

ENERQUAL TECHNOLOGY PRIVATE LIMITED

**ANNUAL REPORT
FOR
THE FINANCIAL YEAR
2023-2024**

Registered office:

61, Deonar House, Deonar Village, Near Shah Ind Estate, Govandi East, Mumbai -400088

www.enerqual.com, Phone: +91 9920212260

CIN: U31904MH2018PTC314320

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ENERQUAL TECHNOLOGY PRIVATE LIMITED	
61, DEONAR HOUSE, DEONAR VILLAGE, NEAR SHAH IND ESTATE, GOVANDI EAST, MUMBAI, MH 400088 IN www.enerqual.com , Phone: +91 9920212260	
U31904MH2018PTC314320	amitrash@gmail.com

NOTICE

Notice is hereby given that 6th Annual General Meeting of members of Enerqual Technology Private Limited will be held on Monday, September 30, 2024 at 5:00 P.M IST through **Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM")** [Click here to join meeting](#) deemed to be held at the Registered Office of the Company, to transact the following business:

Ordinary Business:

- 1. To receive, consider and adopt the audited financial statements for the financial year ended March 31, 2024 together with the Report of the Directors and the Auditors thereon as required under the Companies Act, 2013**

To pass with or without modification(s), the following resolution as **an Ordinary Resolution:**

"RESOLVED THAT the Audited Financial Statements of the Company including the Balance Sheet as at March 31, 2024, Statement of Profit and Loss for the year ended on March 31, 2024 along with accompanying notes referred to therein, reports of the Board of Directors and Auditors' thereon, be and are hereby received, considered and adopted."

BY ORDER OF THE BOARD

For and on behalf of ENERQUAL TECHNOLOGY PRIVATE LIMITED

AMIT JAIN
Director
DIN: 05102710

Date: 07/09/2024
Place: California

Registered Office: 61 Deonar House, Deonar Village, Near Shah Ind Estate, Govandi East, Mumbai
400088

NOTES:

(a) The Board of Directors of the Company are convening this Annual General Meeting through Video Conferencing (“VC”)/ Other Audio Visual Means (“OAVM”) in terms of various General Circulars issued by the Ministry of Corporate Affairs (‘MCA’) in the manner as mentioned herein below:

- i. The Company is convening the Annual general meeting (AGM) through video conferencing and no physical presence of members, directors or auditors shall be required. The deemed venue of this Annual general meeting shall be considered as the registered office of the Company situated at 61 Deonar House, Deonar Village, Near Shah Ind Estate, Govandi East, Mumbai 40008. Since the AGM will be held through VC, the Route Map is not annexed in this Notice.
- ii. Notice of AGM along with the copies of Financial Statements for the Financial year ended March 31, 2024 including Board’s Report and Auditors Report thereon is being sent through email to all members, as approved in the Board Meeting held on 07th September, 2024, on their registered email id with the Company and no physical copy of the same would be dispatched. This notice for convening annual general meeting has also been hosted on website of the Company i.e www.enerqual.com
- iii. If any member requires to update his/her registered email id and/or address, they may send the request for the same at the e-mail address i.e. amit.jain@enerqual.com.
- iv. The Company is providing two way teleconferencing facility for the ease of participation of the members. Link for joining the meeting will be shared along with the notice of this meeting or through separate email.

The link to attend the meeting is: Microsoft Teams meeting

Join on your computer, mobile app or room device

[Click here to join meeting](#)

Meeting ID: 422 805 794 30

Passcode: StyuDk

- v. Participants i.e. Members, Directors, Key Managerial Personnel and Auditors to whom this notice is being circulated are allowed to submit their queries, questions etc. before the AGM in advance on the e-mail address i.e. amit.jain@enerqual.com. Further, questions may also be posed concurrently during the AGM.
 - vi. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Shareholders has been dispensed with. Accordingly, Attendance Slip is not annexed to this Notice and the facility for appointment of proxies by the Shareholders will not be available for the AGM and hence the Proxy Form is not annexed to this Notice
- (b) Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board resolution to the Company authorizing their representative to attend and vote on their behalf at the meeting. The said Resolution/Authorization shall be sent to the Company by email through its registered email address to amit.jain@enerqual.com.
- (c) Shareholders attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- (d) In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote at the AGM.

- (e) Members, directors and auditors to whom this notice is being circulated can attend the AGM through video conferencing at least 15 minutes before the schedule time. Also, the facility shall not be closed till the expiry of 15 minutes after start of the meeting, unless with consent of all the members and directors present at the meeting.
- (f) **Voting by Members:** Member to convey his vote by show of hands in the AGM as the total number of members are less than 50. However, if the poll is demanded in the AGM, members are requested to send the email of their decision of voting on the designated e-mail ID of the Company at i.e. amit.jain@enerqual.com in the following format:

Sr. No.	Particulars	Details
1.	Name of the First Named Shareholder (In block letters)	
2.	Postal Address	
3.	Registered folio No.	
4.	Class of Share	Equity of Rs. 10/- each

I hereby exercise my vote in respect of Ordinary resolution enumerated below by recording my assent or dissent to the said resolution by placing the tick (✓) /yes/No mark at the appropriate box below:

Item No.	Item Particulars	No of Shares held by me	I assent to the resolution	I dissent to the resolution
1.	To receive, consider and adopt the audited financial statements for the financial year ended March 31, 2024 together with the Report of the Directors and the Auditors thereon as required under the Companies Act, 2013			

- (g) The result of voting shall be declared in the meeting and the meeting shall be deemed to be conclusive after the declaration of result.
- (h) **Procedure for inspection of documents:**
All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, and the relevant documents referred to in the Notice will be available electronically for inspection by the members. Member who intends to inspect such documents are requested to send an email to Company on email address amit.jain@enerqual.com.

BY ORDER OF THE BOARD

For and on behalf of ENERQUAL TECHNOLOGY PRIVATE LIMITED

AMIT JAIN

Director

DIN: 05102710

Date: 07/09/2024

Place: California

Registered Office: 61 Deonar House, Deonar Village, Near Shah Ind Estate, Govandi East, Mumbai 400088

ENERQUAL TECHNOLOGY PRIVATE LIMITED	
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DIRECTORS' REPORT

To
The Members,
ENERQUAL TECHNOLOGY PRIVATE LIMITED

Your Directors have pleasure in presenting their Sixth (6th) Annual Report on the state of affairs of the Company together with the Audited Financial Statements for the financial year ending March 31, 2024.

1. FINANCIAL PERFORMANCE:

The financial results for the financial year ended March 31, 2024 and the corresponding figures for the last year are as under: -

FINANCIAL RESULTS:

(Amounts in INR hundreds)

Particulars	For the year ended March 31, 2024	For the year ended on March 31, 2023
Total Income	1,92,277	2,38,986
Total Expenses	1,84,202	2,31,469
Profit/(Loss) before Taxation	8,859	6,785
Current Tax & MAT credit entitlement	2,475	-
Deferred Tax	(309)	(336)
Profit/(Loss) after Taxation	6,693	6,449

2. STATE OF AFFAIRS:

The Company is engaged in the business of solar power plant engineering and design. During the financial year, the company has incurred revenue from operation of Rs. 1,92,27,729/- as compared to previous year's Rs. 2,38,98,617/-. The Company has incurred profit of Rs. 6,69,461/- as compared to the previous year's Profit of Rs. 6,44,946/-.

3. CHANGE IN NATURE OF BUSINESS, IF ANY:

There has been no change in the business of the Company during the financial year ended March 31, 2024.

4. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

No material changes have occurred between the end of the financial year to which this report relates and the date of this report except change in methodology transfer pricing of transactions with related parties as mentioned in Note No. 30 of the Financials of the Company.

5. DIVIDEND:

Your directors do not recommend declaration of any dividend for the year ended March 31, 2024.

6. SHARE CAPITAL OF THE COMPANY:

The Authorised share Capital of the Company is Rs. 10,00,000/- (Ten lakh) divided into 100,000 (One Lakh) Equity shares of Rs. 10/- each shares as on 31st March, 2023.

The Paid up share Capital of the Company is Rs. 10,00,000/- (Ten lakh) divided into 100,000 (One Lakh) Equity shares of Rs. 10/- each.

There have been no changes in share capital of the company during the period under review.

7. SHARES:

- a) **BUY BACK OF SECURITIES** -The Company has not bought back any of its securities during the year under review.
- b) **SWEAT EQUITY**- The Company has not issued any Sweat Equity Shares during the year under review.
- c) **BONUS SHARES** - No Bonus Shares were issued during the year under reference.
- d) **EMPLOYEES STOCK OPTION PLAN** -The Company has not provided any Stock Option Scheme to its employees.
- e) **Transfer of Shares** – During the period under review, the Company has received 33 Instrument for transfer of shares, which has been approved by the Board at its meeting held on 29th December, 2023

8. DEPOSITS:

Your Company has not invited/accepted any deposit within the meaning of Section 73 of the Companies Act, 2013 and Rules made there under, during the year under review.

9. TRANSFER TO RESERVES:

The Board do not propose to transfer any amount to General Reserve during the period under review.

10. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

The Company does not have any Subsidiary, Joint Venture Company or Associate Company.

11. STATEMENT IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROL WITH REFERENCE TO THE FINANCIAL STATEMENTS:

Your Company has maintained adequate internal controls commensurate with its size and the nature of operation. There are suitable monitoring procedures in place to provide reasonable assurance for accuracy and timely reporting of the financial information and compliance with the statutory requirements. Your Company is continuously putting its efforts to align the processes and controls with the best practices in the industry.

12. BOARD OF DIRECTORS:

The Board at present comprises of 3 (Three) Directors. There has been no change in the directorship of the Company during the year under report. The Board of Directors is duly constituted. Following is the composition of Board of Directors as on March 31, 2023:

Name	Designation	DIN
Mr. Amit Jain	Director	05102710
Mr. Priyesh Dhariwal	Director	07085674
Ms. Arati Nath	Nominee Director	08741034

13. MEETINGS OF THE BOARD:

The Board of Directors duly met 7 time during the year under report. i.e on 22.04.2023; 24.06.2023; 18.08.2023; 08.09.2023; 28.11.2023; 29.12.2023; 18.03.2024.

14. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES:

Being a private limited company, the provisions of Section 178 of the Companies Act, 2013 relating to constitution of Nomination and Remuneration Committees are not applicable to the Company. The Board itself has devised and decided on policies relating to appointment of directors, payment of managerial remuneration, directors qualifications, positive attributes and other related matters. Further, The Board has approved all the senior level appointments and their remuneration.

15. MANAGERIAL REMUNERATION AND PARTICULARS OF EMPLOYEES

The Company being a private limited company is exempt from disclosing the details of managerial remuneration as required by section 197(12) of the Companies Act, 2013.

Information under rule 5(2) of the Companies (appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to the Company as the Company is a private limited Company.

16. AUDITORS AND THEIR REPORTS:

M/S Thale Mane & Associates, Chartered Accountants (FRN. 145202W), Navi Mumbai was appointed by the Members of the Company at its Annual General Meeting held on 30th December, 2023 to hold office for period of 5 years from the conclusion of 5th Annual General Meeting till the conclusion of 10th Annual General Meeting to conduct audit for period of account from 01/04/2023 and 31/03/2028.

M/S Thale Mane & Associates, Chartered Accountants have conducted statutory audit for the FY 2023-24.

The observations of the Statutory Auditors, when read together with the relevant notes to accounts and accounting policies are self-explanatory and do not call for any further comments.

The independent Auditor's Report for the year ended 31st March 2024 does not contain any qualification, reservation or adverse remarks, which need explanation or comments by the Board.

The provisions of Section 138, 148 & 204 of the Companies Act 2013 with respect to appointment of Internal auditor, Cost, Secretarial Auditor and audit/records thereof respectively are not applicable to the company.

17. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

There were no loans given, guarantees provided or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence, nothing there to disclose.

18. EXTRACT OF ANNUAL RETURN:

Pursuant to provisions of Section 92 of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, Annual Return in Form MGT 7A will be available on the website of the Company.

19. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188 OF THE COMPANIES ACT 2013:

All transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. Please refer to **Annexure – I (AOC-2)** for related party transactions details.

20. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

a. Conservation of Energy and Technology Absorption

Since the Company is not operating in energy intensive industry, the particulars as prescribed under Section 134(3)(m) read with sub-rule 3 or rule 8 of Companies (Accounts) Rules, 2014, are not set out in this Report of Board of Directors, Nevertheless, the Company is taking adequate steps to conserve and minimize the use of energy wherever it is possible.

The information related to Technology absorption, adaptation and innovation is not applicable to the Company in view of the nature of activities carried on by the Company.

b. Foreign Exchange Earnings and Outgo

Foreign Exchange Earnings - 1,26,56,051.70

Foreign Exchange Outgo - NIL

21. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY:

The Company understands that risk evaluation and risk mitigation is a function of the Board of Directors of the Company and the Board of Directors are fully committed to develop a sound system for identification and mitigation of applicable risks viz., systemic and non-systemic on a continuous basis.

22. CORPORATE SOCIAL RESPONSIBILITY:

The provisions of section 135 of the Companies Act, 2013 are not applicable to your Company.

23. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company provides a conducive work environment in terms of anti-sexual harassment and has sufficient checks to provide protection against sexual harassment of women at workplace. Your directors further state that there were no cases filed with the Company pursuant to the said Act.

24. DIRECTORS' RESPONSIBILITY STATEMENT:

Your Directors, to the best of their knowledge and belief and according to the information and explanations obtained by them and as required under Section 134(3)(c) of the Companies Act, 2013 state that:

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) Company has 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 and of the profit of the company for that period;

- c) Company has 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 have prepared the annual accounts on a going concern basis;
- e) the Company has devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

25. 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 was no significant or material order passed by any regulator or court or tribunal against the Company.

However,

- a. On September 20, 2023, the Company received a show cause notice from the Labour Law Department concerning alleged unpaid salaries of certain ex-employees. In response, the management filed a written reply to the show cause notice and met with the Department of Labour officer on December 20, 2023, to present the Company's perspective and provide data supporting its position.

As of the date of this Report, the management has settled the grievances of 10 out of the 11 ex-employees who had filed the complaint or they have decided to not pursue the matter further. However, one ex-employee did not agree with the settlement offered, and her case is proceeding through the due process. The Company is currently awaiting a formal notification from the Department of Labour regarding this matter. The management will continue to monitor the situation and take appropriate action as necessary.

- b. The Company has received a summons dated August 16, 2023, from the Court of VIII Civil Judge Class-I, District Court, Bhopal, presided by the Honorable Judge Manjusha Tekam. The claimant in the case is AIC-Aartech Solonics Private Limited, a fully owned subsidiary of Aartech Solonics Limited, which is a shareholder of the Company. The subject matter of the summons involves a claim for the payment of unpaid dues amounting to Rs. 18,42,382. The management of the Company vigorously disputes the claims made by AIC-Aartech Solonics Private Limited and is actively contesting these allegations. To defend its position, the Company has engaged a qualified legal representative, who has officially filed a vakalatnama on October 20, 2023, to act on behalf of the Company in this legal matter. The actual balances as of March 31, 2024, show a debit balance of Rs. 75,053 in the books of EnerQual Technology Private Limited, whereas the books of AIC-Aartech Solonics Private Limited report a debit balance of Rs. 5,06,669. The difference in reported balances and the claimed amount in the lawsuit is noted, and the Company continues to monitor and evaluate the situation closely. The court proceedings are ongoing.
- c. The Company has received three correspondences from the shareholder Aartech Solonics Limited (ASL) in FY23-24. The first and second correspondence is dated May 1, 2023 and May 30, 2023 and are signed by Mr. Amit Raje (Authorized Representative of Aartech Solonics Limited). The third correspondence is dated Jan 8, 2024 and signed by Advocate Mr. Sulesh Karnik of Lawyres LLP (on behalf of Aartech Solonics Limited).

The first correspondence by ASL is regarding inspection of company documents and records as a shareholder. It alleges that The Company is following wrongful practices and causing damage to shareholder interest.

The Company provided the requisite documentation to the ASL representative. No further response for any additional documentation was received from ASL.

The second correspondence by ASL has multiple allegations by ASL against The Company and Directors.

In summary, it alleges that EnerQual is depriving ASL and EnerQual with true income and earnings, and alleges an estimated balance payment of \$332,460 or INR 261.31 Lakhs to ASL for FY22-23. It alleges the Company of not sharing information with ASL, its Nominee Director and EnerQual board, and compliance gaps in EnerQual. It further alleges that there are outstanding dues of INR 18.42 Lakhs to AIC-ASL (as ASL subsidiary) and a case has been filed in the civil courts of Bhopal. Finally, it alleges that The Company and directors have malicious, dishonest and fraudulent intentions.

The Company has responded to the shareholder stating that their letter is nothing but an attempt to distort the factual and correct positions, and an attempt to create an incorrect perception that they are an oppressed shareholder. All allegations in their communication is denied by the Company and its Directors, including claims of any balance payments to ASL. The Company further advised the shareholders to provide a copy of the court notice as no summons had been received from the Honorable court directly (when response was filed by the company to this correspondence). Lastly, The Company has shared all relevant information that a shareholder is entitled to per statutory norms during the course of the financial year.

The third correspondence incorporates the allegations of second correspondence and adds more allegations. It expands on allegations are about resignation of existing statutory auditor and appointment of new statutory auditor, and adds new allegations on the Company's non-response to various communications from ASL, report under-reporting, share transfers, improper scheduling of Board meeting and AGM, non-compliance to various standards and coercive decision making. It threatens the Company and Directors of Civil and Criminal proceedings.

The Company denies all the allegations presented in this third correspondence. In addition to response provided above to the first and second correspondences, The Company and its Director states that it has proactively exercised its duties within the ambit of the law and various standards to ensure EnerQual Technology Pvt. Ltd. remains a fully compliant organization. It has fully accommodated all requests of the shareholder and its nominee director, in compliance with their respective statutory rights. On many occasions, in order to serve ASL requests, The Company has requested clarifications from ASL management; However, ASL management has ignored those requests.

26. FRAUD REPORTING:

There were no instances reported during the year in relation to the happening of Financial or other frauds in the Company.

27. Secretarial Standards:

The Company has complied with all applicable secretarial standards.

28. ACKNOWLEDGEMENT:

Your directors appreciate and value the contributions made by every member of the Company and extend their sincere appreciation for their assistance.

For and on behalf of the Board of Directors
ENERQUAL TECHNOLOGY PRIVATE LIMITED

AMIT JAIN
DIRECTOR
DIN:05102710
Date: 07/09/2024
Place: California

PRIYESH DHARIWAL
DIRECTOR
DIN: 07085674
Date: 07/09/2024
Place: Indore

FORM AOC-2

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

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.

1. Details of contracts or arrangements or transactions not at arm's length basis: Not Applicable

- a) Name(s) of the related party and nature of relationship
- b) Nature of contracts/arrangements/transactions
- c) Duration of the contracts / arrangements/transactions
- d) Salient terms of the contracts or arrangements or transactions including the value, if any
- e) Justification for entering into such contracts or arrangements or transactions
- f) date(s) of approval by the Board
- g) Amount paid as advances, if any:
- h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

2. Details of material contracts or arrangement or transactions at arm's length basis:

- a) Name(s) of the related party and nature of relationship: -
 - i. Enerqual Technology LLC - Entity in which relative of director (Amit Jain) has significant control
- b) Nature of contracts/arrangements/transactions: – supply of services;
- c) Duration of the contracts / arrangements/transactions – **on going**
- d) Salient terms of the contracts or arrangements or transactions including the value, if any:

Name of the party	Value of the transaction (Amount in Rs.)	Nature of the Transaction
Enerqual Technology LLC	1,26,56,051.7	supply of services

- e) Date(s) of approval by the Board, if any: **Not Applicable**
- f) Amount paid as advances, if any: **Not Applicable**

For and on behalf of the Board of Directors

ENERQUAL TECHNOLOGY PRIVATE LIMITED

AMIT JAIN
 DIRECTOR
 DIN:05102710

PRIYESH DHARIWAL
 DIRECTOR
 DIN: 07085674

Date: 07/09/2024
 Place: California

Date: 07/09/2024
 Place: Indore



Thale Mane & Associates

Chartered Accountants

FRN: 145202W

Address: 604, J.K. Chambers, Sector -17, Vashi - 400 703, Maharashtra
Mobile: - 7738101298 / 8976105518 **E-mail:** - office@catmassociates.com

INDEPENDENT AUDITOR'S REPORT

To the Members of Enerqual Technology Private Limited

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of Enerqual Technology Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss for the year then ended, and 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, except for the matter described in the Emphasis of Matter paragraph, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Accounting Standards prescribed under section 133 of the Act, read with the Companies (Accounting Standards) Rules, 2021 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2024, and its profit for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

- We draw attention to Note no. 22 of the financial statements (Other Matters**) with respect to other contingent matters. The Company has received a summon dated 16 August 2023 from the Court of VIII Civil Judge Class-I, District Court, Bhopal with presiding officer Manjusha Tekam. The claimant is AIC-Aartech Solonics Private Limited. The summon states that the claim is about payment of claim pertaining to FY 2023-24. As per view of the management, pending litigation does not have any material financial impact on the Company. Accordingly, no adjustments have been made in the accompanying financial statements of the Company. Our opinion is not modified in respect of this matter.
- We draw attention to Note 22 of the financial statements (Other Matters***), which describes the receipt of three correspondences from Aartech Solonics Limited, a shareholder of Enerqual Technologies Private Limited, during the financial year 2023-24. These correspondences contain various allegations against Enerqual management and Directors, including claims of wrongful practices, non-compliance, and demands for specific payments. The management of Enerqual has denied all allegations and has provided detailed responses to each correspondence, as outlined in Note 22 ***.

As statutory auditors, we have relied upon management's representations and the disclosures in the financial statements regarding these matters. As per view of the management, these notices does not have any material financial impact on the Company. Based on the disclosures made in Note 22, our opinion on the financial statements is not modified in this respect.

- We draw attention to Note 30 of the financial statements, which describes that the management has engaged a transfer pricing consultant to conduct a study assessing the profitability of the business compared to industry norms. Based on the study, the Company has changed the method used for transfer pricing of transactions with related parties from the Cost-Plus Method to the Transactional Net Margin Method. The transactions with related parties are stated to be at arm's length prices, consistent with the conclusions of the transfer pricing report provided by the consultant.

As statutory auditors, we have relied on management's representations and the study report from the transfer pricing consultant to determine the pricing and profitability of these arm's length transactions. Based on the disclosures made in Note 30 and the audit procedures performed, our opinion on the financial statements is not modified in respect of this matter.

- We draw attention to Note 31 of the financial statements, which describes a complaint filed by Aartech Solonics Limited, a shareholder of EnerQual Technologies Private Limited ("EnerQual"), with the Ministry of Corporate Affairs (MCA) and the Registrar of Companies (RoC) alleging "Oppression and Mismanagement" of EnerQual. As of the date of these financial statements, EnerQual management has not received any formal notice from the MCA or RoC regarding this complaint. The management is awaiting such notice and will respond appropriately upon receipt. Based on the information currently available, management does not anticipate any significant financial impact arising from this matter. Our opinion is not modified in respect of this matter.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the standalone financial statements and our auditors' report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for 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 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. 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 implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and

presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

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

As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

Report on Other Legal and Regulatory Requirements

1. This report does not include a statement on the matters specified in 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, since in our opinion and according to the information and explanations given to us, the said order is not applicable to the Company.
2. Based on our audit, we report that the provisions of section 197 read with Schedule V to the Act are not applicable to the Company since the Company is not a public company as defined under section 2(71) of the Act. Accordingly, reporting under section 197(16) is not applicable.
3. As required by section 143(3) of the Act, based on our audit, we report, to the extent applicable, 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, except for the matters stated in the paragraph 3(h)(vi) below, on the reporting under rule 11(g) of the companies (Audit and Auditors) Rules, 2014.
 - c. The Balance Sheet and 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 the written representations received from the directors as on 31st March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 3(b) above on reporting under section 143(3)(b) of the Act and paragraph 3(h)(vi) below on reporting under Rule 11(g) of the companies (Audit and Auditors) Rules, 2014.
 - g. The Company is a Private Limited Company as defined under section 2(68) of the act and covered under the criteria specified in the notification G.S.R..583 (E) Dated June 13, 2017, as amended from time to time by Ministry of Corporate affairs and complies with conditions specified therein. Accordingly, reporting under section 143(3)(i) of the Act with respect to the

internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls is not applicable to the Company.

- 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, 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 as at 31st March 2024;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31st March 2024;
 - iv. (a) The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, recorded in writing or otherwise, that the Intermediary shall, whether, indirectly lend or invest in other persons or entities identified in a whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries:
 - (b) The management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v. The Company has not declared or paid any dividend during the year ended 31st March 2024.
 - vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility. However, the same has not operated throughout the year for all relevant transactions recorded in the software. Further, as Audit trail was not enabled during the course of our audit, we could not perform test check and verification process in respect of audit trail. The absence of a proper audit trail

affects our ability to perform sufficient and appropriate audit procedures to verify the completeness, accuracy, and integrity of financial information in respect of audit trail.

Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11 (g) of Companies (Audit and Auditors) Rules, 2014, as amended is not applicable for the financial year ended March 31, 2024.

UDIN: - 24155199BKAVZB1417

For Thale Mane & Associates

Chartered Accountants

ICAI Firm Registration Number: 145202W

Mukund Thale

Partner

Membership Number: 155199

Place of Signature: Mumbai

Date: 07th September 2024



1 Corporate information

Enerqual Technology Private Limited (the 'Company') was incorporated on 20th September 2018 under Companies Act, 2013.

2 Basis of preparation

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (IGAAP) under the historical cost convention on accrual basis to comply in all material respects with the Accounting Standards notified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016.

The accounting policies adopted in the preparation of financial statements have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy used until now (hitherto) with those of previous year.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle. Based on the nature of services and the time between the rendering of 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 noncurrent classification of assets and liabilities.

2.1 Summary of significant accounting policies

a) Use of estimates

The preparation of financial statements in conformity with the generally accepted accounting principles ('IGAAP') in India requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and the disclosures of contingent liabilities at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

b) Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises of purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Any trade discounts and rebates are deducted in arriving at the purchase price. Such cost includes the cost of replacing part of the plant and equipment. All other repair and maintenance costs are recognized in profit or loss as incurred.

Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Otherwise, such items are classified as inventories.

The Company identifies and determines cost of each component/part of the asset separately, if the component/part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Property, plant and equipment held for sale is valued at lower of their carrying amount and net realizable value. Any write-down is recognized in the statement of profit and loss.

c) Depreciation on property, plant and equipment

Depreciation on property, plant and equipment is calculated on a straight line basis over the useful life of the asset estimated by management which for the purpose has been taken as prescribed in schedule II of Companies Act, 2013. The Company has used following rates to provide depreciation on its property plant and equipment.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

	Rate used on straight line basis
Computers, Laptops and Accessories	31.67%



d) Receivables

Trade receivables are recognized initially when services are provided to customers. Trade receivables are measured initially at the transaction price agreed upon with the customer based on invoices raised. The transaction price includes the consideration agreed upon in the contract and any estimates of variable consideration.

In case of outstanding trade receivable as on the year ending, company reevaluates and assesses its possibility to recover and classify the same as either considered good or doubtful trade receivables. In case of receivables outstanding in foreign exchange, the outstanding balance of foreign exchange is reinstated as per closing foreign exchange rates as mentioned in accounting standards.

e) Leases

Where the Company is a lessee

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in the statement of profit and loss. Lease management fees, legal charges and other initial direct costs of lease are capitalized.

A leased asset is depreciated on a straight-line basis over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, the capitalized asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset or the lease term.

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Where the Company is a lessor

Leases in which the Company transfers substantially all the risks and benefits of ownership of the assets will be classified as finance leases. Assets given under finance lease will be recognized as a receivable at an amount equal to the net investment in the lease. After initial recognition, the Company will apportion lease rentals between the principal repayment and interest income so as to achieve a constant periodic rate of return on the net investment outstanding in respect of the finance lease. The interest income will be recognized in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. will be recognized immediately in the statement of profit and loss.

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset will be classified as operating leases. Assets subject to operating leases are included in property, plant and equipment. Lease income on an operating lease will be recognized in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, will be recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. will be recognized immediately in the statement of profit and loss.

f) Borrowing costs

Borrowing cost, if any, includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale will be capitalized as part of the cost of the respective asset. All other borrowing costs will be expensed in the period they occur.

g) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:



Income from services: Revenues from maintenance contracts/professional services are recognized pro-rata over the period of the contract as and when services are rendered. The company collects Goods and Service Tax (GST) on behalf of the government wherever required and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

Interest: Interest income, if any, will be recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

Dividend: Dividend income, if any, will be recognized when the Company's right to receive dividend is established by the reporting date.

h) Foreign currency transactions

Initial recognition: Foreign currency transactions are recorded in the reporting currency i.e. Indian Rupees (INR), by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion: Foreign currency monetary items are retranslated using the exchange rate prevailing at the reported date. Non-monetary items, which are measured in terms of historical cost denominated in foreign currency, are reported using the exchange rate at the date of the transaction.

Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

Exchange differences: Exchange differences arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalized and depreciated over the remaining useful life of the assets and all other exchange differences are recognized as income or expenses in the year in which they arise.

i) Tax expenses

Income tax expense comprises current tax as per Income Tax Act, 1961, deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the year). The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.



j) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

k) Provisions

A provision, if any, is recognized when the Company has a present obligation as a result of past event. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

l) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. The Company does not recognize a contingent liability but discloses its existence in the financial statements, if any.

m) Cash and cash equivalents

Cash and cash equivalent comprises cash at bank and in hand and short term investments, if any, with an original maturity of three months or less.

ENERQUAL TECHNOLOGY PRIVATE LIMITED

61, Deonar House, Deonar Village, Near Shah IND Estate, Govandi East,
Mumbai, Maharashtra, India-400088.

CIN- U31904MH2018PTC314320

Email- amitrash@gmail.com

**Balance Sheet as at March 31, 2024**

(All amount in INR in hundreds, except for share data unless stated otherwise)

Particulars	Notes #	March 31, 2024	March 31, 2023
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	10,000	10,000
Reserves and surplus	4	13,100	6,407
Money received against share warrants		-	-
		23,100	16,407
Share application money pending allotment			
		-	-
Non-current liabilities			
Long-term borrowings		-	-
Deferred tax liability	5	603	912
Other long term liabilities		-	-
Long-term provisions		-	-
		603	912
Current liabilities			
Short-term borrowings	6	28,000	-
Trade payables		-	-
- Total outstanding dues of micro enterprises and small enterprises	7	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		21,151	22,590
Other current liabilities	8	12,646	13,556
Short-term provisions	9	1,918	557
		63,715	36,704
Total		87,419	54,023
ASSETS			
Non-current assets			
Property, plant and equipment and Intangible assets			
Property, plant and equipment	10	9,187	20,191
Intangible asset		-	-
Capital work-in-progress		-	-
Intangible asset under development		-	-
Non-current investments		-	-
Deferred tax assets		-	-
Long-term loans and advances		-	-
Other non-current assets		-	-
		9,187	20,191
Current assets			
Current investments		-	-
Inventories		-	-
Trade receivables	11	-	22,199
Other current assets	12	74,392	8,536
Cash and bank balances	13	3,840	3,098
Short-term loans and advances		-	-
		78,232	33,832
Total		87,419	54,023

Significant accounting policies

1 to 2

Notes to the financial statements

3 to 36

As per our separate report of even date

UDIN:- 24155199BKAVZB1417

FOR THALE MANE & ASSOCIATES

Chartered Accountants

FRN No. 145202W

For and on behalf of the board of directors of
ENERQUAL TECHNOLOGY PRIVATE LIMITED

AMIT JAIN

PRIYESH DHARIWAL

MUKUND THALE

Partner

Membership # 155199

Date: - 07th September 2024

Place: - Mumbai

Director
DIN:05102710

Date: 7/09/2024

Place: California

Director
DIN: 07085674

Date: 7/09/2024

Place: Indore

Statement of Profit and Loss for the Year Ended March 31, 2024
 (All amount in INR in hundreds, except for share data unless stated otherwise)

Particulars	Notes #	March 31, 2024	March 31, 2023
Income			
Revenue from operations	14	192,277	238,986
Other income	15	784	-
Total income		193,062	238,986
Expenses			
Cost of materials consumed		-	-
Changes in inventories		-	-
Employee benefits expense	16	81,546	68,125
Finance costs	17	18	71
Depreciation and amortization expense	10	9,001	7,998
Other expenses	18	93,638	155,274
Total expenses		184,202	231,469
Profit/(Loss) before Prior Period, exceptional and extraordinary item and tax		8,859	7,517
Prior Period Expenses	19	-	732
Profit/(Loss) before Exceptional item and tax		8,859	6,785
Exceptional items		-	-
Profit/(Loss) before extraordinary item and tax		8,859	6,785
Extraordinary items		-	-
Profit/(Loss) before tax		8,859	6,785
Tax expense:			
Current tax			
- Pertaining to profit/(loss) for the current period		1,918	557
- MAT credit entitlement		471	(557)
- Deferred tax		(309)	336
- Provision of Earlier Year		86	-
Total tax expense		2,166	336
Profit/(Loss) for the period from continuing operations		6,693	6,449
Profit/(Loss) from discontinuing operations		-	-
Tax expense of discontinuing operations		-	-
Profit/ (Loss) from discontinuing operations after tax		-	-
Profit/(Loss) for the period		6,693	6,449
Earnings per share			
Basic		6.69	6.45
Diluted		6.69	6.45
Significant accounting policies	1 to 2		
Notes to the financial statements	3 to 36		

As per our separate report of even date

UDIN:- 24155199BKAVZB1417
FOR THALE MANE & ASSOCIATES
 Chartered Accountants
 FRN No. 145202W

For and on behalf of the board of directors of
ENERQUAL TECHNOLOGY PRIVATE LIMITED

AMIT JAIN

PRIYESH DHARIWAL

MUKUND THALE
 Partner
 Membership # 155199

Date: - 07th September 2024
Place: - Mumbai

Director
DIN:05102710

Date: 7/09/2024
Place: California

Director
DIN: 07085674

Date: 7/09/2024
Place: Indore

3 Share capital

Particulars	March 31, 2024	March 31, 2023
Authorized capital 1,00,000 Equity Shares of INR 10 each	10,000	10,000
Issued, Subscribed and Paid up share capital 1,00,000 Equity Shares of INR 10 each fully paid up	10,000	10,000
Total	10,000	10,000

a) **Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

Particulars	No. of shares	
	March 31, 2024	March 31, 2023
Equity shares		
Shares outstanding at the beginning of the year	100,000	100,000
Shares issued during the year	-	-
Shares bought back during the year	-	-
Shares outstanding at the end of the year	100,000	100,000

b) **Terms/rights attached to equity shares**

The Company has only one class of equity shares having a par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. During the year ended March 31, 2024, the amount of dividend per share recognized as distributions to equity shareholders was Nil. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) **Details of shareholders holding more than 5% shares in the Company**

Particulars	March 31, 2024		March 31, 2023	
	No of shares	% holding in the class	No of shares	% holding in the class
Equity shares of INR 10 each fully paid				
Amit Jain	69,867	69.87	69,900	69.90
Aartech Solonics Limited	30,000	30.00	30,000	30.00

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.

d) **Details of shares held by Promoters at the end of the year**

Particulars	March 31, 2024		March 31, 2023	
	No of shares	% holding in the class	No of shares	% holding in the class
Amit Jain 69867 equity shares of INR 10 each fully paid up	69,867	69.87	69,900	69.90
Priyesh Dhariwal 100 equity shares of INR 10 each fully paid up	100	0.10	100	0.10

e) The Company has not issued any shares without payment being received in bank nor has issued bonus shares and neither undertaken buy-back of any class of shares in the last one years immediately preceding the balance sheet date.

4 Reserves and surplus

Particulars	March 31, 2024	March 31, 2023
Securities premium		
Opening balance	-	-
Additions during the year	-	-
Closing balance	-	-
Surplus		
Opening balance	6,407	(43)
(+) Net Profit/(Net Loss)	6,693	6,449
Closing balance	13,100	6,407
Total reserve and surplus	13,100	6,407



6 Short-term borrowings

Particulars	March 31, 2024	March 31, 2023
Loan From Directors	28,000	-
Total	28,000	-

7 Trade payables due for payment

Particulars	March 31, 2024	March 31, 2023
Trade payables		
- total outstanding dues of micro enterprise and small enterprises	-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises	21,151	22,590
Total	21,151	22,590

Ageing schedule for March 2024:

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-	-
(ii) Others	150	-	16,996	4,005	-	-	21,151
(ii) Disputed dues - MSME	-	-	-	-	-	-	-
(ii) Disputed dues - Others	-	-	-	-	-	-	-
Total	150	-	16,996	4,005	-	-	21,151

Ageing schedule for March 2023:

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-	-
(ii) Others	150	-	22,440	-	-	-	22,590
(ii) Disputed dues - MSME	-	-	-	-	-	-	-
(ii) Disputed dues - Others	-	-	-	-	-	-	-
Total	150	-	22,440	-	-	-	22,590

Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

The details of dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act, 2006') have been updated based on information available and filings made the Company during the year. Further in view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the MSMED Act 2006 is not expected to be material. The Company has not received any claim for interest from any supplier as at balance sheet date.

Information pursuant to the provisions of Section 22 of Micro, Small and Medium Enterprises Development Act, 2006 are as follows:

Particulars	March 31, 2024	March 31, 2023
The amounts remaining unpaid to micro and small suppliers as at the end of the year		
- Principal	-	-
- Interest	-	-
The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act 2006).	-	-
The amount of the payments made to micro and small suppliers beyond the appointed day during the year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of the year.	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the MSMED Act 2006.	-	-
Total	-	-

8 Other current liabilities

Particulars	March 31, 2024	March 31, 2023
Statutory dues payable	3,893	4,241
Employee reimbursement	3,303	2,347
Salary Payable	5,450	6,968
Total	12,646	13,556

9 Short-term provisions

Particulars	March 31, 2024	March 31, 2023
Provision for income tax	1,918	557
Total	1,918	557

ENERQUAL TECHNOLOGY PRIVATE LIMITED

Calculation of Deferred Tax Asset/Liability

(All amount in INR in hundreds, except for share data unless stated otherwise)



Note : - 5

Amount in INR

Particulars	As per Books	As per IT records	Difference	Tax Amount
Temporary differences				
-Difference in Depreciation on assets	9,001	7,811	(1,190)	(309)
DTL for difference in Depreciation				(309)
Net deferred tax asset to be created/ (reversed) [A]				(309)
Deferred tax (asset)/ liability as on April 1, 2023 [B]				912
Deferred tax (asset)/ liability as on March 31, 2024 [A+B]				603

10 Property, plant and equipments

Particulars	Property, plant and equipments	
	Computers	Total Tangible assets (A)
<u>Property, plant and equipment</u>		
Gross Block		
As at March 31, 2021	8,403	8,403
Additions	14,010	14,010
Disposals	-	-
As at March 31, 2022	22,413	22,413
Additions	13,515	13,515
Disposals	-	-
As at March 31, 2023	35,928	35,928
Additions	2,477	2,477
Disposals	8,877	8,877
As at March 31, 2024	29,528	29,528
Accumulated Depreciation		
As at March 31, 2021	3,975	3,975
Charge for the year	3,764	3,764
Disposals	-	-
As at March 31, 2022	7,739	7,739
Charge for the year	7,998	7,998
Disposals	-	-
As at March 31, 2023	15,737	15,737
Charge for the year	9,001	9,001
Disposals	4,397	4,397
As at March 31, 2024	20,341	20,341
Net Block		
As at March 31, 2021	4,428	4,428
As at March 31, 2022	14,674	14,674
As at March 31, 2023	20,191	20,191
As at March 31, 2024	9,187	9,187

11 Trade receivables

Particulars	March 31, 2024	March 31, 2023
Secured, considered good	-	-
Unsecured, considered good	-	22,199
Unsecured, considered doubtful	-	-
Less:- Provision	-	-
Total	-	22,199

Ageing schedule for March 2024:

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment					Total
			Less than 6 Months	6 Month - 1 Year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivable - considered good	-	-	-	-	-	-	-	-
(ii) Undisputed trade receivable - considered doubtful	-	-	-	-	-	-	-	-
(iii) Disputed trade receivable - considered good	-	-	-	-	-	-	-	-
(iv) Disputed trade receivable - considered doubtful	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-

Ageing schedule for March 2023:

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment					Total
			Less than 6 Months	6 Month - 1 Year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivable - considered good	-	-	22,199	-	-	-	-	22,199
(ii) Undisputed trade receivable - considered doubtful	-	-	-	-	-	-	-	-
(iii) Disputed trade receivable - considered good	-	-	-	-	-	-	-	-
(iv) Disputed trade receivable - considered doubtful	-	-	-	-	-	-	-	-
Total	-	-	22,199	-	-	-	-	22,199

12 Other current assets

Particulars	March 31, 2024	March 31, 2023
Balance With Govt.(ITC Input)	-	-
Advance Paid to Trade Payable	2,587	188
Prepaid Expenses	932	2,635
Accrued Income	70,872	5,156
MAT Credit	-	557
Total	74,392	8,536

13 Cash and bank balances

Particulars	March 31, 2024	March 31, 2023
Cash and cash equivalents		
Balance with banks:		
-On current accounts	3,840	3,098
Cash on hand	-	-
Total	3,840	3,098

14 Revenue from operations

Particulars	March 31, 2024	March 31, 2023
Revenue from Opeartions for the year	192,277	238,986
Total	192,277	238,986

Details of Revenue

Particulars	March 31, 2024	March 31, 2023
Supply of Services	192,277	238,986
Total	192,277	238,986

15 Other Income

Particulars	March 31, 2024	March 31, 2023
Other Income	784	-
Total	784	-

16 Employee benefits expense

Particulars	March 31, 2024	March 31, 2023
Salaries, Wages and Bonus	78,308	64,392
Contribution to provident and other fund	3,237	3,734
Total	81,546	68,125

17 Finance Cost

Particulars	March 31, 2024	March 31, 2023
Bank Charges	0	0
Interest On Tds	18	71
Total	18	71

18 Other expenses

Particulars	March 31, 2024	March 31, 2023
Accounting & Book Keeping Service	4,233	900
Audit Fees (Refer Note A below)	150	150
Business And Promotion Expenses	-	1,770
Brokrage & Commission	333	-
Bad Debts	-	2,692
Festival Celebration Expenses	-	364
Foreign Exchange (Loss)	786	975
Freight Charges	-	2
Insurance Expenses	-	325
Internet Expenses	765	107
Office Expenses	1,960	523
Postage & Courier Expenses	4	9
Professional & Consultancy Fees	58,229	86,662
Rates And Taxes	2,091	20,355
Rental Or Leasing Service	9,800	21,320
Repair & Maintenance Computers	49	167
Softare and software related subscription Expenses	7,025	4,923
Staff Welfare Expenses	3,894	1,073
Sundry Balances Written Off	615	1,308
Telephone & Mobile Expenses	41	235
Travelling Expenses	3,662	1,713
Travelling Expenses (Foreign)	-	6,541
Website Development Expenses	-	3,161
Total	93,638	155,274



Note A
Audit Fees

Particulars	March 31, 2024	March 31, 2023
As Auditor		
-Statutory Audit Fees	150	150
Total	150	150

19 Prior Period

Particulars	March 31, 2024	March 31, 2023
Prior Period Expenses Related to Software Subscription	-	732
Total	-	732

20 Earning per share

The following reflects the profit and share data used in the basic and diluted EPS computations:

Particulars	March 31, 2024	March 31, 2023
Total operations for the year		
Profit/(loss) after tax	6,693	6,449
Net Profit /(loss) for calculation of basic EPS	6,693	6,449
Net profit as above	6,693	6,449
Net Profit /(loss) for calculation of diluted EPS	6,693	6,449

Particulars	March 31, 2024	March 31, 2023
Weighted average number of equity shares in calculating basic EPS	100,000	100,000
Weighted average number of equity shares in calculating basic EPS	100,000	100,000
Basic EPS	6.69	6.45

21 Related party disclosures

As per accounting standard 18 on "Related party disclosure", the disclosure of transactions with the related party is as under:

A). **Name of Key Key Managerial Personnel, Director of Company and relatives of directors**

Particulars	March 31, 2024	March 31, 2023
Key Managerial Personnel	Amit Jain Priyesh Dhariwal	Amit Jain Priyesh Dhariwal
Directors of the Company	Amit Jain Priyesh Dhariwal Arati Nath	Amit Jain Priyesh Dhariwal Arati Nath
Relative of Directors	Rashmi Jain Amit Raje	Rashmi Jain Amit Raje

B). **Entity in which Key Managerial Personnel have significant influence where transactions have taken place during the year.**

Particulars	Transaction
Enerqual Technology LLC	Entity in which relative of director (Amit Jain) has significant control
AIC- Aartech Solonics Private Limited	Entity in which director (Arati Nath) has significant control

C). **Related Party transaction disclosures**

a. **AIC- Aartech Solonics Private Limited**

Particulars	March 31, 2024	March 31, 2023
Rental Or Leasing Service	-	21,320
Accounting & Book Keeping Service	-	900
Professional & Consultancy Fees	-	6,521
Reimbursement For Printing & Stationery	-	88
Reimbursement For Festival Celebration Expenses	-	221
Closing Balance as at the year end	750.75 Dr.	8418.07 Cr.



b. Amit Jain		
Particulars	March 31, 2024	March 31, 2023
Professional & Consultancy Fees	19,200	19,200
Unsecured loan given to Company	50,000	31,000
Unsecured loan repaid by Company	22,000	31,000
Purchase of Laptops	-	400
Closing Balance as at the year end	14170 Cr.	1210 Cr.
Closing Loan balance	28000 Cr.	-

c. Rashmi Jain		
Particulars	March 31, 2024	March 31, 2023
Professional & Consultancy Fees	11,200	17,400
Purchase of Laptops	-	500
Closing Balance as at the year end	-	2390 Cr.

d. Amit Raje		
Particulars	March 31, 2024	March 31, 2023
Reimbursement of Expenses	-	1,136
Closing Balance as at the year end	1135.98 Cr.	1135.98 Cr.

e. KIS Consulting		
Particulars	March 31, 2024	March 31, 2023
Supply of Service - Revenue	-	148,127
Closing Balance as at the year end	-	-

f. Enerqual Technology LLC		
Particulars	March 31, 2024	March 31, 2023
Supply of Service - Revenue	126,561	85,703
Closing Balance as at the year end	-	22198.56 Cr.

22 Contingent liabilities and commitment:

Particulars	March 31, 2024	March 31, 2023
Matters relating to Labour Law department*	2,333	2,333
Other Matters**	18,424	18,424
Other Matters***	261,310	-

* On September 20, 2023, the Company received a show cause notice from the Labour Law Department concerning alleged unpaid salaries of certain ex-employees. In response, the management filed a written reply to the show cause notice and discussed with the Department of Labour officer on December 20, 2023, to present the Company's perspective and provide data supporting its position.

As of the date of these financial statements, the management has settled the dues and grievances of 10 out of the 11 ex-employees who had filed the complaint. However, one ex-employee did not agree with the settlement offered, and her case is proceeding through the due process. The Company is currently awaiting a formal notification from the Department of Labour regarding this matter.

Based on the information available and discussions held, no significant financial impact is expected from this issue. The management will continue to monitor the situation and take appropriate action as necessary.

** During the fiscal year, EnerQual Technology Private Limited (the "Company") received a summons dated August 16, 2023, from the Court of VIII Civil Judge Class-I, District Court, Bhopal, presided by the Honorable Judge Manjusha Tekam. The claimant in the case is AIC-Aartech Solonics Private Limited, a fully owned subsidiary of Aartech Solonics Limited, which is one of the shareholders of the Company. The subject matter of the summons involves a claim for the payment of unpaid dues amounting to Rs. 18,424(In Hundred).

The management of the Company disputes the claims made by AIC-Aartech Solonics Private Limited and is actively contesting these allegations. To defend its position, the Company has engaged a qualified legal representative, who has officially filed a vakalatnama on October 20, 2023, to act on behalf of the Company in this legal matter.

As part of our disclosure, the financial impact of this dispute has been assessed by the Company. The actual balances as of March 31, 2024, show a debit balance of Rs. 750.53(In Hundreds) in the books of EnerQual Technology Private Limited, whereas the books of AIC-Aartech Solonics Private Limited report a debit balance of Rs. 5,066.69(In Hundred). The difference in reported balances and the claimed amount in the lawsuit is noted, and the Company continues to monitor and evaluate the situation closely.

The outcome of this legal proceeding is currently uncertain, and thus no provision for any liability has been made in the financial statements as of March 31, 2024. The Company will continue to vigorously defend its position and will update the financial statements as more information becomes available or as circumstances evolve. The court proceedings are ongoing the next court date is set for 6 Sep, 2024.



*** During the financial year 2023-24, Enerqual Technologies Private Limited ("Enerqual") received three correspondences from its shareholder, Aartech Solonics Limited ("ASL"). The details of these correspondences are as follows:

First Correspondence (May 1, 2023): ASL, represented by Mr. Amit Raje, requested the inspection of Enerqual's documents and records, alleging wrongful practices by Enerqual management and claiming damage to shareholder interests. In response, Enerqual management provided the requisite documentation to the ASL representative. No further requests for additional documentation were received from ASL following this provision.

Second Correspondence (May 30, 2023): ASL made several allegations against Enerqual management and its Directors, including:

Allegations of depriving ASL and Enerqual of true income and earnings, and claiming an estimated balance payment of \$3,324.6 (INR 2.6131 Lakhs)(In Hundreds) to ASL for FY22-23. Allegations of not sharing information with ASL, its Nominee Director, and the Enerqual board, as well as compliance gaps. Accusations of malicious, dishonest, and fraudulent intentions by Enerqual management and Directors.

Enerqual management responded by denying all allegations, stating that the claims were attempts to distort facts and create an incorrect perception of oppression. Enerqual management denied any balance payment due to ASL and requested ASL to provide a copy of the court notice, as no summons had been received from the court. Additionally, Enerqual management affirmed that all relevant information entitled to the shareholder under statutory norms was provided during the financial year.

Third Correspondence (January 8, 2024): Signed by Advocate Mr. Sulesh Karnik of Lawyees LLP on behalf of ASL, this correspondence reiterated the allegations made in the second correspondence and added further accusations, including:

Concerns about the resignation of the existing statutory auditor and the appointment of a new statutory auditor. Allegations of non-response to various communications, financial under-reporting, improper handling of share transfers, and scheduling of Board meetings and the AGM. Accusations of non-compliance with various standards and coercive decision-making by Enerqual management.

Enerqual management refutes all the allegations in this third correspondence, reaffirming its commitment to lawful and compliant business practices. Enerqual management states that it has acted within the ambit of the law and relevant standards to ensure full compliance. It has accommodated all requests from the shareholder and its nominee director, in compliance with their statutory rights, and has sought clarification from ASL on several occasions, which have not been responded to by ASL.

These correspondences and the responses from Enerqual management have been duly noted and are being monitored to ensure the protection of shareholder interests and compliance with all applicable laws and regulations. Based on the current information available, management does not anticipate any significant financial impact from this matter.

23 Earnings/expenditure in foreign currency

a)	Particulars	March 31, 2024	March 31, 2023
	Revenue in Foreign Exchange		
	-KIS CONSULTING	-	1868.89 USD
	-ENERQUAL TECHNOLOGY LLP	1534.01 USD	1050.5 USD

24 The accounts of certain trade receivables, trade payables, short/long term loans and advances, other current assets and current liabilities and are subject to confirmation / reconciliation and adjustment, if any. The Management does not expect any material difference affecting the current year's financial statements.

In the opinion of the management, the current assets, loans and advances are expected to realize at least the amount at which they are stated, if realized in the ordinary course of business and provision for all known liabilities have been adequately made in the books of accounts.

25 The Current Year refers to the period from April 01, 2023 to March 31, 2024.

26 The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail(edit log) facility, however the same has not operated throughout the year for all relevant transactions recorded in the software.

27 All figures are in Indian Rupees and rounded off to the nearest to Hundred.

28 The Company hires certain Independent retainers and contractors for providing services for the business. The management is of the view that employer - employee relationship does not exist in case of the services provided by the retainers and contractors and the Company has complied with the applicable labour laws, accordingly.

29 Analytical ratios

Particulars	March 31, 2024	March 31, 2023	% change	Reason for variance
(a) Current ratio	122.78%	92.18%	33.20%	Increase in the ratio is mainly due to the increase in short term borrowings
(b) Debt - Equity ratio	121.21%	0.00%	121.21%	Increase in Ratio id Due to Increase in Short Term Borrowing
(c) Debt service coverage ratio	-	-	NA	NA
(d) Return on equity ('ROE') ratio	33.88%	1.27%	2558.81%	The decrease in ROE ratio is due to the increase in operating costs and decrease in margins
(e) Trade receivable turnover ratio	1732.34%	304.79%	468.37%	Decrease due to decrease in credit sale and increase in average trade receivables
(f) Trade payables turnover ratio	428.14%	55.40%	672.81%	The decrease in ratio is due to decrease in credit purchases
(g) Net capital turnover ratio	1325%	-8323%	-115.91%	Decrease in ratio is due to decrease in sales and increase in working capital
(h) Net profit ratio	3.48%	2.70%	28.99%	Increase in net profit ratio is due to the reduction in other non operative costs compared to previous year
(i) Return on capital employed ('ROCE')	37.45%	39.59%	-5.39%	Decrease in ROCE is due to the increase in sharholders funds

30 Disclose Regarding Revenue and transfer pricing norms

The management of the Company has engaged a transfer pricing consultant to conduct a study to assess the profitability of the business in comparison to industry norms. Based on the study, it was confirmed that the transactions with related parties are conducted at arm's length prices, in alignment with the conclusions provided by the transfer pricing professional.

As a result of the findings in the transfer pricing study report, the management has decided to change the method used for transfer pricing of transactions with related parties. Previously, the Cost Plus Method was utilized; however, the Company has now adopted the Transactional Net Margin Method (TNMM) for determining the pricing of related party transactions.

This change in methodology is considered to provide a more accurate reflection of the arm's length principle and is in compliance with the applicable transfer pricing regulations. Accordingly, the financial statements have been prepared on the basis of these arm's length transactions, ensuring that the reported figures are consistent with the updated transfer pricing method.

31 Shareholder Complaint

On December 30, 2023, Aartech Solonics Limited, a shareholder of EnerQual Technologies Private Limited ("EnerQual"), notified the management and Directors of EnerQual that they have filed a complaint with the Ministry of Corporate Affairs (MCA) and the Registrar of Companies (RoC) alleging "Oppression and Mismanagement" of EnerQual Technologies Private Limited.

As of the date of these financial statements, EnerQual management has not yet received any formal notice or communication from the Ministry of Corporate Affairs or the Registrar of Companies regarding this complaint. The management is awaiting appropriate notice from the MCA and RoC and will prepare a response upon receiving such notice.

The Company is committed to addressing any concerns raised by the shareholder and will fully cooperate with the authorities to resolve the matter. Based on the current information available, management does not anticipate any significant financial impact from this matter.

32 Other statutory information

(a) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(b) The Company do not have any transactions with companies struck off.

(c) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(d) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

(e) The Company do not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(f) The Company is not in contravention with the number of layers prescribed under section 2(87) of the Act.

(g) The Company has not entered into any Scheme of Arrangements that has been approved by the Competent Authority in terms of sections 230 to 237 of the Act.

(h) The Company has not been declared willful defaulter by any bank or financial institution or other lender.

33 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/ interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective. Based on a preliminary assessment, the entity believes the impact of the change will not be significant.

34 Events after reporting date

There are no events that have occurred, or matters have been discovered, subsequent to the balance sheet date that would require adjustment to or disclosure in the financial statements.

35 The accounts of certain trade receivables, trade payables, short and long term loans and advances, other non-current and current assets are subject to confirmation / reconciliation and adjustment, if any. The Management does not expect any material difference affecting the current year's financial statements.

In the opinion of the Management, the assets other than property plant and equipment are expected to realize at the amount at which they are stated, if realized in the ordinary course of business and provision for all known liabilities have been adequately made in the books of accounts.

36 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our separate report of even date

UDIN:- 24155199BKAVZB1417
FOR THALE MANE & ASSOCIATES
Chartered Accountants
FRN No. 145202W

For and on behalf of the board of
directors of ENERQUAL TECHNOLOGY
PRIVATE LIMITED

AMIT JAIN

PRIYESH DHARIWAL

MUKUND THALE
Partner
Membership # 155199

Date: - 07th September 2024
Place: - Mumbai

Director
DIN:05102710

Director
DIN: 07085674

Date: 7/09/2024
Place: California

Date: 7/09/2024
Place: Indore