

**NOTICE OF THE ANNUAL GENERAL MEETING Go Green, Go Solar**

Shorter Notice is hereby given that 7<sup>th</sup> Annual General Meeting of the Members of Grace Renewable Energy Private Limited will be held on Thursday, December 31, 2020, at 11:00 a.m at the Registered Office of the Company situated at 43, The Chamber, Near TGB Hotel, S G Highway, Bodakdev, Ahmedabad, Gujarat, India, 380054 to transact the following businesses:

**ORDINARY BUSINESS:**

**1. Adoption of Audited Financial Statements for the Year Ended 31<sup>st</sup> March, 2020 and the Reports of the Directors and Auditors Thereon.**

To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2020, together with the Reports of the Board of Directors and the Auditors thereon.

By order of the Board  
For Grace Renewable Energy Private Limited



  
**Manish Bagadia**  
Director  
DIN: 02009864

**Date:** December 29, 2020

**Place:** Ahmedabad

**Grace Renewable Energy Pvt. Ltd.**

INDIA · CHINA · USA

CIN : U74110GJ2013PLC076707

● 43/103, The Chambers, Nr. TGB Hotel, S.G. Highway, Ahmedabad-380 054.

● Office No 405,406, Sarthik Square, Near Pakwan Char Rasta, Bodakdev, Ahmedabad-380054

☎ +91-90994 62222 ✉ info@gracerenew.com 🌐 www.gracerenew.com



**NOTES:**

1. Proxies in order to be valid must reach to Registered Office of the company not less than 48 hours before the meeting.
2. Members are requested to intimate immediately any change in the residential address of the Company.
3. Explanatory statement as per Section 102 if any of the Companies Act, 2013 is annexed.

By order of the Board  
**For Grace Renewable Energy Private Limited**



  
**Manish Bagadia**  
**Director**  
**DIN: 02009864**

**Date:** December 29, 2020  
**Place:** Ahmedabad

**Grace Renewable Energy Pvt. Ltd.**

INDIA • CHINA • USA

CIN : U74110GJ2013PLC076707

- 📍 43/103, The Chambers, Nr. TGB Hotel, S.G. Highway, Ahmedabad-380 054.  
📍 Office No 405,406, Sarthik Square, Near Pakwan Char Rasta, Bodakdev, Ahmedabad-380054  
☎ +91-90994 62222 ✉ info@gracerenew.com 🌐 www.gracerenew.com



Form No. MGT-11

**PROXY FORM**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies

(Management and Administration) Rules, 2014]

**CIN: U74110GJ2013PLC076707**

**Grace Renewable Energy Private Limited**

**Registered office:** 43, The Chamber, Near Tgb Hotel, S G Highway, Bodakdev, Ahmedabad, Gujarat, India, 380054

Name of the member (s):	E-mail Id:
	No. of shares held
Registered address:	Folio No.
	DP ID*
	Client ID*

\* Applicable for investors holding shares in electronic form.

I/We being the member(s) of the above named Company hereby appoint:

S.No.	Name	Address	Email address	
1				or failing him
2				or failing him
3				

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on Thursday, December 31, 2020 at 11:00 A.M at Office 43, The Chamber, Near Tgb Hotel, S G Highway, Bodakdev, Ahmedabad, Gujarat, India, 380054, India and at any adjournment thereof in respect of such resolutions as are indicated below:

\*\* I wish my above Proxy to vote in the manner as indicated in the box below:

S.No.	Resolution	For	Against
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			

\*\* It is optional to put a 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

Affix  
Revenue  
Stamp not  
less than  
Re.0.15

Signed this ..... day of..... 2020

Signature of shareholder.....

Signature of Proxy holder(s) (1).....

Signature of Proxy holder(s) (2).....

Signature of Proxy holder(s) (3).....

**Notes:**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. A Proxy need not be a member of the company.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.
5. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the Annual General Meeting.
5. Please complete all details including details of member(s) in above box before submission.

## **ATTENDANCE SLIP**

(To be handed over at the entrance of the venue of the meeting)

Folio No: \_\_\_\_\_

Member: \_\_\_\_\_  
(in Block letters)

No of shares: \_\_\_\_\_

I hereby record my presence at the Annual General Meeting of the company, to be held on Thursday, December 31, 2020 at 11:00 A.M at the registered office of the Company at 43, The Chember, Near Tgb Hotel, S G Highway, Bodakdev, Ahmedabad, Gujarat, India, 380054.

\_\_\_\_\_

Member

Notes:

1. Interested joint members may obtain attendance slips from the registered office of the Company.
2. Members/joint members/proxies are requested to bring the attendance slips with them.

Duplicate slips will not be issued at the entrance of the meeting hall.

CIN -U74110GJ2013PTC076707

## DIRECTORS' REPORT

To,

The Members,

Your Directors have pleasure in presenting their 8th (Eighth) Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2020.

### 1. Financial summary or highlights/Performance of the Company

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
Total Revenue	338492086	135216255
Total Expense	329970480	129853521
Profit/(Loss) before TAX	8521607	5362734
Less: Current Tax	2380439	1493467
Less : Deferred Tax	(+) 136158	484
<b>Profit / (Loss) for the Year</b>	<b>6277326</b>	<b>3868783</b>

### 2.Dividend

Your Directors have NOT recommended Dividend for the Year 2019-20.

### 3.Reserves

Profit of the current year Rs. 62,77,326/- has been carried forward to the Reserves & surplus. No other amounts have been transferred to the Reserves.

**Grace Renewable Energy Pvt. Ltd.**

INDIA • CHINA • USA

(A Joint Venture with : HEC INFRA PROJECTS LTD.)

CIN : U74110GJ2013PTC076707

10th Floor, The Chambers, Nr. TGB Hotel, S.G. Highway, Ahmedabad-380054 (Guj.) India  
Ph.: +91-79-26852981, +91-98250 13358, E-mail: info@gracerenew.com



#### **4. Brief description of the Company's working during the year/State of Company's affairs**

Grace Renewable Energy Private Limited is a leading solar EPC solution provider company in India. Company offers end to end EPC services to install solar systems with the use of only high precision products and components from globally recognized technology providers. Company have gained considerable reputation as an active contributor in shaping the solar revolution in the country by successfully delivering projects across various segments such as Residential, Commercial, Industrial, Institutions, NGO's, Hospitals. With the rich experience of handling more than 700+ projects, Company have emerged as a major player in the Solar EPC Industry. During the year the Revenue from the operations was of Rs. 3384.92 lakhs and it have earned the Profit After Tax of Rs. 62.77 lakhs during the year 2019-20.

Thus the Company has witnessed steady growth during the year and the management is hopeful to maintain the growth ratio in upcoming years also.

#### **Details of Subsidiary/Joint Ventures/Associate Companies**

Your Company has not any Subsidiary or Joint Venture or Associate Company.

#### **5. Performance and financial position of each of the subsidiaries, associates and joint venture companies included in the consolidated financial statement.**

Your Company has not any Subsidiary or Joint Venture or Associate Company.

#### **6. Deposits**

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

<b>Particulars of Deposit</b>	<b>Amount (Rs.)</b>
(a) accepted during the year;	NIL
(b) remained unpaid or unclaimed as at the end of the year;	NIL
(c) whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved-	NIL
(i) at the beginning of the year;	NIL
(ii) maximum during the year;	NIL
(iii) at the end of the year;	NIL

#### **7. Statutory Auditors**

M/s. Tibrewal Bhagat & Associates, Chartered Accountants, Ahmedabad (FRN No. 128374W), Ahmedabad, who has been appointed as the statutory auditors of the Company until the conclusion of 12<sup>th</sup> Annual General Meeting subject to ratification in every annual general meeting.

#### **8. Auditors' Report**

There is no qualification, reservation or adverse remark or disclaimer made by the auditor in his report.

#### **9. Extract of the annual return**

The extract of the annual return in Form No. MGT-9 shall form part of the Board's report.

#### **11. Conservation of energy, technology absorption and foreign exchange earnings and outgo**

Your Company has taken necessary steps to conserve the energy and to protect the environment.

Your company is continuously adapting to the new technology in the related fields of business and thereby striving to optimize customer satisfaction.

#### **12. Directors**

Shri Manish Bagadia and Smt. Karuna Bagadia are Directors of the company.

#### **13. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS**

The Board of Directors met 5 (Five) times during the financial year 2019-20, i.e. on 17.04.2019, 26.06.2019, 04.09.2019, 31.12.2019 and 31.03.2020.

#### **14. Particulars of loans, guarantees or investments under section 186**

The company has not given any loans or guarantees or made investments covered under the provisions of section 186 of the Companies Act, 2013.

#### **15. Particulars of contracts or arrangements with related parties:**

The particulars of every contract or 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 arms' length transactions under third proviso thereto disclosed in Form No. AOC-2 as per Annexure I.

#### **16. Managerial Remuneration:**

Your Company has not any employee, who was in receipt of remuneration in excess of limits specified in the Companies (Appointment and Remuneration of Managerial Personnel).

- 17. 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 is no material changes have been occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

- 18. The details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future:**

There is no such order passed by any regulatory authorities or courts which impacts the status and operations of the company in future.

- 19. Details in respect of adequacy of internal financial controls with reference to the Financial Statements**

The company has adopted necessary policies for internal financial control for ensuring orderly and efficient conduct of its business, safeguarding of its assets, prevention and detection of frauds and errors, to maintain accuracy and completeness of accounting records and timely preparation of reliable financial information.

- 20. Risk management policy**

The Company has developed and implemented a risk management policy which identifies major risks which may threaten the existence of the Company. The same has also been adopted by your Board and is also subject to its review from time to time. Risk mitigation process and measures have been also formulated and clearly spelled out in the said policy.

- 21. Corporate Social Responsibility Initiatives taken during the year**

This clause is not applicable to the company.

- 22. Disclosures under Sexual Harassment of Women at workplace (Prevention, prohibition & redressal) Act, 2013**

The company is committed to provide a safe and conducive work environment to its employees. During the year under review, No case of sexual harassment was reported.

- 23. Directors' Responsibility Statement**

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that—

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

(b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year i.e. at 31<sup>st</sup> March, 2020 and of the profit and loss of the company for that period;

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

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

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

#### **24. Declaration of Independent Directors:-**

The provisions of Section 149 pertaining to the appointment of Independent Directors do not apply to our Company

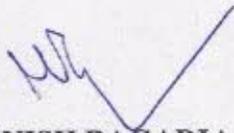
#### **25. Acknowledgements**

Your Directors express their deep sense of gratitude to the Banks, Central and State Governments and their departments and the local authorities for their continued guidance and support.

We would also like to place on record our sincere appreciation for the dedication, commitment and hard work put in by every member of the GRACE RENEWABLE ENERGY PVT. LTD.(hereinafter "The Company"). The Board further expresses that the credit of the success of the company goes to each & every member of the company equally. The Management is deeply grateful for the confidence and faith that the shareholders have always reposed in them.

For and on behalf of the Board of Directors

**GRACE RENEWABLE ENERGY PVT. LTD**



**MANISH BAGADIA**



(CHAIRMAN & MANAGING DIRECTOR)

(DIN: 02009864)

Place: AHMEDABAD

Date: 29/12/2020

## Independent Auditor's Report

To the Members of  
**GRACE RENEWABLE ENERGY PRIVATE LIMITED**

### Report on the Financial Statements

We have audited the accompanying (Standalone) financial statements of **GRACE RENEWABLE ENERGY PRIVATE LIMITED** ("the Company") which comprise the Balance Sheet as at **31st March, 2020**, the Statement of Profit and Loss for the period ended, and a summary of significant accounting policies and other explanatory information.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid (Standalone) financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its Profit/Loss for the period ended on that date.

### Basis For Opinion

We conducted our audit of the financial statements in accordance with the standard on auditing specified u/s. 143(10) of the act (SAs). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of financial statements section of our report. We are independent of the company in accordance with the code of ethics issued by ICAI together with Independence Requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide the basis for our audit opinion on the financial statements.

### Key Audit Matters

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. There is no key audit matter with respect to standalone financial statements to be communicated in our report.



## **Management's Responsibility for the (Standalone) Financial Statements**

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

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## **Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under and the Order issued under section 143(11) of the Act.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.



## Report on Other Legal and Regulatory Requirements

1. 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 purpose 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 dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid (Standalone) financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f. With respect to the adequacy of the **internal financial controls over financial reporting** of the Company and the operating effectiveness of such controls, the same is not Applicable.
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

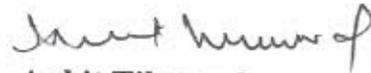


2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, the same is not Applicable.

**Tibrewalbhat & Associates**

**Chartered Accountants**

Firm Reg. No. :128374W



**Ankit Tibrewal**

Membership No:-125173

UDIN : 21125173AAAABJ6977

Dated: 29<sup>th</sup> December 2020

Place:Ahmedabad



The Annexure A referred to in paragraph 1 of Our Report of even date to the members of **GRACE RENEWABLE ENERGY PRIVATE LIMITED** on the accounts of the company for the year ended **31st March, 2020**.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- b) As explained to us, the fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on verification.
- c) Based upon the audit procedure performed and according to the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- d) The company has not sold or disposed off any part of Plant & Machinery during the year.
2. a) As informed the inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- b) The procedures of physical verification of inventories followed by management are reasonable and adequate in relation to the size of the company and nature of its business.
- c) As informed by the management and according to the information and explanations given to us, the company has maintained proper records of inventory but the same has not presented for verification So its effect on the 'Profit & Loss Account' cannot be determined.
3. As informed to us, there are no parties covered in the Register maintained under section 189 of the Companies Act, 2013 to which the company has granted loans. Further the maximum amount involved during the year was Rs.19,651,379/- and the balance outstanding amount of Loan Taken form such parties was Rs.16,569,147/- at end of the year.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal controls system.
5. In our opinion and according to the information and explanations given to us, the company has not taken any Public deposit.
6. The Central Government of India has not prescribed the maintenance of cost records under section 148 (1) of the Companies Act, 2013.



7. According to the information and explanations given to us and on the basis of examination of the records, the company is regular in depositing with appropriate authorities undisputed statutory dues including Tax deducted at source, income tax, and other material statutory dues applicable to it.
8. According to the information and explanations given to us, no undisputed amounts payable in respects of Income -Tax, Wealth-Tax, Service Tax, Sales Tax, GST, Custom Duty, Excise Duty and cess were outstanding, as at 31st March, 2020 for a period of more than six months from the date they became payable.
9. According to the information and explanations given to us, no amounts were required to be transferred to the investor education and protection fund in accordance with the relevant provision of the Act.
10. The company has not defaulted on repayment of Term Loan and Cash Credit Limits taken from Banks and Financial Institutions.
11. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that the no funds raised on short-term basis have been used for long-term investment.
12. According to the information and explanations given to us, there are, no fraud on or by the company has been noticed or reported during the course of our audit.
13. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of /clause 4(xii) of the order are not applicable to the Company.
14. In our opinion, all the transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, where applicable and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

**Tibrewalbhagat & Associates**

**Chartered Accountants**

Firm Reg. No. :128374W

*Ankit Tibrewal*

**Ankit Tibrewal**

Membership No:-125173

UDIN : 21125173AAAABJ6977

Dated: 29<sup>th</sup> December 2020

Place: Ahmedabad



**“Annexure B” to the Auditor’s Report of even date on the Standalone Financial Statements of GRACE RENEWABLE ENERGY PRIVATE LIMITED.**

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

We have audited the internal financial controls over financial reporting of **GRACE RENEWABLE ENERGY PRIVATE LIMITED**. (“The Company”) as of **March 31, 2020** in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditor’s Responsibility**

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

Our Audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial, assigning a 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.



### **Meaning of Internal Financial Controls over Financial Reporting**

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

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of managements and directors of the company, and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at **March 31, 2020**, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**Tibrewalbhagat & Associates**

**Chartered Accountants**

Firm Reg. No. :128374W

*Ankit Tibrewal*

**Ankit Tibrewal**

Membership No:-125173

UDIN : 21125173AAAABJ6977

Dated: 29<sup>th</sup> December 2020

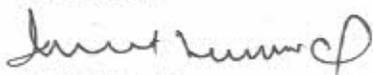
Place: Ahmedabad



**GRACE RENEWABLE ENERGY PRIVATE LIMITED**  
BALANCE SHEET AS AT 31 MARCH, 2020

PARTICULARS	NOTE NO.	AS ON 31.03.2020	AS ON 31.03.2019
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>Shareholders Fund</b>			
a.Share Capital	1	500,000	500,000
b. Reserve & Surplus	2	11,648,239	5,370,913
<b>Non-current Liabilities</b>			
a.Long Term Borrowings		-	-
b.Deferred Tax Liabilities (net)		-	-
c.Other Long-term Liabilities		-	-
d.Long-term Provisions		-	-
<b>Current Liabilities</b>			
a.Short-term Borrowings	3	18,495,928	21,277,525
b.Trade Payables	4	25,589,091	10,033,176
c.Other Current-liabilities	5	72,561,693	12,121,239
d.Short-term Provisions	6	8,851,368	1,811,800
<b>TOTAL</b>		<b>137,646,318</b>	<b>51,114,653</b>
<b><u>ASSETS</u></b>			
<b>Non-current Assets</b>			
<b>a.Fixed Assets</b>			
(i) Tangible assets	7	2,477,194	2,902,345
(ii) Intangible Assets		-	-
(iii) Capital Work-in-progress		-	-
(iv) Intangible Assets under development		-	-
(v) Fixed Assets held for Sale		-	-
b.Non-current Investment		-	-
c.Deferred Tax Assets (net)		159,930	23,772
d.Long-term Loans and Advances		-	-
e.Other Non-current assets		-	-
<b>Current Assets</b>			
a.Current Investment	8	17,535,000	25,000
b.Inventories		32,930,129	14,083,931
c.Trade Receivables	9	22,577,644	3,138,282
d.Cash and cash equivalents	10	11,060,473	1,150,963
e.Short term loans and advances	11	6,669,346	3,408,916
f. Other Current Assets	12	44,236,602	26,381,443
<b>Misc. Expense(Asset)</b>			
Preliminary Expense		-	-
<b>TOTAL</b>		<b>137,646,318</b>	<b>51,114,653</b>
See accompanying notes forming part of the financial statements	21		

As of our report attached  
For Tibrewalbhagat & Associates  
Chartered Accountants  
FRN:128374W



Ankit Tibrewal  
(Partner)

M.No.-125173

UDIN : 21125173AAAABJ6977

Place: Ahmedabad

Date: 29/12/2020

Grace Renewable Energy Pvt Ltd



Director





**GRACE RENEWABLE ENERGY PRIVATE LIMITED**  
STATEMENT OF PROFIT AND LOSS FO THE YEAR ENDED 31 MARCH, 2020

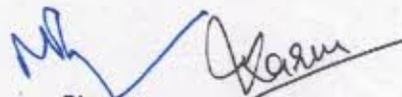
Particulars	NOTE NO.	For the year ended 31.03.2020	For the year ended 31.03.2019
<b>CONTINUING OPERATIONS</b>			
Revenue from operations(gross)	13	368,153,367	142,531,283
less: CGST, SGST & IGST		30,029,609	7,331,813
less: VAT & CST		-	-
Revenue from operations(net)		338,123,758	135,199,470
Other Income	14	368,329	16,785
<b>Total Revenue</b>		<b>338,492,086</b>	<b>135,216,255</b>
<b>Expenses</b>			
(a) Purchase of stock in trade		293,892,786	114,353,295
(b) Other Direct Expense		-	-
(c) Change in inventories of finished goods, work-in-progress and stock-in-trade	15	(18,846,200)	(9,242,511)
(d) Employee benefit expenses	16	10,982,661	4,735,809
(e) Finance cost	17	2,077,870	1,827,854
(f) Depreciation and amortisation expenses	7	1,158,106	369,182
(g) Operational expenses	18	2,316,422	821,318
(g) Other expenses	19	38,388,835	16,988,574
<b>TOTAL EXPENSES</b>		<b>329,970,480</b>	<b>129,853,521</b>
<b>Profit/ (loss) before exceptional and extra ordinary items and tax</b>		<b>8,521,607</b>	<b>5,362,734</b>
Exceptional Items		-	-
<b>Profit/ (loss) before extra ordinary items and tax</b>		<b>8,521,607</b>	<b>5,362,734</b>
Extra ordinary items		-	-
<b>Profit / (loss) before tax</b>		<b>8,521,607</b>	<b>5,362,734</b>
<b>Tax expense:</b>			
(a) Current tax expense for current year		(2,380,439)	(1,493,467)
(b) (Less): MAT credit (where applicable)		-	-
(c) Current tax expense relating to prior years		-	-
(d) Net current tax expense		-	-
(e) Deferred tax(asset)		136,158	484
<b>TOTAL ( a )+( b )+( c )+( d )+( e )</b>		<b>(2,244,281)</b>	<b>(1,492,983)</b>
<b>Profit / (Loss) from continuing operations (9 ±10)</b>		<b>6,277,326</b>	<b>3,869,751</b>
<b>DISCONTINUING OPERATIONS</b>			
Profit / (Loss) from discontinuing operations (before tax)		-	-
Gain / (Loss) on disposal of assets / settlement of liabilities attributable to the discontinuing operations		-	-
Add / (Less): Tax expense of discontinuing operations		-	-
<b>Profit / (Loss) from discontinuing operations</b>		<b>-</b>	<b>-</b>
<b>TOTAL OPERATIONS</b>			
<b>Profit / (Loss) for the year (11 + 13)</b>		<b>6,277,326</b>	<b>3,869,751</b>
<b>Earning Per Equity shares:</b>			
(1) Basic	20	125.55	77.40
(2) Diluted		125.55	77.40
See accompanying notes forming part of financial statements	21		

As of our report attached

**For Tibrewalbhagat & Associates**  
Chartered Accountants  
FRN:128374W

**Grace Renewable Energy Pvt Ltd**

**Ankit Tibrewal**  
(Partner)  
M.No.-125173  
UDIN : 21125173AAAABJ6977

  
Director

Place: Ahmedabad  
Date: 29/10/2020

**NOTES TO ACCOUNT FORMING PART OF THE FINANCIAL STATEMENT  
AS ON 31ST MARCH, 2020**

1	SHARE CAPITAL	AMOUNT AS AT 31.3.2020	AMOUNT AS AT 31.3.2019
	Authorised 50,000 (P.Y 50,000 ) Equity shares of Rs. 10/- each	500,000	500,000
	Issued, Subscribed & paid up: 50,000 (P.Y 50,000 ) Equity shares of Rs. 10/- each	500,000	500,000
	TOTAL	500,000	500,000

The Company has only one class of shares referred to as equity shares having a par value Rs.10/-. Each holder of equity shares is entitled to one vote per share.

Reconciliation of the number of shares outstanding

Particulars	AMOUNT AS AT 31.3.2020	AMOUNT AS AT 31.3.2019
Number of Equity shares with voting rights at the beginning	50,000	50,000
Add: Shares Issued		
Less: Shares Bought back		
Number of Shares at the end	50,000	50,000

Below are the name of share holders holding more than 5% Equity shares with numbers of shares held as on 31.3.20

Sr No	Name of Share Holder	AMOUNT AS AT 31.3.2020	AMOUNT AS AT 31.3.2019
1	Manish Bagadia	29800(59.60%)	29800(59.60%)
2	Karuna Bagadia	15000(30.00%)	15000(30.00%)
3	Rajshree Bagadia	4300(8.60%)	4300(8.60%)

2	RESERVE & SURPLUS	AMOUNT AS AT 31.3.2020	AMOUNT AS AT 31.3.2019
	Profit or Loss A/c		
	Opening Balance	5,370,913	1,502,130
	Add: Balance during the year	6,277,326	3,868,783
	Less: Utilisation	-	-
	Closing Balance	11,648,238	5,370,913
	TOTAL	11,648,239	5,370,913

3	SHORT TERM BORROWINGS	AMOUNT AS AT 31.3.2020	AMOUNT AS AT 31.3.2019
	Secured Loans	1,926,781	2,366,796
	Unsecured Loan From Directors and Relatives	16,569,147	18,910,729
	TOTAL	18,495,928	21,277,525

4	TRADE PAYABLES	AMOUNT AS AT 31.3.2020	AMOUNT AS AT 31.3.2019
	Creditors for Goods	13,879,191	2,450,289
	Creditors for Expences	11,709,900	7,582,887
	TOTAL	25,589,091	10,033,176

5	OTHER CURRENT LIABILITIES	AMOUNT AS AT 31.3.2020	AMOUNT AS AT 31.3.2019
	Advance received from customers	69,853,615	11,622,140
	Salary payable	734,013	499,099
	Directors Salary	1,974,065	-
	TOTAL	72,561,693	12,121,239



**GRACE RENEWABLE ENERGY PVT. LTD.**  
**SCHEDULE FORMING PART OF BALANCE SHEET**

**Note :- 7 TANGIBLE ASSETS**

Sr. No.	Particulars of Assets	GROSS BLOCK			DEPRECIATION AS PER WDV				NET BLOCK		
		Total as at 31/03/2019	Additions	Deduction	Total as at 31/03/2020	Total as at 31/03/2019	For the Year	Deduction	Total as at 31/03/2020	As at 31/03/2020	As at 31/03/2019
1	Computer System	458,649	235,247	-	693,897	335,897	138,424	-	474,321	219,575	122,752
2	Office Equipments	320,366	123,855	-	444,222	165,613	90,319	-	255,932	188,289	154,753
3	Furniture	135,684	108,839	-	244,523	55,470	44,192	-	99,662	144,861	80,214
4	Mercedes Benz CLA 200 D	2,627,818	-	-	2,627,818	83,191	794,687	-	877,878	1,749,940	2,544,627
5	Software	-	265,012	-	265,012	-	90,484	-	90,484	174,528	-
	<b>Total</b>	<b>3,542,517</b>	<b>732,954</b>	<b>-</b>	<b>4,275,471</b>	<b>640,172</b>	<b>1,158,106</b>	<b>-</b>	<b>1,798,278</b>	<b>2,477,194</b>	<b>2,902,345</b>
	<b>Previous Year</b>	<b>792,616</b>	<b>2,749,901</b>	<b>-</b>	<b>3,542,517</b>	<b>270,990</b>	<b>369,182</b>	<b>-</b>	<b>640,172</b>	<b>2,902,345</b>	<b>521,626</b>



6	SHORT TERM PROVISIONS	AMOUNT AS AT 31.3.2020	AMOUNT AS AT 31.3.2019
	Unpaid Audit Fees	50,000	10,400
	Duties and Taxes	6,353,681	305,534
	Income Tax Provision	2,447,687	1,495,866
	<b>TOTAL</b>	<b>8,851,368</b>	<b>1,811,800</b>

8	INVESTMENTS	AMOUNT AS AT 31.3.2020	AMOUNT AS AT 31.3.2019
	State Bank Of India FD: 0037160868130	25,000	25,000
	Kotak Mahindra Bank (Sweep FD)	17,510,000	-
	<b>TOTAL</b>	<b>17,535,000</b>	<b>25,000</b>

9	TRADE RECEIVABLES	AMOUNT AS AT 31.3.2020	AMOUNT AS AT 31.3.2019
	Trade Receivables Outstanding for a period exceeding six months from the date they were due for payment		
	Secured, considered good	-	-
	Unsecured, considered good		
	Other Trade Receivables		
	Secured, considered good	22,577,644	3,138,282
	Unsecured, considered good		
	<b>TOTAL</b>	<b>22,577,644</b>	<b>3,138,282</b>

10	CASH & CASH EQUIVALENTS	AMOUNT AS AT 31.3.2020	AMOUNT AS AT 31.3.2019
	(a) Balances with banks	10,741,280	1,076,928
	(b) Cash on hand	319,193	74,034
	<b>TOTAL</b>	<b>11,060,473</b>	<b>1,150,962</b>

11	SHORT TERM LOANS AND ADVANCES	AMOUNT AS AT 31.3.2020	AMOUNT AS AT 31.3.2019
	(Unsecured & considered Goods )		
	Other Advance	20,059	20,059
	Duties and Taxes	-	1,940,657
	Deposit	6,649,287	1,448,200
	<b>TOTAL</b>	<b>6,669,346</b>	<b>3,408,916</b>

12	OTHER CURRENT ASSETS	AMOUNT AS AT 31.3.2020	AMOUNT AS AT 31.3.2019
	Subsidy GEDA Receivable	415,185	5,464,995
	Subsidy MNRE Receivable	38,161,969	19,853,332
	TDS Receivable	884,538	125,291
	Advance Tax	1,700,000	900,000
	Prepaid Expense	132,905	37,825
	Performance Bank Guarantee	2,942,005	-
	<b>TOTAL</b>	<b>44,236,602</b>	<b>26,381,443</b>

13	REVENUE FROM OPERATION	AMOUNT AS AT 31.3.2020	AMOUNT AS AT 31.3.2019
	Sales of Goods (Net Return)	368,153,367	142,531,283
	<b>TOTAL</b>	<b>368,153,367</b>	<b>142,531,283</b>



14	OTHER INCOME	AMOUNT AS AT 31.3.2020	AMOUNT AS AT 31.3.2019
	Discount Income	9,900	16,785
	Other Income	2,613	-
	Duty Drawback	62,816	-
	FD Interest Income	248,456	-
	Foregin Exchange Gain/Loss	44,544	-
	<b>TOTAL</b>	<b>368,329</b>	<b>16784.65</b>

15	Change in Inventories	AMOUNT AS AT 31.3.2020	AMOUNT AS AT 31.3.2019
	Opening Balance	14,083,929	4,841,421
	Less: Closing Balance	32,930,129	14,083,931
	<b>TOTAL</b>	<b>(18,846,200)</b>	<b>(9,242,511)</b>

16	EMPLOYEES BENEFIT EXPENSES	AMOUNT AS AT 31.3.2020	AMOUNT AS AT 31.3.2019
	Wages and Salary	10,904,284	4,712,096
	Staff Welfare Expenses	78,377	23,713
	<b>TOTAL</b>	<b>10,982,661</b>	<b>4,735,809</b>

17	FINANCE COST	AMOUNT AS AT 31.3.2020	AMOUNT AS AT 31.3.2019
	Interest Exp	1,846,355	1,716,148
	Bank Charges	231,515	111,706
	<b>TOTAL</b>	<b>2,077,870</b>	<b>1,827,854</b>

18	OPERATING EXPENSES	AMOUNT AS AT 31.3.2020	AMOUNT AS AT 31.3.2019
	Godown Rent	501,032	-
	Freight Charges	401,066	130,161
	Transportation	1,414,324	691,157
	<b>TOTAL</b>	<b>2,316,422</b>	<b>821,318</b>

19	OTHER EXPENSES	AMOUNT AS AT 31.3.2020	AMOUNT AS AT 31.3.2019
	Administration Expense	433,575	23,060
	Marketing Expenses	6,018,998	4,904,796
	Labour Charges	-	74,423
	Office Rent Expense	710,340	970,194
	Membership Expense	52,761	-
	Petrol & Fuel Expenses	474,452	315,926
	Stationary & Printing	274,997	157,637
	Telephone & Internet Expenses	154,798	138,333
	Godown Expense	30,065	83,243
	Insurance Expense	82,634	99,054
	Legal & Stamping Expenses	684,229	202,159



Net Meter Charges	3,325,780	1,008,101
Office Expense	335,126	458,628
Repairs, Maintenance, Fittings	151,465	188,364
Travelling Expense	1,190,357	393,948
Audit Fees	50,000	-
Misc. Exp	69,549	234,078
Electricity Expense	110,383	73,097
Franchise Expenses	700,000	-
Municipal Tax	60,760	61,354
Consultancy Fees	51,000	57,053
ROC Filling Fee	5,200	1,200
Donation & Charity Expenses	160,000	200,000
Weight Charges	1,340	6,226
Custom Duty	-	944,466
INSTALLATION CHARGES	21,204,430	5,394,975
TENDER FEES	40,000	15,000
Staff Recruitment Expense	-	28,628
Shortfall in MNRE Subsidy Receivable	15,314	171,000
Claim & Settlement A/c	131,267	186,800
Connectivity Charges	882,265	553,824
Export & Import Clearing Charges	35,507	-
Panel Cleaning Service	307,500	-
Other Expenses	644,742	43,006
<b>TOTAL</b>	<b>38,388,835</b>	<b>16,988,574</b>

20	EARNING PER SHARE(ACCOUNTING STANDARD-20)	AMOUNT AS AT 31.3.2020	AMOUNT AS AT 31.3.2019
	Profit for the period	6,277,326	3,869,751
	Add: Preference Dividend		
	Profit for the year including preference dividend	6,277,326	3,869,751
	No. of equity shares outstanding during the year	50,000	50,000
	Nominal value of ordinary shares	10	10
	Basic earning per share(Rs)	125.55	77.40
	Basic earning per share(Rs) Apprx.	125.55	77.40

## Notes 21

### A. Significant Accounting Policies: -

#### 1) Basis of Accounting

The financial statements are prepared under historical cost convention, on accrual basis of accounting and comply with the provisions of the Companies Act, 2013, accounting principles generally accepted in India and Accounting Standards issued by The Institute of Chartered Accountants of India (ICAI) to the extent applicable.

#### 2) Revenue Recognition

Revenue are recognized when goods are dispatched and are recorded at net of shortages, claims settled, rate differences, rebate allowed to customers.

#### 3) Fixed Assets and Depreciation

Fixed assets are valued and stated at cost less accumulated depreciation calculated on the basis of Written down Method. Consequent to the enactment of companies Act, 2013, the company has reassessed the remaining useful life of fixed assets in accordance with the provisions prescribed under Schedule II of the Act during the relevant assessment year.

#### 4) Inventories

Inventories of Goods are stated at cost or Net Realizable Value whichever is lower, and as certified and valued by management. Costing formula used is First-in-First-out (FIFO).

#### 5) Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenue and expenses and disclosure of contingent liabilities on the date of financial statements. The recognition, measurement, classification or disclosure of an item or information in the financial statements has been made relying on these estimates.

#### 6) Impairment of Assets

Consideration is given at each Balance Sheet date to determine whether there is any indication of impairment of the carrying amounts of the Company's assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized wherever the carrying amount of assets exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use.

#### 7) Employee Benefits

- i). Short term employee benefits are recognized as an expense at undiscounted amount in the Profit & Loss Account of the year in which the related service is rendered.
- ii). Post employment and other long term employee benefits are recognized as an expense in the Profit & Loss Account in the year of payment.

#### 8) Directors' Remuneration

During the year 2019-20 company has paid Rs.30,00,000/- director remuneration.



#### 9) Deferred Tax

Provision for differed tax has been made on timing difference between books Depreciation and depreciation as per Income tax Act.

#### 10) Letter of confirmation

No confirmation of debit & credit balances has been obtained and hence all the balances shown in the Balance Sheet are as per books of account only.

#### 11) Foreign Currency Transactions

Transactions in foreign currency if any, are recorded at rates of exchange prevailing on the date of transactions. Foreign currency assets and liabilities are stated at the exchange rate prevailing at the date of balance sheet, Realized gain or loss on foreign exchange transaction other than those relation to fixed assets are recognized in profit or loss account.

#### B. Assets and Liabilities: -

1. All debit and credit balances and accounts squared up during the year are subject to confirmation from respective parties.
2. In the opinion of the Board of Directors, the current assets, loans and advances are approximately of the value at which these are stated in the Balance Sheet if realized in the ordinary course of business.
3. Adequate provisions have been made for all known liabilities and the provisions are not excess of the amount reasonably necessary.

#### C. Accounting for Taxes: -

1. As required by "Accounting Standards 22 – Accounting for Taxes on income", the company has provided for Deferred Taxes.

#### D. Segment Reporting: -

The company has a single business segment namely providing Solar EPC Solution, hence the company's business does not fall under different business segments as defined by AS-17 issued by the ICAI.

#### E. Directors of company: -

Director : - Shri. Manish Bagadia  
Director : - Smt. Karuna Bagadia



**F. Transaction with Related Parties: -**

Sr. No.	Name of Related Party	Relation	Nature	Payment made(Amount)
1	Manish Bagadia	Director	Interest Paid	610649
2	Karuna Bagadia	Director	Interest Paid	7080
3	Manish Bagadia HUF	HUF Of Director	Interest Paid	358168
4	Manish Bagadia	Director	Salary	1500000
5	Karuna Bagadia	Director	Salary	1500000

Sr. No.	Name of Related Party	Relation	Loan Taken	Loan Repaid
1	Manish Bagadia	Director	450000	5600000
2	Karuna Bagadia	Director	-	635826
3	Manish Bagadia HUF	HUF Of Director	500000	-

G. Earning in Foreign Currency Rs.63,26,094/- (Previous Year Rs. NIL)

H. C.I.F. value of imports Rs. NIL (Previous Year Rs.NIL)

I. Expenditure in Foreign Currency Rs.84,461/- (Previous Year Rs.NIL)

J. Previous year figures have been rearranged / regrouped wherever necessary.

K. Other Notes to Accounts :

(i) With reference to point no A 4. On Inventory. The Company has not presented 'Stock Register' for the year ending as on March 31, 2020 with us for verification and as informed they have prepared the 'Stock Register' for the year ending March 31, 2020 and we have relied upon the management for the same.

(ii) With reference to point no. A 10 Letter of Confirmation. In case of debtors & creditors management have obtained confirmation from few of the parties and the company was under the process of collection so we were unable to obtain independent confirmation due to lack of physical availability. Also, up to the date of audit there were no subsequent realization from the debtors nor there was any payment to creditors outstanding as on March 31, 2019.

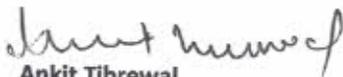
(iii) Closing Balance of Cash as on 31st March 2020 is subject to verification.

Subject to above, As per Our Report of even date

**For Tibrewalbhagat & Associates**

Chartered Accountants

Firm Reg No. :128374W



**Ankit Tibrewal**  
(Partner)

Membership No:-125173

UDIN : 21125173AAAABJ6977

Place : Ahmedabad

Date :29/12/2020



**For Grace Renewable Energy Pvt Ltd**





**Directors**