

RENEWABLE ENERGY SYSTEMS LIMITED

38th
ANNUAL REPORT

2022 - 2023

BOARD OF DIRECTORS

**Sri.G.Narasinga Rao
Sri.PCM Rao
Sri.M.B.Prasad**

**Director
Director
Director**

Registered Office

**Plot No.D-13, Phase V,
IDA, Jeedimetla,
Hyderabad - 500 055.**

**Statutory Auditors
M/s.MAHADEVAN&Co.,
Chartered Accountants.
No.503, Ganga's Glen Apts,
3-6-780/13, Himayathnagar,
Hyderabad- 500 029.**

Factory

**Plot No.D-13, Phase V,
IDA, Jeedimetla,
Hyderabad – 500 055.**

Renewable Energy Systems Limited
Regd. Office: D-13, Phase V, IDA, Jeedimetla, Hyderabad - 500 055

NOTICE is hereby given that the 38th Annual General Meeting of the Members of Renewable Energy Systems Limited will be held on Saturday, the 30th day of September, 2023, at 12.00 hrs through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended on 31st March, 2023 along with the Report of the Directors and the Auditors:

To consider and, if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT the Audited Financial Statements of the Company for the financial year ended 31st March, 2023 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted."

2. To appoint Mr. P.C.M.Rao, who retires by rotation as a Director:

To consider and, if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to provisions of Section 152 of the Companies Act, 2013, Mr. PCM Rao (DIN:01410578), who retires by rotation at this meeting be and is hereby appointed as a Director of the Company, liable to retire by rotation."

3. Appointment of Statutory Auditors for 5 years

To consider and, if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Section 139(9) of the Companies Act, 2013, M/s. Mahadevan & Co., Chartered Accountants, Hyderabad, whose term of initial 5 (five) years term comes to an end at the conclusion of this Annual General Meeting, be and are hereby appointed as Statutory Auditors of the Company for a period of 5 years, from the conclusion of this Annual General Meeting for the Financial Year 2023-24 to the conclusion of Annual General Meeting for the Financial Year 2027-28 and at such remuneration as shall be fixed by the Board of Directors exclusive of travelling and other out of pocket expenses."

SPECIAL BUSINESS:

To consider and, if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

1. Regularization of Additional Director, Mr. M.B.Prasad (DIN:07782327) as Director of the company.

To consider and, if thought fit, to pass with or without modifications, the following resolution as Ordinary Resolution:

"RESOLVED THAT Mr. M.B.Prasad (DIN: **07782327**), who was appointed as an Additional Director on 28th April, 2023 and who holds office upto the date of this Annual General Meeting in terms of Section 161(1) of the Companies Act, 2013 (the "Act") and who is eligible for appointment and has consented to act as Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company."

2. To consider and, if thought fit, to pass with or without modifications, the following resolution as Ordinary Resolution:

"RESOLVED THAT the Resolution No.1 passed at the Extra Ordinary General Meeting of the Members of the Company held on 30th January, 2023 at the Company's Registered Office at D-13, Phase V, IDA, Jeedimetla, Hyderabad, TG, in respect of selling of Company's Batteries Undertaking under slump sale under Section 180(1) (a) of the Companies Act, 2013 to RES Batteries India Private Limited be and is hereby rescinded."

**By Order of the Board
For Renewable Energy Systems Limited**

Place : Hyderabad
Date : 05-09-2023

**Sd/-
G N RAO
Director
DIN 01456442**

Notes :

1. The Ministry of Corporate Affairs ('MCA'), inter-alia, vide its General Circular Nos. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020, followed by General Circular Nos. 20/2020 dated May 5, 2020, and subsequent circulars issued in this regard, the latest being 10/2022 dated December 28, 2022 (collectively referred to as 'MCA Circulars') has permitted the holding of the AGM through Video Conferencing ('VC') or through Other Audio-Visual Means ('OAVM'), without the physical presence of the Members at a common venue.

In compliance with the applicable provisions of the Act, and MCA Circulars, the 38th AGM of the Company is being held through VC/OAVM on Saturday, the 30th September, 2023,

at 12:00noon. (IST). The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company situated at D-13, Phase V, IDA, Jeedimetla, Hyderabad 500 055, TG, IN.

2. The Company has appointed CDSL to provide VC/OAVM (Video Conferencing) facility for the e-AGM.

3. A statement pursuant to Section 102(1) of the Act, relating to the Special Business to be transacted at the AGM is attached.

4. Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. Since this AGM is being held through VC/OAVM pursuant to the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed hereto.

5. The attendance of the members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the Quorum under Section 103 of Companies Act, 2013.

6. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first serve basis. This will not include large members (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

7. Since the AGM will be held through VC/OAVM, the route map of the venue of the Meeting is not annexed hereto.

8. In accordance with the provisions of Section 101 of the Companies Act, 2013 read with Rule 18 of the Companies (Management and Administration) Rules, 2014, this Notice of the Company for the AGM is being sent by e-mail to those Members who have registered their e-mail address with the Company's Registrars and Share Transfer Agents (RTA) (in respect of shares held in physical form if any). The Company shall send physical copy of the Annual Report 2022-23 to the members who specifically request for the same by sending an email at guruvulu@yahoo.co.in.

9. The Company has since obtained permission for admission of its shares into dematerialization form with Central Depository Services (India) Limited (CDSL) and the Company has since been allotted **ISIN 'INE00ZA01018'**. All the shareholders are

requested to open a De-mat Account with any Depository Participant and apply for dematerialization of shares from physical form by following the due procedure. Shareholders, after opening de-mat account with Depository Participant, are requested to submit the physical share certificate/counter receipt to the Depository Participant, who in turn will take confirmation from the Company's Share Registrar – M/s.Purva Share Registry India Pvt Ltd, No.9, Shiva Shakti Industrial Estate, B.R.Boricha Marg, Lower Parel, Mumbai 400 001 and after obtaining confirmation from the Share Registrar, shall de-mat the shares and credit the respective number of shares in the de-mat account opened by the shareholders.

10. Members who have not registered their e-mail address are requested to register the same in respect of shares held in electronic form with the Depository through their Depository Participant(s) and in respect of shares held in physical form by writing to the Company's RTA, – M/s.Purva Share Registry India Pvt Ltd, No.9, Shiva Shakti Industrial Estate, B.R.Boricha Marg, Lower Parel, Mumbai 400 001, e-mail:support@purvashare.com.

11. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Company at guruvulu@yahoo.co.in with a copy marked to acs.vinod@gmail.com.

12. All the documents which are relevant and referred in the Notice or Explanatory Statement will be available for Inspection of members at the registered office of the Company during the working hours on all working days upto the date of AGM.

13. In compliance with Section 108 of the Act, read with the corresponding rules, the Company is providing remote e-voting facility to its members, to enable them to cast their votes electronically through the facility provided by Central Depository Services (India) Limited ('CDSL'). The instructions for remote e-voting are appended to this Notice.

14. Any member who casted his vote in remote e-voting prior to the AGM may participate in the AGM but shall not be entitled to cast their votes again.

15. Any person, who become Member of the Company after dispatch of the Notice of AGM and hold shares as on Monday, September 25, 2023 ("cut-off date") may obtain the login ID and password by sending an email to the RTA at support@purvashare.com by mentioning their Folio No. / DP ID and Client ID No. However, if you are already registered with CDSL for e-voting then you can use your existing user ID and password for casting your vote. If you forget your password, you can reset your password by using "Forget User Details/Password" option available on www.evotingindia.com.

16. Mr. Vinod Sakaram, Partner of M/s. VSSK & Associates, Company Secretaries, C.P. No.8345.; Practicing Company Secretary, has been appointed as the Scrutinizer to scrutinize the entire e-voting process (remote e-voting and e-voting by poll at the AGM) in a fair and transparent manner.

17. After completion of the scrutiny of the electronic votes, the Scrutinizer will submit his report to the Chairman. The voting results along with Scrutinizer's Report will be announced within three working days of the conclusion of AGM. The said results would be displayed at the Registered Office of the Company and on its website at www.resindia.co.in and simultaneously intimated to the CDSL. The Scrutinizer's decision on the validity of votes cast will be final.

18. CDSL e-Voting System – For e-voting and Joining Virtual meetings.

THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

- (i) The voting period begins on Wednesday, 27th September, 2023 at 9:00 AM (IST) and ends on Friday, 29th September, 2023 at 5:00 PM (IST). During this period shareholder's of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e., Monday, 25th September, 2023 may cast their vote electronically.
- (ii) The e-voting module shall be disabled by CDSL for voting thereafter.
- (iii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the AGM.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (i) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual

shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for **Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsi website www.cdslindia.com and click on login icon & New System Myeasi Tab. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at cdsi website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from an e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.

<p>Individual Shareholders holding securities in demat mode with NSDL Depository</p>	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the</p>

	meeting.
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Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (ii) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**
- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
 - 2) Click on "Shareholders" module.
 - 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
 - 4) Next enter the Image Verification as displayed and Click on Login.
 - 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- (iii) After entering these details appropriately, click on "SUBMIT" tab.
- (iv) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (v) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (vi) Click on the **EVSN- 230904061** for the RENEWABLE ENERGY SYSTEMS LIMITED on which you choose to vote.
- (vii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (viii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

- (ix) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (x) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xiii) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xiv) **Additional Facility for Non – Individual Shareholders and Custodians – For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cDSLindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
 - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; guruvulu@yahoo.co.in (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company(**230904061**) will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at guruvulu@yahoo.co.in. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at guruvulu@yahoo.co.in. These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective **Depository Participant (DP)**
3. **For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.**

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, MarathonFuturex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES
ACT, 2013**

**SpecialBusiness:
ItemNo.1**

**Regularization of Additional Director, Mr.M.B.Prasad (DIN:07782327) as
Director of the company.**

Mr.M.B.Prasad was inducted on to the Board at the Board Meeting held on 28th April, 2023 and in the same meeting he was appointed as the Additional Director. Interm of Section 161(1) of the Companies Act, 2013. Mr.M.B.Prasad shall hold office only up to the date of the ensuing Annual General Meeting. With respect to the same, the Company has received a notice in writing pursuant to the provisions of Section 160 of the Companies Act, 2013, proposing his candidature for appointment as a Director of the Company. The Board is of the opinion that the appointment and presence of Mr.M.B.Prasad on the Board will be desirable, beneficial and in the best interest of the Company. The Board recommends the resolution set out in item no. 1 of Special Business of the accompanying Notice for approval and adoption of the Members.

None of the Directors of the Company except Mr.M.B.Prasad, is concerned or interested in the proposed resolution.

The Directors commend the Resolution of the accompanying Notice for the approval of the Members of the Company.

Item No.2

Cancellation of Resolution No.1 passed at the Extra Ordinary General Meeting of the members of the Company held on 30th January, 2023 at the Company's Registered Office in respect of sale of Company's Batteries Undertaking under slump sale.

The following Special Resolution was passed at the Extra Ordinary General Meeting of the Members of the Company held on 30th January, 2023 at the Company's Registered Office, which is reproduced below:

"RESOLVED THAT pursuant to Section 180(1)(a) and other applicable provisions, if any of the Companies Act, 2013 and all other applicable Rules, Regulations, Guidelines and Laws (including any statutory modifications or re-enactment thereof for the time being in force), the Company be and is hereby permitted to transfer, assign, deliver or otherwise dispose of its Specialized Batteries Business (located at D-13, Phase V, IDA, Jeedimetla, Hyderabad) along with their respective movable assets including tangible and intangible assets and current liabilities (hereinafter referred to as "Undertaking") in the manner set out in the Business Transfer Agreement dated 1st December, 2022 between the Company and RES Batteries India Private Limited, a subsidiary of Renewable Energy Systems Limited incorporated in the State of Telangana by

way of a slump sale (as defined under Section 2(42) of the Income Tax Act, 1961) and on a going concern basis, at such consideration as may be determined by the Board of Directors of the Company duly supported by a Valuation Report by a Certified Valuer, with effect from such date as the Board of Directors of the Company may think fit.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to finalise the terms and conditions for transfer of the Undertaking, as aforesaid, and to do all such acts, deeds, matters and things, including but not limited to execution of agreements, contracts and all other documents, as it may, in its absolute discretion, deem necessary or expedient, to give effect to this resolution and any action taken by the Board in this regard be and is hereby ratified and approved.”

“RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to delegate/sub-delegate such powers, privileges and authorizations required to be delegated/sub-delegated in connection with consummation of the aforesaid transfer of the Undertaking, in the interests of the Company.”

The Board of Directors now recommend that the above resolution be withdrawn. Earlier, the said resolution was recommended to the members because the Company was in the process of selling the Specialised Batteries Undertaking under slump sale and it was necessary for that purpose to obtain the approval of the members in advance. However, the earlier proposal is not under consideration any more and has been cancelled in to-to by other concerned parties.

The Directors and key management personnel are not members of the Company and hence none of the Directors and Key Management Personnel and their relatives have any concern or interest in the Resolution set out in the Notice.

The Directors commend the Resolution of the accompanying Notice for the approval of the Members of the Company.

**By Order of the Board
For Renewable Energy Systems Limited**

Place : Hyderabad
Date : 05-09-2023

Sd/-
G N RAO
Director
DIN 01456442

DIRECTORS' REPORT

To
The Members of
Renewable Energy Systems Limited.

Your Directors have pleasure in presenting their Thirty eighth (38th) Annual Report together with the audited statement of accounts and the Auditors' Report for the year ended 31st March, 2023.

Financial Performance

The performance of the company for the financial year ended 31st March 2023 is summarized below:

(inRupees)

	2022-23	2021-22
Gross Turnover	11,50,39,017	22,29,66,529
Profit/(loss) before Depreciation, Interest and Tax	2,26,90,682	12,87,24,704
Depreciation	15,14,662	16,96,113
Interest & Finance charges	1,80,00,000	2,73,86,992
Profit Before Tax	31,76,020	9,96,41,579
Provision for Taxes-Deferred	43,79,833	2,74,25,468
Profit/(loss) after Tax	(12,03,814)	7,22,16,112
APPROPRIATIONS		
Proposed Dividend	0	0
Tax on Dividend	0	0
General Reserve	0	0
Adjustment relating to Fixed Assets	0	0
Balance Carried to Balance Sheet	(12,03,814)	7,22,16,112

OPERATIONS & PERFORMANCE

The Company is basically involved in manufacture of thermal batteries used in missiles. Due to lack of working capital and the cut throat competition in solar industry, the Company could not start the operations of Solar Photovoltaics Division.

MATERIAL CHANGES AND COMMITMENTS, IF ANY

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

Sale of Specialised Batteries Undertaking

The members of the Company at their Extra Ordinary General Meeting held on 30th January, 2023 passed a Special Resolution consenting to transfer the Specialised Batteries Undertaking by way of slump sale to RES Batteries India Private Limited duly authorizing the Board of Directors to finalise the terms and conditions for transfer and to execute such documents, agreements to give effect to the said Resolution. However, the said transfer could not take place as the other concerned parties have cancelled the proposal in to-to. Accordingly, a Resolution was proposed in the Notice convening the 38th Annual General Meeting for cancelling the Special Resolution passed at the Extra-Ordinary General Meeting held on 30th January, 2023.

Arbitration matters with Bharat Sanchar Nigam Limited

Justice Manju Goel, the Arbitrator appointed by Delhi High Court, vide award dated 28.6.2016 had quantified the compensation payable by BSNL to RES, under the Lease Agreement dated 19.2.1998. BSNL has filed an appeal before Delhi High Court in November, 2016 against the award dated 28.6.2016 delivered by Justice ManjuGoel, vide OMP 418/2016. The Company filed Execution Petition for recovery of monies under the said Award. The High Court of Delhi vide its order dated 18.1.2019 directed BSNL to deposit 50% of the awarded amount into the Court and BSNL has since complied with the Order. Pending disposal of the OMP 418/2016 filed by BSNL, the amount deposited by BSNL is lying in the Court in the form of Fixed Deposits.

In respect of OMP 524/2019 filed by the Company to set aside the Award dated 10.8.2019, the Delhi High Court had dismissed the Petition and the Company was advised to appeal the decision of the Delhi High court before Supreme Court and the same is in progress.

DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

M/s.Andromeda Energy Technologies Private Limited, is an associate company of the Company , by virtue of its holding in the company to the extent of 26% of the paid-up capital of the company.

SHARE CAPITAL

During the year, your Company has not made any further issue.

De-materialisation of Company's Equity Shares

The Company has obtained permission for de-materialisation of its equity shares from Central Depository Services India Limited (CDSL) and the Company was allotted ISIN '**INE00ZA01018**' and hence the Company's shareholders can avail the depository services with any of the Depository Participants registered with CDSL which are spread over the length and breadth of India.

ANNUAL RETURN

In accordance with Section 92(3) of the Companies Act, 2013 the Annual Return for the year ended 31st March, 2023 is available for inspection by the Members at the Registered Office of the Company on all working days upto the date of this Annual General Meeting, and **the said** annual return **is available on company's website www.resindia.co.in**.

Directors

In terms of Section 152/160 of the Companies Act, 2013, Mr.P.C.M. Rao, Director retires by rotation at this Annual General Meeting and is eligible for reappointment.

Mr.P.Madhusudhan Rao, Director resigned as Director on 28th April, 2023 and Mr.M.B.Prasad has been appointed as Additional Director on 28th April, 2023, who holds office till the conclusion of the ensuing Annual General Meeting. The Company has received a Notice under Section 160 of the Companies Act, 2013 for appointment of Mr.M.B.Prasad as regular Director.

Auditors

The members at their 33rd Annual General Meeting had appointed M/s.Mahadevan & Co., Chartered Accountants, the Company's Statutory Auditors, for a period of 5 years till the conclusion of the 38th Annual General Meeting and in terms of which M/s.Mahadevan & Co., Chartered Accounts shall continue as Statutory Auditors till the **ensuing Annual General Meeting. The Directors recommend the appointment of M/s.Mahadevan & Co., for another term of 5 years, i.e., for the financial year from 2023-24** to the conclusion of Annual General Meeting for the Financial Year 2027-28 and at such remuneration as shall be fixed by the Board of Directors exclusive of travelling and other out of pocket expenses."

AUDITORS' REPORT

The Auditors in their report observed that provision for doubtful debts to the tune of Rs.534.25 lakhs was not created in respect of dues from BSNL. It is stated that the Company has not created provision for doubtful debts in respect of dues from BSNL in as much as the Company has challenged the Order dated 16.11.2021 of Delhi High Court in the Supreme Court. Depending upon the outcome of the Supreme Court decision, necessary provision for doubtful debts will be made in future.

FRAUD REPORTING:

During the Financial Year 2022-23, the Statutory Auditors have not reported any incident of fraud to the Board of Directors of the Company pursuant to provisions of Section 143(12) of the Companies Act, 2013.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:

During the financial year 2022-23, the Board of Directors has met 7 (seven) times viz., on 07.04.2022, 24.5.2022, 17.06.2022, 22.6.2022, 5.9.2022 3.10.2022 and 2.1.2023.

PUBLIC DEPOSITS

During the year under review, your company has neither invited nor accepted any deposits from the public.

PARTICULARS OF EMPLOYEES:

The information required to be disclosed under the provisions of Rules 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not provided as none of the employees is in receipt of remuneration as per the limits specified in the said Rule.

PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Information in accordance with the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are given in Annexure-1 which forms part of this Report.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, Directors of your Company hereby state and confirm that:

(a) in the preparation of the annual accounts for the year ended 31st March, 2023, 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 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 laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

(7) 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.

BUSINESS RISK MANAGEMENT

The Company is one of the few manufacturers of thermal batteries in India and entry of new manufacturers is the only threat and risk which is being off-set by providing qualitative thermal batteries at competitive price to stay in the business.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts / arrangements / 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.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not given any loans, guarantees to any person or any body corporate nor acquired by way of subscription, purchase or otherwise, the securities of any other body corporate in terms of Section 186 of the Companies Act, 2013.

THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR:

During the Financial Year 2022-23, there was no application made and proceeding initiated /pending under the Insolvency and Bankruptcy Code, 2016, by any Financial and/or Operational Creditors against your Company.

As on the date of this report, there is no application or proceeding pending against your company under the Insolvency and Bankruptcy Code, 2016.

SECRETARIAL STANDARDS:

Your Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI") as may be amended from time to time.

SIGNIFICANT REGULATORY OR COURT OR TRIBUNAL ORDERS:

During the Financial Year 2022-23, there were no significant and material orders passed by the regulators or Courts or Tribunals which can adversely impact the going concern status of the Company and its operations in future.

INTERNAL FINANCIAL CONTROLS:

The Company has in place adequate internal financial controls with reference to financial statements. The internal financial controls with reference to the Financial Statements are adequate in the opinion of the Board of Directors.

Also, the Company has a proper system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and that transactions are authorized, recorded and reported correctly.

During the Financial Year 2022-23, such controls were tested and no reportable material weakness in the design or operation was observed.

CORPORATE SOCIAL RESPONSIBILITY:

During the Financial Year 2022-23, the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility) Rules, 2014 were not applicable to the Company.

INTERNAL COMPLAINTS COMMITTEE:

The Board of Directors of your Company has formed an Internal Complaints Committee (ICC) pursuant to the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder.

The Company has formulated and circulated to all the employees, a policy on prevention of sexual harassment at workplace, which provides for a proper mechanism for redressal of complaints of sexual harassment.

During the Financial Year 2022-23, no case was filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Industrial Relations

The industrial relations at all levels have been cordial throughout the year.

ACKNOWLEDGEMENTS

Your Directors place on record the appreciation of the contribution made by the employees at all levels.

For and on behalf of the Board

Place : Hyderabad
Date : 05-09-2023

Sd/-	Sd/-
G.N.Rao	PCM Rao
Director	Director

ANNEXURE TO DIRECTORS' REPORT (ANNEXURE-1)

Disclosure of particulars with respect to Conservation of Energy, Technology and Foreign Exchange Earnings and Outgo as required under Companies (Disclosures of Particulars) in the Board of Directors' Report) Rules, 1988.

CONSERVATION OF ENERGY

1. Energy conservation measures taken / Additional investment and projects, if any, being implemented for reduction of consumption of energy :

This year, the Company has not initiated by any specific measures to conserve energy and the reduction in A.P.Transco energy consumption is mainly on account of reduced level of production.

2. Impact of the measure at (1) above, for reduction of energy : Nil.

3. Total Energy Consumption and Energy Consumption per Unit of Production :

Total consumption of Electricity – 244999 kWh, Value – Rs.29,39,984/-. The Energy consumption per Unit / production cannot be exactly computed.

B. TECHNOLOGY ABSORPTION

The Company has undertaken Research and Development of Lithium Thermal Batteries and Lithium Ion Batteries and the expenditure incurred on R&D during the year 2022-23 is as under:

Expenditure on R & D

- a) Capital ... Rs.302.57 lakhs
- b) Recurring ... Rs.Nil.
- c) Total ... Rs.302.57 lakhs
- d) Total R & D expenditure as percentage of Total turnover : 26.30%.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Activities relating to exports, initiatives taken to increase export, development of new export market for production & service and export and plans : Nil.

Total Foreign Exchange used and earned :	(Rs.in thousands)	
	Current Year	Previous Year
Total Foreign Exchange Outgo	9751.059	2900.983
Total Foreign Exchange earned	Rs.nil	Rs.nil

For and on behalf of the Board

Place : Hyderabad

Sd/-
G N RAO
Director

Sd/-
PCM RAO
Director

Date : 05/09/2023

To the Members of RENEWABLE ENERGY SYSTEMS LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **RENEWABLE ENERGY SYSTEMS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2023 and the Statement of Profit and Loss and statement of cash flows for the year then ended, including a summary of significant accounting policies and other explanatory information.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the basis of qualified opinion section of our report, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its Profit for the year ended on that date and its cash flows for the year ended on that date.

Basis for opinion

The Company has not created provision for doubtful debts of Rs.534.25 lakhs for which the Judgement Order of Hon'ble High Court of Delhi which was against the Company's claim regarding sundry debtors. Consequently, the profit for the year is overstated by the said amount of Rs.534.25 lakhs and the current assets for the year is overstated by the same amount. We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

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

Information other than the financial statements and auditors' report thereon

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

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

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

Management's responsibility for the financial statements

The Company's board of directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records

in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are 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 SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonable knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a Director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - 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.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

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

h. The company has not declared or paid any dividend during the current financial year .

i. In our opinion and according to the information and explanations given to us and based on the records of the Company, the remuneration of the Directors is within the limits prescribed by section 197 of the Companies Act, 2013.

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

Date: 05.09.2023

Place: Hyderabad

For MAHADEVAN & CO.,
Chartered Accountants
FRN. 001925S

Sd-
P.RAVINDRNADH REDDY
Partner
Mem. No.21149

Annexure A- to the Independent Auditor's Report on Financial Statements
RENEWABLE ENERGY SYSTEMS LIMITED
(Referred to in our report of even date)

- (i) **(a)** The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (i) (a) (b)** The Company has maintained proper records showing full particulars of intangible assets.
- (i) **(b)** According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner. In accordance with this programme, property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (i) (c)** The immovable property is held in the name of the Company.
- (i) **(d)** According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment or intangible assets or both during the year.
- (i) (e)** According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made there under.
- (ii) (a)** The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.
- (ii) (b)** According to the information and explanations given to us and on the basis of our examination of the records of the Company, as there are no working limits for the Company, clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii)** According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security to companies, firms, limited liability partnerships or any other parties during the year.
- (iv)** According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments or provided guarantee or security nor given any loans during the year, so the provisions of Section 185 and 186 of the Companies Act, 2013 are not applicable to the Company..
- (v)** The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi)** The maintenance of cost records as prescribed by the Central Government under Section 148 (1) of the Companies Act, read with the Companies (Cost Records and Audit) Rules, 2014 is not applicable to the Company.
- (vii)** The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues have generally been regularly deposited with the appropriate authorities, except for the following:

Nature of Liability	Amount (Rs.)
Income Tax	10,69,130
TDS	1,40,34,452

vii(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute.

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Clause 3(ix) (a) to (c) are not applicable to the Company for the time being. Company did not have any loans or borrowings from any financial institution, Government or any Bank and accordingly reporting under clause 3(ix) (a) is not applicable to the Company.

(ix (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(ix (e) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company does not have any subsidiaries, associate company/joint venture company as defined in the Companies Act, 2013 and accordingly clause 3(ix) (e) is not applicable to the Company.

(ix (f) According to the information and explanations given to us and procedures performed by us, we report that the Company does not have any subsidiaries/associate companies/joint venture companies as defined under the Companies Act, 2013 accordingly reporting under clause 3((ix) (f) is not applicable to the Company for the time being.

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, reporting under clause 3(x)(a) of the Order is not applicable.

(x)(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period of the audit.

(xi)(b) According to the information and explanations given to us, since no fraud has been reported/detected during the period under audit, report has not been filed under sub-section (12) of Section 143 of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(xi)(c) Establishment of vigil mechanism is not mandated for the Company. Accordingly, reporting under clause 3(xi)(c) of the Order is not applicable

(xii)(a) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, reporting under clause 3(xii) (a) (b) and (c) of the Order are not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards. The provisions of Section 177 are not applicable to the Company for the time being.

(xiv) **(a)** In our opinion and based on the information and explanations provided to us, the Company does not have an Internal Audit system and is not required to have an internal audit system as per Section 138 of the Act.

(xiv) (b) In our opinion and based on the information and explanations provided to us, the Company does not have an internal audit system and is not required to have an internal audit system as per Section 138 of the Act. Accordingly, clause 3(xiv)(b) of the Order is not applicable.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) **(a)** The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting clause 3(xvi)(a) of the Order is not applicable.

(xvi)(b) The Company does not carry any non-banking financial activity nor any housing finance and hence it is not mandatory to register under Section 45-IA of the Reserve Bank of India Act, 1934.

(xvi)(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting clause 3(xvi)(c) of the Order is not applicable.

(xvi)(d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the reporting under clause 3(xvi)(d) is not applicable

(xvii) The Company has not incurred cash losses in the current financial year or in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing

has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) **(a)** The requirements as stipulated by the provisions of Section 135 are not applicable to the Company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable for the time being.

Date: 05.09.2023

Place: Hyderabad

For MAHADEVAN & CO.,
Chartered Accountants
FRN. 001925S

Sd-
P.RAVINDRANADH REDDY
Partner
Mem. No.21149

Annexure B to the Independent Auditors' report on the financial statements of RENEWABLE ENERGY SYSTEMS LIMITED for the period ended 31 March 2022.

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of **RENEWABLE ENERGY SYSTEMS LIMITED** ("the Company") as of 31 March 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements 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 (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The

procedures selected depend on the auditor's judgement, 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 with reference to financial statements.

Meaning of Internal Financial controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 with Reference to Financial Statements

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

Date: 05.09.2023

Place: Hyderabad

For MAHADEVAN & CO.,
Chartered Accountants
FRN. 001925S

Sd-
P.RAVINDRNADH REDDY
Partner
Mem. No.21149

M/s RENEWABLE ENERGY SYSTEMS LIMITED

U40106TG1985PLC005358

Regd. Office: D-13, PHASE-V I D A JEEDIMETLA Hyderabad-500055, Telangana, INDIA

BALANCE SHEET AS AT 31st March, 2023

Rupees in Thousands

Particulars	Note No	As at 31/03/2023	As at 31/03/2022
I. EQUITY AND LIABILITIES			
(a) Shareholders' funds			
(a) Share Capital	1	61,410.000	61,410.000
(b) Reserves and Surplus	2	1,12,864.281	1,14,068.095
(b) Non-current liabilities			-
(a) Long-term Borrowings	3		-
(i) Term-loans from Other Parties		2,00,000.000	2,00,000.000
(b) Deferred tax liabilities (Net)			-
(c) Other Long term liabilities	4	405.611	405.611
(d) Long-term provisions	5	5,234.663	5,594.271
(c) Current liabilities			-
(b) Trade payables	6		-
(i) Dues of Micro and Small Enterprises and			-
(ii) Others		17,643.594	36,439.823
(c) Other current liabilities	7	42,362.913	29,487.274
(d) Short-term Provisions	8	2,844.694	3,887.694
TOTAL (Rs)		4,42,765.756	4,51,292.768
II. ASSETS			
(a) Non-current assets	9		
(a) Property, Plant and Equipment and Intangible Assets			
(i) Property, Plant and Equipment		35,372.323	34,475.925
(ii) Intangible Assets		30,259.661	2.416
(b) Deferred tax Asset (Net)		880.117	5,259.950
(c) Other non-current Assets	10	2,176.155	2,168.634
(b) Current assets			
(a) Inventories	11	1,03,395.185	1,00,545.211
(b) Trade Receivables	12	1,85,060.435	2,40,347.868
(c) Cash and cash equivalents	13	10,739.219	5,380.608
(d) Other Bank Balances	14	4,000.000	-
(f) Other Current Assets	15	70,882.662	63,112.158
TOTAL (Rs)		4,42,765.756	4,51,292.770
Significant accounting policies and notes on Financial statements	25	0	0

As per our Report of Even Date
for **MAHADEVAN & CO.**,
Chartered Accountants
FRN: 01925S

Sd-
(P. RAVINDRANADH REDDY)
Partner
M NO:021149
Place : Secunderabad
Date : 05-09-2023

For and on behalf of the Board

Sd-
G N RAO
Director

Sd-
P C M RAO
Director

M/s RENEWABLE ENERGY SYSTEMS LIMITED

U40106TG1985PLC005358

Regd. Office: D-13, PHASE-V I D A JEEDIMETLA Hyderabad-500055, Telangana, INDIA

STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31st MARCH 2023.

Rupees in Thousands

Particulars		Note No	for the year ended 31-03-2023	for the year ended 31-03-2022
I	Revenue From Operations	16	1,14,091.698	2,22,312.454
II	Other Income	17	947.319	654.075
III	Total Income (I + II)		1,15,039.017	2,22,966.529
IV	Expenses			
	Cost of Materials Consumed	18	34,101.264	1,84,895.370
	Purchases of Trade Items		21,113.422	-
	Cost of Supplying Services	19	4,251.643	6,822.269
	Changes in inventories of finished goods, work-in-progress, and Stock-in-Trade	20	351.133	6,087.314
	Employee Benefits Expense	21	18,069.662	30,111.616
	Finance Costs	22	18,000.000	27,386.992
	Depreciation and amortization expense	9	1,514.662	1,696.133
	Other Expenses	23	14,461.212	15,713.965
	Total Expenses		1,11,862.997	2,72,713.659
V	Profit before exceptional and extraordinary items and tax (III - IV)		3,176.020	(49,747.130)
VI	Exceptional items		-	1,49,388.709
VII	Profit before extraordinary items and tax (V - VI)		3,176.020	99,641.579
VIII	Extraordinary items		-	-
IX	Profit before tax (VII- VIII)		3,176.020	99,641.579
X	Tax Expense:			
	(1) Current tax		-	-
	(2) Deferred Tax		4,379.833	27,425.468
XI	Profit (Loss) for the period from continuing operations (VII-VIII)		(1,203.814)	72,216.112
XII	Profit/(loss) from discontinuing Operations		-	-
XIII	Tax expense of discontinuing Operations		-	-
XIV	Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-	-
XV	Profit (Loss) for the period (XI + XIV)		(1,203.814)	722,16,112
XVI	Earnings per equity share:	24		
	(1) Basic		(0.81)	48.40
	(2) Diluted		(0.81)	48.40

Significant Accounting Policies Notes on Financial Statements

25

As per our Report of Even Date

for **MAHADEVAN & CO.,**

Chartered Accountants

FRN: 01925S

Sd-

(P. RAVINDRANADH REDDY)

Partner

MNO:021149

Place : Secunderabad

Date : 05-09-2023

For and on behalf of the Board

Sd-

G N RAO

Director

Sd-

P C M RAO

Director

RENEWABLE ENERGY SYSTEMS LIMITED

Regd. Office: Plot No.D-13, Phase-V, IDA, Jeedimetla, Hyderabad - 500 055.

Cash flow Statement for the year ended 31st, March, 2023

Rupees in thousands

		2022-23	2021-22
A	Cash flow from Operating Activities		
	Net Profit Before tax	3,176	99,642
	Depreciation	1,515	1,696
	Rental Income	(670)	(600)
	Exchange Fluctuations (Gain) / Loss	-	387
	Income from Sale of Assets	-	(1,49,389)
	Interest Expenses	18,000	27,000
	Interest Income	-	(54)
	Operating Profit before Working Capital Change	22,021	(21,318)
	Adjustments for:		
	(Increase)/Decrease in Inventories	(2,850)	1,11,129
	(Increase)/Decrease in Account Receivables	55,287	(65,127)
	(Increase)/Decrease in Short-term Loans and Advances	-	-
	(Increase)/Decrease in Other Current Assets	(7,771)	1,594
	(Increase)/Decrease in Short-term borrowings	-	-
	Increase/(Decrease) in Account Payables	(18,796)	(14,204)
	Increase/(Decrease) in Other Current Liabilities	12,876	11,536
	Increase/(Decrease) in Short-term Provisions	1,822	542
	Taxes Paid	-	(1,796)
	Net Cash from Operating Activities: (A)	62,589	22,355
B	Cash flow from Investing Activities		
	(Purchase) / Sale of Fixed assets/Capital Expenditure	(896)	5,451
	Purchase of R&D capital asset	(30,257)	-
	Interest / Dividend Received	-	54
	Rental Income	670	600
	Income from Sale of Assets	-	1,49,389
	(Purchase)/Sale of Investments (Net) def tax asset	(4,380)	-
	Net Cash used in Investing Activities (B)	(34,863)	1,55,494
C	Cash flow from Financing Activities:		
	Receipts / (Re-payments) of Long-term borrowings	-	(1,75,600)
	Issue / (Redemption) of Capital Receipts	-	-
	Increase / (Decrease) in Other long-term liabilities	-	-
	Increase / (Decrease) in Term Deposits	(4,000)	-
	Increase / (Decrease) in Long-Term Provisions	(360)	173
	(Increase)/Decrease in Long-term Loans & Advances	(8)	(72)
	Interest Expenses	(18,000)	(27,000)
	Exchange Fluctuations (Gain / (Loss))	-	(387)
	Net Cash from Financing activities (C')	(22,367)	(2,02,886)
	A+B+C	5,359	(25,037)
	Opening balance of cash and cash equivalents	5,381	30,417
	Closing balance of cash and cash equivalents refer note	10,739	5,381

Note: - 1. The above cash flow statement has been prepared under the 'indirect method' as set out in the Accounting Standard-3 on Cash flow statement issued by ICAI.

2) Previous year's figures have been regrouped wherever necessary to confirm to the current year's classification.

As per our report of even date
In terms of our Report of even date
For MAHADEVAN & CO
Chartered Accountants
FRN: 001925S

Sd/-
P RAVINDRANADH REDDY
Partner
Membership No:#21149
Place : Hyderabad
Date : 05-09-2023

For and on Behalf of the Board

sd/-
G.N.Rao
Director
sd/-
P.C.M.Rao
Director

M/s RENEWABLE ENERGY SYSTEMS LIMITED
U40106TG1985PLC005358
Regd. Office: D-13, PHASE-V I D A JEEBIMETLA Hyderabad-500055, Telangana, INDIA
Notes to Balance Sheet

₹ Thousand		
Particulars	As at 31/03/2023	As at 31/03/2022
I SHARE CAPITAL		
Authorised		
1,50,00,000 Equity Shares of Rs.10/-each	1,50,000.000	1,50,000.000
10,00,000 Cumulative Redeemable Preference Shares 100/- Each	1,00,000.000	1,00,000.000
	2,50,000.000	2,50,000.000
Issued		
14,92,000 Equity Shares of Rs.10/-each	14,920.000	14,920.000
4,64,900 Cumulative Redeemable Preference Shares 100/- Each	46,490.000	46,490.000
	61,410.000	14,920.000
Subscribed, fully paid		
14,92,000 Equity Shares of Rs.10/-each	14,920.000	14,920.000
4,64,900 Cumulative Redeemable Preference Shares 100/- Each	46,490.000	46,490.000
	61,410.000	14,920.000

(a) Reconciliation of the number of Equity Shares outstanding at the beginning and at the end of the reporting period

₹ Thousand				
Particulars	As at 31/03/2023		As at 31/03/2022	
	No.Of Shares	Amounts	No.Of Shares	Amounts
	Equity Shares outstanding at the beginning of the year	14,92,000	14,920.000	14,92,000
Equity Shares issued during the year	-	-	-	-
Equity Shares bought back during the year	-	-	-	-
Equity Shares outstanding at the end of the year	14,92,000	14,920.000	14,92,000	14,920.000

(b) Reconciliation of the number of Preference Shares outstanding at the beginning and at the end of the reporting period

₹ Thousand				
Particulars	Figures for the current reporting period - As at 31/03/2023		Figures for the Previous reporting period - As at 31/03/2022	
	No.Of Shares	Amounts	No.Of Shares	Amounts
	Pref. Shares outstanding at the beginning of the year	4,64,900	46,490.000	4,64,900
Pref. Shares issued during the year	-	-	-	-
Pref. Shares bought back during the year	-	-	-	-
Pref. Shares outstanding at the end of the year	4,64,900	46,490.000	4,64,900	46,490.000

(C) Terms / rights attached to equity shares

The Company has only one class of equity shares having par value of Rs.10/- per share. Each Holder of an equity share is entitled to one vote per share. Each equity shareholder is entitled to dividend in the company. The dividend is proposed by the Board of Directors and is subject to approval of the shareholders in the ensuing Annual General Meeting, except interim dividend. 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, if any. The distribution will be in proportion to the number of equity shares held by the shareholders. The amount of dividend per share recognized as distribution to equity shareholders for the above mentioned period is Nil.

(D) Terms attached to Cumulative redeemable preference shares

4% Cumulative Redeemable preference share holders are having preferential right regarding payment of dividend and also repayment of share capital, in case of liquidation over the equity share holders of the Company.

(k) Details of Equity Shares in the Company held by each share holder holding more than 5% Shares.

Name of Shareholder	As at 31/03/2023		As at 31/03/2022	
	% of Share Holding	No. Of Shares Held	% of Share Holding	No. Of Shares Held
	1 Andromeda Energy Technologies Private Limited	26.97	4,02,415	26.97
2 T Anjaneyulu	36.16	5,39,574	36.16	5,39,574
3 Anderson Weinroth & Colp	5.70	85,000	5.70	85,000
	68.83	10,26,989	68.83	10,26,989

(k) Details of Preference Shares in the Company held by each share holder holding more than 5% Shares.

Name of Shareholder	As at 31/03/2023		As at 31/03/2022	
	% of Share Holding	No. Of Shares Held	% of Share Holding	No. Of Shares Held
	1 Andromeda Energy Technologies Private Limited	100.00	4,64,900	100.00
	100.00	4,64,900	100.00	4,64,900

(f) Details of Promoters' Share holding - Equity Share Capital

Name of the promoter	Figures for the current reporting period - As at 31/03/2023			Figures for the Previous reporting period - As at 31/03/2022		
	No. of Shares	% of total Shares	% Change during the year	No. of Shares	% of total Shares	% Change during the year
1 Andromeda Energy Technologies Private Limited	4,02,415	26.97	-	4,02,415	26.97	-
2 T. Anjaneyulu	5,39,574	36.16	-	5,39,574	36.16	-

(g) Details of Promoters' Share holding - Preference Share Capital

Name of the promoter	Figures for the current reporting period - As at 31/03/2023			Figures for the Previous reporting period - As at 31/03/2022		
	No. of Shares	% of total Shares	% Change during the year	No. of Shares	% of total Shares	% Change during the year
1 Andromeda Energy Technologies Private Limited	4,64,900	100.00	-	4,64,900	100.00	-
	4,64,900	100.00	-	4,64,900	100.00	-

Particulars		As at 31/03/2023	As at 31/03/2022
2 RESERVES AND SURPLUS			
(a) Securities Premium Reserve		4,37,960.000	4,37,960.000
		4,37,960.000	4,37,960.000
(b) State Subsidy		8,227.770	8,227.770
		8,227.770	8,227.770
(c) Surplus from Statement of Profit & Loss			
Opening Balance		(3,32,119.675)	(4,04,336.000)
Add: Profit / (Loss) from Profit & Loss Statement		(1,203.814)	72,216.000
Closing the Balance		(3,33,323.489)	(3,32,120.000)
		1,12,864.281	1,14,067.770
3 LONG-TERM BORROWINGS			
(a) Term-loans (Un-Secured)			
(i) from Corporate bodies		2,00,000.000	2,00,000.000
(ii) from Related Parties		-	-
		2,00,000.000	2,00,000.000
4 OTHER LONG-TERM LIABILITIES			
(a) Trade Payables		-	-
(b) Rent deposit		405.611	405.611
(c) Others		-	-
		405.611	405.611
5 LONG-TERM PROVISIONS			
a) Employee benefits			
Gratuity		4,937.582	5,053.212
Leave encashments		297.081	541.059
		5,234.663	5,594.271

		As at 31/03/2023	As at 31/03/2022
6 TRADE PAYABLES			
(a)	Outstandings Dues of Micro and Small Enterprises	-	-
(b)	Outstandings Dues of Creditors other than Micro, and Small Enterprises	17,643.594	36,439.823
Sub-total (Rs)		17,643.594	36,439.823

Disclosure as per Section 16 of the MSMED Act 2006			
Particulars		As at 31/03/2023	As at 31/03/2022
(i)	Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
(ii)	Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii)	The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv)	The amount of interest due and payable for the year	-	-
(v)	The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi)	The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Trade Payables ageing schedule: - Current Period					
Particulars	Outstanding for following periods from due date of payment / Where no due date is mentioned the date of the transaction shall be considered for the purpose of disclosure				
	<1 Year	1-2 Years	2-3 Years	> 3 Years	Total Outstanding
(f) Un-Disputed					
(a) MSME	15,973,468	1,284,712	256,942	128,471	17,643,594
(b) Others					
(lf) Disputed Dues -----					
(a) MSME					
(b) Others					

Trade Payables ageing schedule: - Previous Year					
Particulars	Outstanding for following periods from due date of payment/Where no due date is mentioned the date of the transaction shall be considered for the purpose of disclosure				
	<1 Year	1-2 Years	2-3 Years	> 3 Years	Total Outstanding
(f) Un-Disputed					
(a) MSME	30,006,147	6,251,537	182,139		36,439,823
(b) Others					
(lf) Disputed Dues -----					
(a) MSME					
(b) Others					
Total (Dues Rs.)					

OTHER CURRENT LIABILITIES	
(c) Refund against Cancellation of MotJ (Sale of Land)	6,200,000
(d) Income received in advance	21,030,515
(e) Statutory Dues	14,034,452
(f) Creditors for Expenses	1,097,946
	22,025,980
	1,261,295
	29,487,274

SHORT-TERM PROVISIONS	
1) Employee Benefits	
(a) Salaries and Wages Payable	1,562,582
(b) Contributions to ESI and EPF	373,128
(c) Current Liability of Gratuity Payable	742,330
(d) Current Liability of Leave Encashment Payable	63,025
(a) Income Tax payable	1,146,629
	3,887,694

Notes to Balance Sheet

₹ Thousand

Particulars	As at 31/03/2023	As at 31/03/2022
10 OTHER NON-CURRENT ASSETS		
(a) Security Deposits		
(i) Security Deposits	2,014,067	2,014,067
(b) Other Bank Deposits maturing after a period of 12 Months	162,088	154,567
	2,176,155	2,168,634
11 INVENTORIES		
(a) Raw Materials	99,471,615	96,270,508
(b) Finished Goods	2,856,120	3,009,142
(c) Stores & Spares	1,087,450	1,265,561
	1,03,395,185	1,00,545,211
12 TRADE RECEIVABLES		
(a) Trade Receivables		
(i) Secured Considered good		
(ii) Un-Secured Considered good	1,85,060,435	2,40,347,868
(iii) Doubtful	1,25,000,000	1,25,000,000
Less: Allowance for Doubtful Debts	1,25,000,000	1,25,000,000
	1,85,060,435	2,40,347,868

Trade Receivables ageing Schedule:

Trade Receivables	Outstanding for following periods from due date of payment/Where no due date is mentioned the date of the transaction shall be considered for the purpose of disclosure FY 2022-23 (Up to 30-11-2022)					Total (Rs)
	Less than (<) 6 months	>6 months <1 Years	>1 Year <2 Years	>2 Year <3 Years	>3 Years	
(II) (Un-Secured)						
(a) Undisputed Trade receivables - Considered Good	18,636,049	-	7,363,138	-	-	25,999,187
(b) Undisputed Trade receivables - Considered doubtful Less: Allowance for Doubtful Debts	-	-	-	-	-	-
(c) Disputed Trade Receivables considered good	-	-	-	-	1,59,061,248	1,59,061,248
(d) Disputed Trade Receivables considered doubtful Less: Allowance for Doubtful Debts	-	-	-	-	1,25,000,000	1,25,000,000

Trade Receivables ageing Schedule:

Trade Receivables	Outstanding for following periods from due date of payment/Where no due date is mentioned the date of the transaction shall be considered for the purpose of disclosure (2021-22)					Total (Rs)
	Less than (<) 6 months	>6 months <1 Years	>1 Year <2 Years	>2 Year <3 Years	>3 Years	
(II) (Un-Secured)						
(a) Undisputed Trade receivables - Considered Good	56,270,794	15,268,345	-	-	-	81,539,139
(b) Undisputed Trade receivables - Considered doubtful Less: Allowance for Doubtful Debts	-	-	-	-	-	-
(c) Disputed Trade Receivables considered good	-	-	-	-	1,58,808,729	1,58,808,729
(d) Disputed Trade Receivables considered doubtful Less: Allowance for Doubtful Debts	-	-	-	-	1,25,000,000	1,25,000,000

13 CASH AND CASH EQUIVALENTS		
(a) Balance with Banks - In Current Accounts	10,007,450	4,848,664
(c) Cash in Hand	731,769	531,944
	10,739,219	5,380,608
14 OTHER BANK BALANCES		
(a) Margin money Deposits (> 3 months < 12 Months)	4,000,000	-
	4,000,000	-
15 OTHER CURRENT ASSETS		
(b) Advance to suppliers	14,217,062	6,892,245
(c) Prepaid Expenses	-	85,257
(d) Others	56,665,600	56,134,655
	70,882,662	63,112,158

Notes to Statement of Profit and Loss

Notes to Statement of Profit and Loss		for the year ended 31-03-2023	for the year ended 31-03-2022
16 REVENUE FROM OPERATIONS			
(a) Sale of Products			
Domestic Sales		992,58,188	2222,95,298
Sale of Trade Items		147,02,510	-
(b) Other Operating Income		1,31,000	17,156
		1140,91,698	2223,12,454
17 OTHER INCOME			
(a) Interest Income		-	53,976
(b) Rent Received		6,70,000	6,00,000
(c) Credit balances written back		-	99
(d) Provision for Leave encashment Reversal		2,77,319	-
		9,47,319	6,54,075
18 COST OF MATERIALS CONSUMED			
O/b: Raw Materials		962,70,508	2013,11,782
Add: Purchases		350,69,406	670,41,018
Add: Purchases of Trade		211,13,422	
Add: Job Work Charges		22,32,965	128,13,078
		1546,86,301	2811,65,878
Less: Closing Stock - Raw Materials		994,71,615	962,70,508
		552,14,686	1848,95,370
19 COST OF SUPPLYING SERVICES			
(a) Procurement Expenses		18,83,411	39,95,343
(b) Other Expenses		23,68,232	28,26,926
		42,51,643	68,22,269
20 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND OTHERS,			
Balance as at Close			
(a) Finished Goods		28,56,120	30,09,142
(b) Stores & Spares		10,67,450	12,65,561
		39,23,570	42,74,703
Balance as at Commencement			
(a) Finished Goods		30,09,142	103,62,017
(b) Stores & Spares		12,65,561	-
		42,74,703	103,62,017
Net Changes in inventories of finished goods, work-in-progress, and Stock-in-Trade		3,51,133	60,87,314
21 EMPLOYEE BENEFITS EXPENSES			
(a) Salaries and wages, Bonus, and Incentives.,		156,94,501	273,14,547
(b) Contribution to provident and other funds,		17,60,035	18,67,972
(c) Gratuity and Leave encashments		1,11,882	5,60,484
(d) staff welfare expenses		5,03,244	3,68,613
		180,69,662	301,11,616
22 FINANCE COSTS			
(b) Interest Expense - Others		180,00,000	270,00,000
(e) Net gain/loss on foreign currency transactions and translation.		-	3,86,992
		180,00,000	273,86,992

23 OTHER EXPENSES			
Power and fuel		29,39,984	30,22,610
Repairs & Maintenance - buildings		3,94,933	2,50,511
Repairs & Maintenance - Machinery		2,91,019	3,64,193
Insurance		1,16,265	3,09,157
Rates and taxes		8,35,875	5,39,676
Payments to the Auditor			
- Auditor		1,20,000	1,20,000
- for Taxation Matters		-	-
Professional Charges		55,55,817	61,92,321
Directors Remunerations		9,00,000	9,00,000
Business promotion		4,07,014	3,17,800
Freight/Carriage Outward		6,27,804	7,30,560
Excess Insurance Claim Reversed		-	12,33,385
Travelling & Conveyance		7,34,380	4,32,146
Security Services		6,13,691	5,33,220
Prior Period Items		-	3,00,836
Communication Expenses		1,53,342	62,269
Miscellaneous Expenses		7,71,089	4,05,283
		144,61,212	157,13,965
24 EARNING PER SHARE (EPS)			
Net Profit as per Profit and Loss Account available for Equity Shareholders	₹ Rupee	(12,03,814)	722,16,112
Weighted average number of equity Shares	No's	14,92,000	14,92,000
Basic Earnings Per Share (Rs. 10/- each)	Rs.	(0.81)	48.40
Diluted Earnings Per Share (Rs. 10/- each)	Rs.	(0.81)	48.40

M/s RENEWABLE ENERGY SYSTEMS LIMITED
Notes Forming Part of The Balance Sheet

Notes to Financial Statements: for the year ended 31st MARCH, 2023

Schedule: 9 Property, Plant and Equipment and Intangible assets

Particulars	Useful Life											Total (Rs)
	Lands	Land Development	Dawas	Buildings	Plant & Machinery	Furniture & Fittings	Vehicles	Office Equipments	Computers	Electrical	ISO - Licence	
Gross Carrying Amount												
As at 1st April, 2022	13,450,689	650,000	27,540,477	5,23,925,087	9,880,008	758,394	3,158,916	8,556,772	5,338,526	45,899	5,93,304,767	
Additions	-	-	311,341	-	-	2,097,303	-	-	-	2,416	2,411,060	
Disposals	-	-	-	-	-	-	-	-	-	-	-	
As at 31st March, 2023	13,450,689	650,000	27,851,818	5,23,925,087	9,880,008	2,855,697	3,158,916	8,556,772	5,338,526	48,315	5,95,715,827	
Accumulated Depreciation												
As at 1st April, 2022	-	-	9,22,253	5,22,824,297	9,880,007	758,393	3,138,753	8,556,111	4,403,128	45,899	5,86,828,642	
Additions	-	-	898,485	172,123	-	244,195	0,995	-	238,865	-	1,514,662	
Disposals	-	-	-	-	-	-	-	-	-	-	-	
As at 31st March, 2023	-	-	10,080,738	5,22,996,420	9,880,007	1,002,588	3,139,748	8,556,111	4,641,993	45,899	5,60,343,504	
Net Book Value												
As at 31st March, 2023	13,450,689	650,000	17,771,080	928,667	0,001	1,853,109	19,168	0,661	696,533	2,416	35,372,323	
Development Expenses (to be capitalised)												
Gross Carrying Amount												
As at 1st April, 2021	15,711,216	650,000	51,591,138	5,23,925,087	9,880,008	758,394	3,158,916	8,556,772	5,338,526	45,899	6,19,615,956	
Additions	-	-	24,050,662	-	-	-	-	-	-	-	26,311,189	
Disposals	-	-	-	-	-	-	-	-	-	-	-	
As at 31st March, 2022	15,450,689	650,000	27,540,477	5,23,925,087	9,880,008	758,394	3,158,916	8,556,772	5,338,526	45,899	5,93,304,767	
Accumulated Depreciation												
As at 1st April, 2021	-	-	29,102,177	5,22,652,174	9,880,007	798,393	3,137,759	8,556,111	3,860,088	45,899	5,77,992,607	
Additions	-	-	979,974	172,123	-	-	0,995	-	543,041	-	1,696,133	
Disposals	-	-	20,859,898	-	-	-	-	-	-	-	20,859,898	
As at 31st March, 2022	-	-	9,222,253	5,22,824,297	9,880,007	758,393	3,138,753	8,556,111	4,403,128	45,899	5,58,328,642	
Net Book Value												
As at 31st March, 2022	13,450,689	650,000	18,318,223	1,100,790	0,001	0,001	20,163	0,661	935,398	2,416	34,475,925	

RENEWABLE ENERGY SYSTEMS LIMITED

Notes on Accounts: 25

A. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING STANDARDS:

CORPORATE INFORMATION:

Renewable Energy Systems Limited is a Public Limited Company incorporated in India on 08, Mar, 1985.

The Company is engaged in the business of Manufacturing of Thermal Batteries.

ACCOUNTING POLICIES:

Basis of Preparation of Financial Statements.

These Financial Statements are prepared in accordance with Indian Generally accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis in accordance with the accounting standards as prescribed under section 133 of the Companies Act, 2013 (' the Act') read with rule 7 of the Companies Act (Accounts) Rules, 2014.

Use of Estimates:

The Preparation of Financial statements in conformity with Indian generally Accepted Accounting Principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities including the disclosure of contingent liabilities on the date of financial statements and reported amounts of Revenue and Expenses during the reporting period. Appropriate changes in estimates are made as the management becomes aware of the changes in circumstances surrounding the estimates. Actual results could differ from those estimates. Changes in estimates reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements. Any revision to accounting estimates is recognized prospectively in current and future periods.

PROPERTY, PLANT AND EQUIPMENT (PPE):

Tangible Assets are accounted at cost less accumulated depreciation. Cost comprises of purchase price, freight, duties, taxes and incidental expenses related to acquisition or incurred on procurement. The expenses incurred in setting up the project are capitalized.

Intangible Assets:

All Intangible assets are initially measured at cost and amortized so as to reflect the pattern in which the assets 'economic benefits are consumed.

Impairment of Assets:

Impairment is ascertained at each balance sheet date in respect of the company's PPE, Intangible Assets, and Investments. An impairment loss shall be recognized whenever the carrying value of Assets exceeds its recoverable amount.

Depreciation:

Depreciation on tangible and intangible assets is provided on the Straight-Line Method over the useful life of the Assets estimated by the Management in accordance with Part C of Schedule II of the Companies Act, 2013. Depreciation for Assets purchased or Sold during the year is proportionately charged on pro-rata basis. The useful life, residual value and the depreciation method are reviewed at least at each financial year end. If the expectations differ from previous estimates, the changes are accounted for prospectively as a change in accounting estimate.

<i>Description</i>	<i>Useful Life (In Years)</i>
<i>Land</i>	<i>Not Applicable</i>
<i>Land Development Expenses</i>	<i>Not Applicable</i>
<i>Factory Buildings</i>	<i>30 Years</i>
<i>Plant & Equipment's</i>	<i>15 Years</i>
<i>Furniture & Fixtures</i>	<i>10 Years</i>
<i>Vehicles</i>	<i>8 Years</i>
<i>Office Equipment</i>	<i>5 Years</i>
<i>Computers & Peripherals</i>	<i>3 Years</i>
<i>Electrical Equipments</i>	<i>10 Years</i>
<i>Intangible Assets</i>	<i>4 Years</i>

Foreign Exchange Transactions:

The functional currency and presentation currency of the Company is Indian Rupee.

- a) Transactions in currencies other than the Company's functional currency are recorded on initial recognition using the exchange rate at the transaction date.*
- b) Monetary items relating to foreign currency transactions remaining unsettled at the end of the year are translated at year end rates.*
- c) Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each Balance Sheet date at year end rates are recognized in the Statement of Profit and Loss in the period they arise.*
- d) Non-Monetary items that are measured in terms of historic cost in foreign currency are not retranslated.*

Investments:

Investments are either classified as current or long-term, based on Management's intent at the time of making the investment. Current investments are carried individually, at the lower of cost and fair value. Long-term investments are carried individually at cost less provision made to recognize any diminution, other than temporary, in the value of such investment. Cost of investments includes acquisition charges such as brokerage, fees and duties. Provision is made to recognize any reduction in the carrying value of long-term investments and any reversal of such reduction is credited to the Statement of Profit and Loss.

Non-current assets held for sale:

Non-current assets and disposal groups are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

Inventories:

Inventories are valued as under:

- a) Raw Materials, components construction materials, stores and spares are valued at lower of cost, net of refundable duties and taxes or net realizable value.*
- b) Work-in-process is valued at cost including related overheads or net realizable value.*
- c) Finished goods and stock-in-trade (in respect of goods acquired for trading) , at lower of cost or net realizable value*

Revenue Recognition:

Revenue is recognized when the significant risks and rewards of ownership of goods have been passed on to the buyer.

Borrowing Costs

Borrowing costs that are directly attributable to acquisition, construction or production of qualifying assets are capitalized as part of the cost of asset. Other borrowing costs are recognized as an expense in the period in which they are incurred

Earning per Share:

Earning per share has been calculated as prescribed by Accounting Standards 20 issued by the Institute of Chartered Accountants of India.

Provisions, Commitments and Contingent Liabilities:**a) Provisions are recognized only when**

- (i) *The Company has a present obligation as a result of past event*
- (ii) *It is probable that an outflow of resources embodying economic benefits will be required to settle the obligations; and*
- (iii) *A reliable estimate can be made of the amount of obligation*

b) Commitments;

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows;

- (i) *Estimated amounts of contracts remaining to be executed on capital account and not provided for;*
- (ii) *Uncalled liability on shares and investments partly paid; and*
- (iii) *Other non-cancellable commitments, if any, to the extent they are considered to be material and relevant in the opinion of the management*

c) A Contingent liability is disclosed in case of;

- (i) *A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and*
- (ii) *A present obligation arising from past events , when no reliable estimate is possible*

Taxes on Income;

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-Tax Act 1961.

Deferred tax resulting from “timing difference” between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the asset will be realized in future.

Deferred Tax liabilities are generally recognized for all temporary differences. Deferred Tax Assets are generally for all taxable temporary differences to the extent that it is probable that taxable profits would be available against which those deductible temporary differences can be utilized.

Deferred tax assts relating to unabsorbed depreciation / business losses are recognized and carried forward to the extent of available taxable temporary differences or where there is convincing other evidence sufficient future taxable income would be available against which such deferred tax asset can be utilized.

Leasing:

The company has taken a building for lease and the lease rentals are charged to profit and loss account in compliance with the Accounting Standard – 19.

Employee Benefits :

- a) *Short Term benefits : Short term employee benefits are recognized as an expenditure and charged off to profit and loss account at an un discounted rate.*

b) **Post Employment Benefits :**

- a) *Defined Contribution plans : Provident fund is recognized as an expenses and charged to profit and loss account.*
- b) *Defined benefit plans : i) Provision for Gratuity and Leave Encashment is made on Actuarial Basis, in accordance with the AS-15.*

Segment Reporting:

The Accounting Standard 17 “segment Reporting” Under companies (Accounting Standard) Rules 2006 by the Ministry of Corporate affairs, is not applicable to the Company in as much as the Company is engaged in Production of only one Product, viz., Thermal Batteries.

B. Notes On Accounts

1. *The Company has circulated among the suppliers to inform the status about the Registration under the MSMED Act 2006. The Company has not received the required information from any of the suppliers regarding their status under the MSMED Act 2006. Hence the company has treated that there are no suppliers registered under above mentioned Act.*
2. **Contingent Liability:**
 - (a) **Preferential Dividend:** *The following contingent liabilities represent preference dividend payable to Andromeda Energy Technologies Private Limited, the strategic investor. (Amount in Thousands)*

For the Fy:2012-13 – Rs.1159.690

For the Fy:2013-14 – Rs.1859.600

For the Fy:2014-15 – Rs.1859.600

For the Fy:2015-16 – Rs.1859.600

For the FY 2016-17 – Rs.1859.600

For the FY 2017-18 – Rs.1859.600

For the FY 2018-19 – Rs.1859.600

For the FY 2019-20 – Rs.1859.600

For the FY 2020-21 – Rs.1859.600

For the FY 2021-22 – Rs.1859.600

For the FY 2022-23 – Rs.1859.600

(b) **Bank Guarantee** (Rs.in Thousand) 162.088 (PY Rs.154.567)

(c) **Components of Deferred Tax:**

Deferred Tax Asset

(Rs.000)

<i>Particulars</i>	<i>As at 31st March 2023</i>	<i>As at 31st March 2022</i>
<i>On Account of depreciation</i>	<i>(4109.275)</i>	<i>(5998.938)</i>
<i>On Account of Un-Absorbed Depreciation Loss</i>	<i>3420.371</i>	<i>9648.230</i>
<i>On Account of Provision for Gratuity</i>	<i>1486.780</i>	<i>1458.622</i>
<i>On Account of Provision for Leave Encashment</i>	<i>82.240</i>	<i>152.036</i>
<i>Deferred tax Asset(Net) / Deferred Tax Liability (Net)</i>	<i>880.117</i>	<i>5259.950</i>

(d) Secured Loans:

The Loan of Rs.815 lakhs payable by RES, to Andromeda Energy Technologies Private Limited has since been liquidated in terms of First Amendment to Settlement Agreement dated 10th May, 2021 entered into amongst Renewable Energy Systems Limited, Solon India Private Limited and Andromeda Energy Technologies Private Limited. The charges created in favour of AEPTL in respect of the said loan have since been satisfied.

The Loan amount of Rs.346 lakhs paid by Precision Clean Tech Private Limited to Canara Bank, on behalf of RES; Rs.595 lakhs paid by Precision Clean Tech Pvt Ltd to Canara Bank, Leasing Division on behalf of RES, have since been liquidated in terms of Settlement Agreement dated 25th March, 2022 entered into amongst Andromeda Energy Technologies Pvt Ltd, Precision Clean Tech Private Limited and Renewable Energy Systems Limited and also the modification of charges in favour of Precision Clean Tech Private Limited have since been satisfied..

(e) Property, Plant & Equipments and Intangible Assets:

(a) The Land for the wind project at Ramagiri, Ananthpur District, Andhra Pradesh was taken under lease from Non-Conventional Energy Development Corporation of Andhra Pradesh (NEDCAP), based on the memorandum of Understanding (MoU) executed with them. The lease deed is still to be executed which is subject to clearance from the Government of Andhra Pradesh.

(b) The Company has undertaken Research and Development of Lithium Thermal Batteries and Lithium Ion Batteries and the expenditure incurred on R&D during the year 2022-23 is Rs.3.02 crores and this Research and Development Expenditure has been reflected in the Balance Sheet under the head 'Intangible Assets' pending capitalization.

(c) Inventories: Stock of Inventories comprising Raw materials and Finished goods have been valued as prescribed in Accounting Standard – 2.

(1) Raw Materials are Valued at Cost

(2) Finished goods are Valued at lower of Cost/ Market Value

(3) Cost is arrived on FIFO Basis.

(f) Sundry Debtors

i) Sundry Debtors include Rs.534.25 lakhs towards lease rentals received from Department of Telecommunications/BSNL against the Lease Agreement dated 20.11.1995. The Company has since filed Arbitration Petition before the Delhi High Court for appointment of an Arbitrator to adjudicate the matter in respect of lease rentals and interest thereon payable by BSNL to RES. The Delhi High Court has appointed Justice Sunita Gupta as Arbitrator to adjudicate the matter. The arbitrator delivered the Award on 10th August, 2019 dismissing the claims of RES. RES filed Petition under Section 34 vide OMP (Comm) 524/2019 in the High Court of Delhi to set aside the Award and the said Petition filed by RES was dismissed by the Hon'ble Delhi High Court vide its order dated 16.11.2021 as the Claims of RES are ex.facie barred by limitation. The Company has been advised to challenge the matter before Supreme Court and the same is in progress.

ii) Based on the orders of full bench of Delhi High Court, Justice Manju Goel vide award dated 28.6.2016 had quantified the compensation payable by BSNL to RES. BSNL filed an Appeal before the Delhi High Court challenging the Award dt 28.6.2016 delivered by Justice Manju Goel. The High Court of Delhi vide its order dated 18.1.2019 directed BSNL to deposit 50% of the awarded amount into the Court and the same has been complied with BSNL. Pending disposal of the main petition filed by BSNL, the amount deposited by BSNL in the Court was kept in Fixed Deposits by the Court. Also, Pending adjudication of the matter an amount of Rs.866 Lakhs being the cost of the materials, manufacturing expenses etc in respect of the 8070 systems and the damages receivable from BSNL is kept under the account head sundry debtors.

iii) **Employee Benefits (AS:15) :**

The disclosures required under accounting standards 15“Employee benefits notified under companies (Accounting Standards)” Rules 2006 are given below:

a) **Defined Contribution Plan:**

Contributions to PF and Other Funds: Rs.1760 (PY Rs. 1868)

b) **Defined benefit Plans:** The Company has made provision for Gratuity and Leave encashment in accordance with the Actuarial Valuation as per AS-15 the details of which are as follows: -

c) **Expenses Recognized in the Profit and Loss Account:** (Thousand)

Particulars	Gratuity (Unfunded) 2022-23	Gratuity (Unfunded) 2021-22	Leave Encashment (Unfunded) 2022-23	Leave Encashment (Unfunded) 2021-22
Current Service Cost	474.97	504.070	75.521	137.673
Interest Cost on Obligation	405.76	359.484	42.493	38.162
Past Service Cost	Nil	Nil	Nil	Nil
Expected Return on Plan Assets	Nil	Nil	Nil	Nil
Amortization of Prior Service Cost	Nil	Nil	Nil	Nil
Net Actuarial (Gain) / Loss to be recognized	-340	-346.775	-356.157	-132.130
Transfer In / Out	Nil	Nil	Nil	Nil
Curtailement (Gain) / Loss recognized	Nil	Nil	Nil	Nil
Settlement (Gain) / Loss recognized	Nil	Nil	Nil	Nil
Expense recognized in Profit and Loss Account	540.334	516.779	-238.143	43.705

d) **Movement in the Liability recognized in the Balance Sheet** (₹Thousands)

Particulars	Gratuity (Unfunded) 2022-23	Gratuity (Unfunded) 2021-22	Leave Encashment (Unfunded) 2022-23	Leave Encashment (Unfunded) 2021-22
Defined Benefit Obligation at the beginning	5795.54	5278.763	604.084	560.379
Expenses Recognized in P & L Statement	540.33	516.775	-238.143	43.705
Benefits Paid	Nil	Nil	Nil	Nil
Actual Return on Plan Assets	Nil	Nil	Nil	Nil
Acquisition Adjustment	Nil	Nil	Nil	Nil
Present Value of Obligations as at the end	5907.42	5795.542	326.764	604.084

e) **Bifurcation of Present Value of Obligations at the end of the current period as per Schedule III of the Companies Act, 2013:** (Thousand)

Particulars	Gratuity (Unfunded) 2022-23	Gratuity (Unfunded) 2021-22`	Leave Encashment (Unfunded) 2022-23	Leave Encashment (Unfunded) 2021-22
Current Liability (Short Term)	969.842	742.330	29.684	63.025
Non-Current Liability (Long Term)	4937.582	5053.212	297.081	541.059
Present Value of Obligation as at the end	5907.42	5795.542	326.764	604.084

f) **Financial Assumptions:**

(₹Thousands)

Particulars	Gratuity (Unfunded) 2022-23	Gratuity (Unfunded) 2021-22`	Leave Encashment (Unfunded) 2022-23	Leave Encashment (Unfunded) 2021-22
Discount Rate (per Annum)	5.72%	7.33%	7.52%	7.33%
Salary Growth Rate (Per Annum)	4.00%	4.00%	4.00%	4.00%
Expected rate of return on Plan Assets (P.A)	0.00%	0.00%	0.00%	0.00%

The above information is furnished based on the certificate of an actuary.

iv) **Operating leases:**

Assets given on Lease

a) **Total of minimum lease payment**

Total of minimum lease receipts for a period		
	Not later than one year	600
	Later than one year and not later than five years	3600
	Later than five years	NIL

b) A general description of significant leasing arrangements: The Company has entered into Operating lease arrangements for Land & buildings.

v) **Related Parties Disclosure:**

a) **Names of related parties and description of relationship:**

I	Name of the Key Managerial Personnel
	G Narasinga Rao, Director
	P C M Rao, Director
	P Madhusudhan Rao, Director
II	Associates / Members of the Company
	Andromeda Energy Technologies Private Limited

b) Transactions with Related Parties: KMP	2022-23	2021-22
Remuneration paid to KMP	900.000	900.000
Outstanding Balances		
Remuneration Outstanding Balance	75.00	13.270

c) Transactions with Related Parties: Associates	2022-23	2021-22
Sale of Goods	Nil	Nil
Sale of land	Nil	4840.000
Lease rent	600.000	600.000
Purchase	Nil	Nil
Advances received back	Nil	94900.000
Advances refunded	Nil	150498.563
Other Outstanding Receivable / (Payable)	Nil	23106.040

vi) Additional Information as per Paragraph (5) of Sch. III Part-II (Division I) to the extent applicable:-

The Company is engaged in the business of Manufacturing of Thermal Batteries. The details of the Purchases , Sales and Consumption of Raw Material and Gross Income from Services are as under :-

(a) Purchases and Spares & Consumables (Thousand)

<i>Particulars</i>	<i>Amount (CY)</i>	<i>Amount (PY)</i>
<i>Purchases</i>	<i>56182.83</i>	<i>67041.018</i>
<i>Spares & Consumables</i>	<i>66.000</i>	<i>Nil</i>
<i>Other Site expenses</i>	<i>Nil</i>	<i>2826.926</i>

(b) Revenue from Operations (Thousand)

<i>Particulars</i>	<i>Amount (CY)</i>	<i>Amount (PY)</i>
<i>Sales of Goods</i>	<i>113960.698</i>	<i>222295.298</i>
<i>Sale of Services</i>	<i>0</i>	<i>0</i>
<i>Other Operating Income</i>	<i>1.31</i>	<i>17.156</i>

(c) Earnings per Share (Thousand)

<i>Basic Earnings per equity share</i>	<i>Current Year (Rs.)</i>	<i>Previous Year (Rs.)</i>
<i>Net Profit after tax</i>	<i>(1203.814)</i>	<i>72216.112</i>
<i>Average number of equity of Shares of Rs.10/- each fully paid up</i>	<i>14,92,000</i>	<i>1492000</i>
<i>Basics Earnings per equity share</i>	<i>(0.81)</i>	<i>48.400</i>

I. The profit and loss account shall also contain by way of a note the following information, namely:

(a) Value of imports calculated on C.I.F basis by the company during the financial year in respect of— (Thousand)

<i>Sl. No</i>	<i>Particulars</i>	<i>Amount (CY)</i>	<i>Amount (PY)</i>
<i>1</i>	<i>Raw Materials</i>	<i>9751.059</i>	<i>2900.983</i>
<i>2</i>	<i>Components and spare parts;</i>	<i>Nil</i>	<i>Nil</i>
<i>3</i>	<i>Capital goods;</i>	<i>Nil</i>	<i>Nil</i>

(b) Expenditure in foreign currency during the financial year on account of- (Thousand)

<i>Sl.No</i>	<i>Particulars</i>	<i>Amount (CY)</i>	<i>Amount (PY)</i>
<i>1</i>	<i>Consultancy Services Received in Non-Territory</i>	<i>Nil</i>	<i>Nil</i>
<i>2</i>	<i>Technical Services</i>	<i>Nil</i>	<i>Nil</i>
<i>3</i>	<i>Interest Fee</i>	<i>Nil</i>	<i>Nil</i>
<i>4</i>	<i>Commission & Brokerages</i>	<i>Nil</i>	<i>Nil</i>
<i>5</i>	<i>Food & Accommodations Recovered from Bills</i>	<i>Nil</i>	<i>Nil</i>

(c) Total value if all Imported or Indigenous Raw materials, spare parts and components consumed during the financial year (Thousand)

Sl. No	Particulars	Amount (CY)	Amount (PY)
1	Total value of all indigenous raw materials	48850.280	180728.826
2	Total value of all imported raw materials	9751.059	2900.983
2	Total value of all indigenous spare parts & Components	66.000	Nil

(d) Earnings in foreign exchange classified under the following heads, namely:—

(Thousand)

Sl. No	Particulars	Amount (CY)	Amount (PY)
1	Export of goods calculated on F.O.B. basis;	Nil	Nil

vii) **Additional Regulatory Information as per Paragraph (Y) of Sch III Part-I (Division I):-**

The sub-clauses from (i) to (xiv) are not applicable to the company, since no such circumstances are prevailing during the current financial year or immediately preceding financial year, except sub-clause (xii) for which details are given below.

Ratios:

Particulars	Numerator	Denominator	Current Year	Previous Year	Change
1. Current Ratio	Current Assets	Current Liabilities	5.95	5.86	1.49%
2. Debt-Equity Ratio	Short Term Debt + Long Term Debt + Other Fixed Payment	Shareholders Equity	3.34	3.35	0.17%
3. Debt Service Coverage Ratio	Net Operating Income	Total Debt Service	0.023	0.36	93.65%(1)
4. Return on Equity Ratio	Net Income	Shareholders Equity	-0.08	4.84	-101.667%(2)
5. Inventory Turnover Ratio	Cost of goods sold	Average Inventory	0.57	1.83	68.67%(3)
6. Trade Receivables Turnover Ratio	Revenue from Operations	Average Account Receivable	0.61	0.92	33.34%(4)
7. Trade Payables Turnover Ratio	Net Credit Purchases	Average Account Payable	3.18	1.84	-73.082%(5)
8. Net Capital Turnover Ratio	Turnover	Working Capital	0.36	0.65	43.70%(6)
9. Net Profit Ratio	Net Profit	Turnover	-0.01	0.32	-10323%(7)
10. Return on Capital Employed	EBIT	(Total Assets – Current Liabilities)	0.055	-0.05	195.090%(8)

EXPLANATION FOR CHANGE IN RATIO BY MORE THAN 25% AS COMPARED TO PRECEDING YEAR:

- (1) The decrease is on account of decreased net operating income during the year 2022-23*
- (2) The decrease is on account of decrease in exceptional income during 22-23*
- (3) The decrease is on account of decrease in cost of goods sold due to decreased sales*
- (4) The decrease is on account of decreased sales during the year 22-23.*
- (5) The Increase is on account of decrease in Accounts Payable during the year 22-23.*
- (6) The decrease is on account of decrease in turnover and also decrease in working capital*
- (7) The decrease is on account of decreased turnover and exceptional income did not exist during 22-23.*
- (8) The increase is on account of increase in EBIT compared to previous year.*

- 2. Previous year's figures have been re-grouped / re-classified to conform to that of the current year's classification.*

*As per our Report of Even date attached
For MAHADEVAN & CO
Chartered Accountants
FRN.001925S*

For and on Behalf of the Board

*Sd/-
P RAVINDRANADH REDDY
Partner
Membership No: # 21149
Place: Hyderabad
Date: 5th September, 2023*

*sd/-
G N RAO
Director*

*sd/-
P C M RAO
Director*