specified securities on the SME Exchange.

Since, our Company falls within the ambit of aforesaid exemption of clause (b); hence compliance with the provision of Corporate Governance as specified in Regulation 17,17A, 18, 19, 20, 21,22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) of sub regulation (2) of

regulation 46 & Para C, D & E of Schedule V shall not apply to the Company and it does not form the part of the Annual Report for the financial year 2022-2023.

#### **10. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

A report on Management Discussion and Analysis, as required in terms of Regulation 34(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, forms part of this report and it deals with the Business Operations and Financial Performance, Research & Development Expansion & Diversification, Risk Management, Marketing Strategy, Safety & Environment, Human Resource Development, significant changes in key financial ratios etc. in "[ANNEXURE-A](#)"

#### **11. DIVIDEND**

The Board of Directors at its meeting held on 22<sup>nd</sup> May, 2023 have recommended a payment of dividend of Rs. 0.15 per equity share of the face value of Rs. 10/- each for the financial year ended 31<sup>st</sup> March, 2023, subject to approval of the shareholders of the Company at the ensuing Annual General Meeting. Also, there is no obligation of company to transfer the unpaid/unclaimed dividend in IEPF account during the year.

#### **12. SHARE CAPITAL:**

##### **AUTHORISED SHARE CAPITAL**

As on 31<sup>st</sup> March, 2023, the Authorized Share Capital of the Company is Rs. 8,00,00,000/- (Eight Crore Only) consisting 80,00,000 (Eighty Lakh Only) Equity shares of Rs.10/- Each.

##### **PAID UP SHARE CAPITAL**

As on 31<sup>st</sup> March, 2023, the Paid-up share capital of the Company is Rs. 8,00,00,000/- (Eight Crore Only) consisting 80,00,000 (Eighty Lakh Only) Equity shares of Rs. 10/- each.

#### **13. DEPOSITS**

Our Company has not accepted any deposits from the public within the meaning of Section 73 and 74 of the Companies Act, 2013 and read with the Companies (Acceptance of Deposits) Rules, 2014 for the year ended 31<sup>st</sup> March, 2023.

#### **14. A STATEMENT INDICATING DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY FOR THE COMPANY INCLUDING IDENTIFICATION THEREIN OF ELEMENTS OF RISK, IF ANY, WHICH IN THE OPINION OF THE BOARD MAY THREATEN THE EXISTENCE OF THE COMPANY**

The Company has formalised Risk Management system by formulating and adopting Risk Management Policy to identify, evaluate, monitor and minimize the identifiable business risk in the Company. This is an ongoing process and the Audit Committee periodically reviews all the risk and suggests the necessary steps to mitigate the risk if any such as strategic, financial, credit, market, liquidity, security, property, IT, legal, regulatory, reputational and other risks those have been identified and assessed, which may threaten the existence of the Company. There is no such risk which in the opinion of the Board may threaten the existence of the Company.

#### **15. THE DETAILS ABOUT THE POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON CORPORATE SOCIAL RESPONSIBILITY INITIATIVES TAKEN DURING THE YEAR**

The Company does not fall in any of the criteria of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and hence the Company is not required to comply with the same.

## **16. DIRECTORS & KEY MANAGERIAL PERSONNEL**

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Anil Rathi (DIN: 01405654) will retire by rotation at the ensuing Annual General Meeting and is being eligible for re-appointment.

The Board of directors, on recommendation of the Nomination and Remuneration Committee (NRC), had re-appointed Mr. Rajeshbhai Tulsibhai Patel (DIN: 07920531) as an Independent Director of the Company, not liable to retire by rotation, for a second term of five (5) consecutive years commencing from 24th October, 2022 to 23rd October, 2027 subject to approval of the shareholders of the Company at the ensuing Annual General Meeting.

The Board of directors, on recommendation of the Nomination and Remuneration Committee (NRC), had changed the designation of Mr. Kalpeshkumar Ramanbhai Patel (DIN: 01066992) from Joint Managing Director to Whole Time Director of the Company for a term of three (3) years from May 30, 2022 to May 29, 2025.

The Board of directors, on recommendation of the Nomination and Remuneration Committee (NRC), had appointed Mr. Amit Dalpatram Trivedi (DIN: 08450070) as an Additional Director (Non-Executive, Independent) w. e. f. December 12, 2022 and the same will be regularized in the 9<sup>th</sup> Annual General Meeting to be held on September 29, 2023.

## **17. NOMINATION AND REMUNERATION POLICY**

The Board has, on recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, senior Management and their Remuneration including criteria for determining qualifications, positive attributes, Independence of a director. The said policy has also been uploaded on the Company's website at <https://solex.in/investor/>

## **18. ANNUAL EVALUATION OF THE PERFORMANCE OF THE BOARD, ITS COMMITTEES AND OF INDIVIDUAL DIRECTORS**

The Board of Directors has carried out an annual evaluation of its own performance, its Committees and Individual Directors pursuant to the requirements of the Companies Act, 2013 and rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and schedule prescribed thereunder.

The Performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning etc.

In a separate meeting of independent directors held on Thursday, February 16, 2023, the performance of non-independent directors, the Board as a whole, and the chairman of the company were evaluated, taking into account the views of executive directors and non-executive directors.

## **19. AUDITORS**

### **Statutory Auditors**

The Board of Directors at its meeting held on 30<sup>th</sup> August, 2022, as per the recommendation of the Audit Committee, and pursuant to the provisions of Section 139 of the Companies Act, 2013, have appointed M/s. HRK & Co., Chartered Accountants, (Firm Registration No: 146985W), Vapi to hold the office from the conclusion of the 8<sup>th</sup> Annual General Meeting till the conclusion of 13<sup>th</sup> Annual General Meeting of the Company.

The Auditors' Report annexed to the financial statements for the year under review does not contain any qualifications.

**Internal Auditors**

The Board of Director in their meeting held on 30<sup>th</sup> August, 2022, appointed M/s Savjani & Associates, Chartered Accountants, as Internal Auditor of the Company in terms of Section 138 of the Companies Act, 2013 and rules made thereunder, for Financial Year 01/04/2022 to 31/03/2023, upon recommendation of the Audit Committee.

**Secretarial Auditors**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. RPAP & Co., Practicing Company Secretaries, Ahmedabad (Peer Review No.: 1305/2021) to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit is annexed herewith marked as **"ANNEXURE -B"** to this Report. The Secretarial Auditor has not made any adverse comments or given any qualification, reservation or adverse remarks or disclaimer in their Audit Report.

**20. DISCLOSURE REGARDING MAINTENANCE OF COST RECORDS**

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintained by the Company in respect of its activity are required to be audited.

Your directors had, on recommendation of the Audit Committee, appointed M/s P.K. Chatterjee & Associates, to audit the cost accounts of the Company for the financial year ending 31<sup>st</sup> March 2023 on a remuneration of Rs. 35,000/- plus applicable taxes and out of pocket expenses, if any incurred during the course of audit. As required under the Companies Act, 2013, the remuneration payable to the Cost Auditors is required to be placed before the Members in a general meeting for their ratification. Accordingly, a Resolution seeking Members' ratification for the remuneration payable to M/s P.K. Chatterjee & Associates, the Cost Auditors is included at Item No. 4 of the Notice convening the Annual General Meeting.

**21. EXPLANATION OR COMMENTS ON DISQUALIFICATIONS, RESERVATIONS, ADVERSE REMARKS OR DISCLAIMERS IN THE AUDITOR'S REPORTS**

There have been no disqualifications, reservations, adverse remarks or disclaimers in the auditor's reports, requiring explanation or comments by the Board.

**22. COMMITTEES OF THE BOARD**

Pursuant to Section 177 and 178 of the Companies Act, 2013 read with Rule 6 of Companies (Meetings of Board and its Powers) Rules, 2014, the Audit and Nomination and Remuneration Committee of the Company is re-constituted due to resignation of Mr. Kamlesh Yagnik from Audit and Nomination and Remuneration Committee and appointment of Mr. Amit Dalpatram Trivedi w.e.f. 12.12.2022.

During the financial year ended on 31<sup>st</sup> March, 2023, the Company was not required to constitute a Stakeholders Relationship Committee under Section 178(5) of the Companies Act, 2013 as the company does not have more than one thousand shareholders, debenture-holders, deposit-holders and any other security holders at any time during a financial year.

In compliance with the requirement of applicable laws and as part of best governance practices, the Company has following Committees of the Board as on 31<sup>st</sup> March, 2023.

- i. Audit Committee
- ii. Nomination and Remuneration Committee



### AUDIT COMMITTEE

Name of the Director	Status in Committee	Nature of Directorship
Mr. Rajeshbhai Tulsibhai Patel	Chairman	Non-Executive-Independent Director
Mr. Vipul Mulchand Shah	Member	Non-Executive Director
Mr. Amit Dalpatram Trivedi	Member	Non-Executive-Independent Director

During the financial year ended on 31<sup>st</sup> March 2023, 5 (Five) meetings of the Audit Committee were held on 27<sup>th</sup> April 2022, 30<sup>th</sup> May 2022, 28<sup>th</sup> June 2022, 30<sup>th</sup> August 2022 and 14<sup>th</sup> November 2022.

### NOMINATION AND REMUNERATION COMMITTEE

Name of the Director	Status in Committee	Nature of Directorship
Mr. Rajeshbhai Tulsibhai Patel	Chairman	Non-Executive-Independent Director
Mr. Vipul Mulchand Shah	Member	Non-Executive Director
Mr. Amit Dalpatram Trivedi	Member	Non-Executive-Independent Director

During the financial year ended on 31<sup>st</sup> March 2023, 6 (Six) meetings of the Nomination and Remuneration Committee were held on 27<sup>th</sup> April 2022, 30<sup>th</sup> May 2022, 30<sup>th</sup> August 2022, 15<sup>th</sup> October 2022, 14<sup>th</sup> November 2022 and 12<sup>th</sup> December 2022.

#### Terms of Reference:

##### Audit Committee:

Every Audit Committee shall act in accordance with the terms of reference specified in writing by the Board which shall, inter alia, include;

- (i) the recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- (ii) review and monitor the auditor's independence and performance, and effectiveness of audit process;
- (iii) examination of the financial statement and the auditors' report thereon;
- (iv) approval or any subsequent modification of transactions of the company with related parties;

Provided that the Audit Committee may make omnibus approval for related party transactions proposed to be entered into by the company subject to such conditions as may be prescribed.

Provided further that in case of transaction, other than transactions referred to in section 188, and where Audit Committee does not approve the transaction, it shall make its recommendations to the Board:

Provided also that in case any transaction involving any amount not exceeding one crore rupees is entered into by a director or officer of the company without obtaining the approval of the Audit Committee and it is not ratified by the Audit Committee within three months from the date of the transaction, such transaction shall be voidable at the option of the Audit Committee and if the transaction is with the related party to any director or is authorised by any other director, the director concerned shall indemnify the company against any loss incurred by it: Provided also that the provisions of this clause shall not apply to a transaction, other than a transaction referred to in section 188, between a holding company and its wholly owned subsidiary company.

- (v) scrutiny of inter-corporate loans and investments;
- (vi) valuation of undertakings or assets of the company, wherever it is necessary;
- (vii) evaluation of internal financial controls and risk management systems;
- (viii) monitoring the end use of funds raised through public offers and related matters.

**Nomination and Remuneration Committee:**

Every Nomination and Remuneration Committee shall act in accordance with the terms of reference specified in writing by the Board which shall, inter alia, include;

- (i) The Nomination and Remuneration Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.
- (ii) The Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- (iii) The Nomination and Remuneration Committee shall, while formulating the policy under sub-section (3) ensure that;
  - (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
  - (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - (c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

**23. COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR AND OTHER MATTERS PROVIDED UNDER SUB-SECTION (3) OF SECTION 178**

During the financial year ended on 31<sup>st</sup> March, 2023, the Company has constituted a Nomination and Remuneration Committee under Section 178(1) of the Companies Act, 2013 and Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014.

**24. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED**

The investments were made by the Company during the year in compliance with section 186 of the Companies Act, 2013.

**25. DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the provisions of Section 134 (3)(c) of the Companies Act, 2013, the Board of Directors hereby confirms that,

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures.
- ii. They have in the selection of the accounting policies, consulted the Statutory Auditors and has applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the company as at 31<sup>st</sup> March, 2023 and of the profit or loss of the company for that period.
- iii. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities, to the best of its knowledge and ability.
- iv. They have prepared the annual accounts on a going concern basis.
- v. The Directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating efficiently.
- vi. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**26. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT**

The Company has been exempted from reporting on Business Responsibility and Sustainability Report as per Regulation 34(2)(f) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

**27. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT**

There was no instance of fraud during the year under review, which required the statutory auditors to report to the audit committee and /or Board under section 143(12) of Act and rules framed thereunder.

**28. A STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SUB-SECTION (6) OF SECTION 149**

All Independent Directors (IDs) have given declaration that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013. In the opinion of the Board, they fulfil the conditions of independence, integrity, expertise and experience (including the proficiency) as specified in the act and the rules made thereunder and are independent of the management. The details terms of appointment of IDs are disclosed on the company's website with following link <https://solex.in/investor/>

**29. RE-APPOINTMENT OF INDEPENDENT DIRECTOR**

Mr. Rajeshbhai Tulsibhai Patel was appointed as an independent director for the first term of five (5) years effective from October 24, 2017 . His office of directorship is due for re-appointment on October 23, 2022. Based on the recommendation of the nomination and remuneration committee and after taking into account the performance evaluation of his first term of five (5) years and considering the knowledge, expertise, experience and the substantial contribution he brings to the Board, the committee has recommended the re-appointment of Rajeshbhai Tulsibhai Patel to the Board for a second term of five years. The

Board, at its meeting held on October 15, 2022, approved the reappointment of Rajeshbhai Tulsibhai Patel as an independent director of the Company with effect from October 24, 2022 to October 23, 2027, whose office shall not be liable to retire by rotation.

**30. ANNUAL RETURN**

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return for FY 2022-23 is available on the website of the Company at URL <https://solex.in/annual-return-under-section-92-of-the-companies-act-2013/>.

**31. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) & 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as "[ANNEXURE -C](#)" to this report.

**32. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188**

All related party transactions that were entered during the financial year were in the ordinary course of the business of the Company and were on arm's length basis. There were no materially significant related party transactions entered with Promoters, Directors, Key Managerial Personnel or other persons which may have a potential conflict with the interest of the Company. The transactions entered into, pursuant to the omnibus approval so granted, are audited and a statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors for their approval. The policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions as approved by the Audit Committee and the Board of Directors is uploaded on the website of the Company <https://solex.in/investor/>. Since all related party transactions entered into were in the ordinary course of business and were on an arm's length basis, form AOC-2 is annexed herewith as "[ANNEXURE -D](#)" to this report.

**33. VIGIL MECHANISM / WHISTLE BLOWER POLICY**

Pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism or 'Whistle Blower Policy' for directors, employees and other stakeholders to report genuine concerns has been established. The Company has built a reputation for doing business with honesty and integrity over the years, and has shown zero tolerance for any sort of unethical behaviour or wrong doing or suspected fraud or violation of the Company's Code of Conduct or policy. Whistle-blower Policy and Code of Business Conduct have been hosted on the website of the Company. <https://solex.in/investor/details-of-establishment-of-vigil-mechanism-whistle-blower-policy/>

**34. COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETINGS**

The company is in compliance with the Secretarial Standard on Meeting of the Board of Directors (SS-1) and General Meeting (SS-2) issued by the Institute of Company Secretaries of India and approved by the Central Government.

**35. NON-APPLICABILITY OF INDIAN ACCOUNTING STANDARDS**

As per Provision to sub rule (1) of Rule 4 of the companies (Indian Accounting Standards) Rules, 2015 notified vide Notification No. G.S.R 111 (E) on 16th February, 2015, Companies whose shares are listed on SME exchange as referred to in Chapter XB of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, are exempted from the compulsory requirements of adoption of IND-AS w.e.f. 1st April, 2017. As your Company is also listed on SME Platform of NSE Limited, is covered under the exempted category and is not required to

comply with IND-AS for preparation of financial statements beginning with period on or after 1<sup>st</sup> April, 2017.

**36. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as "[ANNEXURE- E](#)"

**37. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company believes that a strong internal control framework is necessary for business efficiency, management effectiveness and safeguarding assets. The Company has a well-defined internal control system in place, which is designed to provide reasonable assurance related to operation and financial control. The Management of the Company is responsible for ensuring that Internal Financial Control has been laid down in the Company and that controls are adequate and operating adequately.

The Internal Auditors evaluates the efficacy and adequacy of internal control system, its compliance with operating systems and policies of the Company and accounting procedures at all the locations of the Company. Based on the report of the Internal Auditors, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are placed before the Audit Committee of the Board. The Internal Audit also continuously evaluates the various processes being followed by the Company and suggests value addition, to strengthen such processes and make them more effective.

**38. ANY SIGNIFICANT AND MATERIAL ORDER PASSED BY REGULATORS OR COURTS OR TRIBUNALS**

No orders were passed by the regulators or courts or tribunals impacting the going concern status and company's operation in future during the year under review.

**39. SEBI COMPLAINTS REDRESS SYSTEM (SCORES)**

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

**40. DISCLOSURE AS REQUIRED UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has in place a Prevention of sexual harassment policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees, workers and trainees (whether in office premises or outside while on assignment) are covered under this policy.

Your Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made there under.

Your Company has constituted an Internal Complaints Committee to handle all clearing and forwarding Agency where our employees are working and Manufacturing site.

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

- a. number of complaints filed during the financial year: Nil
- b. number of complaints disposed of during the financial year: Nil
- c. number of complaints pending as on end of the financial year: Nil

**41. DISCLOSURE IN RESPECT OF EQUITY SHARES TRANSFERRED IN THE 'SOLEX ENERGY LIMITED- UNCLAIMED SUSPENSE ACCOUNT':**

There are no such instances during the year which requires transfer of equity shares to Unclaimed Suspense Account.

**42. CREDIT RATING**

The rating assessment undertaken by India Ratings & Research Private Limited, where they have affirmed the ratings IND BB+/Stable to Solex Energy Limited. The outlook is stable.

**43. CERTIFICATION**

Solex modules have undergone rigorous testing and obtained various certifications, ensuring their world-class quality and reliability. The manufacturing facility's certifications are commitment to quality, environmental sustainability, and safety in the production process. Solex Modules have obtained certification from the Bureau of Indian Standards (BIS) and are listed in the Approved List of Models and Manufacturers (ALMM).

List of certificates are given below:

IEC 61215-1 & 2: 2016 - Design & Type Approval  
IEC 61730-1 & 2: 2016 - Safety Qualification  
IEC 61701: 2020 - Salt Mist Corrosion  
IEC 62804: 2015 – PID (Potential-Induced Degradation)  
IEC 61853-1 & 2: 2016 - PAN File & IAM Qualification (Performance testing for photovoltaic devices)  
IEC 60068-2-68: 1994 - Environmental Testing - Sand & Dust  
IEC 62716: 2013 - Ammonia Corrosion  
IEC 60904-1 - Calibration Module (Modules)  
IEC TS 63342: 2022 – LeTID (Light and elevated temperature induced degradation)  
IEC 61215-2 (MQT 08, 19.1) – LID (Light-Induced Degradation)  
CEC 300: 2018 California (Energy Commission's photovoltaic module quality standard)  
UL 61730-1 & 2: 2017 - Safety Qualification  
CE MARK - European Conformity marking indicating compliance with European Union directives.

Certifications for Solex's Manufacturing Facility:

ISO – 9001:2015 - Quality Management System  
ISO – 14001:2015 - Environmental Management System  
OHSAS – 45001:2018 - Occupational Health and Safety Management System

**44. ACKNOWLEDGEMENT**

Your directors wish to express their grateful appreciation to the continued co-operation received from the Banks, Government Authorities, Customers, Vendors and Shareholders during the year under review. Your directors also wish to place on record their deep sense of appreciation for the committed service of the executives, staff and workers of the Company.

**Date: 21.08.2023**  
**Place: Surat**

**By Order of the Board of Directors**  
**For, Solex Energy Limited**

**Sd/-**  
**Chetan Sureshchandra Shah**  
**Chairman & Managing Director**  
**DIN: 02253886**

## ANNEXURE “A” THE BOARD REPORT

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

**This report encompasses the operational and financial performance of the Company for the fiscal year ending on March 31, 2023, and is an integral part of the Annual Report.**

#### INDUSTRY STRUCTURE AND DEVELOPMENT

Solex Energy Limited, headquartered in Gujarat, India, stands as a prominent solar photovoltaic module manufacturer. With the capability to produce modules using advanced MONO PERC and TOP-Con technology, Solex offers a diverse product range including Monofacial and Bi-facial modules across various power capacities. The company is well-prepared to tackle the challenges presented by the current dynamic market conditions. The addition of production capacity this year has boosted our confidence levels. Market dynamics have introduced fluctuations in raw material pricing, which in turn has influenced the final product's trend. Customers are increasingly focused on cost-saving measures and alternative solutions, an area where Solex consistently provides optimal solutions.

#### **\*Renewable Energy Landscape in India:**

- The Ministry of New and Renewable Energy (MNRE) has achieved 227 GW of renewable energy capacity by 2022.
- Allocation: Around 114 GW for solar, 67 GW for wind, and additional capacities for hydro and bioenergy.
- Remarkable Growth: Solar power installed capacity increased 25-fold from 2.6 GW to 66.8 GW since 2014.
- Investment Projection: Solar sector expected to attract US\$ 80 billion investment in the next four years.
- Future Projections: Anticipated 49% of total electricity generation from renewable sources by 2040.

#### **\*Solar Energy Cost and Savings:**

- Adoption of efficient batteries for electricity storage to drive a 66% reduction in solar energy costs.
- Transition to renewables over coal estimated to save India Rs. 54,000 crores (US\$ 8.43 billion) annually.

#### **\*Renewable Energy Capacity Goals:**

- Projected to account for 55% of overall installed power capacity by 2030.
- Contribution to power generation expected to rise from 18% to 44% by 2029-30 (CEA estimates).
- India targeting installed renewable energy capacity of 450 GW by 2030, with solar contributing over 60% (about 280 GW).

#### **\*Union Cabinet Initiatives:**

- Aim: Establish 74 GW fully integrated solar PV module manufacturing capacity.
- Expected Employment: Direct employment for around 30,000 individuals, indirect employment for about 120,000.



- Focus: Import substitution, bringing back INR 17,500 crore into the economy annually, emphasis on R&D.
- Union Budget Allocation: Rs. 1,000 crores (\$132 million) to Solar Energy Corporation of India (SECI), Rs. 19,500 crores (\$2.57 billion) for PLI scheme.

**\*Renewable Energy Progress:**

- Current renewable energy capacity at 101.53 GW, representing 38% of overall installed power capacity.
- Goal: Achieve 450 GW of installed renewable energy capacity by 2030, with solar contributing over 60% (about 280 GW).
- Rooftop Solar Programme Phase II: Plan to install 4,000 MW RTS capacity in the residential sector, with subsidy provision.

**\*Global Recognition and Outlook:**

- India ranked 3rd globally for renewable energy investments and plans in 2022 (British Business Energy).
- Expected significant transformations in the electricity sector in terms of demand, growth, energy mix, and market operations during the current decade (2020-2029).

\*The data mentioned above has been sourced from <https://www.ibef.org/industry/renewable-energy>.

**OPPORTUNITIES & THREATS**

While we recognize the individual uniqueness of each business in their thinking, objectives, and resources, the present timing appears opportune to allow them to function independently. The past year stands as evidence of our commitment to a long-term business approach across strategy, operations, and sustainability. Following careful consideration, we believe that the independent recognition of our businesses, as previously explained, represents the most efficient and sustainable path forward. This approach aligns with the "SOLEX ENERGY" mission, emphasizing the enhancement of customer product value through the delivery of the highest quality and an ongoing commitment to quality improvement.

India's power sector exhibits significant diversity on a global scale. Particularly in the realm of renewable energy, notably solar energy, India holds a prominent position, both nationally and internationally. With our operations embedded in this sector, we anticipate a promising future. The Indian government's persistent efforts to encourage the utilization of solar and renewable energy sources further amplify the sector's potential.

The inherent strengths of our company include our current scale of operations, future development plans, cost-effectiveness, and adherence to international standards. These strengths collectively provide us with an unparalleled platform for enhanced competitiveness. As we embark on expanding our production capacity this year, we anticipate improved operational flexibility and optimal resource utilization. Our unwavering focus remains on delivering superior value to our customers, upholding international quality standards across all products and services. Solex is proud to consistently meet and exceed global benchmarks in product quality and manufacturing, positioning us as a prime candidate for the export of PV modules to numerous international markets. The current year presents a multitude of noteworthy opportunities for India's solar PV market. The ongoing decline in global supplies emerging from China, coupled with the strategic shift of multinational corporations adopting

the "China plus one" strategy, is unlocking diverse avenues for Indian entities to emerge as attractive alternatives.

The Indian solar power market is poised for substantial growth, with a projected CAGR of over 40% within the forecast period of 2020-2025. This growth is driven by factors such as the diminishing costs of solar modules and government policies that permit 100% FDI under the automatic route for renewable power generation and distribution projects. This policy adjustment is expected to attract heightened participation from global players in the Indian market. Additionally, the significant drop in solar technology prices in recent years has been a pivotal driver behind the widespread adoption of solar PV systems across the country.

### **SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE**

The Company exclusively operates within a single segment. Consequently, segment-wise performance evaluation is not applicable.

### **OUTLOOK**

The Company's outlook remains consistently stable and progressively optimistic. Our initiatives to curtail overheads and financial costs, foster strong relationships with customers, vendors, and employees through ethical and transparent working systems, and elevate production process standards within our existing product lines, will enhance production efficiency without compromising quality. This concerted effort also extends to optimizing operating parameters and costs, equipping the Company to navigate potential challenges effectively. The outlook for both domestic and export ventures is exceedingly promising. Solex is well-positioned to engage in exports to European and North American markets. To achieve this goal, our participation in events such as The Smarter E (Intersolar) Europe exhibition held in Munich, Germany in June 2023 is noteworthy. Additionally, we have plans for participation in RE+ in September in the USA, REI-2023 in October-2023 at Noida and The Smarter E (Intersolar) Gandhinagar in January-2024 in India. For the ongoing year, a strategically devised promotional plan is in place to amplify sales and establish our presence on the global solar map in the near future.

Solex stands as an Original Equipment Manufacturer (OEM) for various Indian and International companies. Our partnerships are exemplified by MoUs with multiple Domestic and International brands for module manufacturing, encompassing both material-based collaborations and job work arrangements.

Solex modules have garnered an array of esteemed certifications and qualifications, underscoring our steadfast commitment to quality. These certifications ensure that our solar photovoltaic modules align with the most rigorous standards of safety, performance, reliability, and international compliance. Notably, Solex Modules have also secured certification from the Bureau of Indian Standards (BIS), earning inclusion in the Approved List of Models and Manufacturers (ALMM).

### **RISK MANAGEMENT**

The renewable energy sector is characterized by specific risk attributes that necessitate careful evaluation and mitigation. Solex has proactively devised a Risk Management Plan to effectively address these challenges, which is strictly adhered to. This comprehensive risk management approach encompasses various aspects, including capital investment, competitor activities, and the emergence of new market entrants. Continued reforms and a focus on technological advancements are anticipated to curtail risk exposure. The significant cost implications associated with certifications have prompted cautious consideration, as the

addition of new product certifications could potentially escalate production costs, influencing pricing dynamics.

### INTERNAL CONTROL SYSTEM

The Company places paramount importance on a robust internal control framework, essential for fostering business efficiency, ensuring effective management, and safeguarding valuable assets. A well-defined internal control system is firmly entrenched within the organization. This system is intricately designed to provide reasonable assurance regarding operational and financial control. The Company's Management is unwaveringly committed to ensuring the establishment of Internal Financial Control, with controls that are both adequate and effectively operational.

The role of the Internal Auditors is pivotal, as they assess the effectiveness and adequacy of the internal control system. This evaluation extends to the system's compliance with operational procedures, Company policies, and accounting protocols at all Company locations. Based on the findings provided by Internal Auditors, process owners institute corrective actions within their respective domains to bolster control mechanisms. Noteworthy audit observations, along with ensuing corrective measures, are presented before the Audit Committee of the Board. The Internal Audit function is an ongoing process, continually assessing various Company processes and proposing value-enhancing enhancements to further fortify these systems and augment their efficacy.

### MATERIAL DEVELOPMENTS IN HUMAN RESOURCES AND INDUSTRIAL RELATIONS

Our emphasis remains steadfastly on recruiting the right individuals for the right roles, cultivating their capabilities, managing performance, and fostering active engagement. These concerted efforts are projected to heighten cost competitiveness through increased levels of employee participation, commitment, and involvement.

The trajectory of our industrial relations continues to be characterized by cordiality and mutual respect. The culture of coaching and mentoring is a continuous thread at Solex, aimed at identifying talent across the organization and nurturing future leaders. Existing employees are provided opportunities for growth within the system. A holistic approach to functional training, complemented by cultural events, sustains team engagement and motivation. In line with our commitment to social responsibility, the company's workforce consisted of 368 employees as of March 31, 2023, with a significant majority being youth hailing from tribal areas.

### DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE FINANCIAL PERFORMANCE

Particulars	(Rs. In Lakh)	
	Current Year 2022-23	Previous Year 2021-22
Total Income	16438.83	7229.36
Profit before Interest and Depreciation	1399.88	222.99
Less: Interest	561.22	75.07
Profit Before Depreciation	838.66	147.92
Less: Depreciation	453.49	25.16
<b>Profit Before Tax</b>	<b>385.17</b>	<b>122.76</b>
<b>Less/Add: Tax Expenses</b>		
Taxes for Earlier Years	1.89	(6.20)
Current Tax	66.09	33.02

Deferred Tax	46.11	(2.85)
Total Tax Expenses	114.09	23.97
<b>Profit for the year</b>	<b>271.07</b>	<b>98.79</b>

The performance analysis for the year; we achieved a Net Revenue of Rs.16438.83 lakh and Net Profit of Rs. 271.07 lakh during the year. The Interest & Finance Costs for the year stood at Rs.561.22 lakh.

**DETAILS OF SIGNIFICANT CHANGES (I.E. CHANGE OF 25% OR MORE AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR) IN KEY FINANCIAL RATIOS, ALONG WITH DETAILED EXPLANATIONS THEREFOR, INCLUDING**

Particulars	Current Year 2022-23	Previous Year 2021-22	% Variance	Reason for change of 25% or more
Trade Receivable Turnover Ratio	6.34	1.88	236.94%	Due to Substantial Increase in the Operational Sales of the Company during the year, compared to Previous Year, but however the Pending Trade Receivable was maintained at the same level as that of Previous Year, this Ratio has Increased Substantially.
Inventory Turnover Ratio	6.15	5.90	4.32%	Due to Substantial Increase in the Operations of the Company during the year, but however the Inventory holding was maintained at the same level as that of Preceding Year, this Ratio has Increased Substantially
Interest Service Coverage Ratio	1.69	2.64	-36.01%	Due to Substantial Decrease in the interest cost on Borrowings by the Company during the year, this Ratio has decreased Substantially.
Current Ratio	1.53	2.34	-34.57%	Due to Substantial Increase in the short term borrowing and debtors & Creditors during the year, as compared to the Preceding Year, this Ratio has decreased Substantially.
Debt Equity Ratio	1.75	0.55	216.12%	Due to Substantial Increase in the Long-Term Borrowings by the Company during the year, the Equity of the Company has Substantially Increased, this Ratio has increased Substantially.

Operating Profit Margin (%)	0.73	1.19	-38.73%	Due to Substantial Increase in the other income (Subsidy - Received) by the Company during the year. this Ratio has decreased Substantially.
Net Profit Margin (%)	1.68	1.37	22.04%	Due to Substantial Increase in Operational Sales, and due to this there was overall Increase in Net Profit of the Company, and hence this Ratio was Substantially Increased as compared to Previous Year.
Return on Net Worth	0.78	0.66	18.61%	Due to Substantial Increase in the Net Profit earned by the Company during the year, increased the reserve and surplus of the Company Substantially, during the year, as compared to the Preceding Year and hence the Ratio has increased as compared to Previous Year.

#### DISCLOSURE OF ACCOUNTING TREATMENT

The Company is responsible for the preparation and presentation of the financial statements that gives a true and fair view of the net profit of the financial position, financial performance and cash flows of the Company in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India.

#### CAUTIONARY STATEMENT

Statement in this management analysis detailing the Company's objectives, projections, estimates, expectations, or predictions may be "forward looking" statements within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that may influence your Company's operations include Global and domestic supply and demand conditions affecting selling prices, input availability and prices, changes in Government policies, regulations, tax regimes, economic development within and outside the country and other allied factors. The Company assumes no responsibility to publicly amend, modify or revise the forward-looking statement on the basis of subsequent developments, information or events.

**For and on behalf of the Board  
Solex Energy Limited**

**Sd/-  
Chetan Sureshchandra Shah  
Chairman & Managing Director  
DIN: 02253886**

**Date: 21.08.2023  
Place: Surat**

**ANNEXURE “B” THE BOARD REPORT  
Form No. MR – 3**

*[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

**SECRETARIAL AUDIT REPORT  
For the Financial Year ended March 31, 2023**

**To,  
The Members  
Solex Energy Limited  
CIN: L40106GJ2014PLC081036  
Plot No. 131/A, Phase 1,  
Nr. Krimy Industries,  
GIDC Vithal Udhyognagar, Anand – 388121**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Solex Energy Limited** (hereinafter called as “**the Company**”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2023** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and Compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

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

- 1) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- 2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- 3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- 4) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder;
- 5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- c) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(not applicable during the period under review)**
- d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(not applicable during the period under review)**
- e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(not applicable during the period under review)**
- g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(not applicable during the period under review)**
- h) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- i) The following laws are industry specific laws as applicable to the Company for which proper system of compliance has been framed:
  - i. The Electricity Act, 2003 & The Indian Electricity Rules, 2005;
  - ii. Various Order, Circulars, Regulations, etc. issued by the Ministry of New & Renewable Energy (MNRE), Government of India
  - iii. Bihar Renewable Energy Development Agency

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

- 1) Secretarial Standards issued by the Institute of Company Secretaries of India.
- 2) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015.

We further report, that compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by Tax Auditor / Other designated professionals.

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

### **We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and details notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board as the case may be.

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

**We further report that** during the audit period there were no specific events / actions that took place which have a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

**For, RPAP & Co**  
**Company Secretaries**  
**UCN: P2019GJ078500**

**Sd/-**  
**Rajesh Parekh**  
**Partner**  
**Mem. No.: A8073**  
**COP No.: 2939**  
**UDIN: A008073E000631784**  
**P/R No.: 1305/2021**

**Date: 18.07.2023**  
**Place: Ahmedabad**



## Annexure to the Secretarial Audit Report

To,  
The Members  
Solex Energy Limited  
CIN: L40106GJ2014PLC081036  
Plot No. 131/A, Phase 1,  
Nr. Krimy Industries,  
GIDC Vithal Udhyognagar, Anand – 388121

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness of appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For, RPAP & Co  
Company Secretaries  
UCN: P2019GJ078500

Sd/-  
Rajesh Parekh  
Partner  
Mem. No.: A8073  
COP No.: 2939  
UDIN: A008073E000631784  
P/R No.: 1305/2021

Date: 18.07.2023  
Place: Ahmedabad

## ANNEXURE “C” THE BOARD REPORT

### STATEMENT OF DISCLOSURE OF REMUNERATION u/s 197 of the Companies Act 2013 and rule 5 of the companies (Appointment and Remuneration of Managerial Personnel) rules, 2014

#### 1. PARTICULARS OF REMUNERATION

- I. Ratio of remuneration of each Executive Director to the median remuneration of employees of the Company for the financial year 2022-23, the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any during the financial year 2022-23 are as under:

Sr. No.	Name of Director/ KMP	Designation	Ratio of Remuneration of each director to median remuneration of employees	Percentage (%) increase in Remuneration
1	Chetan Sureshchandra Shah	Chairman and Managing Director	71.24:1	50
2	Kalpeshkumar Ramanbhai Patel	Whole time Director	37.99:1	12.5
3	Piyush Kailashchandra Chandak	Executive Director	8.02:1	90
4	Anil Rathi	Non-Executive Director	Nil	Nil
5	Vipul Mulchand Shah	Non-Executive Director	Nil	Nil
6	Kiran Ritesh Shah	Executive Director	Nil	Nil
7	Kiran Ritesh Shah	Chief Financial Officer	10.01:1	75.55
8	Kamlesh Pravin Yagnik	Independent Non-Executive Director	Nil	N.A.
9	Rajeshbhai Tulsibhai Patel	Independent Non-Executive Director	Nil	N.A.
10	Amitkumar Dalpatram Trivedi*	Independent Non-Executive Director	Nil	N.A.
11	Dilipkumar Gajanand Nikhare	Company Secretary	7.39:1	Nil

\* Amitkumar Dalpatram Trivedi has been appointed as Independent Director w.e.f. 12/12/2022

Sr. No.	Particulars	Details
1	% Increase in the median remuneration of employee in the Financial Year 2022-23	There has been no increase in the median remuneration of employees in the FY 2022-23.
2	Total number of permanent employees on the rolls of the Company as on 31st March, 2023 (on standalone basis)	368
3	Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	The average increase in the remuneration of both, the managerial personnel and employees is 39.56% and is determined based on the overall performance of the Company. Further the criteria for remuneration of employees is based on the internal evaluation of key performance areas while the remuneration of the managerial personnel is based on the remuneration policy as recommended by the Nomination and Remuneration Committee and approved by the board of directors.
4	Affirmation that the remuneration is as per the remuneration policy of the company	Company affirms that the remuneration is as per the remuneration policy of the company.

- i. Employees who are employed throughout the year and in receipt of remuneration aggregating Rs. 1,02,00,000/- [one crore and two lakh rupees] or more per year: Nil
- ii. Employees who are employed part of the year and in receipt of remuneration aggregating Rs. 8,50,000/- [eight lakh and fifty thousand rupees] per month: Nil
- iii. Employees who are employed throughout the year or part thereof, is in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company: Nil

**For and on behalf of the Board  
Solex Energy Limited**

**Sd/-  
Chetan Sureshchandra Shah  
Chairman & Managing Director  
DIN: 02253886**

**Date: 21.08.2023  
Place: Surat**

## ANNEXURE “D” THE BOARD REPORT

### AOC-2

**[Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014.]**

**Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm’s length transactions under third proviso thereto.**

A. Details of contracts or arrangements or transactions not at arm’s length basis:  
During the year, The Company has not entered into any contracts or arrangements with any of the related party which are not on arm’s length basis.

B. Details of material contracts or arrangement or transactions at arm’s length basis:

<b>1.</b>	<b>Lease Rent Paid</b>	
(a)	Name(s) of the related party and nature of relationship	Kalpeshkumar Ramanbhai Patel, Director of the Company
(b)	Nature of contracts/arrangements/transactions	Rent Payment
(c)	Duration of the contracts/arrangements/transactions	5 Years
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	16,80,000/-
(e)	Date(s) of approval by the Board, if any:	-
(f)	Amount paid as advances, if any:	Nil
<b>2.</b>	<b>Lease Rent Paid</b>	
(a)	Name(s) of the related party and nature of relationship	Shri Vasudev Industries, Director Interested
(b)	Nature of contracts/arrangements/transactions	Rent Payment
(c)	Duration of the contracts/arrangements/transactions	30 Years
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	1,78,00,000/-
(e)	Date(s) of approval by the Board, if any:	-
(f)	Amount paid as advances, if any:	Nil
<b>3.</b>	<b>Purchase of Goods and Services</b>	
(a)	Name(s) of the related party and nature of relationship	Nemji.com Director Interested
(b)	Nature of contracts/arrangements/transactions	Purchase of Computer Stationery, Computer Expenses, Software Subscription, Computer and Printer, Office Equipment and Other Capital Goods
(c)	Duration of the contracts/arrangements/transactions	5 years
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	99,50,866/-
(e)	Date(s) of approval by the Board, if any:	-
(f)	Amount paid as advances, if any:	Nil

<b>4. Availing of Services</b>		
(a)	Name(s) of the related party and nature of relationship	Tech Nemji, Relative of Director Interested
(b)	Nature of contracts/arrangements/transactions	Purchase of Software Services, Spin Asset Software / IP telecom system & matrix device
(c)	Duration of the contracts/arrangements/transactions	5 years
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	6,86,654/-
(e)	Date(s) of approval by the Board, if any:	-
(f)	Amount paid as advances, if any:	Nil
<b>5. Availing of Services</b>		
(a)	Name(s) of the related party and nature of relationship	VSSK & Co., Director Interested
(b)	Nature of contracts/arrangements/transactions	Professional Services
(c)	Duration of the contracts/arrangements/transactions	Ongoing transactions (year to year)
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	30,54,200/-
(e)	Date(s) of approval by the Board, if any:	-
(f)	Amount paid as advances, if any:	Nil
<b>6. Availing of Services</b>		
(a)	Name(s) of the related party and nature of relationship	Nemji Sales., Relative of Director Interested
(b)	Nature of contracts/arrangements/transactions	Office Equipment and Other Capital Goods
(c)	Duration of the contracts/arrangements/transactions	5 years
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	1,00,694/-
(e)	Date(s) of approval by the Board, if any:	-
(f)	Amount paid as advances, if any:	Nil
<b>7. Purchase of Goods and Services</b>		
(a)	Name(s) of the related party and nature of relationship	Nemji Marketing, Relative of Director Interested
(b)	Nature of contracts/arrangements/transactions	Purchase
(c)	Duration of the contracts/arrangements/transactions	Ongoing transactions (year to year)
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	8,305/-
(e)	Date(s) of approval by the Board, if any:	-
(f)	Amount paid as advances, if any:	Nil

<b>8. Sale of Goods and Services</b>		
(a)	Name(s) of the related party and nature of relationship	Shree Vasudev Processors Pvt Limited, Relative of Director Interested
(b)	Nature of contracts/arrangements/transactions	Sale
(c)	Duration of the contracts/arrangements/transactions	Ongoing transactions (year to year)
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	18,120/-
(e)	Date(s) of approval by the Board, if any:	-
(f)	Amount paid as advances, if any:	Nil

\*All transaction entered by the Company is at market rate and on arm's length basis

**For and on behalf of the Board  
Solex Energy Limited**

**Sd/-  
Chetan Sureshchandra Shah  
Chairman & Managing Director  
DIN: 02253886**

**Date: 21.08.2023  
Place: Surat**

## ANNEXURE- E

**Information as per Section 134(3) (m) of the Companies Act, 2013 read with rule 8(3) of the Companies (Accounts) Rules, 2014 and forming part of the Board Report for the year ended on 31<sup>st</sup> March, 2023.**

### **A. CONSERVATION OF ENERGY**

- (i) **The steps taken or impact on conservation of energy;**

<b>Electricity</b>	<b>Current Year</b>	<b>Previous Year</b>
Unit Consumption	2314690.50	95493
Total Amount	2,18,36,160	10,60,330
Average Cost	9.43	11.10
Own generation:	NA	NA

- (ii) The steps taken by the company for utilizing alternate sources of energy: The company has decided to set solar panels on rooftop of its factory. The company is installing 1.4 MW DC capacity which will generate 1 MW of AC power and the installation will be completed tentatively by the mid of August 2023. This powerplant will generate about 1.50 lakh units per month amounting to approx. Rs. 11 Lakhs which will save around 25% of Electricity cost.
- (iii) The capital investment on energy conservation equipment: The company has initiated to set up solar panels on rooftop of its factory building at Block No 938, Plot 1 (A-Type), Tadkeshwar, Mandvi, Surat- 394170 bearing a total capital investment of approx. Rs. 6.31 Crores. The project of setting up the panels will soon begin from FY 2023-24 which in return will conserve energy.

### **B. TECHNOLOGY ABSORPTION**

- a) **The efforts made towards technology absorption:** We have an experienced in-house technology, design and engineering team which constantly evaluates the technological advancements in all major equipment contained in manufacturing of solar panels. The Company continues to adopt and use the latest technologies to improve the productivity and quality of its services and products.
- b) **The benefits derived like product improvement, cost reduction, product development or import substitution:** The company has set up a Reliability Testing Lab for continuous improvement in Product development.
- c) **In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):** The company has imported solar manufacturing technology (machinery) from China.

i. the details of technology imported - solar manufacturing machineries as under:

Sr No.	PARTICULARS
1	Purchase of 500 MW Solar Module Production Automation Line
2	Purchase of Stringer and Cell Cutter
3	Purchase of Sun Simulator
4	Purchase of Stringer and Cell Cutter
5	Purchase of Vacuum Pump
6	Purchase of Sun Simulator
7	Air cooled Screw Chiller with VFD
8	Purchase of Solar Cell

ii. the year of import – 2021-22

iii. whether the technology been fully absorbed - Yes

iv. if not fully absorbed, areas where absorption has not taken place, and the reasons thereof: - Nil

(iv) The expenditure incurred on Research and Development: The company has set up a Reliability Testing Lab at Factory situated at Block No 938, Plot 1 (A-Type), Tadkeshwar, Mandvi, Surat- 394170 and the company has spent around Rs. 2.5 crores for Research & Development investment.

#### C. FOREIGN EXCHANGE EARNING AND OUTGO

(Amt. in INR in lakhs)

Particulars	2022-23	2021-22
Earning: Export in terms of actual inflow	-	-
Outgo: Imports in terms of actual outflows	3321.64	679.79

For and on behalf of the Board  
Solex Energy Limited

Sd/-  
Chetan Sureshchandra Shah  
Chairman & Managing Director  
DIN: 02253886

Date: 21.08.2023

Place: Surat



## INDEPENDENT AUDITOR'S REPORT

To the Members of Solex Energy Limited

Report on the audit of the Standalone Financial Statements

### Opinion

We have audited the accompanying financial statements of Solex Energy Limited ("the Company") which comprises the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statement give the information required by the Companies Act, 2013 as amended ("the act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit 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, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act 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 obtained by us is sufficient and appropriate to provide a basis for our opinion.

### Information other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon.

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

## **Management's Responsibilities for the Standalone Financial Statements**

The Board of Directors of the Company are responsible for the preparation and presentation of the financial statements that gives a true and fair view of the net profit of the financial position, financial performance and cash flows of the Company in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 the 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 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, the Board of Directors are 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 the Board of Directors 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 financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole is 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 financial statements.

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

- Identify and assess the risks of material misstatement of the 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 the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' 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 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 financial statements, including the disclosures, and whether the 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.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in clause 3 of the Order.

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 Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended;

e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

g) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid/provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

1) The Company does not have major pending litigations which would impact its financial position.

2) The Company does not have long-term contracts including derivative contracts, for which there are material foreseeable losses.

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

**FOR HRK & CO.  
CHARTERED ACCOUNTANTS  
Firm Registration No. 146985W**

**Sd/-  
CA Ankit K Raythatha  
PARTNER  
M. No.187750  
UDI No: 23187750BGTKTV7116**

**Date: 22.05.2023  
Place: Surat, Gujarat.**

**Annexure 1 referred to in clause 1 of paragraph on the report on other legal and regulatory requirements of our report of even date**

i. a) Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment. Company has maintained proper records showing full particulars of intangible assets.

b) The major Property, Plant and Equipment of the company have been physically verified by the management at reasonable intervals during the year and no material discrepancies were noticed on such verification.

c) According to the information and explanations given to us by the management, the title deeds of the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee) are held in the name of the company.

d) The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

e) According to the information and explanations given to us by the management, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

ii.a) The management has conducted physical verification of inventory at reasonable intervals during the year, in our opinion, the coverage and procedure of such verification by the management is appropriate. As informed to us, any discrepancies of 10% or more in the aggregate for each class of inventory were not noticed on such verification.

b) The company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets; quarterly returns or statements filed by the company with such banks or financial institutions are generally in agreement with the books of account of the Company.

iii. The Company has during the year, not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the provisions of clause 3(iii) of the Order are not applicable.

iv. According to the information and explanation given to us, the company has no loans, investments, guarantees or security where provisions of section 185 and 186 of the Companies Act, 2013 are to be complied with.

v. In our opinion, the Company has complied with the directives issued by the Reserve Bank of India, the provisions of Sections 73 to 76 and other relevant provisions of the Act and the, Companies (Acceptance of Deposits) Rules, 2014 (as amended) as applicable, with regard to the deposits accepted or amounts which are deemed to be deposits. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal, in this regard.

vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture and are of the opinion that

prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

vii.a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of custom, value added tax, goods and services tax, cess and other statutory dues applicable to it.

b) According to the information and explanations given to us by the management, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, duty of custom, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, goods and services tax and cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount of Demand (Rs.)	Period for which amount relates to	Forum where dispute is pending	Amount paid (Rs.)	Amount unpaid (Rs.)
Central Goods and Services Tax, Act 2017	CGST	5,67,309	FY 2018-19	Office of the Assistant Commissioner, State tax, Raipur.	4,03,017	1,64,292
Central Goods and Services Tax, Act 2017	SGST	5,67,309	FY 2018-19	Office of the Assistant Commissioner, State tax, Raipur.	4,03,017	1,64,292
Gujarat Value Added Tax Act, 2003	Gujarat VAT	28,40,591	FY 2016-17	Deputy Commissioner of State Tax, Appeal-6, Vadodara	3,00,000	25,40,591
Central Goods and Services Tax, Act 2017	CGST	87,33,438	Jul 2017- Mar - 2018	High Court of Jharkhand	31,29,348	56,04,090
Jharkhand Goods and Services Tax, Act 2017	SGST	87,33,438	Jul 2017- Mar - 2018	High Court of Jharkhand	8,69,439	78,63,999

viii. According to the information and explanation given to us, no transactions which were not recorded earlier in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961);

ix. a) In our opinion, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year;

b) Company is not declared wilful defaulter by any bank or financial institution or other lender;

c) According to the information and explanation given to us, term loans were applied for the purpose for which the loans were obtained;

d) According to the information and explanation given to us, funds raised on short term basis have not been utilised for long term purposes;

e) According to the information and explanation given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures;

f) According to the information and explanation given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies;

x.a) According to the information and explanations given to us by the management, the Company has not raised any money by way of initial public offer/ further public offer/debt instruments;

b) According to the information and explanations given to us by the management, the company has not made preferential allotment of shares during the year and the requirements of section 42 and section 62 of the companies Act 2013 have been complied with and the funds raised have been used for the purpose for which the funds were raised.;

xi.a) According to the information and explanation given to us, any fraud by the company or any fraud on the company has not been noticed or reported during the year;

b) According to the information and explanation given to us, no report under subsection (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;

c) According to the information and explanation given to us, no whistle-blower complaints, received during the year by the company;

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

xiii. According to the information and explanations given by the management, transactions with the related parties are in compliance with section 188 and section 177 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

xiv. According to the information and explanations given to us, the company has an internal audit system commensurate with the size and nature of its business; We have considered the reports of the Internal Auditors for the period under audit;

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

xvi. According to the information and explanations given to us, we are of the opinion that the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, accordingly the provisions of clause 3(xvi) of the Order are not applicable;

xvii. According to the information and explanations given to us and based on the audit procedures conducted we are of opinion that the company has not incurred any cash losses in the financial year and the immediately preceding financial year;

xviii. The company has appointed HRK & Co in place of retiring auditor KSA & Co as per Auditor rotation requirement in Companies Act 2013, There is no objection raised by the outgoing Auditors.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that company is incapable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

xx. The provisions of Section 135 towards corporate social responsibility are not applicable on the company. Accordingly, the provisions of clause 3(xx) of the Order is not applicable.

xxi. The reporting under clause (xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

**FOR HRK & CO.  
CHARTERED ACCOUNTANTS  
Firm Registration No. 146985W**

**Sd/-  
CA Ankit K Raythatha  
PARTNER  
M. No.187750  
UDI No: 23187750BGTKTV7116**

**Date: 22.05.2023  
Place: Surat, Gujarat.**



## **Annexure 2 to the independent auditor's report of even date on the financial statements of Solex 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 financial reporting of Solex Energy Limited (the Company') as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control over Financial Reporting (the 'Guidance Note') 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 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 financial reporting with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

### **Meaning of Internal Financial Controls Over Financial Reporting with Reference to these Financial Statements**

A company's internal financial control over financial reporting with reference to these financial statements is a process designed to provide reasonable assurance regarding the reliability of

financial reporting and the preparation of the financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of the financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the AS financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to these Financial Statements**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

**FOR HRK & CO.**  
**CHARTERED ACCOUNTANTS**  
**Firm Registration No. 146985W**

**Sd/-**  
**CA Ankit K Raythatha**  
**PARTNER**  
**M. No.187750**  
**UDI No: 23187750BGTKTV7116**

**Date: 22.05.2023**  
**Place: Surat, Gujarat.**

SOLEX ENERGY LIMITED  
CIN: L40106GJ2014PLC081036

Balance Sheet as at 31st March, 2023

Particulars	Note No.	(Rs. In Lakhs)	
		As at 31-03-2023	As at 31-03-2022
<b>I EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share Capital	2	800.00	800.00
(b) Reserves and Surplus	3	2,962.69	2,703.62
(c) Money received against share warrants			
		<b>3,762.69</b>	<b>3,503.62</b>
<b>2 Share application money pending allotment</b>		-	-
<b>3 Non-current liabilities</b>			
(a) Long Term Borrowings	4	4,472.82	1,300.10
(b) Deferred Tax Liabilities (Net)	1(f)	47.95	1.85
(c) Other Long Term Liabilities		-	-
(d) Long Term Provisions	5	349.40	501.06
		<b>4,870.18</b>	<b>1,803.01</b>
<b>4 Current liabilities</b>			
(a) Short Term Borrowings	6	2,121.32	642.26
(b) Trade Payables			
-Total Outstanding dues of MSMEs	7	51.31	574.56
-Total Outstanding dues of creditors other than MSMEs	7	2,862.87	681.89
(c) Other Current Liabilities	8	397.51	64.42
(d) Short Term Provisions	9	12.23	4.73
		<b>5,445.25</b>	<b>1,967.87</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>14,078.12</b>	<b>7,274.49</b>
<b>II ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, Plant & Equipment and Intangible Assets			
(i) Property, Plant and Equipment	10	5,447.21	62.71
(ii) Intangible Assets	10	7.93	6.43
(iii) Capital work-in-process	10	83.94	2,407.84
(iv) Intangible assets under development		-	-
		<b>5,539.08</b>	<b>2,476.99</b>
(b) Non-current Investments		8.08	-
(c) Deferred Tax Assets (net)		-	-
(d) Long Term Loans and Advances		-	-
(e) Other Non-current Assets	11	183.91	187.43
		<b>5,731.07</b>	<b>2,664.41</b>
<b>2 Current assets</b>			
(a) Current Investment		-	-
(b) Inventories	12	3,038.07	1,424.40
(c) Trade Receivables	13	3,024.75	2,074.85
(d) Cash and Cash Equivalents	14	13.34	38.53
(e) Short Term Loan and Advances	15	1,543.16	529.01
(f) Other Current assets	16	727.72	543.28
		<b>8,347.05</b>	<b>4,610.08</b>
<b>TOTAL ASSETS</b>		<b>14,078.12</b>	<b>7,274.49</b>
Contingent Liabilities	17	1,110.32	2,226.78
Significant Accounting Policies	1		
The accompanying notes are an integral part of financial statements.			

As per our report of even date  
For H R K & Co.  
ICAI Firm Reg. No. : 146985W  
Chartered Accountants

Sd/-  
CA Ankit Raythatha  
Partner  
Membership No : 187750

Place : Surat  
Date : 22.05.2023

For and on behalf of Board of Directors of  
Solex Energy Limited

Sd/-  
Chetan S. Shah  
Chairman & Managing Director  
DIN : 02253886

Sd/-  
Dilip G Nikhare  
Company Secretary

Place : Surat  
Date : 22.05.2023

Sd/-  
Piyush K. Chandak  
Director  
DIN : 09195922

Sd/-  
Kiran R. Shah  
Chief Financial Officer

**SOLEX ENERGY LIMITED**  
**CIN-L40106GJ2014PLC081036**

**Statement of Profit & Loss Account for the year ended as on 31st March 2023**

**Rs. In Lakhs (Except in EPS)**

Particulars	Note	For the Year ended on	
		31-03-2023 (Audited)	31-03-2022 (Audited)
<b>I INCOME</b>			
(a) Revenue from Operations	18	16171.29	7191.98
(b) Other Income	19	267.55	37.38
<b>Total Income</b>		<b>16,438.83</b>	<b>7,229.36</b>
<b>II EXPENSES</b>			
(a) Cost of Materials Consumed	20(a)	14033.08	5910.28
(b) Purchases of Stock in Trade		-	-
(c) Changes in Inventories of Finished Goods, Work in Progress and Stock in Trade	20(b)	-963.59	150.48
(d) Employee Benefit Expenses	21	669.20	229.53
(e) Financial Costs	22	561.22	75.07
(f) Depreciation and Amortization Expenses	10	453.49	25.16
(g) Other Expenses	23	1300.26	716.09
<b>Total Expenses</b>		<b>16,053.66</b>	<b>7,106.60</b>
<b>III Profit/(Loss)</b>		<b>385.17</b>	<b>122.76</b>
<b>IV Exceptional Items (Prior period Items)</b>		0.00	-
<b>V Profit/(Loss)</b>		<b>385.17</b>	<b>122.76</b>
<b>VI Extraordinary items</b>			
<b>VII Profit / (Loss) before tax (V+VI)</b>		<b>385.17</b>	<b>122.76</b>
<b>VIII Tax Expenses</b>			
(a) Current tax for the year		66.09	33.02
Less : MAT Credit			
		66.09	33.02
(b) Adjustment of tax relating to earlier periods		1.89	-6.20
Net Current tax		67.99	26.82
Deferred tax		46.11	-2.85
<b>Total tax expenses</b>		<b>114.09</b>	<b>23.97</b>
<b>IX Profit/(Loss)</b>		<b>271.07</b>	<b>98.79</b>
<b>X Profit/(Loss) before Tax from Discontinuing Operations</b>		-	-
<b>XI Tax Expense from Discontinuing Operations</b>		-	-
<b>XII Profit/(Loss) after Tax from Discontinuing Operations (X-XI)</b>		-	-
<b>XIII Profit/(Loss) for the period/year</b>		<b>271.07</b>	<b>98.79</b>
<b>XIV Details of equity share capital</b>			
Paid-up equity share capital (No. of shares in Lakhs)		80.00	80.00
Face Value (in Rs.)		10.00	10.00
<b>XV Earnings per share (in Rs.)</b>			
(a) Basic		3.39	1.28
(b) Diluted		3.39	1.28

As per our report of even date  
For H R K & Co.  
ICAI Firm Reg. No. : 146985W  
Chartered Accountants

Sd/-  
CA Ankit Ravthatha  
Partner  
Membership No : 187750

Place : Surat  
Date : 22.05.2023

For and on behalf of Board of Directors of  
Solex Energy Limited

Sd/-  
Chetan S. Shah  
Chairman & Managing Director  
DIN : 02253886

Sd/-  
Dilip G Nikhare  
Company Secretary

Sd/-  
Piyush K. Chandak  
Director  
DIN : 09195922

Sd/-  
Kiran R. Shah  
Chief Financial Officer

SOLEX ENERGY LIMITED  
CIN - L40106GJ2014PLC081036

Cash Flow Statement for the period 31st March 2023

Particulars	(Rs. in Lakhs)	
	For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>I Cash Flow from Operating Activities :</b>		
Net Profit Before Tax and Extraordinary items	385.17	122.76
<u>Adjustment for:</u>		
Add : Depreciation	453.49	25.16
Loss on Sale of Fixed Assets	0.00	0.21
Financial Charges	561.22	75.07
	1,399.87	223.20
Less : Interest Income	24.84	24.72
<b>Operating Profit before Working Capital Changes</b>	<b>1,375.04</b>	<b>198.48</b>
<u>Increase/(decrease) in Working Capital</u>		
Increase/(Decrease) in Long Term Provision	-151.66	-140.58
Increase/(Decrease) in Current Liabilities	3,477.38	-2,505.79
: Increase/(Decrease) in Inventories	-1,613.67	-625.18
Increase/(Decrease) in Trade Receivables	-949.90	3,484.74
Cash Flow before extraordinary items	2,137.19	411.68
Less: Tax paid	67.99	26.82
	0.00	0.00
<b>Net Cash Flow from Operating activities</b>	<b>2,069.20</b>	<b>384.85</b>
<b>II Cash Flow from Investing Activities :</b>		
Add: Interest Income	24.84	24.72
Increase/(Decrease) in capital work in progress	0.00	0.00
Proceeds from sale of fixed assets	0.00	3.75
Increase/(Decrease) in Investment	-8.08	0.00
Increase/(Decrease) in Short Term Loans and Advances	-1,014.15	-134.12
Increase/(Decrease) in Other Non Current Assets	3.52	-33.28
Increase/(Decrease) in Other Current Assets	-184.44	-171.32
	-1,178.32	-310.25
Less: Net Increase in Fixed Assets	3,515.58	2,413.20
	3,515.58	2,413.20
<b>Net Cash Flow from Investing activities</b>	<b>-4,693.89</b>	<b>-2,723.45</b>
<b>III Cash Flow from Financing Activities :</b>		
Less: Interest & Finance Cost Paid	561.22	75.07
Dividend Paid	12.00	24.00
	573.22	99.07
Add: Increase in Share Capital	0.00	306.00
Share Premium	0.00	765.00
Increase in Long Term Liabilities	3,172.72	1,198.43
	3,172.72	2,269.43
<b>Net Cash Flow from Financing activities</b>	<b>2,599.50</b>	<b>2,170.36</b>
<b>Net Increase/Decrease in Cash and Cash Equivalents</b>	<b>-25.19</b>	<b>-168.24</b>
Add: Opening Balance of Cash and Cash Equivalents	38.53	206.77
<b>Closing Balance of Cash and Cash Equivalents</b>	<b>13.34</b>	<b>38.53</b>

As per our report of even date  
For H R K & Co.  
ICAI Firm Reg. No. : 146985W  
Chartered Accountants

Sd/-  
CA Ankit Raythatha  
Partner  
Membership No : 187750

Place : Surat  
Date : 22.05.2023

For and on behalf of Board of Directors of  
Solex Energy Limited

Sd/-  
Chetan S. Shah  
Chairman & Managing Director  
DIN : 02253886

Sd/-  
Dilip G Nikhare  
Company Secretary

Place : Surat  
Date : 22.05.2023

Sd/-  
Piyush K. Chandak  
Director  
DIN : 09195922

Sd/-  
Kiran R Shah  
Chief Financial Officer

**SOLEX ENERGY LIMITED**
**Notes forming part of the Audited financial statements**
**NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES**
**a. Corporate information**

Solex Energy Limited ("the Company") is a manufacturer of solar photo-voltaic cells and modules as well as in the Engineering, Procurement and Construction (EPC) in the solar energy market, wherein the manufactured cells/modules are utilized. The registered office of the company is located at Plot No. 131/A, Phase 1, Nr. Krimy Industries, GIDC, Vitthal Udyog Nagar, Anand, Gujarat, India – 388121

b. The Company has shown Net of Debtors and Creditors in case of Sub-Contract (Back to Back) Contracts

**c. Significant Accounting Policies**
**i. Statement of compliance**

The financial statements have been prepared in accordance with Accounting Standards ("AS") notified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended.

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

**ii. Basis of preparation and presentation**

The financial statements have been prepared on a historical cost basis. The Company has adopted the accrual system of accounting and the accounts are prepared on a going concern concept

The functional and presentation currency of the Company is Indian Rupee ("Rs.") which is the currency of the primary economic environment in which Company operates.

**iii. Property, Plant and Equipment**

Property, plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes purchase price (net of trade discount and rebates) and any directly attributable cost of bringing the asset to its working condition for its intended use.

Intangible assets are recorded at the consideration paid for acquisition of such assets and carried at cost less accumulated amortization and impairment loss, if any.

Capital work in progress is stated at cost, net of accumulated impairment loss, if any. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

Estimated useful lives of the Tangible and

Intangible assets are as follows:

Tangible Assets	Useful lives (Years)
Furniture & Fixtures	7
Plant & Machinery	5
Plant & Machinery (Renewable Energy Device manufacturing)	3
Computer	3
Office Equipment	5
Vehicle	10
Software	10
Trademark	1

**Depreciation**

Depreciation commences when as assets is ready for its intended use.

Depreciation is recognised on the cost of assets less their residual values over their estimated useful lives, using the straight-line method as prescribed in Schedule II to the Companies Act, 2013.

Intangible Assets are amortised on straight line basis over the asset's anticipated useful life estimated by management.

**iv. Foreign Currency Transaction**

The functional currency of the company is Indian Rupee.

Income & Expenses in foreign currencies are recorded at exchange rates prevailing on the date of the transaction. Foreign Currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the transaction date and exchange gains and losses arising on settlement and restatement are recognized in the statement of profit and loss account.

The Company has outstanding balances payable of Foreign currency of \$ 387448 (equivalent to Rs. 293.71 Lacs) on year end which is unhedged foreign currency exposure.

During the year company has direct import of material and also machinery with their parts as follows:

Import of	Currency	Currency (Foreign)	Currency (Indian Rs. In Lakhs)
Material	USD	2397694.16	1936.90
Machinery	USD	1741177.44	1363.17
Testing Charges	USD	4720.00	12.67
Testing Charges	EURO	10154.25	8.90

**SOLEX ENERGY LIMITED**
**Notes forming part of the Audited financial statements**
**v. Revenue Recognition**

Revenue from contracts with customers is recognized when control of goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has concluded that it is the principal in its revenue arrangement because it typically controls the goods or services before transferring them to the customers.

Revenue from sale of goods is recognized at the point when control of asset is transferred to the customer, generally on delivery of the goods.

Revenue on installation and commissioning contracts are recognized as per terms of contracts. Revenue from maintenance contracts are recognized pro-rata over the period of the contract.

**vi. Retirement Benefits**

The company is complying the provision of EPF and employer contribution and administration charges for the same are debited to profit & loss Account.

As per information provided to us provisions of Gratuity are applicable to the Company and have comply the provision of Gratuity Act and provision for the period is debited to profit & Loss Account

**d. Provisions, Contingent Liability & Contingent Assets**

Provisions involving substantial degree estimation in measurement are recognized when there is a result of past events and it is probable that there is a presence obligation as result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but disclosed in notes. Contingent Assets are neither recognized nor disclosed in the financial statement.

For the year company has executed various tenders and recovered O&M charges from various customers from services and maintenance during future period as specified under respective contracts and has been provided in proportionate maintenance income for remaining period of contract. The outstanding obligation towards O&M charges is **Rs. 3,49,40,461** as on date of balance sheet.

**e. Use of Estimates**

The preparation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reported period. Difference between the actual and estimates are recognized in the period in which the result are known or materialize.

**f. Provision for Current and Deferred Tax**

Current income tax expense comprises of taxes on income from operations in India. Income tax payable in India is determined in accordance with the applicable rates and the provisions of the Income Tax Act, 1961. A provision made for income tax annually, based on tax liability computed, after considering tax allowances and exemptions. Tax expense for a year comprises of current tax and deferred tax

During the year 2022-23, the Deferred Tax Asset (DTA) and Deferred Tax Liability(DTL) comprise of the effect of the following time difference.

Particulars	Amount (Rs in lakhs)
Fixed Asset as per Company Act	5,455.14
Add : Loss as per Company Act	-
Less: Fixed Asset as per Income Tax Act	5,001.99
Less:Taxes Disallowed during the year u/s 43B	-
Less: Accumulated Depreciation	-
Depreciation claimed Excess up to 31-03-2023	453.15
DTL as on 31.03.2023 @ 25.168%	114.05
MAT Credit	66.09
Net DTL as on 31.03.2023 @ 25.168%	47.95
Opening Balance of DTL as on 31.03.2022	1.85
The amount credited to Profit & Loss Account	46.11

Advance taxes and provisions for current income taxes are prescribed in the balance sheet after offsetting advance tax paid and income tax provision arising in the same tax jurisdiction and the intention is to settle the asset and liability on net basis.

**g. Payments to Auditors**

Particulars	(Rs. In Lakhs)	
	FY 2022-23	FY 2021-22
Statutory Audit Fees	1.25	1.25
Tax Audit Fees	1.00	1.10
Other Services	0.25	0.15
<b>Total</b>	<b>2.50</b>	<b>2.50</b>

**SOLEX ENERGY LIMITED**
**Notes forming part of the Audited financial statements**

h. Transaction with Related Party (As per AS 18)			
Name of Related Party	Nature of transactions	Relation	Payment made (Rs. In Lakhs)
Kalpesh R Patel	Rent on Building	Director	16.80
Kalpesh R Patel	Remuneration	Director	36.00
Kalpesh R Patel	Interest on USL	Director	21.07
Chetan S Shah	Interest on USL	Chairman and Managing Director	8.41
Chetan S Shah	Remuneration	Chairman and Managing Director	67.50
Piyush Chandak	Interest on USL	Director	5.91
Piyush Chandak	Remuneration	Director	7.60
Shri Vasudev Industries	Rent on Factory	Director Partner (Piyush Chandak)	178.00
Shree Vasudev Processors Pvt Ltd	Scrape Sale	Director Father is Director (Piyush Chandak)	0.18
Nemji Sales	Purchase of Capital Goods	Prop Firm of Brother of Director (Chetan S Shah)	1.01
Nemji Marketing	Mobile Purchase	Prop Firm of Brother of Director (Chetan S Shah)	0.08
Nemji.com (Prop Chetan S Shah (HUF))	Purchase of Computers and Computer Stationery etc	HUF firm of Director (Chetan S Shah)	99.51
Tech Nemji (Prop. Paulami Chetan Kumar Shah)	Software Services Purchased	Prop Firm of Wife of Director (Chetan S Shah)	6.87
Kiran R Shah	Remuneration	Director & CFO	7.95
VSSK & Co.	Profession Charges paid	Director Partner (Vipul Shah)	30.50
Anil Rathi	Interest on USL	Director	8.98
Arun Patodia	Interest on USL	Promoter	1.80
Narayan Patodiya	Interest on USL	Son of Promoter (Arun Patodia)	1.13
Bhavna Agarwal	Interest on USL	Promoter	3.00
Kavita Piyush Chandak	Interest on USL	Wife of Director	3.26
Krishna Patodia	Interest on USL	Promoter	3.46
Pukhraj Agarwal	Interest on USL	Promoter	6.84
Satyanarayan U. Rathi	Interest on USL	Promoter	20.23
Sunita Arun Patodiya	Interest on USL	Promoter	3.05
Vipul Mulchand Shah	Interest on USL	Director	12.91
Anil Rathi	Unsecured Loan taken	Director	25.00
Chetan S Shah	Unsecured Loan taken	Chairman and Managing Director	97.00
Chetan S Shah	Unsecured Loan Return	Chairman and Managing Director	10.00
Kalpesh R Patel	Unsecured Loan taken	Director	150.00
Kalpesh R Patel	Unsecured Loan Return	Director	150.00
Piyush Chandak	Unsecured Loan taken	Director	25.00
Kavita Piyush Chandak	Unsecured Loan taken	Wife of Director	28.00
Satyanarayan U. Rathi	Unsecured Loan taken	Promoter	203.00
Satyanarayan U. Rathi	Unsecured Loan Return	Promoter	90.00
Vipul Mulchand Shah	Unsecured Loan taken	Director	170.00
Vipul Mulchand Shah	Unsecured Loan Return	Director	170.00
Sunita Arun Patodia	Unsecured Loan taken	Promoter	27.00
Narayan Patodia	Unsecured Loan taken	Son of Promoter (Arun Patodia)	10.00
Krishna Patodia	Unsecured Loan taken	Promoter	20.00



**SOLEX ENERGY LIMITED**
**Notes forming part of the Audited financial statements**
**i. Closing Balance with Related Party (As per AS 18)**

			(Rs. in Lakhs)
Name of Related Party	Nature of Transaction	Relation	Amount Outstanding as on 31.03.2023
Kalpesh R Patel	Rent on Building	Director	1.53
Kalpesh R Patel	Remuneration	Director	0.00
Chetan S Shah	Remuneration	Chairman and Managing Director	4.32
Piyush Chandak	Remuneration	Director	0.67
Shri Vasudev Industries	Rent on Factory	Director Partner (Piyush Chandak)	17.82
Nemji.com (Prop Chetan S Shah (HUF))	Purchase of Computer Stationery	HUF firm of Director (Chetan S Shah)	0.24
Kiran R Shah	Remuneration	Director & CFO	0.00
Anil Rathi	Unsecured Loan	Director	83.08
Kalpesh R Patel	Unsecured Loan	Director	177.96
Chetan S Shah	Unsecured Loan	Chairman and Managing Director	94.57
Piyush Chandak	Unsecured Loan	Director	55.32
Kavita Piyush Chandak	Unsecured Loan	Wife of Director	30.93
Satyanarayan U. Rathi	Unsecured Loan	Promoter	181.20
Vipul Mulchand Shah	Unsecured Loan	Director	88.62
Arun Patodia	Unsecured Loan	Promoter	16.62
Narayan Patodiya	Unsecured Loan	Son of Promoter (Arun Patodia)	11.02
Sunita Arun Patodiya	Unsecured Loan	Wife of Promoter (Arun Patodia)	29.75
Bhavna Agarwal	Unsecured Loan	Promoter	27.70
Krishna Patodia	Unsecured Loan	Promoter	33.12
Pukhraj Agarwal	Unsecured Loan	Promoter	63.15

**j. Micro and small enterprise under the Micro, Small and Medium Enterprise Development Act, 2006 have been determined based on the information available with the company and required disclosures are given below:**

			(Rs. in Lakhs)	
Particulars	31.03.2023	31.03.2022		
Principal amount remaining unpaid@.....	51.31	574.56		
Interest due thereon @.....	0.16	Nil		
The amount of Interest paid along with the amounts of the payment made to the supplier beyond the appointed day @.....	Nil	Nil		
The amount of Interest due and payable for the year@.....	Nil	Nil		
The amount of Interest accrued and remaining unpaid @.....	Nil	Nil		
The amount of further interest due and payable even in the succeeding years, until such date when the interest dues as above are actually paid@.....	Nil	Nil		

Due to Micro and Small Enterprise have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

@ Amounts unpaid to Micro and Small Enterprises vendors on account of retention money have not been considered for the purpose of interest calculation.

@ Amounts unpaid to Micro and Small Enterprises vendors on account of terms of payment have not been considered for the purpose of interest calculation.

**k. Balance of sundry Debtors/ Creditors/Loans/Advances and deposits are subject to confirmation, reconciliation and necessary adjustments.**
**l. Previous year's figures have been re-grouped or re-arranged wherever necessary to make them comparable with the current year figures.**
**m. Cash & Cash equivalents (for purpose of cash flow statement)**

Cash & Cash equivalents in the cash flow statement comprise cash at bank, cash in hand and fixed deposit with bank.

**n. Earnings per share**

Basic earnings per share is computed by dividing the profit / (loss) after tax for the period by the number of the equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expenses or income relating to the dilutive potential equity shares, by the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

SOLEX ENERGY LIMITED	
<b>Notes forming part of the Audited financial statements</b>	
<b>o.</b>	<p><b>Impairment of Assets</b></p> <p>Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. In assessing value in use, the estimate future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).</p>
<b>p.</b>	<p><b>Inventories</b></p> <p>Inventories are stated at lower of cost and net realisable value. Costs of inventories are determined on a weighted average basis.</p> <p>Raw materials is stated at Cost. Raw Materials cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.</p> <p>Finished Goods is valued based on method which carried by the management which includes cost of direct materials, labour and proportion of manufacturing overheads based on the normal operating capacity.</p> <p>Traded Goods cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.</p>
<b>q.</b>	<p><b>Segment Reporting</b></p> <p>The Company is a manufacturer of solar photo-voltaic cells and modules as well as in the Engineering, Procurement and Construction (EPC) in the solar energy market, wherein the manufactured cells/modules are utilized. Based on the "management approach" as defined in AS-17 Segment Reporting, the Chief Operating Decision Marker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by the overall business segment, i.e. the performance of the EPC projects. As the allocation of resources and profitability of the business is evaluated by CODM on an overall basis, with evaluation into individual categories to understand the reason for variations, no separate segments have been identified. Accordingly no additional disclosure has been made for the segment revenue, segment results and the segment assets and liabilities.</p>
<b>r.</b>	<p>The Company has borrowed fund from Banks on the basis of security of current assets and the company has filed monthly statement of current assets with the Bank and the same are generally in agreement with books of accounts.</p>
<b>s.</b>	<p>Analytical Ratio</p>

**s. Analytical Ratio**

Ratio	Numerator	Denominator	Period	Current Period	Previous Period	% Variance	Reason for Variance
a) Current Ratio	Current assets	Current Liabilities	C/year	1.53			Due to Substantial Increase in the short term borrowing and debtors & Creditors during the year, as compared to the Preceding Year. this Ratio has decreased Substantially.
			P/Year		2.34	-34.57%	
b) Debts Equity Ratio	Total debt	Shareholder's equity	C/year	1.75			Due to Substantial Increase in the Long Term Borrowings by the Company during the year, the Equity of the Company has Substantially Increased. this Ratio has increased
			P/Year		0.55	216.12%	
c) Debts Service Coverage Ratio	Earnings available for debt service	Debt service	C/year	2.07			Due to Substantial Increase in the interest on Borrowings and increase of depreciation on capex by the Company during the year. this Ratio has increased Substantially.
			P/Year		2.30	-10.16%	
d) Return on Equity Ratio(ROE)	Net profits after taxes	Average shareholder's equity	C/year	0.34			Due to Substantial Increase in the Net Profit earned by the Company during the year, and the corresponding Increase in the Reserves and Surplus of the Company this Ratio has Increased.
			P/Year		0.03	1064.06%	
e) Inventory Turnover Ratio	Cost of goods sold OR sales	Average Inventory	C/year	6.15			Due to Substantial Increase in the Operations of the Company during the year, but however the Inventory holding was maintained at the same level as that of Preceding Year, this Ratio has Increased Substantially.
			P/Year		5.90	4.32%	
f) Trade Receivable Turnover Ratio	Revenue	Average trade receivable	C/year	6.34			Due to Substantial Increase in the Operational Sales of the Company during the year, compared to Previous Year, but however the Pending Trade Receivable was maintained at the same level as that of Previous Year, this Ratio has Increased Substantially.
			P/Year		1.88	236.94%	
g) Trade Payable Turnover Ratio	Purchases of services and other expenses	Average trade payable	C/year	7.66			Due to Substantial Increase in the Operational Purchases of the Company during the year, compared to Previous Year, but however the Pending Trade Payable was maintained at the same level as that of Previous Year, this Ratio has Increased Substantially.
			P/Year		3.10	147.39%	
h) Net Capital Turnover Ratio	Revenue	Average Working capital	C/year	5.83			Due to Substantial Increase in the Net Profit earned by the Company during the year, increased the Current Assets and current liabilities of the Company Substantially, during the year, as compared to the Preceding Year and hence the Ratio has increased as compared to Previous Year.
			P/Year		2.74	113.00%	
i) Net Profit Ratio	Net profit	Revenue	C/year	0.02			Due to Substantial Increase in Operational Sales, and the overall Increase in the Profit of the Company, this Ratio was Substantially Increased as compared to Previous Year.
			P/Year		0.01	22.04%	
j) Return on Capital Employed(ROCE)	Earning before interest and taxes	Capital Employed	C/year	0.10			Due to Substantial Increase in Operational Sales, and due to this there was overall Increase in Net Profit of the Company, and hence this Ratio was Substantially Increased as compared to Previous Year.
			P/Year		0.03	198.74%	
k) Return on Investment(ROI)	Income generated from investments	Time weighted average investments	C/year	N.A.	N.A.	N.A.	
			P/Year	N.A.	N.A.	N.A.	

**SOLEX ENERGY LIMITED**
**Notes forming part of the Audited financial statements**
**Note : 2 SHARE CAPITAL**

Particulars	As at 31-03-2023		As at 31-03-2022	
	No. of Shares	Amount (Rs. in Lakhs)	No. of Shares	Amount (Rs. in Lakhs)
<b>Authorised Share Capital</b>				
Equity shares of Rs 10/- each with voting rights	80,00,000	800.00	80,00,000	800.00
<b>Total</b>	<b>80,00,000</b>	<b>800.00</b>	<b>80,00,000</b>	<b>800.00</b>
<b>Issued, Subscribed and fully paid Share Capital</b>				
Equity shares of Rs 10/- each with voting rights	80,00,000	800.00	80,00,000	800.00
<b>Total</b>	<b>80,00,000</b>	<b>800.00</b>	<b>80,00,000</b>	<b>800.00</b>

**Note 2.1 Reconciliation of the number of shares outstanding at the beginning and at the end of the year :**

Particulars	No. of Shares	Amount (Rs. in Lakhs)
At April 1, 2021	49,40,000	494.00
Changes during the year	30,60,000	306.00
At March 31, 2022	80,00,000	800.00
Changes during the year	-	0.00
At March 31, 2023	80,00,000	800.00

**Note 2.2 Details of shareholders holding more than 5% shares in the company :**

Particulars	As at 31-03-2023		As at 31-03-2022	
	No. of Shares	% of total shares	No. of Shares	% of total shares
<b>Equity shares with voting rights</b>				
KALPESHKUMAR RAMANBHAI PATEL	15,97,360	19.97%	15,97,360	19.97%
CHETAN SURESHCHANDRA SHAH	4,72,172	5.90%	4,72,172	5.90%
SATYANARAYAN UNKARCHAND RATHI	4,71,655	5.90%	4,71,655	5.90%
ANIL RATHI	4,71,654	5.90%	4,71,654	5.90%
SHIVPRAKASH UNKARCHAND RATHI	4,71,653	5.90%	4,71,653	5.90%
Other less than 5%	45,15,506	56.44%	45,15,506	56.44%
<b>Total</b>	<b>80,00,000</b>	<b>100.00%</b>	<b>80,00,000</b>	<b>100.00%</b>

No shares have been reserved for issue under options and contracts/commitments for the sale of shares/disinvestment.  
The company has not allotted any shares pursuant to contracts, without payment being received in cash.  
The company has not allotted any bonus shares.  
The company has not bought back any shares.  
No shares have been forfeited by the company.

**2.3 Shareholding of Promoters (Shares held by promoters at the end of the year)**

Sr. No.	Name of Promoter	No. of shares Held	% of total shares	% change during the year
1	Kalpeshkumar Ramanbhai Patel	15,97,360	19.97	-
2	Chetan Sureshchandra Shah	4,72,172	5.90	-
3	Satyanarayan Unkarchand Rathi	4,71,655	5.90	-
4	Anil Rathi	4,71,654	5.90	-
5	Shivprakash Unkarchand Rathi	4,71,653	5.90	-
6	Krishna Patodia	3,11,492	3.89	-
7	Sapna Vipul Shah	2,76,059	3.45	-
8	Shakuntala Mulchand Shah	2,76,057	3.45	-
9	Kailashchandra Bansilal Chandak	2,58,493	3.23	-
10	Pukhraj Ganeshilal Agrawal	2,20,494	2.76	-
11	Agrawal Bhavana	2,20,492	2.76	-
12	Paulomi Chetan Shah	1,40,533	1.76	-
13	Piyush Chandak	1,29,247	1.62	-
14	Kavitadevi Kailashchandra Chandak	77,548	0.97	-
15	Shikha Ayush Patodia	72,000	0.90	-
16	Kavita Piyush Chandak	51,698	0.65	-
17	Patodia Arunkumar Kashiprasad	44,499	0.56	-
18	Narayan Arun Patodia	44,498	0.56	-
19	Sunita Arunkumar Patodia	44,498	0.56	-

SOLEX ENERGY LIMITED		
Notes forming part of the Audited financial statements		
Note : 3 RESERVES AND SURPLUS		
(Rs. in Lakhs)		
Particulars	As at 31.03.2023	As at 31.03.2022
<b>(a) <u>Securities Premium</u></b>		
Opening Balance	1,311.45	546.45
Add : Premium on shares issued during the year	-	765.00
Closing Balance	<b>1,311.45</b>	<b>1,311.45</b>
<b>(b) <u>Surplus/ (deficit) in the statement of profit and loss</u></b>		
Opening balance	1,392.17	1,317.38
Less : Prior Period Adjustment	-	-
Add : Net Profit for the current year	271.07	98.79
Less : Final Dividend	12.00	24.00
Closing Balance	<b>1,651.25</b>	<b>1,392.17</b>
<b>Total</b>	<b>2,962.69</b>	<b>2,703.62</b>
Note : 4 LONG TERM BORROWINGS		
(Rs. in Lakhs)		
Particulars	As at 31.03.2023	As at 31.03.2022
<b>A. <u>Secured borrowings</u></b>		
(a) Term Loans from Bank of Baroda (refer Note 6.1 below) (Repayment term include One year moratorium period, repayment in 40 Monthly instalment from Oct 2021)	20.33 -	61.00 -
(b) Term Loans from bank of baroda (ECLS)(refer Note 6.1 below) (Repayment term include 24 Month moratorium period, repayment in 36 Monthly instalment from April 2024)	97.22 -	100.00 -
(c) Term Loans from bank of baroda (ECLS)(refer Note 6.1 below) (Repayment term include 12 Month moratorium period, repayment in 91 Monthly instalment from April 2023)	600.30 -	- -
(d) HDFC Ltd Car Loan (Secured by mortgage of Motar Car, repayment in 36 Monthly instalment from Jun 2022)	2.87 -	- -
(e) Term Loans from state bank of india (refer Note 6.1 below) (Repayment term include 17 Months moratorium period, repayment in 91 Monthly instalment from April 2023)	2,388.89 -	671.10 -
(f) Union Bank of India (Secured by personal guarantee of of Named Note no 6.1.K serial no. a,b,d,e and l, Repayment term include 4 Months moratorium period, repayment in 117 Monthly instalment from April 2024)	448.72 -	- -
(g) ICICI Bank Vehicle Loan (Secured by mortgage of Vehicles, repayment in 48 Monthly instalment from Oct 2023)	21.45	-
Sub-total	3,579.78	832.10
<b>B. <u>Loans and advances from Related Parties</u></b>		
Secured	-	-
Unsecured		
Loans and advances from Related Parties - Unsecured	893.05	468.00
Sub-total	893.05	468.00
<b>Total</b>	<b>4,472.82</b>	<b>1,300.10</b>

<b>SOLEX ENERGY LIMITED</b>		
<b>Notes forming part of the Audited financial statements</b>		
<b>Note : 5 LONG TERM PROVISIONS</b>		
(Rs. in Lakhs)		
<b>Particulars</b>	<b>As at 31.03.2023</b>	<b>As at 31.03.2022</b>
Unsecured, considered good - Provision for I&C - Supply	349.40	501.06
<b>Total</b>	<b>349.40</b>	<b>501.06</b>
<b>Note : 6 SHORT TERM BORROWINGS</b>		
(Rs. in Lakhs)		
<b>Particulars</b>	<b>As at 31.03.2023</b>	<b>As at 31.03.2022</b>
<b>A Secured Borrowings</b>		
a) Loans repayable on demand from banks		
Cash Credit from the Bank of Baroda(Alocate to Surat Br(REFER NOTE 6.1 BELOW)	-188.34	-189.41
Cash Credit from the Bank of Baroda (REFER NOTE 6.1 BELOW)	1,473.43	790.99
Cash Credit from the State Bank of India (REFER NOTE 6.1 BELOW)	205.44	
b) Current maturities of long-term debt (REFER NOTE 6.1 BELOW)	630.79	40.68
<b>B Unsecured Borrowings</b>	-	-
<b>Total</b>	<b>2,121.32</b>	<b>642.26</b>
<p><b>Note: 6.1</b> The Company has been sanctioned Fund Based Limit comprising of Term Loan of Rs. 4000 Lacs &amp; Cash Credit Limit of Rs. 1900 Lacs &amp; Rs. 115 Lacs ECLS by Consortium of Bank of Baroda &amp; State bank of India. Additionally Non-Fund based Limit amounting to Rs. 3575 Lacs comprising of Inland LC/Foreign LC/SBLC &amp; Bank Guarantee Performance/ Financial sanction by Consortium of Bank of Baroda &amp; State bank of India. The Company is sanctioned an additional amount of Rs. 100 Lacs under ECLS by Bank of Baroda. Following are the main terms and conditions of the sanction.</p> <p>A Joint deed of Hypothecation with first pari-passu charge of all consortium member Banks on entire stock of raw material, Plant &amp; Machinery and Book Debts, both present and future (excluding machinery/ equipments hypothecated to other financial institutions)</p> <p>B Pari-passu charge by equitable mortgage of house situated at B/2,Punit Society,Behind Purnima Society,Opp Flora Ghar Ghanti,Anand-Sojitra Road, Anand,admeasuring 112.87 sq.mtrs,R.S.No.1606/2,FP No.124/B,TPS No.4 of Anand Nagar Palika standing in the name of Kalpeshkumar Ramanbhai Patel.</p> <p>C Pari-passu charge by equitable mortgage of Shop No.G-90,Ground Floor,"Jyoti Metal Corporation",Puja Estate,Opp.Akira Marble,Anand-Sujitra Road,Karmsad,admeasuring 18.58 sq.mtrs bearing Survey No.770/paiki 2 of Karmsad standing in the name of Mr. Kalpeshkumar Ramanbhai Patel.</p> <p>D Pari-passu charge by equitable mortgage of leasehold factory land bearing R.S.No.755/p (original R.S.No.755),Plot No.131/A admeasuring 821 sq mtrs and construction thereon admeasuring of 1653.63 sq mtrs,GIDC Estate,Vithal Udyognagar,Tal.and Dist.Anand belonging to Mr. Kalpeshkumar Ramanbhai Patel.</p> <p>E Pari-passu charge by equitable mortgage of lease hold property situated at R.S.No.755 paiki Plot No.131/B Phase I,M/s. Gujarat Renewable &amp; Packaging, Behind Sun Energy,GIDC Vithal Udyognagar admeasuring 696.01 sq.mtrs and construction thereon admeasuring of 500.05 Sq. Mtr.belonging to Mr.Kalpeshkumar R Patel.</p> <p>F Pari-passu charge by equitable mortgage of factory Land &amp; Building at Block no 938, Plot no 1(A-Type), Tadkeshwar, Mandvi, Surat admeasuring 36742.88 sq.mtrs and construction thereon admeasuring of 242151 Sq. Mtr.belonging to M/s Shree Vasudev Industries.</p>		

**SOLEX ENERGY LIMITED**
**Notes forming part of the Audited financial statements**

- G Pari-passu charge by extention of charge on Bunglow No 106, Shree Sant Tukaram Co-op. Housing Society Ltd., Part 3, Bhatar Road, Surat admeasuring 340.15 sq.mtrs and construction thereon admeasuring of 4394 Sq. Mtr.belonging to Mr. Chetan Shah, Mr Jayesh Shah and Mr Paresh Shah.
- H Pari-passu charge by 203-204, Adhyashakti Complex, Beside Honest Hotel, \*/A, National Highway, Lalpar, Morbi, Gujarat- 363642.belonging to Mr. Vipul Shah.
- I Pledge of 14.82 Lacs equity shares of the company held by Mr. Kalpeshkumar Patel (Director).
- J Pledge of FDR of Rs. 70.00 Lacs in the name of the company.
- K Personal Guarantee of Director/Guarantor (LDOC33)  
a. Kalpeshkumar Ramanbhai Patel  
b. Anil Rathi  
c. Vipul Mulchand Shah  
d. Piyush Kailashchandra Chandak  
e. Chetan Sureshchandra Shah  
f. Jayesh Shah  
g. Paresh Shah  
i. Shri Vasudev Industries & its partners i) Mr Vasudev Agarwal, ii) Mr Piyush Chandak and iii) Mr Ayush Patodia.
- L Unsecured loan Amounting to Rs. 940 Lacs to be introduced by Promoter/Promoter relative/Director/Director Relative without interest till the continuance of the Loan as per condition of Consortium of Bank of Baroda & State bank of India.

**Note : 7 TRADE PAYABLES**
**(Rs.in Lakhs)**

Particulars	As at 31.03.2023	As at 31.03.2022
<b>Trade payables for goods and services</b>		
Total Outstanding dues of micro enterprises and small enterprise	51.31	574.56
	-	-
Total Outstanding dues creditors other than micro enterprises and small enterprise	2,862.87	681.89
Outstanding for a period more than three years from the date they are due	-	-
i) MSME	-	-
ii) Others	12.37	17.48
iii) Disputes MSME	-	-
iv) Disputes Other	-	-
Outstanding for a period 2-3 years from the date they are due	-	-
i) MSME	-	2.11
ii) Others	15.14	0.31
iii) Disputes MSME	-	-
iv) Disputes Other	-	-
Outstanding for a period 1-2 Years from the date they are due	-	-
i) MSME	-	0.04
ii) Others	603.51	45.23
iii) Disputes MSME	-	-
iv) Disputes Other	-	-
Outstanding for a period Less than one Years from the date they are due	-	-
i) MSME	51.31	572.41
ii) Others	2,231.85	618.87
iii) Disputes MSME	-	-
iv) Disputes Other	-	-
<b>Total</b>	<b>2,914.18</b>	<b>1,256.45</b>

<b>SOLEX ENERGY LIMITED</b>		
<b>Notes forming part of the Audited financial statements</b>		
<b>Note : 8 OTHER CURRENT LIABILITIES</b>		
(Rs.in Lakhs)		
<b>Particulars</b>	<b>As at 31.03.2023</b>	<b>As at 31.03.2022</b>
(a) Statutory Remittances		
TDS Payable	33.13	24.54
TCS Payable	-	0.25
Custom Duty Payable	49.01	-
Provident Fund & ESI Payable	6.60	1.10
Professional Tax Payable	0.55	0.13
(b) Others	-	-
Advances from customers	232.63	5.41
Salary & Wages Payable	75.59	28.19
Director's Remuneration Payable	-	4.79
<b>Total</b>	<b>397.51</b>	<b>64.42</b>
<b>Note : 9 SHORT TERM PROVISIONS</b>		
(Rs.in Lakhs)		
<b>Particulars</b>	<b>As at 31.03.2023</b>	<b>As at 31.03.2022</b>
(a) Others		
Audit Fees Payable	1.80	3.28
Electricity Bill Payable	8.32	0.20
Provision for Gratuity	1.67	0.84
Registration Fee payable	0.30	0.30
Income Tax Provision (Net of Advance Tax)	-	-
(b) Dividend payable-2017-18	0.08	0.08
(c) Dividend payable-2018-19	0.03	0.03
(d) Dividend payable-2019-20	0.02	-
(e) Dividend payable-2021-22	0.01	-
<b>Total</b>	<b>12.23</b>	<b>4.73</b>
<b>Note : 11 OTHER NON-CURRENT ASSETS</b>		
(Rs.in Lakhs)		
<b>Particulars</b>	<b>As at 31.03.2023</b>	<b>As at 31.03.2022</b>
EMD Deposits	53.56	99.03
Securities Deposits	130.35	88.39
<b>Total</b>	<b>183.91</b>	<b>187.43</b>
<b>Note : 12 INVENTORIES</b>		
(Rs.in Lakhs)		
<b>Particulars</b>	<b>As at 31.03.2023</b>	<b>As at 31.03.2022</b>
(a) Finished Goods	1,300.76	337.17
(b) Raw Materials and Components	1,737.32	1,087.23
<b>Total</b>	<b>3,038.07</b>	<b>1,424.40</b>



**SOLEX ENERGY LIMITED**

Notes forming part of the Audited financial statements

**Note : 10 Property, Plant & Equipment and Intangible Asset**

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 01-04-2023	Additions during the year	Deduction during the year	As on 31-03-2023	As on 01-04-2023	Depreciation for the year	Deduction during the year	As on 31-03-2023	As on 31-03-2023	As on 31-03-2022
<b>A Property, Plant &amp; Equipment</b>										
Plant and machinery	128.75	4,821.52	-	4,950.27	99.19	376.97	-	476.16	4,474.10	29.55
Plant and machinery(Renewable Energy Devise Manufacturing)	133.03	-	-	133.03	126.38	-	-	126.38	6.65	6.65
Furniture and Equipments	3.23	39.29	-	42.52	2.03	2.43	-	4.46	38.06	1.20
Electrical Installations	-	-	-	-	-	-	-	-	-	-
Computer System	18.91	103.39	-	122.30	11.74	18.98	-	30.73	91.58	7.17
Vehicle	30.25	5.49	-	35.74	15.80	3.31	-	19.11	16.62	14.44
Office Equipment	16.91	36.33	-	53.25	13.21	3.19	-	16.41	36.84	3.70
Packing Equipment	-	1.26	-	1.26	-	0.14	-	0.14	1.12	-
Factory Utilities	-	829.67	-	829.67	-	47.43	-	47.43	782.24	-
<b>Sub Total</b>	<b>331.07</b>	<b>5,836.96</b>	<b>-</b>	<b>6,168.03</b>	<b>268.36</b>	<b>452.46</b>	<b>-</b>	<b>720.82</b>	<b>5,447.21</b>	<b>62.71</b>
<b>B Intangible Assets</b>										
Intangible Assets	9.59	2.53	-	12.12	3.17	1.03	-	4.19	7.93	6.43
<b>C Capital Work in Progress</b>										
Capital Work in Progress	2,407.84	83.94	2,407.84	83.94	-	-	-	-	83.94	2,407.84
<b>D Intangible assets under Development</b>										
<b>Total</b>	<b>2,748.51</b>	<b>5,923.42</b>	<b>2,407.84</b>	<b>6,264.09</b>	<b>271.53</b>	<b>453.49</b>	<b>-</b>	<b>725.01</b>	<b>5,539.08</b>	<b>2,476.99</b>
Previous Year's Figure	341.11	2,413.20	5.80	2,748.51	248.20	25.16	1.83	271.53	2,476.99	92.91

Capital Work in Progress (CWIP) Ageing Schedule	Amount of CWIP for a period of			Total
	Less than 1 year	1-2 year	2-3 year	
Project in progress	83.94	-	-	83.94
Projects temporarily suspended	-	-	-	-

**SOLEX ENERGY LIMITED**
**Notes forming part of the Audited financial statements**
**Note : 13 TRADE RECEIVABLES**

		(Rs.in Lakhs)	
Particulars	As at 31.03.2023	As at 31.03.2022	
(a) <u>Due Less than six months</u>			
Secured, considered good			
Unsecured, considered good	1,878.11	1,087.67	
Doubtful	-	-	
	1,878.11	1,087.67	
Less : Provision for doubtful trade receivables	-	-	
	<b>1,878.11</b>	<b>1,087.67</b>	
(b) <u>Others</u>			
Secured, considered good	-	-	
Unsecured, considered good	1,146.64	987.19	
Doubtful	-	-	
	1,146.64	987.19	
Less : Provision for doubtful trade receivables	-	-	
	<b>1,146.64</b>	<b>987.19</b>	
Outstanding for a period more than three years from the date they are due			
i) Undisputed Trade Receivables - considered good	455.12	59.46	
ii) Undisputed Trade Receivables - considered doubtful	-	-	
iii) Disputed Trade Receivables - considered good	-	-	
iv) Disputed Trade Receivables - considered doubtful	-	-	
Outstanding for a period 2-3 Years from the date they are due			
i) Undisputed Trade Receivables - considered good	286.89	155.54	
ii) Undisputed Trade Receivables - considered doubtful	-	-	
iii) Disputed Trade Receivables - considered good	-	-	
iv) Disputed Trade Receivables - considered doubtful	-	-	
Outstanding for a period 1-2 Years from the date they are due			
i) Undisputed Trade Receivables - considered good	150.02	681.13	
ii) Undisputed Trade Receivables - considered doubtful	-	-	
iii) Disputed Trade Receivables - considered good	-	-	
iv) Disputed Trade Receivables - considered doubtful	-	-	
Outstanding for a period 6 month to 1 year from the date they are due			
i) Undisputed Trade Receivables - considered good	254.61	91.06	
ii) Undisputed Trade Receivables - considered doubtful	-	-	
iii) Disputed Trade Receivables - considered good	-	-	
iv) Disputed Trade Receivables - considered doubtful	-	-	
Outstanding for a period Less than 6 months from the date they are due			
i) Undisputed Trade Receivables - considered good	1,878.11	1,087.67	
ii) Undisputed Trade Receivables - considered doubtful	-	-	
iii) Disputed Trade Receivables - considered good	-	-	
iv) Disputed Trade Receivables - considered doubtful	-	-	
<b>Total</b>	<b>3,024.75</b>	<b>2,074.85</b>	

<b>SOLEX ENERGY LIMITED</b>		
<b>Notes forming part of the Audited financial statements</b>		
<b>Note : 14 CASH AND CASH EQUIVALENTS</b>		
(Rs.in Lakhs)		
<b>Particulars</b>	<b>As at 31.03.2023</b>	<b>As at 31.03.2022</b>
(a) <b>Cash on hand</b>	11.21	34.02
(b) <b>Balances with Banks :</b>	-	-
(c) <b>Repatriation Restriction</b>	-	-
Bank of Baroda A/c-1195 (Escrow)	1.99	4.40
(d) <b>Earmarked Balances with Bank</b>	-	-
HDFC Dividend A/c-0822	0.03	0.03
Hdfc Bank Ltd- Dividend A/c-939	0.02	-
HDFC DIVIDEND A/C-568	0.01	-
Bank of Baroda-Dividend	0.08	0.08
<b>Total</b>	<b>13.34</b>	<b>38.53</b>
<b>Note : 15 SHORT TERM LOANS AND ADVANCES</b>		
(Rs.in Lakhs)		
<b>Particulars</b>	<b>As at 31.03.2023</b>	<b>As at 31.03.2022</b>
Advance to Creditors	694.42	23.92
Fixed Deposits (held as Margin Money Deposits against Guarantees/Letter of Credit and Pledge against the Borrowings)	540.42	420.01
Subsidy Receivable	214.00	-
Net meter Charges Receivable	-	0.07
Registration fee Recivable	0.98	-
Other Deposits	93.35	85.02
<b>Total</b>	<b>1,543.16</b>	<b>529.01</b>
<b>Note : 16 OTHER CURRENT ASSETS</b>		
(Rs.in Lakhs)		
<b>Particulars</b>	<b>As at 31.03.2023</b>	<b>As at 31.03.2022</b>
Prepaid Expenses	63.16	24.96
Advance to Staff	11.45	6.58
<b>Balance with Statutory/ Govt. Authorities:</b>	-	-
Income Tax Refund Receivable	-	43.51
TDS Receivable	12.91	52.04
TCS Receivable	0.27	0.20
GST Refund Receivable	85.04	19.16
GST Credit Ledger Balance	484.36	289.73
GST Cash Ledger Balance	28.25	41.66
GST TDS Receivable	39.26	25.65
VAT Receivable	3.00	6.17
Other Current Assets	-	33.63
<b>Total</b>	<b>727.72</b>	<b>543.28</b>

<b>SOLEX ENERGY LIMITED</b>		
<b>Notes forming part of the Audited financial statements</b>		
<b>Note : 17 CONTINGENT LIABILITIES</b>		
<b>(Rs.in Lakhs)</b>		
<b>Particulars</b>	<b>As at 31.03.2023</b>	<b>As at 31.03.2022</b>
Bank Guarantee for O&M Contracts	53.86	1,003.43
EPCG License	1,027.96	949.67
Demand raised by VAT Department	28.50	87.06
GST Outstanding Demand	-	186.13
TDS Outstanding Demand at Traces	-	0.49
<b>Total</b>	<b>1,110.32</b>	<b>2,226.78</b>

<b>SOLEX ENERGY LIMITED</b>		
<b>Notes forming part of the Audited financial statements</b>		
<b>Note : 18 REVENUE FROM OPERATIONS</b>		
<b>(Rs. In Lakhs)</b>		
<b>Particulars</b>	<b>For the year ended 31-03-2023</b>	<b>For the year ended 31-03-2022</b>
(a) Sale of Products - Finished Goods	13,876.86	5,998.88
(b) Sale of Services		
Installation and Commission Charges	1,421.21	1,052.52
Job Work charges Received	721.56	-
Annual Maintenance Income recognised during the year	151.66	140.58
<b>Total</b>	<b>16,171.29</b>	<b>7,191.98</b>
<b>Note : 19 OTHER INCOME</b>		
<b>(Rs. In Lakhs)</b>		
<b>Particulars</b>	<b>For the year ended 31-03-2023</b>	<b>For the year ended 31-03-2022</b>
Interest Income	24.84	24.72
Subsidy - Received	214.00	-
Gain on Forex Transaction	13.46	3.73
Interest on Income Tax Refund	6.11	1.36
Other Income	9.14	7.57
<b>Total</b>	<b>267.55</b>	<b>37.38</b>
<b>Note : 20(a) COST OF MATERIAL CONSUMED</b>		
<b>(Rs. In Lakhs)</b>		
<b>Particulars</b>	<b>For the year ended 31-03-2023</b>	<b>For the year ended 31-03-2022</b>
Inventories at the beginning of the year	1,087.23	311.57
Add: Purchases during the year	14,683.17	6,685.94
	<b>15,770.40</b>	<b>6,997.51</b>
Less: Inventories at the end of the year	1,737.32	1,087.23
<b>Total</b>	<b>14,033.08</b>	<b>5,910.28</b>

<b>SOLEX ENERGY LIMITED</b>		
<b>Notes forming part of the Audited financial statements</b>		
<b>Note : 20(b) CHANGES IN INVENTORIES OF FINISHED GOODS</b>		
<b>(Rs. In Lakhs)</b>		
<b>Particulars</b>	<b>For the year ended 31-03-2023</b>	<b>For the year ended 31-03-2022</b>
Inventories at the end of the year:		
- Work-in-progress	-	-
- Finished goods	1,300.76	337.17
- Stock-in-trade	-	-
	1,300.76	337.17
Inventories at the beginning of the year:		
- Work-in-progress	-	-
- Finished goods	337.17	487.65
- Stock-in-trade	-	-
	337.17	487.65
<b>Net (increase) / decrease</b>	<b>-963.59</b>	<b>150.48</b>
<b>Note : 21 EMPLOYEE BENEFIT EXPENSES</b>		
<b>(Rs. In Lakhs)</b>		
<b>Particulars</b>	<b>For the year ended 31-03-2023</b>	<b>For the year ended 31-03-2022</b>
Staff Welfare Exp	29.87	0.59
Wages and Salary Expenses	517.19	184.49
Director Remuneration	83.25	26.00
Bonus Expenses	13.69	7.69
Contribution to Provident Funds & ESI	19.38	7.36
Group Health Insurance Expense	4.99	2.56
Gratuity Exp	0.84	0.84
<b>Total</b>	<b>669.20</b>	<b>229.53</b>
<b>Note : 22 FINANCE COSTS</b>		
<b>(Rs. In Lakhs)</b>		
<b>Particulars</b>	<b>For the year ended 31-03-2023</b>	<b>For the year ended 31-03-2022</b>
(a) Interest Expense on:		
Term Loan	197.63	10.18
Buyer's Credit/Letter of Credit	24.82	8.83
Cash Credit	140.98	33.15
Interest on Vehicles Loan	1.56	-
Interest on Late Payment of TDS	0.16	0.09
Interest to MSME Creditors	0.16	-
Interest on Unsecured Loan	100.05	-
(b) Bank Charges and Commission	95.86	22.82
<b>Total</b>	<b>561.22</b>	<b>75.07</b>

<b>SOLEX ENERGY LIMITED</b>		
<b>Notes forming part of the Audited financial statements</b>		
<b>Note 23 OTHER EXPENSES</b>		
	<b>(Rs. In Lakhs)</b>	
<b>Particulars</b>	<b>For the year ended 31-03-2023</b>	<b>For the year ended 31-03-2022</b>
<b><u>Manufacturing Expenses</u></b>		
Clearing & Forwarding Expenses	51.53	25.41
Custom Duty Expenses	188.18	-
Freight Expenses - Inward	96.02	13.88
Net Meter Charges	16.20	2.97
Testing Fee	4.32	-
Power Exp	212.68	9.94
Production Expenses	83.18	433.38
Registration Fees Expenses	3.25	9.78
Sub-total	655.37	495.36
<b><u>Selling and Administrative Expenses</u></b>		
Administrative Expenses	0.79	0.24
Advertisement Expenses	1.30	0.45
Audit Fees	3.75	2.25
Bad-debts written off	-	13.40
Commission on Sales	54.78	1.27
Communication and Internet Expenses	-	4.56
Courier & Postage Expenses	1.43	0.88
Donation Expenses	-	0.02
Exhibition Expenses	31.99	14.95
Export Exp	2.09	-
Guest Hospitality Expenses	-	0.55
GST Expenses	23.59	7.85
Insurance Expenses	34.20	16.03
Kasar & Discount	0.08	1.08
Key Men Insurance Premium	-	2.94
Legal Fees	3.59	0.26
Liquidated Damages (LD)	29.33	34.57
Loading & Unloading Expenses	11.32	1.48
Loss on sale of fixed assets	-	0.21
Membership Fees	0.50	1.15
Notified Area Tax	3.72	0.77
Office Expenses	61.31	7.72
Penalty/Late Fees	13.36	0.43
Petrol and Diesel Expenses	12.08	8.33
Printing and Stationery Expenses	5.33	2.28
Professional Fees Expenses	53.02	19.95
Professional Tax - Company	0.05	0.02
Rent Expenses	165.35	33.18
Repairs & Maintenance Expenses	35.21	8.00
ROC Fees	0.40	2.77
Round off	0.01	-0.00
Sales Promotion Expenses	0.20	0.06
Security Expenses	13.53	1.16
Factory Exp	3.46	0.04
Software & Subscription Expenses	7.00	5.04
Stamp Duty Expenses	2.68	0.78
Telephone & Mobile Expenses	8.21	0.14
Tender Fees Expenses	1.77	1.77
Transportation Expenses - Outward	15.68	-
Travelling Expenses - Local & Foreign	43.67	24.13
Web Hosting Charges	0.11	-
Sub-total	644.90	220.73
<b>Total</b>	<b>1,300.26</b>	<b>716.09</b>

<b>Notes:</b>		
	<b>(Rs. In Lakhs)</b>	
<b>Particulars</b>	<b>For the year ended 31-03-2023</b>	<b>For the year ended 31-03-2022</b>
<b>Payments to the auditors comprises</b>		
As auditors - statutory audit	1.25	1.25
As auditors - tax audit	1.00	1.00
For taxation matters	0.25	0.25
<b>Total</b>	<b>2.50</b>	<b>2.50</b>
<p><b>As per our report of even date For H R K &amp; Co. ICAI Firm Reg. No. : 146985W Chartered Accountants</b></p> <p><b>Sd/- CA Ankit Raythatha Partner Membership No : 187750</b></p> <p><b>Place : Surat Date : 22.05.2023</b></p>		
<p style="text-align: center;"><b>For and on behalf of Board of Directors of Solex Energy Limited</b></p> <p style="text-align: center;"><b>Sd/- Chetan S. Shah Chairman &amp; Managing Director DIN: 02253886</b></p> <p style="text-align: center;"><b>Sd/- Dilip G Nikhare Company Secretary</b></p>		
<p style="text-align: center;"><b>Sd/- Piyush K. Chandak Director DIN : 09195922</b></p> <p style="text-align: center;"><b>Sd/- Kiran R. Shah Chief Financial Officer</b></p>		



## NOTICE

Notice is hereby given that the 9<sup>th</sup> Annual General Meeting of Solex Energy Limited will be held on Friday, 29<sup>th</sup> September, 2023 at 11.00 a.m. through Video Conferencing (“VC”)/Other Audio-Visual Means (“OAVM”) to transact the following businesses:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended on 31<sup>st</sup> March 2023 together with the Reports of the Auditors and the Board thereon.
2. To declare a Dividend of Re. 0.15 per Equity Shares of fully paid up face value of Rs. 10/- each for the financial year March 31, 2023.
3. To appoint a director in place of Mr. Anil Rathi (DIN: 01405654) who retires by rotation and being eligible offers himself for re-appointment.

### SPECIAL BUSINESS

4. **Ratification of Remuneration of Cost Auditor payable for the Financial Year 2023-24.**

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

**“RESOLVED THAT** pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit Rules) 2014, the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions of the Companies if any, of the Companies Act, 2013 read with rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), on recommendation of Audit committee and with the consent of Board, M/s P.K. Chatterjee & Associates., (Membership No.23674) be and is hereby re-appointed as Cost Auditor of the Company to conduct audit of cost records made and maintained by the company for the financial year 01/04/2023 to 31/03/2024.

**RESOLVED FURTHER THAT** subject to the ratification by members at the next Annual General Meeting of the company, fees of Rs 35,000/- plus applicable taxes and out of pocket expenses, if any, incurred by them during the course of audit to be paid to M/s P.K. Chatterjee & Associates, Cost Accountants for Financial Year 2023-24.

**RESOLVED FURTHER THAT** any director of the company be and is hereby authorized to submit the necessary intimation in Form CRA-2 to the Central Government for appointment of Cost Auditors by the Company and to do all such other acts as may be necessary from time to time to make the resolution effective.”

#### **5. Change in Designation of Kalpeshkumar Ramanbhai Patel (DIN: 01066992) as Whole Time Director of The Company.**

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

**“RESOLVED THAT** in supersession to earlier Resolution passed in General Meeting dated September 29, 2022 and pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, read with Schedule V of the Companies Act 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and any other statutory modification(s) or re-enactments(s) thereof for the time being in force, and pursuant to the provisions of the Articles of Association of the Company and on recommendation of Nomination and Remuneration Committee and such other approvals as may be necessary the consent of the Board be and is hereby accorded for change in designation of Mr. Kalpeshkumar Ramanbhai Patel (DIN: 01066992) from Joint Managing Director to Whole Time Director of the Company for his remaining term (vide Board Resolution passed on May 30, 2022, he was appointed as Joint Managing Director for a term of three (3) years from May 30, 2022 to May 29, 2025 and keeping the other terms and conditions of his appointment, tenure and remuneration as per Board Resolution passed on May 30, 2022 shall remain unchanged.

**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year of the Company during the term the remuneration set out in the aforesaid resolution be paid or granted to Kalpeshkumar Ramanbhai Patel, as minimum remuneration provided that the total remuneration by way of salary and other allowances shall be as provided in Section II of Part II of Schedule V to the said Act or such other amount as may be provided in the said Schedule V as may be amended from time to time or any equivalent statutory re-enactment(s) thereof.

**RESOLVED FURTHER THAT** Board of Directors of the Company and the Nomination and Remuneration Committee be and are hereby severally authorized to do, alter and vary such terms of reappointment and remuneration so as to as may be decided by the Board of Directors and do all such acts, deeds, matters and things, as may be necessary and expedient to give effect to the above resolution on behalf of the Company.”

#### **6. Re-Appointment of Rajeshbhai Tulsibhai Patel (DIN: 07920531) as Independent Director:**

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013(“the Act”) read with Schedule IV to the Act (including any statutory modification(s) or reenactment(s) thereof, for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, and pursuant to the recommendation of the Nomination & Remuneration Committee, Rajeshbhai Tulsibhai Patel (DIN: 07920531), who holds office of Independent Director up to the period 23<sup>rd</sup> October, 2022 be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a second term of five (5) consecutive years commencing from 24<sup>th</sup> October, 2022 to 23<sup>rd</sup> October, 2027.

**RESOLVED FURTHER THAT** any of the Directors of the Company (including its committee thereof) and / or Company Secretary of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

**7. Appointment of Mr. Amitkumar Dalpatram Trivedi as an Independent Director of the Company:**

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of sections 149, 150, 152 and 161 read with Schedule IV of the Companies Act, 2013 and the rules made thereunder, the relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) including any statutory modifications or re-enactment thereof, for the time being in force and further by the recommendation of Nomination and Remuneration Committee, the board be and hereby approves appointment of Mr. Amit Dalpatram Trivedi (DIN: 08450070) who was appointed as an Additional Director of the Company with effect from December 12, 2022 pursuant to Section 161 of the Act and who has submitted a declaration that he meets the criteria of Independence as provided under the Act and the SEBI Listing Regulations and in respect of whom the company has received a notice in writing from a member under Section 160(1) of the Act proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years commencing from December 12, 2022 up to December 11, 2027, subject to approval of shareholders of the company.

**RESOLVED FURTHER THAT** any of the Directors of the Company or Company Secretary, be and are hereby authorized to sign and execute all such documents and papers as may be required for the purpose and file necessary e-form with the Registrar of companies and to do all such acts, deeds, matters and things as may be considered expedient and necessary in this regard.”

**Date: 21.08.2023**  
**Place: Surat**

**By Order of the Board of Directors**  
**For Solex Energy Limited**

**Sd/-**  
**Chetan Sureshchandra Shah**  
**Chairman & Managing Director**  
**DIN: 02253886**

**Notes:**

- A. The Ministry of Corporate Affairs (“MCA”) has vide its circular no14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 5, 2020, General Circular No. 22/2020 dated June 15, 2020, General Circular No. 33/2020 dated September 28, 2020, General Circular No. 39/2020 dated December 31, 2020, Circular no. 02/2021 dated January 13, 2021, Circular No. 21/2021 dated December 14, 2021, Circular No. 02/2022 dated May 05, 2022, Circular No. 10/2022 dated December 28, 2022 and Circular No. 11/2022 dated December 28, 2022 (collectively “MCA Circulars”) and Securities and Exchange Board of India (“SEBI”) vide its circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, circular no. SEBI/HO/CFD/CMD2/ CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 and SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023 (collectively “SEBI Circulars”) have permitted companies to conduct AGM through VC or other audio visual means VC/OAVM, without the physical presence of the members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
- B. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
- C. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
- D. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
- E. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020, May 05, 2020, December 28, 2022 and December 28, 2022, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.

In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company [www.solex.in](http://www.solex.in). The Notice can also be accessed from the websites of the Stock Exchange i.e. National Stock Exchange of India Limited at <https://www.nseindia.com/> and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

- F. Non-resident Indian shareholders are requested to inform about the following immediately to the Company or its Registrar and Share Transfer Agent or the concerned Depository Participant, as the case may be: -  
the change in the residential status on return to India for permanent settlement; the particulars of the NRE account with a Bank in India, if not furnished earlier.
- G. Corporate members intending to send their authorized representative to attend the Meeting are requested to send a scanned copy (PDF/JPG Format) certified copy of its Board or Governing Body Resolution/Authority letter / POA authorizing its representative to attend AGM through VC/ OAVM on its behalf and to vote through remote e – voting. The said Resolution/Authorization shall be sent to the Scrutinizer by E-mail through its registered E-mail address to support@csrajeshparekh.in with a Carbon Copy marked to [helpdesk@nsdl.com](mailto:helpdesk@nsdl.com).
- H. The Explanatory Statement, pursuant to Section 102 of the Companies Act ,2013 setting out facts concerning the business under Item No. 4,5,6, and 7 of the Notice is annexed hereto.
- I. Brief profile of Directors seeking Change in Designation, Re-appointment and Appointment at the Annual General Meeting is provided at Annexure – 1 to this Notice as prescribed under Regulation 36(3) of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings Issued by The Institute of Company Secretaries of India.
- J. The Registrar of Members and Share Transfer Books shall remain closed from 23/09/2023 to 29/09/2023 (both days inclusive) to determine entitlement of the Shareholders to receive Dividend for the Year 2022-23 and for the purpose of 9<sup>th</sup> Annual General Meeting.
- K. The Board of Directors at its Board Meeting held on 22<sup>nd</sup> May, 2023 has recommended a Dividend of Re.0.15 Per Equity Share of the face value of Rs.10/- each. The Dividend, if declared at the Annual General Meeting will be paid to those members of the Company, whose names appear in the Register of Members or Register of Beneficial Ownership as on 22/09/2023. Members are requested to update their bank details with their respective Depository Participants (DP) to receive the amount of Dividend quickly.  
In the event of transfer of shares and the unclaimed dividends to IEPF, Members are entitled to claim the same from the IEPF authority by submitting an online application in the prescribed Form IEPF-5 available on the website <http://www.iepf.gov.in/> and sending a physical copy of the same duly signed to the Company along with the requisite documents enumerated in Form IEPF-5. Members can file only one consolidated claim in a financial year as per the IEPF Rules.
- L. In case of any queries regarding the Annual Report, the Members may write to [cs@solex.in](mailto:cs@solex.in) to receive an email response.

Members may note that Income Tax Act, 1961 as amended by the Finance Act, 2020 mandates that Dividends paid or distributed by a Company shall be taxable in the hands of Members. The Company shall therefore be required to Deduct Tax at Source (TDS) at the time of making the payment of Dividend. In order to enable us to determine the appropriate TDS rate as applicable, members are requested to submit the following documents in accordance with the provisions of the Income Tax Act, 1961.

1. **For Resident Shareholders**, TDS shall be made under Section 194 of the Income Tax Act, 1961 at 10 % on the amount of Dividend declared and paid by the Company during Financial Year 2022-23 subject to PAN is provided by the Shareholder. If PAN is not provided, TDS would be deducted @ 20 % as per Section 206AA of the Income Tax, 1961.

However, No Tax shall be deducted on the Dividend payable to a resident individual if the total Dividend to be received by them during Financial Year 2022-23 does not exceed Rs. 5000/-.

Tax is not to be deducted if the recipients have furnished a declaration in Form 15G (In case of Senior Citizen Form No. 15H) to the Company to the effect that Tax on his/her total income will be NIL.

Further Shareholder may apply in Form No. 13 to the concern assessing Officer and obtain a Certificate authorizing the Company to pay Dividend without Tax Deduction or with deduction at lower rate.

2. **For Non – Resident Shareholders**, taxes are required to be withheld in accordance with, the Provisions of Section 195 of the Income Tax Act, 1961 at the rates in force. As per the relevant provisions of the Income Tax Act, 1961, the withholding tax shall be at the applicable rate at the time in force (plus applicable surcharge and cess) on the amount of Dividend payable to them. However as per Section 90 of the Income Tax Act, 1961, the Non – Resident Shareholder has the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) between India and the Country of Tax residence of the Shareholder, if they are more beneficial to them. For this purpose, i.e., to avail the tax Treaty benefits, the Non – Resident Shareholder will have to provide the following:

- Self- Attested Copy of Tax Residency Certificate (TRC) obtained from the Tax authorities of the Country which the Shareholder is resident.
- Self –Declaration in Form 10F if all the details required in this form are not mentioned in the TRC.
- Self-Attested Copy of the Permanent Account Number (PAN) allotted by the Indian Income Tax Authorities.
- Self –Declaration, Certifying the following points:
  - a) Member is and will continue to remain a tax resident of the Country of its residence during the Financial Year 2022-23;
  - b) Member is eligible to claim the beneficial DTAA rate for the purposes of tax withholding on Dividend declared by the Company;
  - c) Member has no reason to believe that its claim for the benefits of the DTAA is impaired in any manner;
  - d) Member is the ultimate beneficial owner of its Shareholding in the Company and Dividend receivable from the Company; and
  - e) Member does not have a taxable presence or a Permanent establishment in India during the Financial Year 2022-23.

Please note that the Company is not obligated to apply the beneficial DTAA rates at the time of Tax deduction/withholding on Dividend amounts. Application of beneficial DTAA rates shall be depend upon the completeness and satisfactory review by the Company, the documents submitted by the Non- Resident Shareholder.

- M. Accordingly, in order to enable us to determine the appropriate TDS/ Withholding Tax rate applicable, we request you to provide these details and documents as mentioned above before Friday, 22/09/2023 in following manner:

The aforesaid forms for tax can be downloaded from the Company's website link <https://solex.in/investor/>.

The aforesaid documents (duly completed and signed) are required to be mailed to [cs@solex.in](mailto:cs@solex.in) No Communication on the Tax determination/deduction shall be considered after Friday, 22/09/2023.

Shareholders may note that in case the Tax on said Dividend is deducted at a higher rate in absence of receipt of the aforementioned details/documents, option is available to Shareholders to file the Return of Income as per Income Tax Act, 1961 and claim an appropriate refund, if eligible.

- N. To support the “Green Initiative in Corporate Governance” taken by the Ministry of Corporate Affairs by allowing paperless Compliance and also due to COVID -19 stating that Service of Notices/ Documents including Annual Report can be sent through Electronic mode to the Registered E mail addresses of the Shareholders. Notices/ Documents including the Annual Report are now being sent by Electronic mode to the Shareholders whose E-mail addresses have registered but whose E mail addresses are not registered please send your E –mail ID on [cs@solex.in](mailto:cs@solex.in) Physical mode is not available so please request here to send your updated email address on above E mail IDs.
- O. “The Resident Non-Individual Members I.e. Insurance companies, Mutual Funds and Alternative Investment Fund (AIF) established in India and Non-Resident Non-Individual Members I.e. Foreign Institutional Investors and Foreign Portfolio Investors may alternatively submit the relevant forms / declarations / documents through their respective custodian who is registered on NSDL platform, on or before the aforesaid Friday, 22/09/2023 timelines.”

Pursuant to Section 108 of Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of SEBI LODR, 2015, the Company is pleased to provide the facility to members to exercise their right to vote on the resolutions proposed to be passed in the AGM by electronic means. The members whose names appear in the Register of Members/ List of Beneficial owners as on **22/09/2023**, being the cut-off date, is entitled to vote on the Resolutions set forth in this Notice. Members may cast their votes on electronic voting systems from any place other than the venue of the meeting (remote e-voting). **The remote e-voting will commence at 9:00 a.m. on 26/09/2023 and will end at 5:00 p.m. on 28/09/2023.** In addition, the facility of voting through electronic voting system shall also be made available at the AGM and the members attending the AGM who have not cast their vote by remote e-voting shall be eligible to vote at the AGM. The Members desiring to vote through remote e-voting are requested to refer to the detailed procedure given hereinafter.

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

**The remote e-voting period begins on 26/09/2023 at 9:00 A.M. and ends on 28/09/2023 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 22/09/2023, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 22/09/2023.**

**How do I vote electronically using NSDL e-Voting system?**

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:




**Step 1: Access to NSDL e-Voting system Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> <li data-bbox="539 840 1393 1496">1. Existing <b>iDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>iDeAS</b>’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. If you are not registered for iDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “<b>Register Online for iDeAS Portal</b>” or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReq.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReq.jsp</a></li> <li data-bbox="539 1541 1393 1986">2. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL</li> </ol>



	<p>for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>3. Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</p> <div style="text-align: center;"> <p>NSDL Mobile App is available on</p>    </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System My easi Tab and then user your existing my easi username &amp; password.</li> <li>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System My easi Tab and then click on registration option. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
<p>Individual Shareholders (holding securities in demat mode) login through</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider</p>

their depository participants	i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
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**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.  
*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID  For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.

<p>b) For Members who hold shares in demat account with CDSL.</p>	<p>16 Digit Beneficiary ID</p> <p>For example if your Beneficiary ID is 12***** then your user ID is 12*****</p>
<p>c) For Members holding shares in Physical Form.</p>	<p>EVEN Number followed by Folio Number registered with the company</p> <p>For example, if folio number is 001*** and EVEN is 101456 then user ID is 101456001***</p>

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

**Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

**How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [support@csrajeshparekh.in](mailto:support@csrajeshparekh.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney /Authority Letter etc. by clicking on "**Upload Board Resolution / Authority Letter**" displayed under" **e-Voting**" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no 022 - 4886 7000 and 022 - 2499 7000 or send a request to Kautilya Joshi at [evoting@nsdl.co.in/](mailto:evoting@nsdl.co.in) [ketankumarp@nsdl.com](mailto:ketankumarp@nsdl.com)

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [cs@solex.in](mailto:cs@solex.in)
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to [cs@solex.in](mailto:cs@solex.in). If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**.
3. Alternatively, shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

#### **THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:**

1. The procedure for e-Voting on the day of AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

#### **INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

Members are encouraged to join the Meeting through Laptops for better experience.

1. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

2. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
3. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at [cs@solex.in](mailto:cs@solex.in). The same will be replied by the company suitably.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES  
ACT 2013.**

**Item No. 4**

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors, P.K. Chatterjee & Associates to conduct the audit of the cost records of the company for the financial year ending on 31<sup>st</sup> March 2024 at fees of Rs. 35000 plus the applicable taxes.

In accordance with the provisions of section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the company.

The Board of Directors recommends the Ordinary Resolution set out at Item 4 of the Notice for Approval by the Members.

None of the Directors or Key Managerial Personnel and their relatives is interested or concerned in the said Resolution.

**Item No. 5**

The Board of Directors vide special resolution passed on 15<sup>th</sup> October, 2022 approved the change in designation of Mr. Kalpeshkumar Ramanbhai Patel from Joint Managing Director to Whole Time Director of the Company for a period of three years 30<sup>th</sup> May, 2022 to 29<sup>th</sup> May, 2025. The terms and conditions of his change in designation were approved by the shareholders in Annual General Meeting held on 29<sup>th</sup> September, 2022 in accordance with the provisions contained in Sections 196, 197, 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013. The Board of Directors at their meeting held on 15<sup>th</sup> October, 2022 noted the request received from Mr. Kalpeshkumar Ramanbhai Patel about his desire to act as the Whole Time Director of the Company. Pursuant to the recommendation by the Nomination and Remuneration Committee, the Board of Directors at their meeting held on 15<sup>th</sup> October, 2022, has re-designated Mr. Kalpeshkumar Ramanbhai Patel as the Whole-time Director of the Company w.e.f. 15<sup>th</sup> October, 2022. Since, the designation of Mr. Kalpeshkumar Ramanbhai Patel was specifically mentioned as Joint Managing Director in the earlier resolution dated 30<sup>th</sup> August, 2022, this resolution is being proposed to partially modify the same. Except for the change in designation, all other terms and conditions as approved by the shareholders on 29.09.2023 remain unaltered. Save and except, Mr. Kalpeshkumar Ramanbhai Patel to whom the resolution relates, none of the Directors/ Key Managerial Personnel of the Company/their relatives is in any way, financially or otherwise, concerned or interested in this Resolution.

Brief profile of Mr. Kalpeshkumar Ramanbhai Patel is given in Annexure 1 to this Notice. The Board recommends the Resolution set forth at Item No. 5 of the Notice for approval of the members as a Special Resolution.

The statement as required under Section II, Part II of the Schedule V of the Companies Act, 2013 with reference to the Special Resolution at Item No. 5 is annexed hereto as Annexure-2.

**Item No. 6**

The Board of Directors at its general meeting held on October 24, 2017 had appointed Mr. Rajeshbhai Tulsibhai Patel as an Independent Director to hold office for a term of five (5) years w.e.f. October 24, 2017. Accordingly, the tenure of Mr. Rajeshbhai Tulsibhai Patel as an Independent Director is due for expire on 23<sup>rd</sup> October, 2022.

In terms of provisions of section 178 of the Companies Act, 2013, on recommendation of the Nomination and Remuneration Committee of the Company shall recommend to the Board of the Directors, the appointment/ reappointment of a Director. In terms of provisions of section 149(10) of the Companies Act, 2013, an independent director shall hold office for a term up to five (5) consecutive years on the Board of a Company, but shall be eligible for reappointment on passing of a special resolution by the Shareholders of the Company and disclosure of such appointment in the Board's report.

After taking into account the performance evaluation, during his first term of five years and considering the knowledge, expertise and experience in respective fields and the substantial contribution made by Mr. Rajeshbhai Tulsibhai Patel during his tenure as an Independent Director since his appointment, the Nomination and Remuneration Committee at its meeting held on 15<sup>th</sup> October, 2022 has considered, approved and recommended the re-appointment of Mr. Rajeshbhai Tulsibhai Patel as an Independent Directors for a second term of five (5) years with effect from 24<sup>th</sup> October, 2022 to 23<sup>rd</sup> October, 2027, to the Board of Directors for their approval. The Board of Directors at its meeting held on 15<sup>th</sup> October, 2022 has approved the proposal for re-appointment of Mr. Rajeshbhai Tulsibhai Patel as an Independent Director for a second term of five (5) consecutive years with effect from 24<sup>th</sup> October, 2022.

The Board recommends the Resolution for approval of the Members as a Special Resolution as set out in the item no. 6 of the notice.

In the opinion of the Board, Mr. Rajeshbhai Tulsibhai Patel fulfils the conditions specified in the Act and the Rules made thereunder for re-appointment as Independent Director and he is Independent of management. The Board has formed an opinion that Mr. Rajeshbhai Tulsibhai Patel possesses requisite skills and knowledge and it would be in the interests of the company to appoint him as an Independent Director of the Company.

Brief profile of Mr. Rajeshbhai Tulsibhai Patel is given in Annexure 1 to this Notice. Except Mr. Rajeshbhai Tulsibhai Patel, being the appointee, no other Director or Key Managerial Personnel of the Company or their respective relatives is/ are concerned or interested, financially or otherwise, in the said Resolution.

**Item No. 7**

The Board of Directors of the Company at its meeting held on 12<sup>th</sup> December, 2022, appointed Mr. Amit Dalpatram Trivedi as an Additional Director of the Company in the capacity of Independent Director for a term of five (5) years with effect from 12<sup>th</sup> December, 2022, subject to the approval of the Members of the Company. In terms of section 160 of the Companies Act, 2013, Nomination and Remuneration Committee and the Board have recommended the appointment of Mr. Amit Dalpatram Trivedi as an Independent Director pursuant to the provisions of Sections 149 and 152 of the Companies Act, 2013.

The Company has received a declaration from Mr. Amit Dalpatram Trivedi confirming that he meets the criteria of independence under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 if any. Further, the Company has also received Mr. Amit Dalpatram Trivedi's consent to act as a Director in terms of section



152 of the Companies Act, 2013 and a declaration that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

In the opinion of the Board, Mr. Amit Dalpatram Trivedi fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 if any, for his appointment as an Independent Director of the Company and he is independent of the management. Considering Mr. Amit Dalpatram Trivedi 's knowledge and experience, the Board of Directors is of the opinion that it would be in the interest of the Company to appoint him as an Independent Director for a period of five (5) years with effect from 12<sup>th</sup> December, 2022.

In the opinion of the Board, Mr. Amit Dalpatram Trivedi fulfils the conditions specified in the Act and the Rules made thereunder for appointment as Independent Director and he is Independent of management. The Board has formed an opinion that Mr. Amit Dalpatram Trivedi possesses requisite skills and knowledge and it would be in the interests of the company to appoint him as an Independent Director of the Company.

Additional information in respect of Mr. Amit Dalpatram Trivedi, pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2), is given at Annexure 1 to this Notice.

Brief profile of Mr. Amit Dalpatram Trivedi is given in Annexure 1 to this Notice. Except Mr. Amit Dalpatram Trivedi, being the appointee, or his relatives, none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the resolution set out at Item No. 7.

### ANNEXURE – 1

**Details of Directors seeking appointment/re-appointment at the 9<sup>th</sup> Annual General Meeting to be held on September 29, 2023 [Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]**

<b>Name of the Director</b>	<b>Kalpeshkumar Ramanbhai Patel</b>	<b>Rajeshbhai Tulsibhai Patel</b>	<b>Amit Dalpatram Trivedi</b>
<b>Date of Birth</b>	19/10/1970	10/06/1968	06/04/1954
<b>Age (in years)</b>	53	55	69
<b>DIN</b>	01066992	07920531	08450070
<b>Nationality</b>	Indian	Indian	Indian
<b>Date of Appointment on Board</b>	13/10/2014	24/10/2017	12/12/2022
<b>Qualification(s)</b>	B.com, LLB	Chartered Accountant	B.E Electrical
<b>Brief Resume and expertise</b>	<p>Mr. Kalpeshkumar Ramanbhai Patel holds a degree of Bachelor of Commerce (B. Com), and Bachelor of Law (LL.B.), He is the promoter and founder of the Company Solex Energy Limited in 2014 and has been with the Company for more than 8 Years. He is playing a vital role in formulating business strategies and effective implementation of the same. He is having experience of over 30 years in the solar industry. He has vast experience of accomplishing sales, understanding of market and consumers, and formulating contemporary marketing strategy. His leadership abilities have been instrumental in leading the core team of our Company.</p>	<p>Mr. Rajeshbhai Tulsibhai Patel is a qualified Chartered Accountant having experience of more than 14 years. He has an extensive knowledge in his field &amp; possesses expertise in the areas like Tax Advisory, Project Finance Advisory and Management advisory and GST, Audit and Assurance Functions. He has been advisor to various industries and has helped them in becoming more successful. He is firm believer of Win-Win approach and Client First approach and has inculcated the same in the group.</p>	<p>Mr. Amit Dalpatram Trivedi has a Degree in B.E. – Electrical from M.S. University of Baroda. He is having 27 years' experience in the field of Marketing of Electrical products and has worked with M/s. Jyoti Ltd, M/s. Power Build Ltd, M/s. Crompton Greaves Ltd, M/s Cable Corporation of India Ltd and various other companies as Branch Manager/ Product Engineer, Project Manager and Chief Project Manager and other senior position. His experience includes responsibility for business of Gujarat for cables, cable accessories and transformers, preparation of budgets, developments of new outlets, improvement of customer preference and market share, making budgets, long term planning, i.e. implementation of ideas for improvements of operational efficiency development of new outlets, preparation of tenders pre and post tender discussions, implementation of new modern solutions for the energy conservation, complete maintenance of the equipment's, co-ordination with contractors. Project monitoring which includes technical and financial budgeting and monitoring.</p>

<b>Experience in specific functional areas</b>	Accomplishing sales, understanding of market and Formulating consumers, and contemporary marketing strategy	Understanding of Finance and market. Tax Advisory, Management advisory and GST, Audit and Assurance Functions	Business Strategies, contemporary Marketing strategies, Project monitoring and improvements of operational efficiency development of new outlets
<b>In case of independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements</b>	NIL	Mr. Rajeshbhai Tulsibhai Patel has significant experience in areas of Finance, legal and regulatory requirements and governance.	Mr. Amit Dalpatram Trivedi has wide experience in leading operations of organizations and possess deep understanding of the diverse conditions pertaining to the core business areas of the company.
<b>Shareholding in the Company as on the date of notice</b>	15,97,360 equity shares	NIL	NIL
<b>Disclosure of relationships between directors inter-se</b>	No, Mr. Kalpeshkumar Ramanbhai Patel is a Promoter of the Company. He is not a relative of any of the Directors of the Company.	No, Mr. Rajeshbhai Tulsibhai Patel is not a relative of any of the Directors of the Company.	No, Mr. Amit Dalpatram Trivedi is not a relative of any of the Directors of the Company.
<b>Directorships of other Listed Companies</b>	None	None	None
<b>Memberships/Chairmanships of committees in other Listed Companies</b>	None	None	None
<b>Remuneration last drawn</b>	Rs. 3,00,000/- per month	NIL	NIL
<b>Name of Listed Companies from which he has resigned in the past three years</b>	None	None	None
<b>Shareholding in the Company as on 31<sup>st</sup> March, 2023</b>	15,97,360 equity shares	NIL	NIL
<b>No. of Board Meetings attended during the financial year 2022-23</b>	Eight (8)	Seven (7)	One (1)

## ANNEXURE – 2

### Statement of Information as required under Section II, Part II of the Schedule V of the Companies Act, 2013 for item No. 5

#### I. General Information:

- (i) Nature of Industry: Manufacturing of solar photovoltaic modules along with providing turnkey solar solutions across different segments like solar power plants, solar water pumps, and utility scale ground mounted solar power plants.

Date or expected date of commencement of commercial production: The Company is in operation since 2014.

In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not applicable

- (ii) Financial performance based on given indicators:

(Rs. in Lakh)

Particulars	Current Year 2022-23	Previous Year 2021-22
Total Income	16438.83	7229.36
Profit before Interest and Depreciation	1399.88	222.99
Less: Interest	561.22	75.07
Profit Before Depreciation	838.66	147.92
Less: Depreciation	453.49	25.16
<b>Profit Before Tax</b>	<b>385.17</b>	<b>122.76</b>
<b>Less/Add: Tax Expenses</b>		
Taxes for Earlier years	1.89	(6.20)
Current Tax	66.09	33.02
Deferred Tax	46.11	(2.85)
Total Tax Expenses	114.09	23.97
<b>Profit for the year</b>	<b>271.07</b>	<b>98.79</b>

- (iii) Foreign investments or collaborators, if any: The Company has not made any Foreign Investments and neither entered into any collaborations during the last Financial Year

#### II. Information about the appointee:

- (i) Background Details, Job Profile and his suitability:

Mr. Kalpeshkumar Ramanbhai Patel holds a degree of Bachelor of Commerce (B. Com), and Bachelor of Law (LL.B.), Mr. Kalpeshkumar Ramanbhai Patel is the promoter and founder of the Company Solex Energy Limited in 2014 and has been with the Company for more than 8 Years. He is playing vital role in formulating business strategies and effective implementation of the same. Mr. Kalpeshkumar Ramanbhai Patel is having experience of over 30 years in the solar industry. He has vast experience of accomplishing sales, understanding of market and consumers, and formulating contemporary marketing strategy. His leadership abilities have been instrumental in leading the core team of our Company.

- (ii) Past Remuneration: Remuneration drawn during the financial year 2022-23: Rs. 36,00,000 per annum.

- (iii) Recognition or awards: The Company has received various awards and recognition during his tenure with the Company.
- (iv) Remuneration proposed: There is no change in Remuneration.
- (v) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person: Considering the nature of industry and specialty of services rendered by Mr. Kalpeshkumar Ramanbhai Patel and also considering the role and responsibilities shouldered by him, no comparative remuneration of industry is available for information.
- (vi) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other Directors, if any: Besides the remuneration and rent paid to Mr. Kalpeshkumar Ramanbhai Patel as Whole Time Director, does not have any other pecuniary relationship with the Company.

### **III. Other Information:**

- i. Reasons of loss or inadequate profits: The Company has not incurred loss in the financial year 2022-23. However, in the ever changing domestic and international market conditions, loss or inadequacy of profit cannot be ruled out. The proposed remuneration is not falling within the limits specified under section 197 of the Companies Act, 2013. However, the same is in line within the industry standards for managerial remuneration personnel falling under the same cadre.
- ii. Steps taken or proposed to be taken for improvement: The Company is implementing various long-term measures to improve its cash flow and exploring multiple options of finance from lenders bank and financial institution. On positive outcome efforts in the said direction the Company and its management is hopeful to make optimum utilization of its resources. The promoters also continue to be committed to providing the required operational support to Company in the foreseeable future. The Company, being a growth oriented and steady performer, the productivity and margins could sizably increase with all possible efforts of the Company.
- iii. Expected increase in productivity and profits in measurable terms: In the competitive environment, it is difficult to estimate the revenue/profits in measurable terms. As the Company is taking numerous initiatives to improve its financial position and the management is confident of increase in revenue and profits in coming years.

**Date: 21.08.2023**  
**Place: Surat**

**By Order of the Board of Directors**  
**For Solex Energy Limited**  
**Sd/-**  
**Chetan Sureshchandra Shah**  
**Chairman & Managing Director**  
**DIN: 02253886**





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