WEBEL SOLAR

Date: 28th August, 2023

To,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai- 400 001
Scrip Code: 517498

To,
National Stock Exchange of India Limited,
Capital Market – Listing, Exchange Plaza,
5th Floor, Plot No. C/1, G Block,
Bandra-Kurla Complex, Bandra (E),
Mumbai 400 051
Symbol- WEBELSOLAR

Sub: Submission of 33rd Annual Report of the Company for the Financial Year 2022-23
Ref: Disclosure under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith a copy of 33rd Annual Report of the Company for the Financial Year 2022-23.

A copy of the aforesaid Annual Report is also available on the website of the Company www.webelsolar.com.
Kindly take the same on your record.
Thanking you.

Yours faithfully,
For Websol Energy System Limited

SUMIT KUMAR SHAW
Digitally signed by SUMIT KUMAR SHAW
Date: 2023.08.28 14:20:41 +05'30'

Sumit Kumar Shaw
Company Secretary

Websol 2.0

Websol Energy System Limited
Annual Report **2022-23**

Forward-looking statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether because of new information, future events or otherwise.

Contents

Websol 2.0

At Websol Energy System Limited, we are poised at an inflection point in our existence.

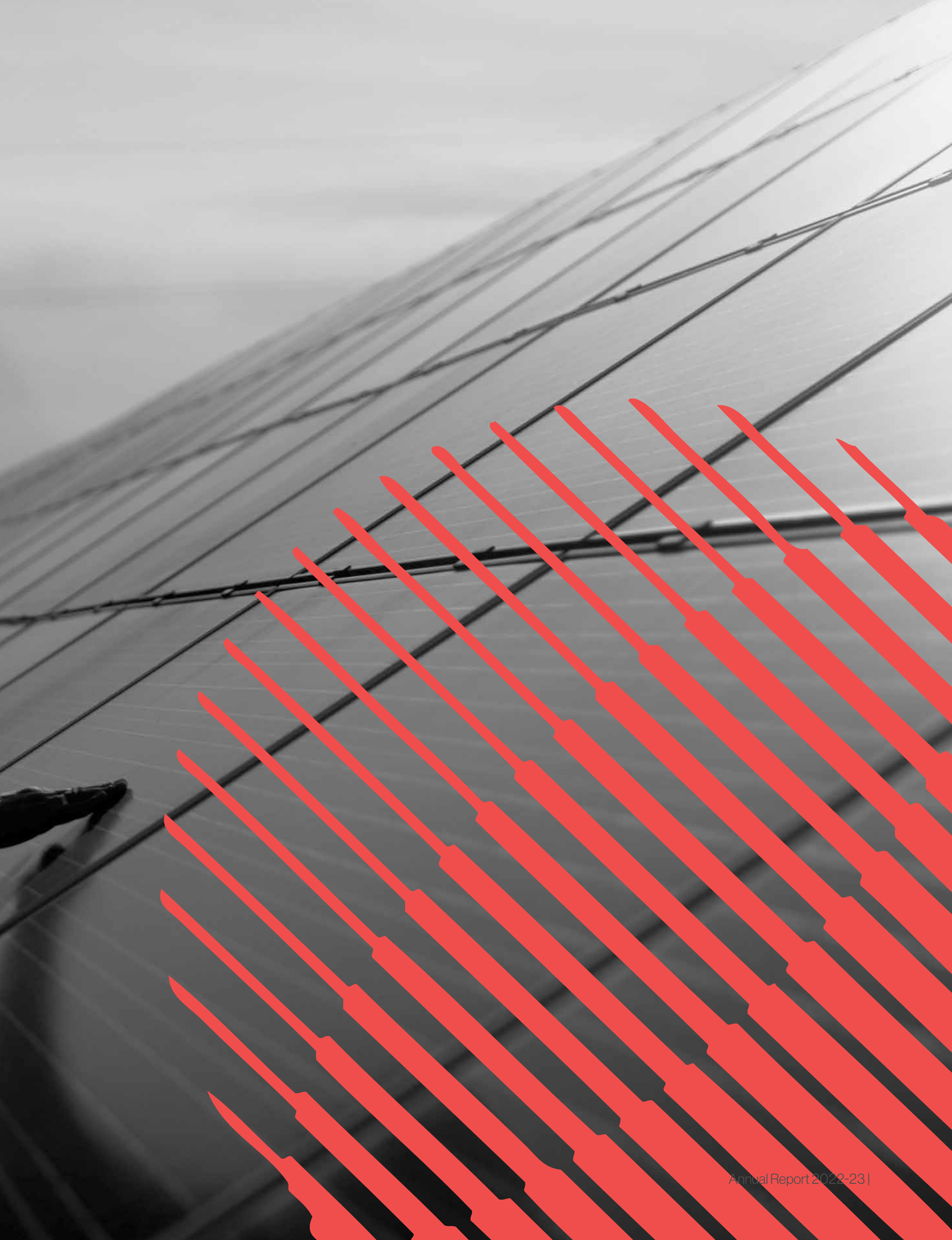
It took us nearly 30 years to build 250 MW of solar cell capacity.

It is expected to take us just 2 years to build eight times this solar cell and module capacity.

When complete, the nature of our company will have transformed, creating a platform that is expected to create significant value for all our stakeholders.

PART ONE

What **we are** and what **we do**



Corporate snapshot

The Company has emerged as one of the prominent survivors of three decades of technology and financial turbulence in the global solar photovoltaic cell sector.

The Company has retained its position among the five largest solar cell manufacturers in India.

The time has come for the Company to make a substantial leap in technology and manufacturing capacity.

The Company is making an unprecedented investment to transform its scale and scope.

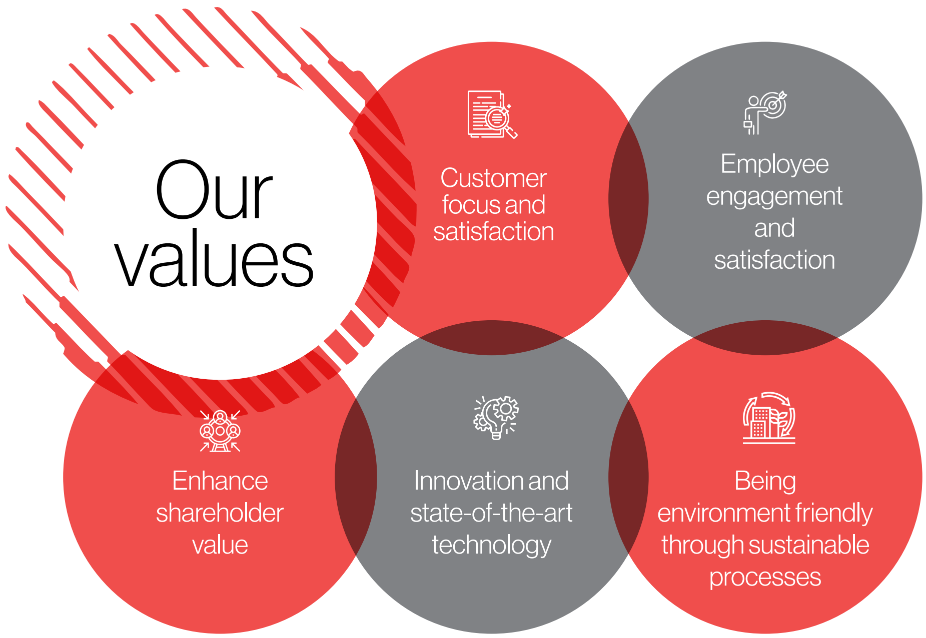
In doing so, the Company is poised to play an important role in the world's accelerated push towards renewable energy.

Our vision

To provide clean, reliable, environment friendly, competitive electrical energy around the world to save our planet earth for our future generations.

Our mission

To provide solar energy solutions with competitive product quality as per international standards and develop advanced products through cutting-edge technology that will create value for the customer and stakeholders, while improving the environment by the conservation of natural resources and implement pollution control measures along with caring for our employees.



Our research and development

The Company is counted among leading solar photovoltaic cell players in India. The Company's prominent presence is attributed to its extensive experience of nearly three decades. The Company initiated its operations as a fully export-oriented unit, catering to European (Germany and Italy) and US markets. The Company produced quality products for exports; its panels have been successfully in operation for more than a quarter of a century.

Our research and development

The Company has invested in research to graduate to a new technology and optimise power generation, enhance generation yield and customise products around downstream requirements.

Our advanced technologies

The Company allocated resources to embrace state-of-the-art technologies, adapting swiftly to change. This effort empowered the Company to manufacture top-tier photovoltaic solar cells and modules at its advanced facility in Falta SEZ.

Our certifications

The Company holds an ISO 9001:2015 certification, highlighting its dedication to provide world-class products to customers. The solar modules adhere to IEC 61215, IEC 61730 and UL 1703 standards. Additionally, the Company possesses environmental certifications, including ISO 14001:2015 for environmental compliance and OHSMS 45001:2018 for occupational health and safety. Our modules also carry the BIS certification, enabling their use in Indian solar energy initiatives.

Our certifications

As of 31st March, 2023, the Company had a workforce of 225 employees, including knowledge professionals, with an average employee age of 40 years.

Our **milestones**

1990-91

Mr. S. L. Agarwal, founder and MD of Websol Energy System Limited, initiated the business.

1995-97

Production evolved to 6" wafers and modules up to 95 Wp. A quality certificate from ISPRA IEC 61215 standards was obtained

2000-01

Production extended to the manufacture of 8" wafers. Module output increased to 125 Wp for type W1000. Capacity was enhanced to 3 MW.

2002-04

International certification obtained for W1000 as per IEC 61215 standards. UL703 listing for all W900 type modules. Capacity was enhanced from 3MW to 5MW.

2003-04

Installed capacity expanded from 3MW to 5 MW. UL 1703 listing was received for W1000 type modules. Production of 160/190Wp modules began

2005-06

Capacity enhanced from 5MW to 10 MW. Started the commercial production of W1600 and W2000R. International certification from TUV safety class II for W2000 and W1600 type modules. Industrial site finalised in SEZ Falta, West Bengal, for 120 MW expansion.

2006-07

The total installed capacity of the Company increased to 20 MW. Three new products were launched, including W2000R.

2007-08

International certifications IEC 61215 and IEC 61730 were obtained for 180/220Wp and UL and CSA listing for 180/220Wp modules. Installed PECVD technology for silicon nitride anti-reflective coating at the Salt Lake plant in Kolkata. Cell efficiency reached 16.5%-plus.

2009-10

The total installed capacity of the Company enhanced to 60 MW. State-of-the-art production facility installed in Falta Special Economic Zone in West Bengal. Product migrated from the processing of 125x125 mm to 156x156 mm wafers; enhanced the power output of modules to 290W.

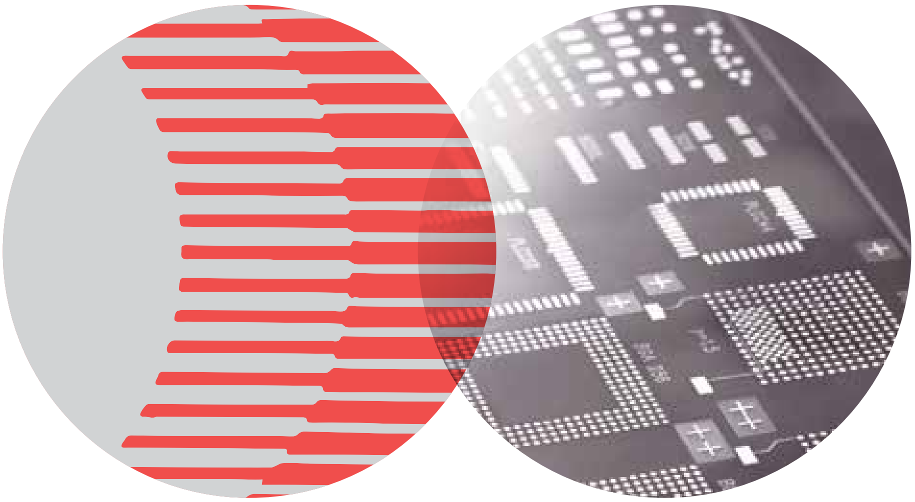
The total installed capacity of the Company increased to 120 MW.

2011-12

Engaged in a tie-up with Renesola (China) for two years to produce cells and modules in their name. The processing of quasi-mono wafers commenced.

2012-13

Installed a new texturizing line to graduate to the manufacture of cost-effective multi-crystalline solar cells. Installed capacity



2014-15

enhanced to 180 MW.

2015-16

Installed new process machines in the cell line to optimise efficiency. Cell efficiency enhanced to 18.30% average. Trials for 4BB cells began.

2016-17

Installed a new printing line with higher productivity along with PECVD, Diffusion and Inox machines. Capacity enhanced to 240MW.

2017-18

Installed an advanced cell printing line for the commencement of the 5BB cell production. Existing module line was transformed to a fully automated high tech 250 MW module line. The Company manufactured more than 1,00,000 units in a year (corresponding to CO2 emission reduction of 97,659 kgs) after the installation of a 120KW solar power facility connected to a grid in April 2017.

2018-19

Achieved highest cell and module efficiency with the help of fortified capacity, tuned machines and processes. Process chemicals and use of advanced materials like paste and screens were reduced. The new module line was operated with enhanced productivity, increased product and quality efficiency with lower rejection.

2019-20

Owing to lower raw material costs, process improvements, enhanced productivity and shop floor energy savings, the Company reduced the cost of solar cell manufacture by 8%.

2020-21

Websol increased the wafer size from 157x157mm to 158.75 x158.75mm multi-crystalline, enhancing 7 watts in the 72-cell module. The Company achieved front Ag paste saving with increasing throughput from printing screens, enhancing cost effectiveness by 10%. The Company achieved the highest cell line production

2021-22

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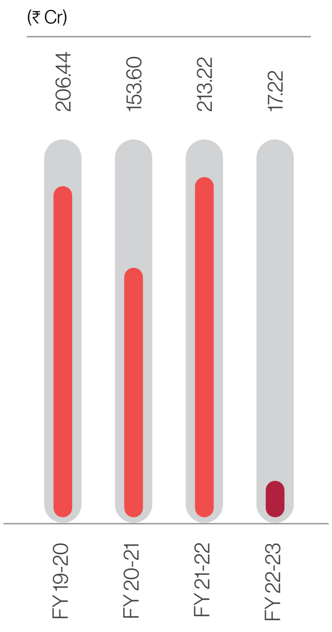
2022-23

Websol fully utilised its multi-crystalline cell equipment and strategically prepared for capacity expansion by upgrading to Mono PERC technology, aligning with global standards.

Adopted advanced Mono PERC technology to achieve 23% plus cell efficiency in 182 mm and 210 mm square format, Solar PV Module upgraded to 540Wp and 660Wp.

How we strengthened **our financial performance over the years**

Revenues



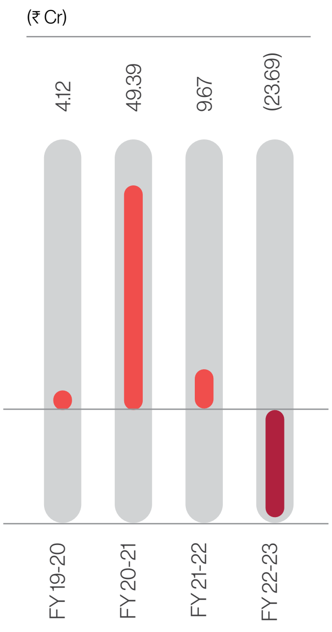
Definition
Growth in sales volume after deduction of taxes (if any).

Why is this measured?
It indicates sales trend volume and the extent of the customer's acceptance of the Company's products.

Performance, FY 2022-23
The revenue from operations decreased by 91.92% to ₹17.22 Crore during FY 2022-23 on account of a discontinuation of operations following the decision to graduate to a superior technology.

Value impact
Develops a strong growth foundation on which profits can be built, the temporary slowdown notwithstanding.

Net profit



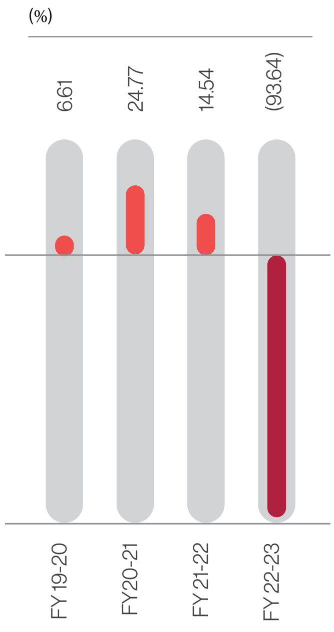
Definition
Profits earned during the year net of all expenses and provisions.

Why is this measured?
It indicates the robustness of the business model.

Performance, FY 2021-22
The Company reported a decrease in profit after tax on account of a discontinuation of operations following the decision to graduate to a superior technology.

Value impact
Enables the sustainability of the Company's growth engine and ensures the availability of cash for reinvestment, once the Company resumes operations.

EBITDA margin



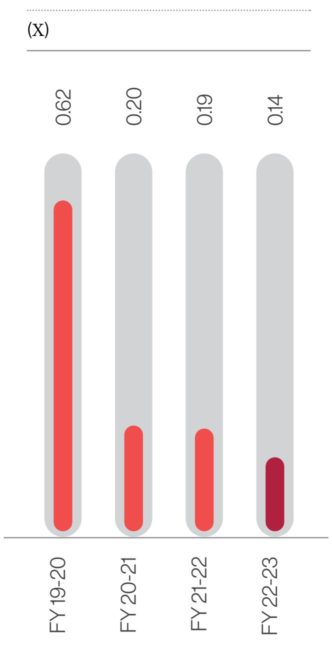
Definition
EBITDA margin is a profitability ratio, which estimates the Company's operating profits with respect to the percentage of its overall revenues.

Why is this measured?
The EBITDA margin highlights the earnings of the Company (prior to accounting for interest and taxes) on each rupee of sales.

Performance, FY 2022-23
The Company's EBITDA margin decrease was on account of a discontinuation of operations following the decision to graduate to a superior technology.

Value impact
Represents a significant cushion in the business, which, when amplified by scale, enhances the surplus

Debt-equity ratio



Definition

It is a leverage ratio that calculates the ratio of total debt to shareholder's equity (after the deduction of revaluation reserves).

Why is this measured?

It highlights the financial health of the Company, which indicates its ability to protect the interests of shareholders over debtors.

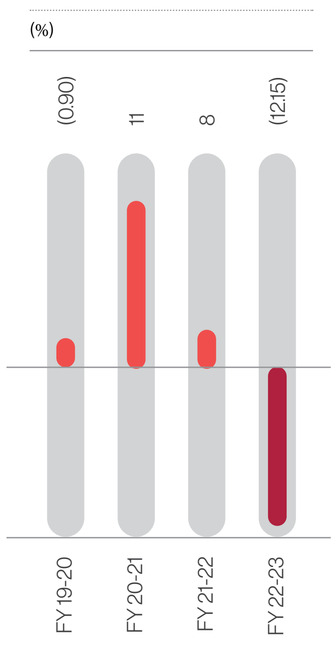
Performance, FY 2022-23

The Company's debt-equity ratio diminished (hence strengthened) from 0.19 in FY 2021-22 to 0.14 in FY 2022-23, indicating that its gearing remained unimpaired by the temporary closure of operations.

Value impact

The gearing was largely maintained, reflecting the integrity of the Balance Sheet

ROCE



Definition

It is a financial ratio that assesses a company's profitability and measures the effectiveness of the Company's utilisation of capital to generate profits..

Why is this measured?

RoCE is a convenient mechanism for a comparative study of the profitability of various companies based on the utilisation of capital – especially in capital-intensive sectors.

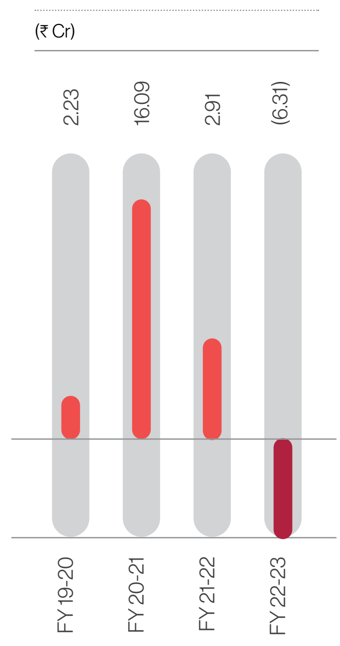
Performance, FY 2022-23

The Company's ROCE diminished from 8 in F Y 2021-22 to (12.15) in F Y 2022-23 on account of a discontinuation of operations following the decision to graduate to a superior technology.

Value impact

Decrease in ROCE was on account of a temporary closure in operations..

Earnings per share



Definition

It is the share of a company's profit per outstanding share of common stock calculated on a quarterly or annual basis.

Why is this measured?

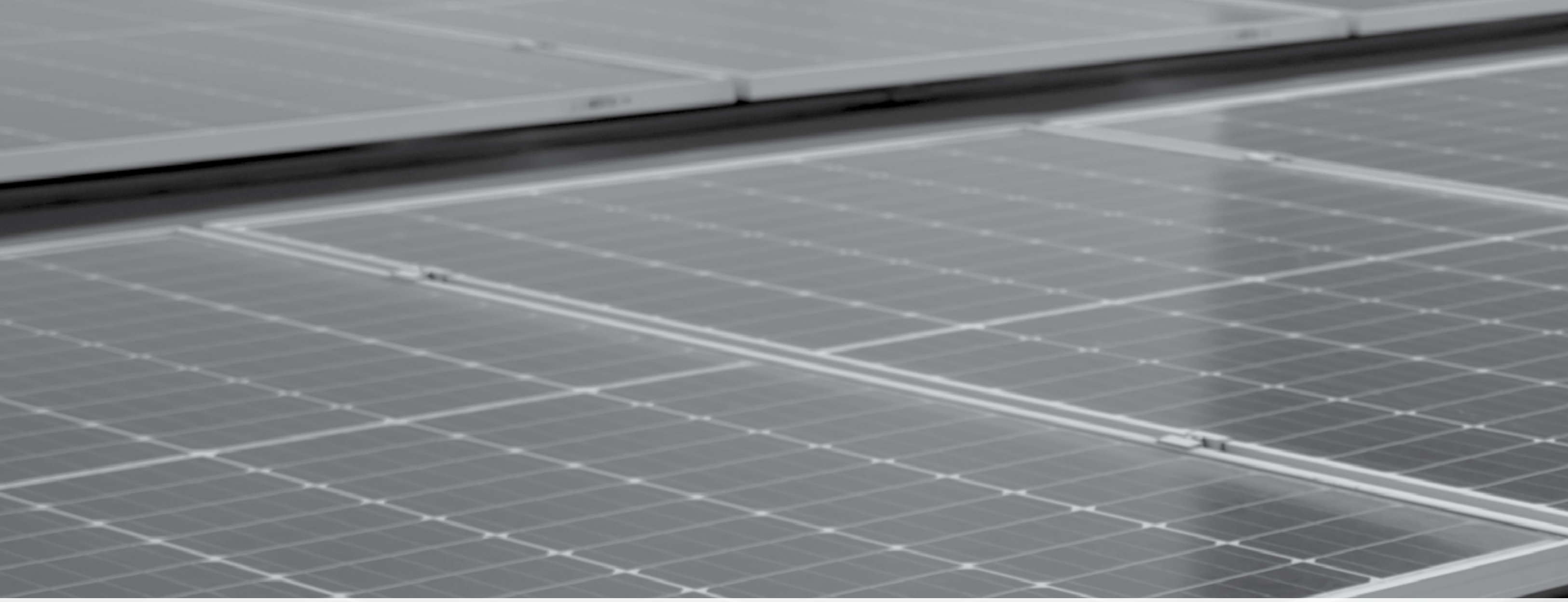
It is a widely used metric to estimate the actual value of the shareholders created by the Company.

Performance, FY 2021-22

The Company's EPS decreased from ₹2.91 in FY 2021-22 to ₹(6.31) in FY 2022-23 on account of a discontinuation of operations following the decision to graduate to a superior technology.

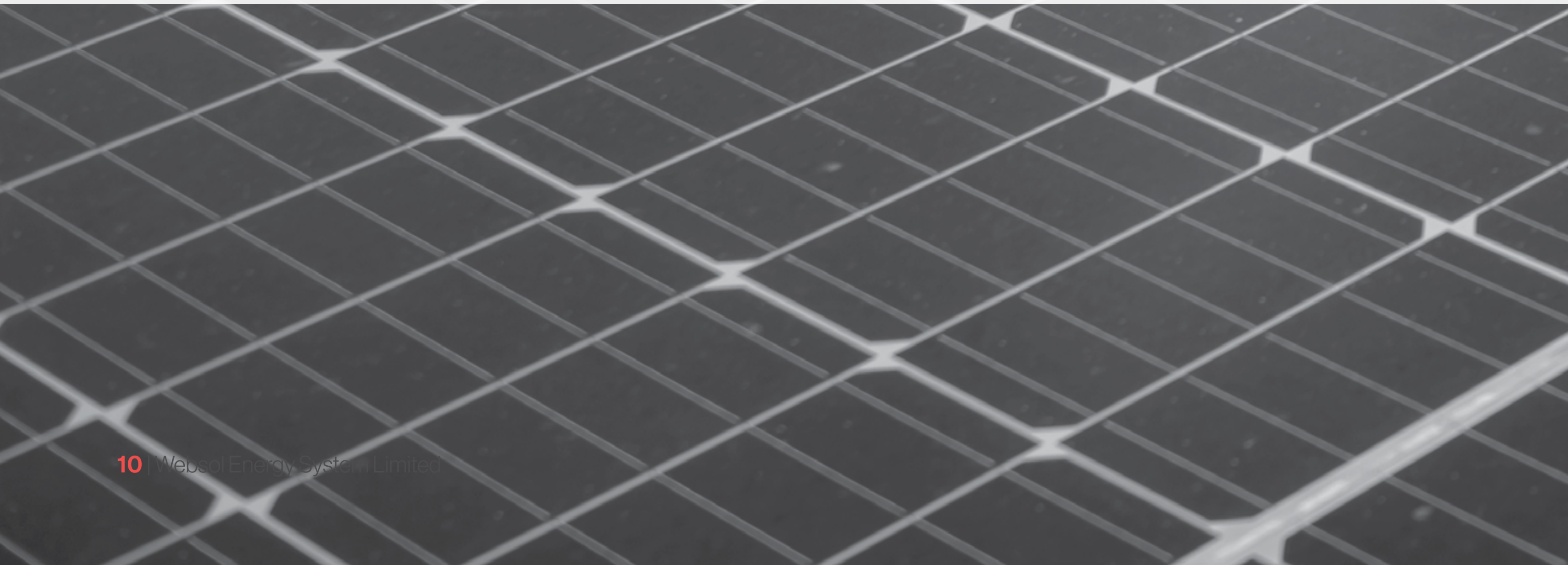
Value impact

Decreased earnings per share due to a shift in technologies.



Our quarterly **performance, FY 2022-23**

Year, 2022-23	Quarter one	Quarter two	Quarter three	Quarter four
Revenues (₹, cr)	3.80	14.27	0.92	1.25
EBIDTA (₹, cr)	(3.11)	(2.19)	(6.14)	(0.42)
Profit after tax (₹, cr)	(7.61)	(3.88)	(6.83)	(5.36)



Year, 2022-23	Quarter one	Quarter two	Quarter three	Quarter four
Cash profit (₹, cr)	(3.79)	(0.01)	(2.96)	(1.58)

Year, 2022-23	Quarter one	Quarter two	Quarter three	Quarter four
EBIDTA margin %	(81.84)	(15.34)	(6.67)	(33.6)

Year, 2022-23	Quarter one	Quarter two	Quarter three	Quarter four
Interest cover (x)	(10.93)	(6.00)	(7.95)	(4.83)

Year, 2022-23	Quarter one	Quarter two	Quarter three	Quarter four
Interest outflow (₹, cr)	0.68	1.01	1.26	0.87

PART TWO

Perspectives and **insights**

The time has come for the Company to leverage its **business capabilities and graduate from to the next orbit, enhancing value for all stakeholders associated with the Company.**

This optimism is derived not just from the perspective of the building block of renewable energy being clean and competitive.

Sohan Lal Agarwal
Chairman

Overview

The principal message that I need to communicate is that the world is passing through a period of energy transition, a once-in-a-lifetime structural shift for humankind.

Until now, the subject of energy was defined by a finite limit following which fuels would deplete. By transitioning from thermal energy to renewable energy, the world is moving from the finite to the infinite (and limitless) with sweeping implications for the way humankind will live.

Some of the complications that could emerge are that energy costs could moderate well below conventional levels; renewable energy will not only be perceived as clean but also a counter-inflation driver; it will be seen as a driver of national competitiveness especially in countries where its aspiration has been rapid.

In view of this, I only see renewable energy is ideal for humankind on account of its cleanliness and abundance; I see it as a driver of competitiveness across sectors in the coming years.

In view of this, we foresee the products and services we offer will be relevant to human existence and continuous improvement in technology will create cost-effective solar cells. Companies that can scale up current technologies offer consistent quality products and have environmentally manufacturing operation will generate value to stakeholders.

Optimism drivers

There are several reasons why I remain optimistic about our prospects.

The size of the addressable market for renewable energy is estimated at 500GW by 2030 in India compared with a size of 172 GW today. In 2022 22% growth reported in global solar PV market and the total installation was 192GW. Total solar PV contribution was 65% of 295GW renewable energy.

The consistent growth of this market indicates room for a larger number of players like Websol. We can play a critical role in the growth Indian Solar PV industry market as well as in Europe & the US market.

This optimism is derived not just from the perspective of the building block of renewable energy being clean and competitive. During the last few years,

new development has emerged: like green hydrogen, growth in electrical vehicle, adoption of rooftop solar, Solar pumps and utilities scale power plants etc .

Green Hydrogen emerging as the biggest global energy game-changer. This form of hydrogen – environmentally responsible – is being positioned as the next big energy wave for two reasons: one, green hydrogen could be abundantly available, possessing the capacity to replace fossil fuels across most downstream applications one can think of; the cost of green hydrogen is expected to decline by more than 80% across the coming decade, completely transforming the applications landscape. The success of green hydrogen needs to be built around the building block of renewable energy, which is where companies like ours come in. At Websol, we have been engaged in the manufacture of solar photovoltaic cells and solar modules, critical to the green hydrogen play.

At Websol, we see ourselves at being in the right sector in the right country at the right time. India is not merely toeing a global trend; it is catalysing this reality through government commitments related to net zero being made at the global stage with milestone-based reduction in the use of fossil fuels and corresponding increase in the generation of renewable energy.

Besides, the Indian government has walked it talk by articulating long-term policies related to the growth of the renewable energy sector. This is attracting global investments into India's renewable energy sector; this is encouraging Indian entrepreneurs to commission some of the largest global solar energy parks in the world; this is helping create an eco-system of funding agencies, investors, entrepreneurs, technical capabilities and supply chain partners.

There is one other point that I wish to bring in here. India is among select countries with high solar irradiation. India is the seventh largest country, a global advantage in the availability of non-arable lands that can now be profitably utilised to generate renewable energy. Besides, India has a large and growing industrial base that could emerge as a potential user of Green energy .

Given this unprecedented reality, there is a premium on companies like ours to invest prudently and promptly. These two words have been carefully selected. The word 'prudence' applies to the selection of the right technology in a world when technologies evolve with speed. Some of the technologies that the Company had invested in have become obsolete, putting a premium on the need to replace it with new technology standards. The Company is engaged in doing just that by replacing its entire gross block with a new variant.

The Company is commissioning more than twice its erstwhile solar energy capacity in the first phase complemented by an almost equivalent capacity of solar modules. This complementary capacity will empower the Company to graduate from the manufacture of solar cells to solar modules, ensuring that its end output is value-added and the Company becomes a near-complete consumer of solar cells.

The second word – 'promptness' - needs to be explained. The need to graduate its technology required the Company to shut its existing plant from the first quarter of the last financial year, embark on fund raising to invest in a technologically advanced alternative. The equipment has been ordered and should be commissioned by the close of this calendar year.

A number of shareholders are likely to ask about whether these initiatives will be adequate in capitalising on an unprecedented industry opportunity. The answer is 'no'. In view of this, the 600 MW capacity of solar cell and 550 MW of solar modules that we intend to commission represented only the first phase of our reinvention programme. The Company will utilise the cash flows generated form this phase and invest in the second phase. This second phase – at a new manufacturing location – is expected to be three times the size of the first phase. The Company intends to fund this second phase largely through accruals and net worth, derisking the Company's Balance Sheet.

The Company recognises the substantial market exposure (and corresponding risk) that this larger capacity will need to assume. As a prudent response, the Company will enter into back-to-back sales relationships with larger buyers the world over. There is a global geo-political shift that widens opportunities for Indian companies like Websol; the western world is seeking to moderate its excessive dependence on China; countries like India and companies like Websol are expected to capitalise. Even a modest 10% supply shift away from China would need empower the Indian solar energy sector to address a landmark opportunity.

In view of these realities, Websol is placed at the sweet spot of its existence. There is virtually market risk; the expansion risk has been neutralised by advance sales; the funding risk has been neutralised by the first expansion phase being financially closed; the technology risk has been taken care of by moving from conventional to cutting-edge technologies; the margins risk has been addressed by selecting to pre-sell around a reasonable delta.

In a high-mortality business, your company has emerged as a competitive survivor. The time has come for the Company to leverage its business capabilities and graduate from to the next orbit, enhancing value for all stakeholders associated with the Company.

Sohan Lal Agarwal
Chairman

The Company is commissioning more than twice its erstwhile solar energy capacity in the first phase, complemented by an almost equivalent capacity of solar modules

The superior technology scorecard

Efficiency

18.9% — Before

23-25% — After

Wafer largeness

156 — Before

182/210 mm — After

Wafer thinness

180 microns — Before

150 microns — After

Energy generation

4.7 watts/cell — Before

7.5 watts/cell (182mm) and 10.2 watts/cell (210mm) — After

The Company is graduating to cutting-edge technologies intended to **transform the Company's competitiveness**

Ms Vasanthi Sreeram, Technical Director, explains the rationale behind the Company's decisive investment in cutting-edge technologies

Overview

The principal message is that as technology evolves with time, growing companies should adopt to the changing technologies to ensure that the Company does not have to face unwanted market conditions detrimental to the existence of the Company. Keeping this in mind, your company has made a tectonic shift by moving from 158mm multicrystalline solar cells to advanced technologies with mono crystalline silicon PV cells. These are called Passivated Emitter Rear Contact (PERC) solar cells. This technology helps to increase cell efficiency from 18.9% to 23% plus. There has also been a shift in the size of wafers being processed from 158 x 158mm to 182 x 182mm or 210 x 210mm sizes. Larger wafer size implies better economies of scale, hence better profitability.

With a forward looking principle, Websol is already on the path to integrating the next generation of solar cells, where the efficiencies can go above 25%. This technology is called TOPCON (Tunnel Oxide Passivated Contact), which will be the next big change. This technology has presently a few drawbacks and researchers and equipment manufacturers are close to resolving these issues. The first phase 600MW can be upgraded to the TOPCON line by the same equipment supplier, as well as the new capacity addition would be with the higher advanced TOPCON technology.

The combination of the two initiatives – scale and technology – promise to transform the Company's prospects and position it in the front league of modern Indian renewable energy companies. There are some reasons why this transformation was necessary.

One, the decline in the break-even point in the renewable energy hardware manufacturing business is being derived from the capacity to commission progressively larger manufacturing capacities. As company invest to build these capacities and generate larger surpluses, they are initiating progressively larger manufacturing capacities that, in turn, are further moderating their breakeven points, a virtuous cycle. The result is that the competitive companies of the future in this space are likely to be companies that adopt and commercialised advance technology and have large manufacturing capacities ,scale the project faster and strengthening their business sustainability. Websol is engaged in commissioning game-changing manufacturing capacity that should help retain its position among front-ranking renewable energy companies in India.

Two, there is a growing cost of land on which Utilities scale solar plants need to be commissioned. As energy demand increases availability of suitable land will become concern and Solar power developers are looking for higher output per sq. mt in the long run. This can create demand for high efficient solar Modules made with superior technologies that generate enhanced output in the same area. Websol is investing in mono PERC and Topcon technologies that deliver enhanced efficiency, utilise wafers that are thinner and larger, and deliver a superior Return on small Land size that continues to drive the growth of the renewable energy sector in India.

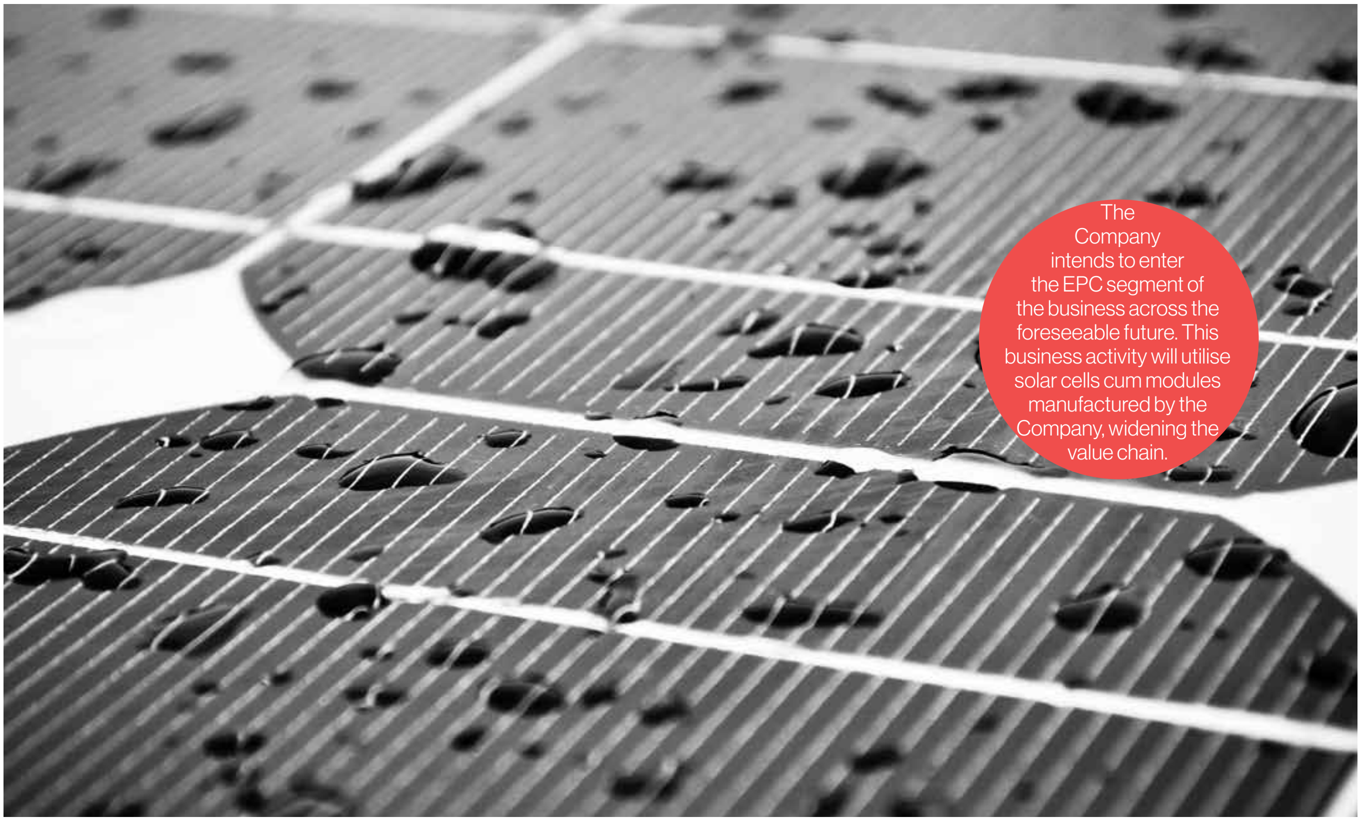
Three, we recognise that a sector that is high on global priority must generate superior financial returns for the growth momentum to become sustainable and enhance value for all stakeholders. Until now, your company has delivered a modest growth in value in nearly 30 years of its existence. The time has come for the Company to enhance value in line with its rich sectorial potential. This can only be achieved in a sustainable manner through the interplay of scale and scope (as indicated). We believe that the unprecedented industry environment provides a platform for the nimble and technology-focused companies to capitalise on, which could create unprecedented value for all eco-system partners.

Four, we believe that mere manufacture will only take us to a certain point and no further, In a rapidly evolving sectorial scenario, there will be a greater priority in capturing a larger value from the business. In view of this, the Company intends to enter the EPC segment of the business across the foreseeable future. This business activity will utilise solar cells cum modules manufactured by the Company, widening the value chain. Besides, this business activity will expose the Company directly to market realities, transforming it from a back-ended products supplier into a front-end service provider.

Outlook

At Websolar, we believe that the price paid for equipment (cells and modules), the cost and quantum of debt, pre-sales buyback, existing delta, a largely under-borrowed Balance Sheet should translate into an attractive surplus from the time we get into production. While returns may be muted during the current financial year, we expect the Company to deliver an attractive surplus starting the next financial year, which will be reinvested in trebling the manufacturing capacity.

This is expected to create an even larger platform for sustainable value creation across the foreseeable future.



Our integrated **value creation report**

Overview

In the modern era, the focus on value has shifted from solely benefiting shareholders to encompassing all stakeholders. This term, 'stakeholder,' encompasses anyone affected by a company's brand, products, or activities. This Integrated Value-Creation Report is gaining recognition for evaluating both concrete and intangible initiatives. The report amalgamates financial, management, governance, remuneration, and sustainability aspects to demonstrate an organization's capacity to create, enhance, and maintain value. It deepens understanding among various stakeholders, emphasizing sustainable value enhancement for employees, customers, partners, communities, regulators, and policymakers.

The big picture

2.4

GW, proposed Websolar capacity two years from now

Who we create value for

Our employees represent the aggregate knowledge of how to grow the business across a range of functions (materials procurement, manufacturing, business development, sales, quality, finance, etc.). We provide an energised workplace, growing employment and help enhance talent productivity.

Our shareholders provided capital when we went into business. Our focus is to generate investable free cash or commission projects around shortening paybacks, enhancing RoCE and, in doing so, increase shareholder value

Our vendors provide a continuous supply of resources. We maximize quality materials procurement through contracted arrangements, remunerated with speed.

Our customers consistently buy our service, generating the financial resources to grow. Our focus is to complete more projects for more customers and retaining them, enhancing our revenue visibility.

Our communities provide us with social capital (education, culture, security, safety, etc.) and in turn we support these communities through consistent engagement

Our governments provide us with a stable structural framework that ensures law, order, policies etc. Our focus is to play the role of a responsible citizen.

At Websol, the prudent interplay of the value generated by each stakeholder ensures business sustainability and enhanced stakeholder value.

The resources of value creation

Natural capital
We derive all our resources – materials, water, fossil fuels and the world's carbon sinks — from this capital. Our engagement is influenced by the degree of dependence on natural resources, environmental impact of the production process on the environment and what the organisation needs to do to operate within environment limits.

Social and relationship capital
This represents the relationships between our Company and stakeholders (community, governments, customers and supply chain partners). These could also comprise licenses or dependence on the supply chain.

Intellectual capital
This includes resources like patents, copyrights, intellectual property and organizational systems, procedures and protocols

Human capital
This refers to organizational skills and know-how, marked by talent retention and training leading to outperformance.

Financial capital
This comprises funds obtained through lenders or earnings - the funds pool available to manufacture goods

Manufactured capital
This comprises physical infrastructure like buildings, equipment and tools that enhance organizational productivity.

Value drivers

Engineering stability

- The Company is graduating to PERC and TOPCon technologies
- The Company is focused on upgrading cell yield
- The Company's quality was endorsed by TUV, Rheinland
- The Company possesses certifications like ISO 14001: 2015, ISO 45001: 2015, ISO: 9001: 2015 and ISO 14001:2018

Enduring customer relationships

- The Company serves Indian and global clients.
- The Company serves major Indian clients.
- 18.71% revenues in FY 2022-23 (the last full financial year of operations) were derived from customers of 5+ years
- The Company derived 90% revenues in FY 2022-23 from within India (the last full financial year of operations)

Capacity expansion

- As of 31st March, 2024, the Company intends to commission 600 MW installed capacity for solar cells and 550 MW for solar modules.
- The increased capacity will protect the Company's position among leading producers in India
- The capacity expansion will service sharp demand growth the world over

Technology investment

- The Company is progressing from multi-crystalline cells
- The Company is investing in Topcon technology
- The Company is also investing in mono PERC
- Access to these technologies will enhance the Company's future-oriented significance and facilitate entry into international markets, especially US.

Under-borrowed

- The Company aims to enlarge production capacity through net worth and debt.
- This net worth-centric approach will strengthen the Company's competitiveness.
- The Company had ₹191.28 cr in net worth and ₹27.43 cr in debt as on 31st March, 2023
- The under-borrowed Balance Sheet is expected to protect business sustainability
- The Company may leverage this Balance Sheet to mobilise additional net worth

Short -term outlook

250

MW, photovoltaic solar cells capacity before the closure, 2022

600

MW, photovoltaic solar cells capacity following proposed resumption, 2023 (Phase 1)

250

MW, solar modules capacity before the closure, 2022

550

MW, solar modules capacity following proposed resumption, 2023 (Phase 1)

Medium-term outlook

600

MW, photovoltaic solar cells capacity after Phase 1, 2023

2400

MW, photovoltaic solar cells capacity following Phase 2, 2025

Valuation

156mm

Solar cell size before closure

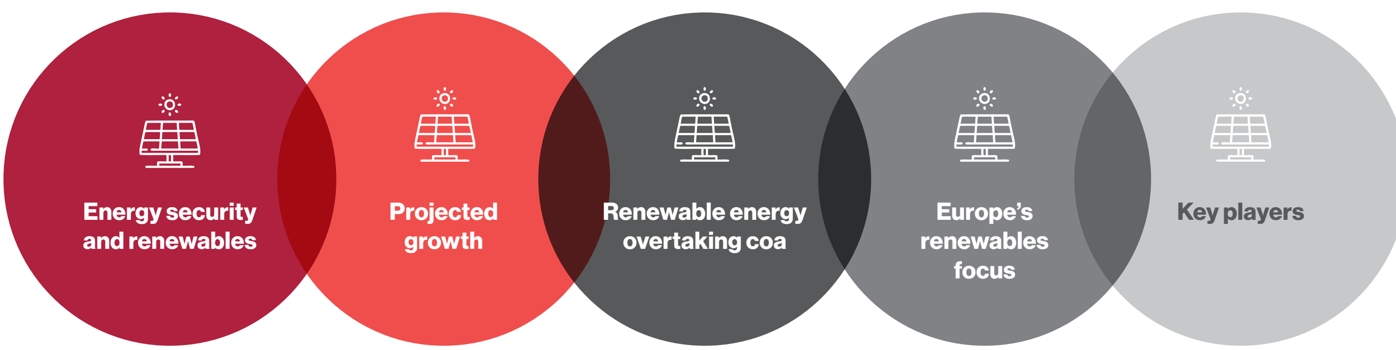
182mm /210mm

Photovoltaic cell size on resumption 2023 phase I

Global **energy security**

Overview

Amidst the ongoing global energy crisis, there has been an exceptional surge in the adoption of renewable energy. Projections indicate that global renewable energy capacity is on track to nearly double in five years. This growth trajectory is anticipated to outpace coal and renewable energy could become the dominant source of electricity generation. This shift offers a significant opportunity to mitigate the effects of global warming and work towards limiting the temperature rise to 1.5 °C. Embracing this accelerated path towards renewable energy brings humankind closer to achieve net-zero emissions by the year 2050.



Energy security and renewables: Escalating energy security concerns arising from Russia's incursion into Ukraine have propelled nations towards renewables such as solar and wind. The goal is to reduce a dependence on imported fossil fuels, marked by significant price increases.

Projected growth: The IEA's Renewables 2022 report forecasts a staggering increase of 2,400 gigawatts (GW) in global renewable power capacity from 2022 to 2027, equivalent to China's present-day power capacity. This projection, an upward revision of 30% from the previous year, signifies a timely multi-governmental commitment to renewable energy policies.

Renewable energy overtaking coal: Renewables are set to spearhead over 90% of the expansion in global electricity generation in five years, superseding coal by early 2025 as the primary source of global electricity. The global energy crisis has accelerated their growth as countries seek to capitalize on energy security benefits.

Europe's renewables focus: Within the European Union, electricity and gas prices increased to unprecedented levels between the latter half of 2021 and 2022. The average cost of household electricity surged from US$ 25.1 to US$ 30.3 per 100 kilowatt-hours (kWh), while average fossil gas prices rose from US$ 8.3 to US$ 12.2 per 100 kWh. Besides, the period between September 2022 and May 2023 witnessed an 80% decline in Russian gas deliveries to the EU, leading to a global gas supply strain. The urgency around energy security has turned Europe's focus toward renewables, with a projected capacity increase to twice that of the preceding five-year period. This change is propelled by a convergence of energy security imperatives and climate goals.

Key players: China, the United States, and India drive this amplified outlook for renewable power growth, accelerated by swift policy implementations and market reforms to address the energy crisis. China's 14th Five-Year Plan is anticipated to contribute nearly half of the global

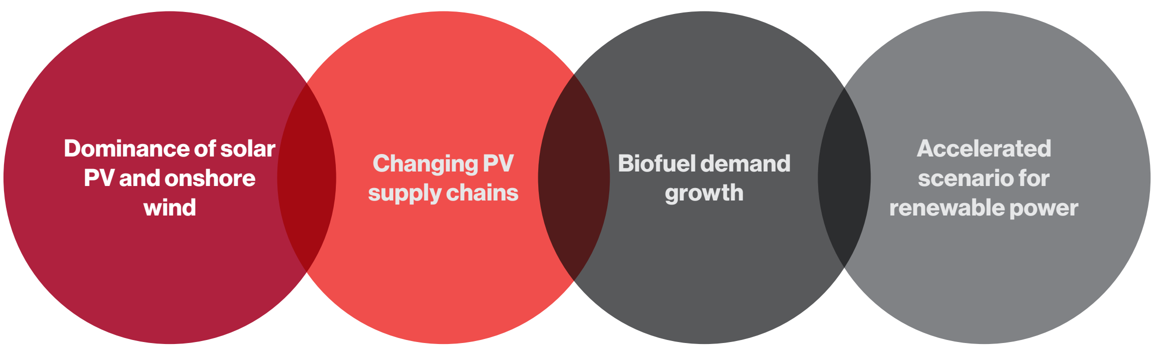
The big numbers

181
GW, global solar capacity, in 2014

2.3
Terawatts, solar capacity, 2022

1.2
Terawatt, global solar energy capacity by 2025

4.5
Terawatt, global Solar energy capacity by 2030 (Source: IEA)



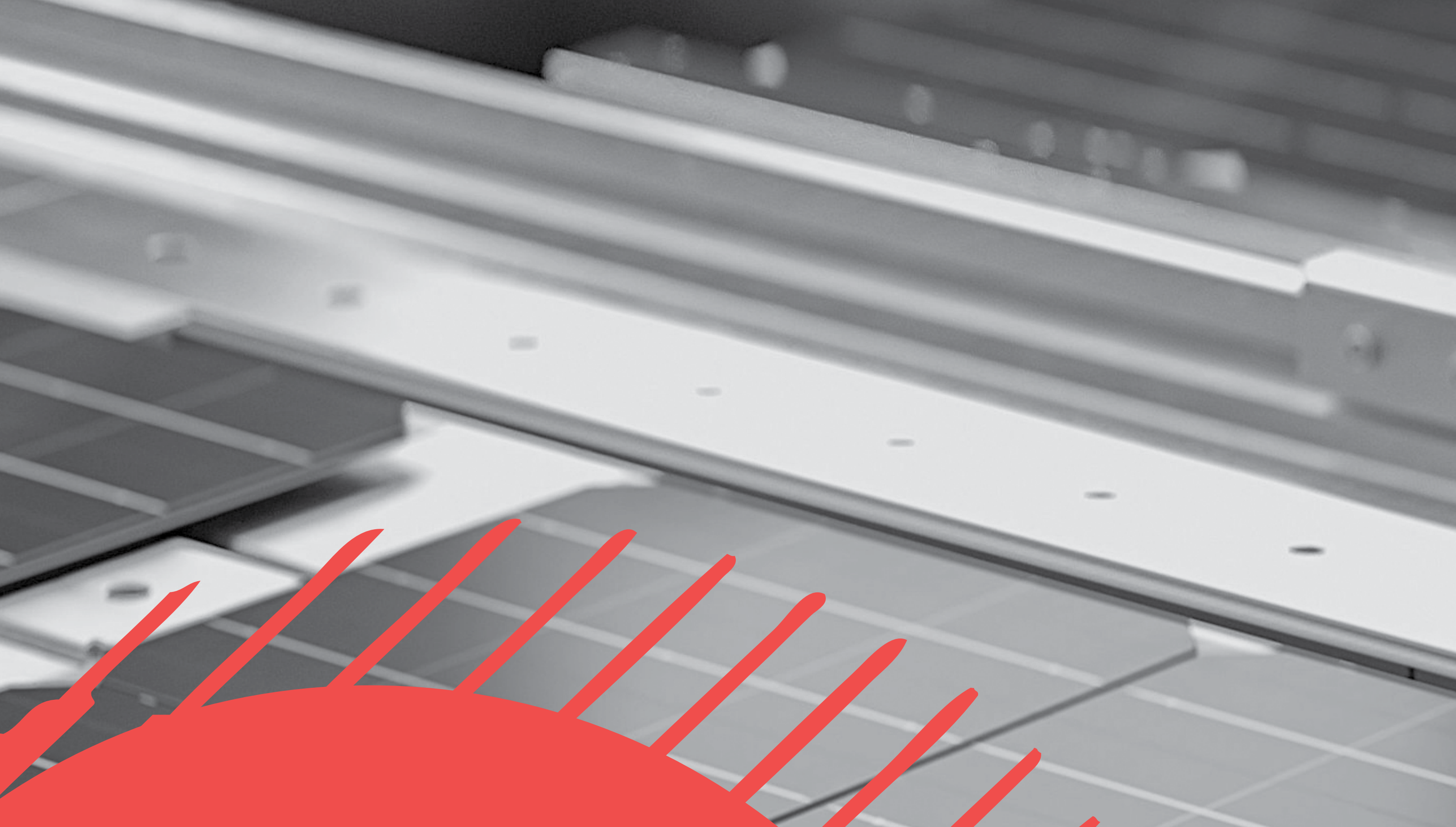
renewable power capacity expansion during 2022-2027. The US Inflation Reduction Act has invigorated renewables expansion in the United States.

Dominance of solar PV and onshore wind: Solar PV and onshore wind are accepted as the most cost-effective new electricity generation options. Solar PV capacity is set to triple by 2027, exceeding coal and becoming the world's dominant power capacity source. Residential and commercial solar panel installations are also on the rise, offering energy bill reductions to consumers. Wind capacity is expected to nearly double during this period, with offshore projects accounting for a substantial portion of growth.

Changing PV supply chains: A shift in global PV supply chains is underway, buoyed by new policies in the United States and India that could drive solar manufacturing investment by US$ 25 Billion. Despite China's current dominance, its global manufacturing capacity share could decline from 90% to 75% by 2027.

Biofuel demand growth: The report envisions a 22% expansion in global biofuel demand through 2027, primarily driven by the United States, Canada, Brazil, Indonesia, and India. These countries have implemented comprehensive policies to support biofuel growth.

Accelerated scenario for renewable power: An accelerated scenario in the report suggests an additional 25% growth in renewable power capacity, requiring regulatory reforms and increased renewable penetration in heating and transport sectors in advanced economies. Developing economies would need to address policy uncertainties, grid infrastructure limitations, and financing challenges.



ANALYSIS

India's renewable **energy advantage**

India is seventh largest globally by land area. Around 29% of India is either agriculturally degraded or unusable. Benefiting from a tropical climate, it receives immense sunlight - about 5,000 trillion kWh annually. With 300 sunny days yearly, it averages 4-7 kWh per square meter daily. Given these conditions, India can produce far more solar energy than it needs.

These are some of the natural advantages that India enjoys that could be conclusively leveraged by the emergence of renewable energy at scale. India enjoys among the highest average solar irradiation across countries. India comprises a large complement of agriculturally degraded or barren land.

Rajasthan enjoys the highest intensity of radiation (6.7 Kwh/ m2/day) and a few districts in Rajasthan possess ~142 GW in solar energy potential. India's Southern and Western states contribute majorly to the country's wind energy potential. There are various locations in Rajasthan, Madhya Pradesh, Andhra Pradesh, Gujarat, Karnataka, Maharashtra and Tamil Nadu that can generate abundant wind energy.

Websol has responded to this national competitive advantage by making a disproportionate investment in renewable energy assets in a compressed period of time.

The Indian Prime Minister made five decisive commitments at the COP26 in 2021

India is likely to increase its non-fossil energy capacity to

500 GW

by 2030.

India's

50%

energy will come from renewable sources

India could reduce its total carbon emissions by

1 billion tonnes

from 2021 to 2030.

India could reduce the carbon intensity of its economy by more than

45%.

India could achieve a net

zero carbon

footprint target by 2070.

India's installed non-fossil fuel capacity was over 178.79 giga-watts, and the number has surged to 396% over the previous 8.5 years.

India has already launched its biggest floating solar project at Ramagundam in Telangana

Growth of renewable energy

As a step towards growth, India has already taken a giant leap towards utilising renewable energy sources, and solar energy is one of the leading sources. India's installed non-fossil fuel capacity was over 178.79 gigawatts, and the number has surged to 396% over the previous 8.5 years. Additionally, since 2009, the capacity of solar energy installations has expanded by a factor of 24.4, and as of May 2023, the installed capacity was 66.7 GW.

Among the whole share of renewable power sources, i.e., 49%, solar energy contributes 14%. Therefore, innovations in solar energy resources tend to shape how India will utilise renewable energy in the future. A few of the innovations that are already gaining ground in the country are solar rooftop solutions and floating solar panels.

Rooftop solar systems: Rooftop solar systems shorten energy transmission distance, boosting efficiency and cost-effectiveness while reducing fossil fuel dependence for cleaner energy. Industries enhance energy security and resilience by adopting solar rooftops, mitigating risks from fuel price shifts, grid issues, and power interruptions. India sees growing solar capacity due to government backing and renewable acceptance, with 8,877 MW rooftop solar added by 31st March, 2023, up from 7,520 MW by September 30, 2022

Floating Photovoltaics (FPV): FPV technology is still a new concept in India; a number of projects have already shown how quickly it is catching on. India has already launched its biggest floating solar project at Ramagundam in Telangana. This 100-megawatt (MW) facility has been undertaken by NTPC (National Thermal Power Corporation) and has been set up by BHEL (Bharat Heavy Electricals). Floating solar has a huge advantage in a world that wants to quickly build solar arrays, especially for nations with limited land. The majority of solar panels that have been deployed so far on the planet are situated on land. However, floating solar systems have a special advantage over land-based ones: they free up space for other applications. Therefore, it makes sense to use available water reservoirs while also utilising the land to build sun-absorbing technologies atop the water.

(Source: indiatimes.com)

THE BIG **PICTURE**

The cutting edge **TOPCon solar cell technology**

This technology will comprise a substantial investment by Websol

In an industry characterised by perpetual evolution, TOPCon solar cell technology represents a substantial leap

Overview

Emerging onto the solar scene in 2014 as a conceptual breakthrough by Germany's Fraunhofer ISE PV research institute, Tunnel Oxide Passivated Contact (TOPCon) solar cell technology has undergone a transformative journey since. The research and development project, spanning from 2013 to 2016, laid the foundation for this revolutionary advancement in photovoltaic (PV) module manufacturing.

In an industry characterised by perpetual evolution, TOPCon solar cell technology represents a substantial leap, poised to potentially supplant the established Passivated Emitter and Rear Contact (PERC) and high-efficiency Passivated Emitter, Rear Totally-Diffused (PERT) solar panel technologies. An outgrowth of the PERC/PERT lineage, TOPCon technology embodies enhanced sophistication and efficacy.

The worldwide market for TOPCon solar cells, which held a value of US$7.54 Billion in 2022, is set to surge dramatically and achieve a valuation of US$40.69 Billion by 2032. This marks a substantial growth trajectory, predicted to advance at an impressive Compound Annual Growth Rate (CAGR) of 19.8% during the forecast period spanning from 2023 to 2032. The driving force behind this surge is the escalating demand for solar cells, characterised by elevated efficiency levels, coupled with the flexibility inherent in the manufacturing processes facilitated by the TOPCon technology.

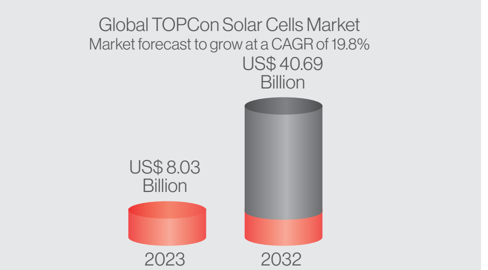
Advantages

Seamless transition for PERC/PERT manufacturers: A striking facet of TOPCon's appeal is its incremental departure from PERC/PERT solar cells, necessitating only a marginal augmentation in production line infrastructure. Manufacturers entrenched in PERC/PERT methodologies can seamlessly upgrade to TOPCon with minimal equipment investments.

Elevated efficiency benchmarks: The crowning achievement of TOPCon solar panels lies in their heightened efficiency potential. Fraunhofer ISE Institute's pioneering work suggests efficiencies transcending 25%.

Temperature co-efficient refinement: Conventional PV modules adhere to temperature coefficients averaging 0.4%/-0.5%/, with PERC modules modestly improving performance within the 0.4%/ threshold. Distinguishing itself, TOPCon modules defy convention by achieving a temperature coefficient below 0.3%. This enhancement empowers these panels to exhibit superior performance under diverse weather conditions.

Augmented bifacial performance: A distinctive advantage emerges in the realm of bifacial factor enhancement. While PERC PV modules typically demonstrate an average bifacial factor of approximately 70%, TOPCon solar panels redefine the boundaries by elevating this factor to an impressive 85%. Such remarkable enhancement can translate into power gains exceeding 2%.



https://www.researchandmarkets.com/reports/5852388

How green hydrogen is **transforming the world**

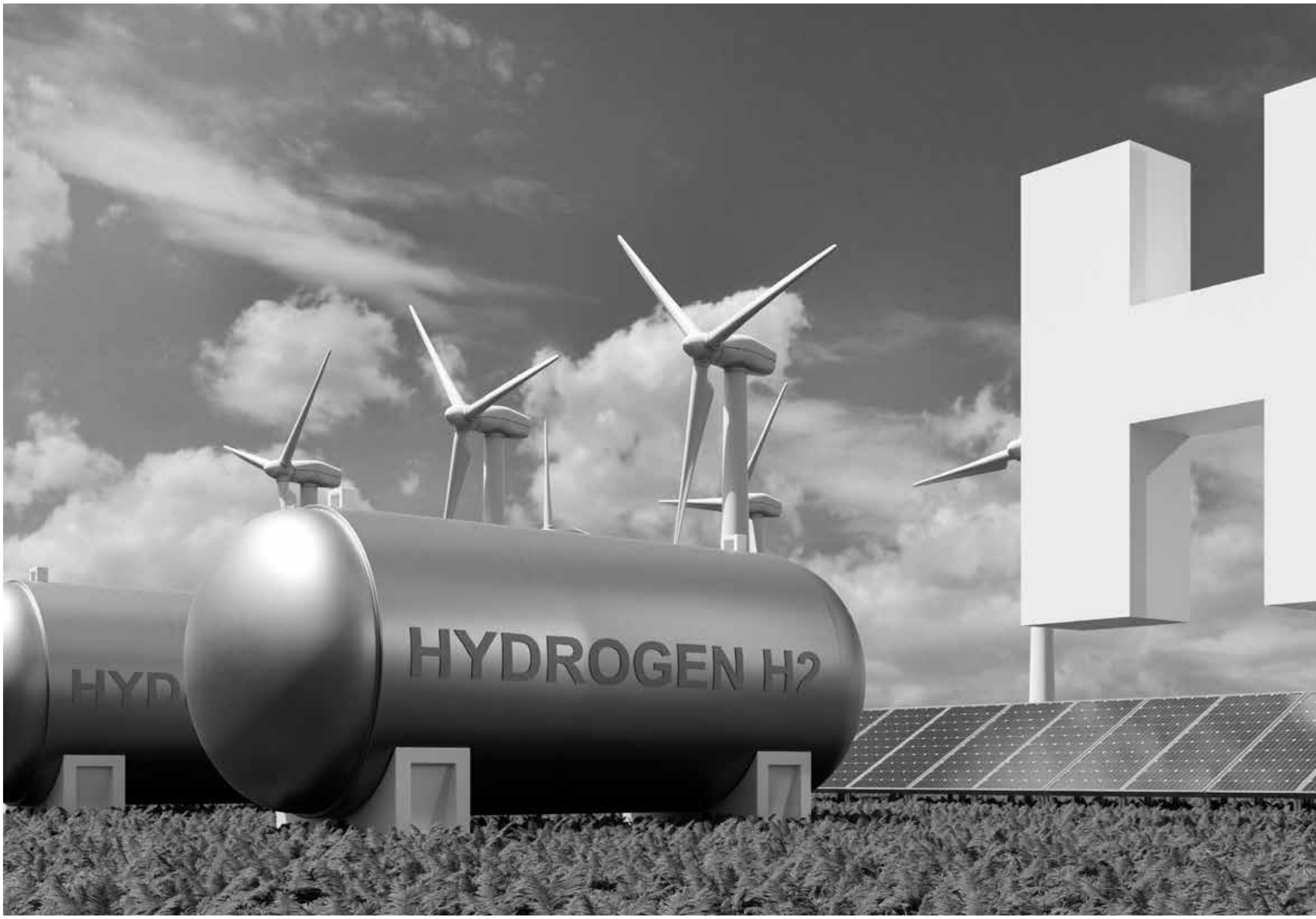
The next energy transition wave is expected to transform every single sector

Overview

Proponents hope that green hydrogen will clean up not only mining but also other industries by replacing fossil fuel use in steelmaking, shipping, cement and others.

Green hydrogen is produced by using renewable electricity to split water's molecules. Currently, most hydrogen is made by using natural gas, a fossil fuel. The hydrogen is then burned to power vehicles or do other work. Because burning hydrogen emits only water vapour, green hydrogen avoids carbon dioxide emissions from beginning to end.

The most attractive production markets for green hydrogen are those with abundant, low-cost renewable resources



Key findings

- Demand growth will grow at a moderate, steady pace through niche applications until 2030.
- After 2030, green hydrogen demand growth could accelerate, particularly from 2035 onwards.
- Hydrogen demand by 2050 could vary from 150 to 500 Million metric tonnes per year, depending on global climate ambitions and the development of sector-specific activities, energy-efficiency measures, direct electrification and the use of carbon-capture technologies.

The current situation

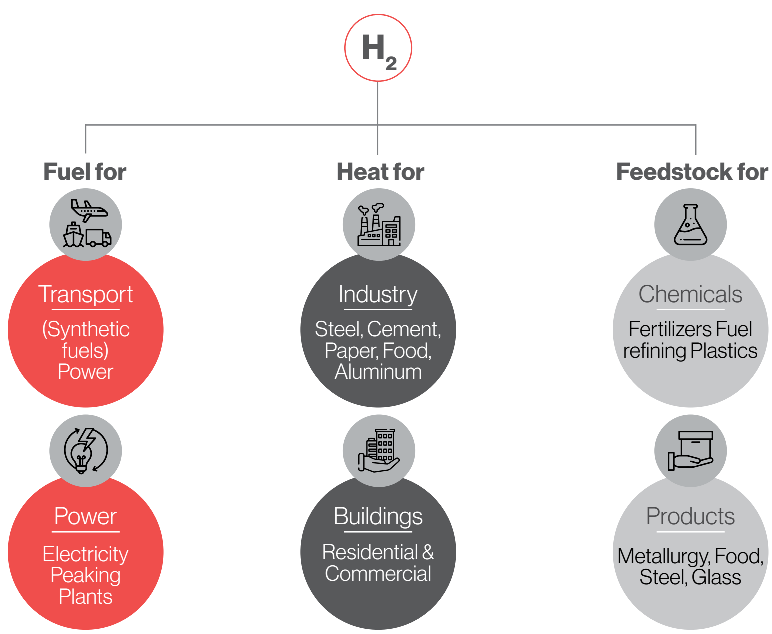
Almost all hydrogen produced worldwide is 'grey,' which means it is produced from natural gas. Without a price on carbon emissions, grey hydrogen is inexpensive (€1 to €2 per kg), but it compounds the challenge of improving environmental sustainability. Green hydrogen, in contrast, uses renewable electricity to power electrolysis that splits water molecules into hydrogen and oxygen. Because green hydrogen doesn't require fossil fuels, it is a better long-term solution to help decarbonize economies. Yet green hydrogen—currently costing €3 to €8/kg in some regions—is more expensive than grey.

The most attractive production markets for green hydrogen are those with abundant, low-cost renewable resources. In parts of the Middle East, Africa, Russia, the US and Australia, for example, green hydrogen could be produced for €3 to €5/kg today. In Europe, production costs vary from €3 to €8/kg. The low end of these ranges can be achieved most easily in locations with access to low-cost renewable energies plants.

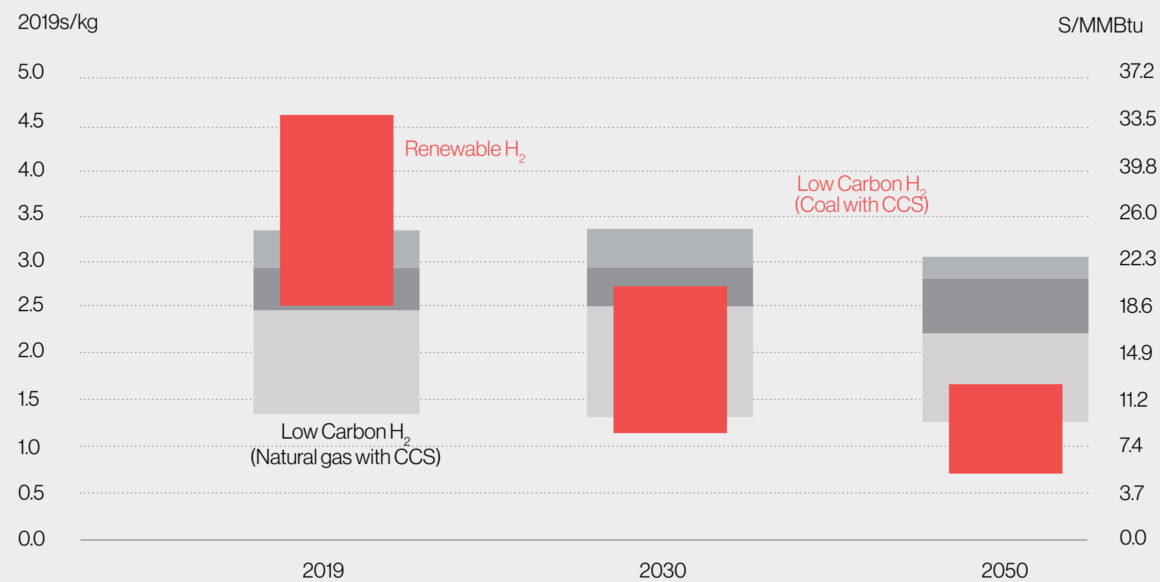
Production costs could progressively decrease, due to continuously falling renewable energy production costs, economies of scale, lessons from projects underway and technological advances. As a result, green hydrogen could become more economical.

Green hydrogen: Energy transition catalyst

Green hydrogen production technologies are seeing a renewed wave of interest. This is because the possible uses for hydrogen are expanding across multiple sectors including power generation, manufacturing processes in industries such as steel making and cement production, fuel cells for electric vehicles, heavy transport such as shipping, green ammonia production for fertilizers, cleaning products, refrigeration, and electricity grid stabilization.



Moreover, falling renewable energy prices—coupled with the dwindling cost of electrolyzers and increased efficiency due to technology improvements—have increased the commercial viability of green hydrogen production. The figure below shows the forecast of the global range of levelised cost of hydrogen production for large projects through 2050.



Source: BloombergNEF. Note renewable hydrogen costs based on large projects with optimistic projections for capex. Natural gas prices range from S1.1-10.3/MMBtu, coal from S30-116/t.

According to Bloomberg New Energy Finance, if these costs continue to fall, green hydrogen could be produced for US$ 0.70 – US$ 1.60 per kg in most parts of the world by 2050, competing with natural gas. NEL, the world's largest producer and manufacturer of electrolyzers, believes that green hydrogen production cost parity (or even superiority) with fossil fuels could be achieved as early as 2025. (Source: World Bank blogs)

Hydrogen is produced on a commercial basis today – it is used as a feedstock in the chemical industry and in refineries, as part of a mix of gases in steel production, and in heat and power generation. Global production stands at around 75 MtH2/yr as pure hydrogen and an additional 45 MtH2/yr as part of a mix of gases. This is equivalent to 3% of global final energy demand and similar to the annual energy consumption of Germany.

Hydrogen is a versatile energy carrier (not an energy source). It can be produced from multiple feedstocks and can be used across virtually any application. Renewable electricity can be converted to hydrogen via electrolysis, which can couple continuously increasing renewable energy with all the end uses that are more difficult to electrify. This coupling also allows electrolysers to provide flexibility to the grid, complementing alternatives such as batteries, demand response and vehicle-to-grid in smart electrification.

Green hydrogen, being an energy carrier, would act like a battery that allows the storage of excess energy created by renewables, like solar and wind during their peak cycles. It would reduce the intermittency of renewables that cannot generate power at all hours of the day, ensuring a sufficient and continuous supply of power for grids. This is what makes green hydrogen attractive on the frontiers of decarbonization—the promise of significant usable energy without contributing to climate change. (Source: Africa Renewal)

The full value of hydrogen, however, is only fully realised when it is further converted to derivatives. Hydrogen can be combined with carbon from CO2 to produce hydrocarbons and virtually any molecule. It can be used to produce ammonia, which can be used as feedstock for fertilisers (the majority of current use) or as fuel for new applications such as shipping. It can also be used to produce methanol, synthetic fuels, or even as a reducing agent to replace coal in iron production. Once it is converted to these commodities, the energy density is increased further, making long-distance transport and long-term storage cost-effective. Thus, the conversion to hydrogen derivatives effectively unlocks global renewable energy trade. For instance, liquid ammonia has almost eight times the energy density (MJ/m3) of lithium-ion batteries and more than 20 times the gravimetric energy density (MJ/kg)

The higher energy density of hydrogen-derived commodities effectively increases the distance that energy can be transported in a cost-effective way, connecting low-cost renewable energy regions with demand centres that have either limited

renewable potential or costly renewable energy. Global energy trade through hydrogen derivatives would provide economic benefits as importing countries can tap into cheaper (than domestic) resources, improving the resilience of the system since there are alternative ways to satisfy final energy demand, and hence strengthening energy security.

Hydrogen trading, however, will not only be defined by the economic benefit. In the long term, when technologies have reached full maturity and are deployed at large, it is expected that importing countries will be able to count on multiple alternatives within a small cost range. Therefore, trading partners will, to a large extent, be defined by non-economic factors (Source: Arena).

Big numbers

11

Mt in H2, 2030

7

Mt in H2, 2020

Fuel of the future

The energy of hydrogen is 3x of other fuels

The energy of hydrogen is 120 MJ per kg, making it one-fifth of coal (23 MJ/kg) and one-third of petrol (43 MJ/kg)

Serves sectors with high fuel demands and large GHG emissions such as aviation, shipping, cargo transport and steel

Green hydrogen projections for 2050

18% of the global final energy demand could be met with green hydrogen

30 Million people could be employed in the hydrogen industry

US$ 2.5 trillion in potential revenue from hydrogen and technology sales

According to the International Energy Agency(IEA), India's huge potential for renewable energy generation means the cost of green hydrogen could compete with that of hydrogen generated through fossil fuel within this decade. This transition could enable the export of low-carbon hydrogen and hydrogen-based fuels, particularly to Asia-Pacific economies.

Hydrogen demand in India could grow close to 11 Mt H2 by 2030 due to growing population needing ammonia(fertilizer for food production) and new infrastructure.

How Websol will drive **growth through sales and marketing excellence**

Overview

Websol holds a prominent position in India as a leading solar energy brand, respected for its customer engagement. The marketing division of the Company is currently in the process of assessing international opportunities to introduce its latest mono PERC line. The Company has fostered relationships with significant power distribution firms within India.

Achievements

The Company passed increased costs to customers.

The Company aligned with the Government's preference for domestically manufactured solar cells.

By diversifying the customer base, the Company enhanced its resilience and reduced vulnerability associated with relying excessively on few customers.

The Company focused on widening exports, with a significant emphasis on penetrating the US market.

The Company worked with customers around adjusted delivery timelines and mitigate bottlenecks.

The Company engaged in partnerships with well-known solar module enterprises for consistent offtake based on the expanded production capacity.

The Company achieved sales of 12 mw during the year under review (two months of working).

The Company successfully acquired nearly twelve new institutional clients.

Our competitive features

Customer engagement: The Company's longstanding rapport with customers played a pivotal role in generating recurring orders. As of FY 2022-23, more than 45% clientele had been associated with the Company for over five years.

Robust order pipeline: The Company is optimistic of selling as much as it produces when it resumes operations in late 2023.

Trusted brand identity: Renowned as a reliable solar energy brand, the Company's reputation is anchored in its commitment to superior cell and module quality, punctual delivery, and a compelling price-value proposition.

Expertise and continuity: With a stable marketing team that has remained intact for approximately a decade, the Company has cultivated extensive experience, contributing to enhanced customer engagement.

Outlook

The preceding element introduces a remarkably efficient single-cell battery, addressing the scarcity of solar cells in the US and Europe, and exploring markets beyond China. With a commitment to address the growing global demand for solar cells, the Company is targeting the American market. In this endeavor, the Company plans to strengthen its marketing team and establish a stronger foothold in the western and southern regions of India. This strategic move reflects the Company's dedication to capitalizing on opportunities in renewable energy markets and securing a robust position in the solar cell segment.

How Websol is driving growth through effective **human resource management**

Overview

Websol adheres to global standards in its talent practices. The Company's Code of Conduct integrates core values, fostering a secure, stimulating and fulfilling workplace. The Company provides equal opportunity, devoid of bias regarding gender, race, religion, language, or location. Selection is made solely on merit, reflecting our commitment to meritocracy. The Company's human resource policies define culture; the objective of HR policy is to promote a healthy work culture, provide career growth and deepen a rapport between the senior management and general workforce.

Websol nurtures a learning space, empowering employees with resources for peak productivity. The Company's prowess stems from a diverse, skilled and adept workforce, propelling success in a dynamic business landscape.

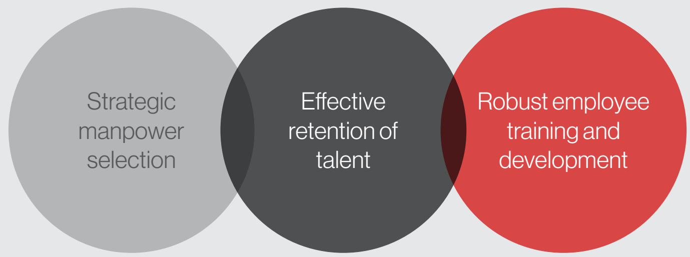
Our HR goal

The Company's HR goal is to strategically position the right personnel in the right roles and at the right time, ensuring the seamless operation of the organization.

Our HR policies

- Uphold integrity and professionalism
- Use company resources responsibly
- Respect the environment and others
- Interact fairly and courteously
- Disclose conflicts of interest
- Champion Websol's interests
- Perform duties diligently
- Follow policies and directions
- Avoid gifts influencing transactions
- No money for transaction influence
- Whistleblower protection assured

Our HR practices



Strengths

- Rigorous multi-level selection procedure encompassing assessment of both technical acumen and soft skills, ensuring the identification of top-tier candidates.
- Cultivation of a welcoming work milieu, fostering transparency and facilitating open channels of communication among all team members.
- Comprehensive orientation program tailored for new hires, aimed at acquainting them with the Company's values, regulations and operations.
- Establishment of a well-defined career trajectory for employees, enabling their progression from entry-level roles to senior management positions.

Initiatives

- Organised 80 training sessions as part of our extensive employee development program.
- Structured training schedule, targeted training for specific employees, job-focused training approach.
- Flexible shift schedule, allowing to tailor their work hours to their individual requirements.
- Welcome experienced professionals and fresh graduates, providing newcomers with the opportunity to build a strong foundation for their careers.
- Our recruitment policy ensures that there is no discrimination based on gender, caste, or religion.

Dummy Comprehensive orientation program tailored for new hires, aimed at acquainting them with the Company's values, regulations and operations.

Our dashboard

Employees

2018-19	2019-20	2020-21	2021-22	2022-23
484	410	345	298	253

Employees by gender

	2018-19	2019-20	2020-21	2021-22	2022-23
Male	476	396	334	288	247
Female	8	14	11	10	6

Employees by age group

	2018-19	2019-20	2020-21	2021-22	2022-23
22-35	276	235	188	153	122
36-45	161	136	122	111	98
46-60	47	39	35	34	33

Profile of employees as per education

	2018-19	2019-20	2020-21	2021-22	2022-23
Graduate	89	74	69	56	48
Masters	32	29	28	22	17
Engineers	143	126	110	96	88
MBAs	12	10	10	7	5
CAs	3	2	2	2	1

Person-hours spent towards training

2018-19	2019-20	2020-21	2021-22	2022-23
42	53	30	75	160

People retention rate (%)

2018-19	2019-20	2020-21	2021-22	2022-23
85%	84%	86%	84%	88%

Employee cost as a % of revenues

2018-19	2019-20	2020-21	2021-22	2022-23
7.36	4.51	5.33	4.31	47.90

Employees by tenure

	2018-19	2019-20	2020-21	2021-22	2022-23
More than 5 years (as % of total)	298	277	243	226	197
Less than 5 years (as % of total)	186	133	102	72	56

Health and safety – incidents

2018-19	2019-20	2020-21	2021-22	2022-23
0	0	0	0	1

What our employees have **to say about working in our company**

I joined Websol in 2011. Across 12 years, the Company's welcoming culture, serene work environment, and transparency have our employees feel at home. The Company provides medical and educational reimbursements, interest-free loans, flexible hours, and remote work options. The Company focuses on training and provides 80 hours of technical and behavioral training by industry experts annually so the team is ready to face technology and work pressure challenges. The Company promotes an open work culture so employees innovate and be creative in their work and provide a solution to industry challenges.

Modaswar Hossain
Sr. Manager, HR & Admin

I have been with Websol since 2008 and am presently responsible for 600 MW MONO PERC Cell & 550 MW of High-Efficiency Bi-facial SPV Module project. In addition to project management, I am also responsible for marketing, new projects, and EPC businesses like the rooftop solar and solar pump. My growth in the organization is based on learning and developing a team. My team is responsible for increasing market share in the domestic and developing the export market. Our company's unique appeal comes from the freedom to innovate and implement ideas in a friendly environment.

Tarak Kumar Munshi
General Manager, Project & Marketing

I joined Websol in 2008 as an Electrical Engineer and was promoted to Senior Manager for Equipment Maintenance. Our team goal is to enhance our equipment lifetime and improve overall equipment effectiveness (OE) enhancing asset Performance by reducing downtime and Failures . Our employee-centric approach has helped to retain 60% plus senior staff for over a decade. Our regular in-house training for new joiners on basic automation, plc, mechanical, etc. I also conduct continuous improvement training for Senior staff on TPM,5S , and Six Sigma. My major role is to increase the efficiency, and productivity of the process and minimize wastage. We develop domestic vendors to reduce inventory costs and availability of spare parts.

Sonjoy Pattanayak|
Senior Manager, Equipment Maintenance

To lead a polysilicon manufacturing project with SRI International (American Non-Profit Research Institute) technology and company New Solar Cells and Modules Manufacturing Project at Falta , I joined the Company in 2008. At Present I am responsible for the total manufacturing operations. My major role is to develop a high-caliber team and inspire team leaders to innovate in their area of operations and bring down production costs and increase product quality without impacting the environment. To build a learning culture in the organization to face current and future challenges, I am working with the HR team to map competence and each employee so technical and behavioral training can be given to them as per the pre-planned schedule

Ravinder Tanwar
Chief Operating Officer

How Websol is strengthening its supply chain

Overview

During the preceding couple of years, the global supply chain encountered disruptions attributed to container shortages and escalated freight expenses. Previously, approximately 90% of the Company's raw materials originated from China and Taiwan. Nonetheless, this circumstance prompted the Company to intensify engagements with local suppliers, resulting in improved shipping cost efficiency.

Strengths

- Roughly 60% of our raw materials are sourced from Gujarat, which translates to just a ten-day transit period and a consequent reduction in working capital expenditure.
- A substantial 80% of our suppliers have sustained their partnership with the Company for a span exceeding five years.
- The Company acquires quality raw materials, aligning with IC and US standards.
- Our diligent research and development team has been focused on moderating raw material consumption.

Achievements

- In response to supply chain disruptions, the Company strategically accumulated inventory.
- To secure the uninterrupted flow of manufacturing lines, the Company acquired 2.29 Million silicon wafers, 302 kg of silver paste, and 3790 kg of aluminum paste.
- The Company optimised its inventory of resources like gas and chemicals, focusing on regions with assured availability.
- Through modifications in screen design and improved cell efficiency, the usage of silver paste saw a 15% reduction.
- Leveraging its adept supply chain management, the Company achieved an impressive 12 MW production, marking a 94% decrease from the previous year.

Outlook

The Company is actively pursuing partnerships with local suppliers, aiming to reduce costs and lead times, supporting the Government's 'Make in India' initiative.

Raw materials used

Solar cells	Solar modules
Silicon wafer	High transmittivity tempered glass
Silver paste	Ethylene-vinyl- acetate
Aluminium paste	Tedler
Different kinds of screens	Junction box
Gases and chemicals	Silicone sealant
	Aluminum frame

How Websol is prioritizing **health, safety and environment (HSE)**

Overview

Websol has invested in advanced technologies, boosting yields, minimizing waste, enhancing output quality and reducing resource consumption. Our sustainability journey aims to shape Websol into a future-oriented organization, fostering sustainability across all business domains. Websol embraced a holistic approach to achieve sustainability in operations, encompassing safety, environment, water conservation, energy conservation and waste management.

Our environment commitment

Environmental management is ingrained in the manufacturing of solar cells, encompassing chemical processes and waste management. The Company has invested in enclosed drainage for our effluent treatment plant to safeguard the environment. The Company's environmental management system monitors and controls effluent generation, with proactive measures taken based on test reports and rigorously examine wastage outlets, addressing identified issues promptly. Additionally, the Company conduct tests for ambient air, noise and other factors to ensure an eco-friendly process. The Company is committed to compliance with environmental regulations and strive to mitigate pollution, minimize resource consumption and reduce waste.

Initiatives

- Regular sampling and lab testing of ambient air, noise, water and emissions ensure quality protection through systematic monitoring.
- Regular internal and external audits maintain a hazard-free workplace.
- Exhausts and scrubbers are installed for emission control.
- Certified for ISO-14001: 2015 and ISO-14001: 2018 EMS.
- The Company's facility is automated, minimizing opportunities for human errors.
- The Company commemorates World Environment Day with activities that include tree planting initiatives, aiming to achieve an annual goal of planting 5,200 trees.

Our safety commitment

The solar cell manufacturing entails various chemical processes that may pose risks, particularly in areas like highly flammable gas and chemical handling zones. Preventive maintenance culture mitigates malfunctions. Employees are trained in safety practices and maintaining safety data sheets for proper chemical handling. The Company holds ISO-45001: 2015 certification, affirming its dedication to workplace safety.

Strengthened certifications around environment responsibility

Invested in automation, enhancing process discipline

Initiatives

• Timely preventive maintenance is assured by integrating insights from machine manufacturers and installers.

• Full protective equipment provided to all workers.

• Safety takes precedence in all project discussions initiated by the Company.

• The Company provides safety training to employees, covering firefighting, noise safety, safety management systems and first-aid protocols.

• The Company displays National Safety Council posters and cautionary boards to enhance safety awareness.

• The Company showcases National Safety Council posters and cautionary boards to enhance safety awareness.

• Managers and supervisors are designated to ensure employee adherence to safety SOPs at the Company.

• The Company celebrates National Safety Day annually.

• The Company conducts mock drills for fire, gases and chemicals.

• The Company invested in fire safety equipment including extinguishers, hydrants, sprinklers, detectors and sensors.

• The Company looks at cases where a safety rule are not followed and takes action accordingly to make sure people are safe.

• The Company formed a cross-functional Emergency Response Team.

Our health commitment

At Websol, we emphasize the importance of well-being as the fundamental principle shaping our identity and directing our engagement. This encompasses the welfare of staff, associates and business partners.

Aligned with this, the Company has allocated resources to initiatives and procedures tailored to safeguard the health and welfare of our employees. Additionally, the Company ensures a safe workplace by scrutinizing and observing close calls, with the goal of safeguarding the health of both our workforce and the surroundings. This forward-looking strategy empowers the Company to ensure the uninterrupted flow of business operations.

Initiatives

• All employees are provided with group health insurance by the Company.

• The Company organizes specialised eye checkups for quality control lab employees.

• In collaboration with ESI Hospital, Joka, the Company facilitated two plant visits for checkups in FY 2022-23.

• Emergency ambulance contact numbers are prominently displayed at each gate within Falta SEZ by the Company for easy access.

• The Company offers a car to transport unwell employees to their homes or hospitals.

• Restrooms and infirmaries are designated for employees by the Company.

• Every employee receives a medical insurance policy ranging from ₹2 Lakh to ₹10 Lakh annually.

• The Company provides nutritious meals through an in-house canteen for employees.

Our scorecard

Year	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Water consumption (kl) per unit of end product produced	0.267 KL	0.231 KL	0.205 KL	0.308 KL

Year	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Water recycled in quantum terms (Ltrs)	29 Ltrs.	25 Ltrs.	22 Ltrs.	30 Ltrs.

Year	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Non- hazardous waste generated (MT)	123 MT	119 MT	25 MT	22 MT

Year	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Non-hazardous waste (kg per MT)	50 Kgs	50 Kgs	30 Kgs	30 Kgs

Year	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
COD in ppm	70	66	59	60

Year	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
SO2 emission (units)	<10 mg/Nm3	<10 mg/Nm3	<10 mg/Nm3	<10 mg/Nm3

Year	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
NOx emission (units)	<10 mg/Nm3	<10 mg/Nm3	<10 mg/Nm3	<10 mg/Nm3

Year	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Total trees	65	77	91	118

Year	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Power consumption (kwh) per unit of end product produced	11.7	17.6	16.6	25.7

Year	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Total trees	65	77	91	118

Year	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Power consumption (kwh) per unit of end product produced	11.7	17.6	16.6	25.7

Year	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Chemicals consumption (Ltrs) per unit of end product produced	0.604 Ltrs./Kwh	0.601 Ltrs./Kwh	0.596 Ltrs./Kwh	0.587 Ltrs./Kwh

Year	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Gas consumption (kg) per unit of end product produced (KWh)	1.67 kg	1.32 kg	1.25 kg	2.4 kg

Year	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
People per unit of end product produced (KWh)	0.009	0.006	0.004	0.05

Captive energy

Year	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
% of energy generated vs consumption	3.5%	2.52 %	2.0%	13.4%

Management discussion and analysis

Global economy

Overview: The global economic growth was estimated at a slower 3.2% in 2022, compared to 6% in 2021 (which was on a smaller base of 2020 on account of the pandemic effect). The relatively slow global growth of 2022 was marked by the Russian invasion of Ukraine, unprecedented inflation, pandemic-induced slowdown in China, higher interest rates, global liquidity squeeze and quantitative tightening by the US Federal Reserve.

The challenges of 2022 translated into moderated spending, disrupted trade and increased energy costs. Global inflation was 8.7% in 2022, among the highest in decades. US consumer prices decreased about 6.5% in 2022, the highest in four decades. The Federal Reserve raised its benchmark interest rate to its highest in 15 years. The result is that the world ended in 2022 concerned that the following year would be slower.

The global equities, bonds and crypto assets reported an aggregated value drawdown of US$ 26 trillion from peak, equivalent to 26% of the global gross domestic product (GDP). In 2022, there was a concurrently unique decline in bond and equity markets; 2022 was the only year when the S&P 500 and 10-year US treasuries delivered negative returns of more than 10%.

Gross FDI inflows – equity, reinvested earnings and other capital – declined 8.4% to US$ 55.3 Billion in April-December. The decline was even sharper in the case of FDI inflows as equity: these fell 15% to US$ 36.75 Billion between April and December 2022. Global trade expanded by 2.7% in 2022 (expected to slow to 1.7% in 2023).

The S&P GSCI TR (Global benchmark for commodity performance) fell from a peak of 4,319.55 in June 2022 to 3495.76 in December 2022. There was a decline in crude oil, natural gas, coal, lithium, lumber, cobalt, nickel and urea realisations. Brent crude oil dropped from a peak of around US$ 120 per barrel in June 2022 to US$ 80 per barrel at the end of the calendar year following the enhanced availability of low-cost Russian oil.

Regional growth (%)	2022	2021
World output	3.2	6.1
Advanced economies	2.5	5
Emerging and developing economies	3.8	6.3

Performance of major economies

United States: Reported GDP growth of 2.1% compared to 5.9% in 2021

China: GDP growth was 3% in 2022 compared to 8.1% in 2021

United Kingdom: GDP grew by 4.1% in 2022 compared to 7.6% in 2021

Japan: GDP grew 1.7% in 2022 compared to 1.6% in 2021

Germany: GDP grew 1.8% compared to 2.6% in 2021

(Source: PWC report, EY report, IMF data, OECD data)

Outlook

The global economy is expected to grow 2.8% in 2023, influenced by the ongoing Russia-Ukraine conflict. Concurrently, global inflation is projected to fall marginally to 7%. Despite these challenges, there are positive elements within the global economic landscape. The largest economies like China, the US, the European Union, India, Japan, the UK and South Korea are not in a recession. Approximately 70% of the global economy demonstrates resilience, with no major financial distress observed in large emerging economies. The energy shock in Europe did not result in a recession and significant developments, including China's progressive departure from its strict zero-Covid policy and the resolution of the European energy crisis, fostered optimism for an improved global trade performance. Despite high inflation, the US economy demonstrated robust consumer demand in 2022. Driven by these positive factors, global inflation is likely to be still relatively high at 4.9% in 2024. Interestingly, even as the global economy is projected to grow less than 3% for the next five years, India and China are projected to account for half the global growth (Source: IMF).

Indian economy

Overview: Even as the global conflict remained geographically distant from India, ripples comprised increased oil import bills, inflation, cautious government and a sluggish equity market. India's economic growth is at 7.2% in FY 2022-23. India emerged as the second fastest-growing G20 economy in FY 2022-23. India overtook UK to become the fifth-largest global economy. India surpassed China to become the world's most populous nation (Source: IMF, World Bank)

Growth of the Indian economy

	FY 20	FY 21	FY 22	FY23
Real GDP growth (%)	3.7	-6.6%	8.7	7.2

Growth of the Indian economy quarter by quarter, FY 2022-23

	Q1FY23	Q2FY23	Q3FY23	Q4FY23
Real GDP growth (%)	13.1	6.3	4.4	6.1

(Source: Budget FY24; Economy Projections, RBI projections)

According to the India Meteorological Department, the year 2022 delivered 8% higher rainfall over the long-period average. Due to unseasonal rains, India's wheat harvest was expected to fall to around 102 Million metric tons (MMT) in FY 2022-23 from 107 MMT in the preceding year. Rice production at 132 Million metric tons (MMT) was almost at par with the previous year. Pulses acreage grew to 31 Million hectares from 28 Million hectares. Due to a renewed focus, oilseeds area increased 7.31% from 102.36 Lakh hectares in FY 2021-22 to 109.84 Lakh hectares in FY 2022-23.

India's auto industry grew 21% in FY 2022-23; passenger vehicle (UVs, cars and vans) retail sales touched a record 3.9 Million units in FY 2022-23, crossing 3.2 Million units in FY 2018-19. The commercial vehicles segment grew 33%. Two-wheeler sales fell to a seven-year low; the three-wheeler category grew 84%.

Till the end of Q3FY23, total gross non-performing assets (NPAs) of the banking system fell to 4.5% from 6.5% a year ago. Gross NPA for FY 2022-23 was expected to be 4.2% and a further drop is predicted to 3.8% in FY 2023-24.

As India's domestic demand remained steady amidst a global slowdown, import growth in FY 2022-23 was estimated at 16.5% to US$ 714 Billion as against US$ 613 Billion in FY 2021-22. India's merchandise exports were up 6% to US$ 447 Billion in FY 2022-23. India's total exports (merchandise and services) in FY 2022-23 grew 14% to a record of US$ 775 Billion in FY 2022-23 and is expected to touch US$ 900 Billion in FY 2023-24. Till Q3 FY23, India's current account deficit, a crucial indicator of the country's balance of payments position, decreased to US$ 18.2 Billion, or 2.2% of GDP. India's fiscal deficit was estimated in nominal terms at ~ ₹17.55 Lakh Crore and 6.4% of GDP for the year ending 31st March, 2023. (Source: Ministry of Trade & Commerce)

India's headline foreign direct investment (FDI) numbers rose from US$ 74.01 Billion in 2021 to a record US$ 84.8 Billion in FY 2021-22, a 14% Y-o-Y increase, till Q3FY23. India recorded a robust US$ 36.75 Billion of FDI. In FY 2022-23, the government was estimated to have addressed 77% of its disinvestment target (₹50,000 Crore against a target of ₹65,000 Crore).

India's foreign exchange reserves, which had witnessed three consecutive years of growth, experienced a decline of approximately US$ 70 Billion in 2022, primarily influenced by rising inflation and interest rates. Starting from US$ 606.47 Billion on 1st April, 2022, reserves decreased to US$ 578.44 Billion by 31st March, 2023. The Indian currency also weakened during this period, with the exchange rate weakening from ₹75.91 to a US dollar to ₹82.34 by 31st March, 2023, driven by a stronger dollar and increasing current account deficit. Despite these factors, India continued to attract investable capital.

The country's retail inflation, measured by the consumer price index (CPI), eased to 5.66% in March 2023. Inflation data on the Wholesale Price Index, WPI (calculates the overall price of goods before retail) eased to 1.3% during the period. In 2022, CPI hit its highest of 7.79% in April; WPI reached its highest of 15.88% in May 2022. By the close of the year under review, inflation had begun trending down and in April 2023 declined below 5%, its lowest in months.

India's total industrial output for FY 2022-23, as measured by the Index of Industrial Production or IIP, grew 5.1% year-on-year as against a growth of 11.4% in FY 2021-22.

India moved up in the Ease of Doing Business (EoDB) rankings from 100th in 2017 to 63rd in 2022. As of March 2023, India's unemployment rate was 7.8%.

In FY 2022-23, total receipts (other than borrowings) were estimated at 6.5% higher than the Budget estimates. Tax-GDP ratio was estimated to have improved by 11.1% Y-o-Y in RE FY 2022-23.

The total gross collection for FY 2022-23 was ₹18.10 Lakh Crore, an average of ₹1.51 Lakh a month and up 22% from FY 2021-22, India's monthly goods and services tax (GST) collections hit the second highest ever in March 2023 to ₹1.6 Lakh Crore. For FY 2022–23, the government collected ₹16.61 Lakh Crore in direct taxes, according to data from the Finance Ministry. This amount was 17.6% more than what was collected in the previous fiscal.

Per capita income almost doubled in nine years to ₹1,72,000 during the year under review, a rise of 15.8% over the previous year. India's GDP per capita was 2,320 US$ (March 2023), close to the magic figure of US$ 2500 when consumption spikes across countries. Despite headline inflation, private consumption in India witnessed continued momentum and was estimated to have grown 7.3% in FY 2022-23.

Outlook

There are green shoots of economic revival, marked by an increase in rural growth during the last quarter and appreciable decline in consumer price index inflation to less than 5% in April 2023. India is expected to grow around 6-6.5% (as per various sources) in FY2023-24, catalysed in no small measure by the government's 35% capital expenditure growth by the government. The growth could also be driven by broad-based credit expansion, better capacity utilization and improving trade deficit. Headline and core inflation could trend down. Private sector investments could revive. What provides optimism is that even as the global structural shifts are creating a wider berth for India's exports, the country is making its largest infrastructure investment. This unprecedented investment is expected to translate into a robust building block that, going ahead; moderates logistics costs, facilitates a quicker transfer of products and empowers the country to become increasingly competitive. This can benefit India's exports in general, benefiting several sectors. The construction of national highways in FY 2022-23 was 10,993 km; the Ministry of Road Transport and Highways awarded highway contracts of 12,375 km in the last financial year (Source: IMF).

The global landscape favours India: Europe is moving towards a probable recession, the US economy is slowing, China's GDP growth forecast of 4.4% is less than India's GDP estimate of 6.8% and America and Europe are experiencing its highest inflation in 40 years.

India's production-linked incentive appears to catalyse the downstream sectors. Inflation is steady. India is at the cusp of making significant investments in renewable energy and other sectors and emerging as a suitable industrial supplement to China. India is poised to outpace Germany and Japan and emerge as the third-largest economy by the end of the decade. The outlook for private business investment remains positive despite an increase in interest rates. India is less exposed to Chinese economic weakness, with much less direct trade with China than many Asian peers.

Broad-based credit growth, improving capacity utilization, government's thrust on capital spending and infrastructure should bolster investment activity. According to our surveys, manufacturing, services and infrastructure sector firms are optimistic about the business outlook. The downside risks are protracted geopolitical tensions, tightening global financial conditions and slowing external demand.

Union Budget FY 2023-24 provisions

The Budget FY 2022-23 sought to lay the foundation for the future of the Indian economy by raising capital investment outlay by 33% to ₹10 Lakh Crore, equivalent to 3.3% of GDP and almost three times the FY 2019-20 outlay, through various projects like PM Gatishakti, Inclusive Development, Productivity Enhancement & Investment, Sunrise Opportunities, Energy Transition and Climate Action, as well as Financing of Investments. An outlay of ₹5.94 Lakh Crore was made to the Ministry of Defence (13.18% of the total Budget outlay). An announcement of nearly ₹20,000 Crore was made for the PM Gati Shakti National Master Plan to catalyse the infrastructure sector. An outlay of ₹1.97 Lakh Crore was announced for Production Linked Incentive schemes across 13 sectors. The Indian government intends to accelerate road construction in FY2023-24 by 16-21% to 12,000-12,500 km. The overall road construction project pipeline remains robust at 55,000 km across various execution stages. These realities indicate that a structural shift is underway that could strengthen India's positioning as a long-term provider of manufactured products and its emergence as a credible global supplier of goods and services

Global renewable energy sector overview

In 2023, the global renewable capacity is projected to increase by 107 GW to surpass 440 GW. By 2030, the global renewable energy market is estimated to exceed US$ 1,977.6 Billion, with a registered CAGR of 8.4% from 2022 to 2030. Renewable energy is obtained from natural sources that are continually renewed. Renewable generation capacity increased by 295 GW (+9.6%) in 2022. Solar energy continued to lead capacity expansion, with a massive increase of 192 GW (+22%), followed by wind energy with 75 GW (+9%). Renewable hydropower capacity increased by 21 GW (+2%) and bioenergy by 8 GW (+5%). Geothermal energy experienced a rather conservative increase of 181 MW.

During the period 2022 to 2027, the renewable generation capacity over the world is expected to grow by 2400 GW. Hydroelectric power accounted for the biggest share of the worldwide, overall renewable generation capacity at 1250 GW, growth in 2023 is anticipated to be moderate since solar PV expansion alone cannot fully compensate for the decrease in hydropower capacity and consistent year-on-year wind additions.

Solar PV is forecast to account for 60% of the increase in global renewable capacity this year with the commissioning of 190 GW, a 25% gain from last year. In 2022, the installation of 190 GW of solar PV is expected to 60% of the overall growth in global renewable capacity, showing a 25% increase from the previous year.

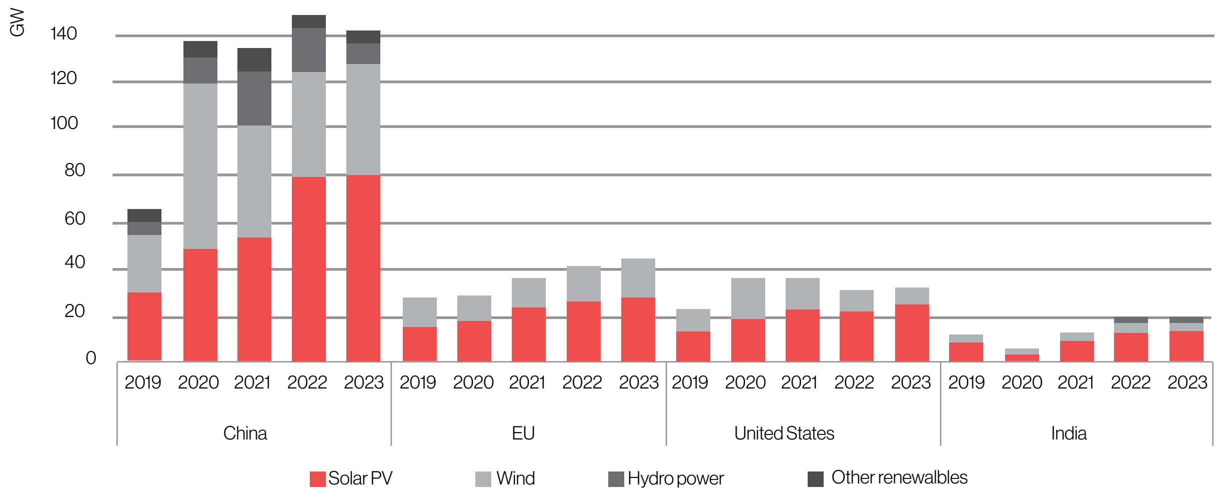
In 2022, the installation of 190 GW of solar PV is projected to lead to a 60% overall growth in global renewable capacity, indicating a 25% increase from the previous year.

Solar energy is expected to account for 63% of the growth in worldwide renewable capacity in 2023, taking the worldwide overall to more than 1,600 gigawatts.

In 2022, wind and solar generated over 12.2% of electricity globally, according to the International Energy Agency (IEA).

The growth of renewable energy sources such as wind and solar has been increasing as countries and organizations strive to reduce their carbon emissions and transition to cleaner forms of energy. By 2026, wind and solar will account for almost 30% of global electricity. China's total installed capacity of renewable energy generation has expanded by around 90 times over the past 10 years, securing its position as a worldwide leader in renewable energy capacity growth. China is set to install a record 156 gigawatts of wind turbines and solar panels in FY2021-22. That would be a 25% jump from the previous record that was set last year.

Renewal capacity additions in China, European Union, the US and India, 2019 - 2023



(Source: IRENA, Economic Times, cleanenergynews.ihsmarkit.com, saurenergy.com, spglobal.com, alliedmarketresearch.com, iea.org, irena.org, jwenergy.com, global.chinadaily.com powerline.net.in, mercomindia.com, energy.economictimes.indiatimes.com, altenergymag.com)

India's renewable energy sector overview

The Indian renewable energy market size reached US$ 20 Billion in FY 2022-23. Looking forward, the market is expected to reach US$ 35.6 Billion by 2028, exhibiting a growth rate (CAGR) of 10.19% during 2023-2028. During FY 2022-23, India's renewable energy sector witnessed its highest-ever annual new capacity addition, with the solar segment accounting for 84% of the new capacity. Of the entire capacity added, solar energy accounted for approximately 12,784 MW (53%), followed by wind energy at 2,276 MW (34%), biopower at 9% and small hydro at 4%.

Out of the total installed capacity, Rajasthan, Tamil Nadu and Maharashtra have emerged as the leading states in terms of solar energy deployment during the financial year 2022-23. India ranked fourth globally in terms of installed capacity of renewable energy. It is estimated that by 2040, nearly half (49%) of the country's electricity generation will come from renewable sources, enabled by the use of more efficient batteries for energy storage. This transition to renewable energy is expected to save India approximately ₹54,000 crores (US$ 8.43 Billion) annually, with a 66% reduction in the cost of solar energy compared to the current cost. The Central Electricity Authority (CEA) expects that renewable energy generation will increase from 18% to 44% by 2029-30, while the share of thermal energy will decrease from 78% to 52% during the same time. The CEA also estimates India's power requirement to reach 817 GW by 2030. (Source: The Ministry of New and Renewable Energy, IBEF, IMAC group, JMK research)

Solar energy sector overview

The India Solar Energy Market was estimated at US$ 38 Billion in 2022 and is anticipated to reach around US$ 238 Billion by 2030, growing at a CAGR of roughly 40% between 2023 and 2032. The Indian solar energy market is growing owing to the cost of solar power technology declining, solar systems becoming more flexible, and solar power is a greener way to make electricity. The market is also propelled by supportive government policies, particularly the Ministry of New and Renewable Energy (MNRE) plans to encourage renewable-based power generation.

(Source: custommarketinsights.com)

Global solar energy sector overview

In 2022, solar energy accounted for roughly 65% of the global renewable energy capacity growth, indicating the fast-paced expansion of the solar power industry. The global solar power market size is pegged at US$ 234.86 Billion in 2022 and is expected to reach US$ 377.04 Billion by 2029, with a projected CAGR of 7.0% during the forecast period. Technological advancements in green technologies have been the driving force behind this growth, leading to an increase in energy generation from solar panels. Developing economies are investing more in solar energy and the manufacturing industry is also demanding more solar power.

China, United States and India are the major players dominating the global solar power market having made substantial investments in solar energy infrastructure. In 2022, Asia saw significant growth in solar energy with China, India and Japan adding 86GW, 13.5GW and 4.6GW of solar capacity respectively. The United States and Brazil added 17.6GW and 9.9GW of solar capacity. (Source: prnewswire.co.uk, pvtech.org)

Indian solar energy sector overview

India has demonstrated a noteworthy growth from 6.76 GW in FY 2016 to 66.00 GW with a CAGR growth of about 41.39%, India has risen to fourth place in the world in terms of installed solar power capacity. In FY 2022-23, the total installed solar energy capacity in India continued its momentum. As a result, the country's solar installed capacity was 66.78 GW as of 31st March, 2023. India is further expected to add 15 GW of new utility-scale solar capacity in FY 2023-24. Looking ahead, the solar energy market in India is expected to increase at a CAGR of 10% between FY2023 and FY2025. This represents a market size rise from US$ 377 Million in FY 2022-23 to US$ 416 Million in FY 2024-25.

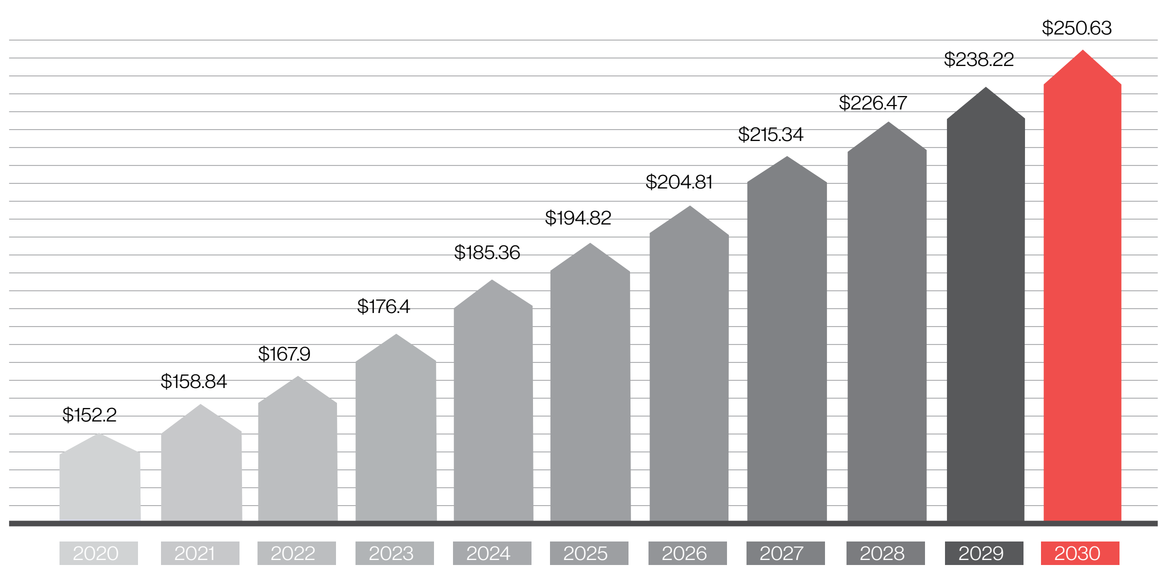
Over the past seven years, India has witnessed impressive growth in its non-fossil fuel energy sector, with a more than 25% growth rate. Currently, solar energy accounts for approximately 12% of the total electricity generated in India up from 10% in 2021. However, to meet its net-zero targets for 2070, India must continue to invest in renewable energy sources like solar and ramp up its efforts to reduce its carbon footprint. By doing so, India can make a significant contribution to the global fight against climate change and pave the way for a more sustainable future. (Source: technovio.com)

Global solar photovoltaic sector

The photovoltaic market is expected to see significant growth over the forecast period from 2022 to 2030, with an estimated CAGR of 5.1%. The market size is predicted to increase from US$ 167.9 Billion in 2022 to over US$ 250.63 Billion by 2030. This growth is driven by favourable government schemes and incentives, such as tax exemptions and tariffs, as well as continued technological advancements and increased consumer and regulatory preference for clean energy sources. Additionally, the decreasing cost of solar energy and increased financial support are contributing to the growth of the solar photovoltaic (PV) market.

Among the top 10 global solar developers, 52.4% of their capacity was in the Asia-Pacific (APAC) region, followed by USA at 42.1% and Europe, the Middle East and Africa (EMEA) at 5.5%. However, in terms of the number of projects, the largest proportion of solar projects by top developers was found in EMEA at 41.6%, followed by APAC at 29.9% and the Americas at 28.4% which signals a strong headroom for expansion in the APAC region. (Source: precedenceresearch.com)

GLOBAL SOLAR PHOTOVOLTAIC (PV) MARKET SIZE, 2020 TO 2030 (US$ BILLION)



India's solar energy potential

India's abundant solar energy potential, with 300 sunny days annually and an average of 4-7 kWh/m2 of energy per square meter per day, could easily meet its power requirements if captured. The National Institute of Solar Energy estimates India's solar potential at 748 GW, utilizing just 3% of unused or waste land with solar PV modules. Renewables are predicted to account for 49% of total electricity production by 2040 and the India solar photovoltaic market is expected to grow at a CAGR of 8.9% from 2022-2027, driven by favourable government schemes and upcoming large-scale solar projects. (Source: mordorintelligence.com, The Hindu)

Outlook

By 2030, India is expected to surpass the European Union as the third largest energy consumer in the world. According to current national policy projections, India's energy consumption is expected to nearly double as the country's GDP grows to an estimated US$ 8.6 trillion by 2040.

As a result of increased urbanization, growth in the digital space and an improving quality of life, India is expected to see a significant increase in energy demand over the next 20 years, potentially accounting for 25% of global energy demand growth.

The growing demand for energy in India, driven by increased urbanization, growth in the digital space and improvements in quality of life, highlights the need for the country to expand its power generation capacity. This will require a significant shift towards renewable energy sources, as relying solely on conventional and thermal energy sources will not be sufficient. By increasing energy efficiency and reducing power generation by 875 terawatt-hours per year, India has the potential to save US$ 190 Billion annually on energy imports, which is equivalent to almost half of the country's current annual power generation.

The government of India has set ambitious goals for increasing the use of renewable energy in the country. Specifically, it aims to achieve a capacity of 175 GW from renewable energy sources by 2022 and 500 GW by 2030. Additionally, the government aims to increase the share of non-fossil-based energy in the overall electricity mix to over 40% by 2030 and to reduce the emissions intensity of GDP by 33-35% compared to 2005 levels. (Source: The Hindu)

Growth drivers

Large headroom: India's per capita electricity consumption was 1255 kWh in FY 2021-22, that is around one-third of the global average of per capita electricity consumption, this consumption will increase with increase in manufacturing and urbanisations.

Rapid urbanization: India's urban population is projected to nearly double by 2050, rising from 460 Million in 2019. This rapid urbanization serves as a significant catalyst for the expansion of the solar sector, considering the anticipated surge in electricity demand. Solar energy emerges as a viable and eco-friendly solution to fulfill this escalating demand. (Source: UN report)

Environmental concerns: The imperative to decrease carbon emissions and address climate change has prompted many countries to increase their use of renewable energy sources including solar. The excessive depletion of non-renewable resources has been paving the way for renewable and clean energy sources like solar energy, driven by economic and environmental considerations

Lower cost of power: Solar energy provides a low-cost source of power with minimal operating and maintenance expenses once the infrastructure is established. The recent Electricity (Rights of Consumers) Amendment Rules, 2023, specify that during solar hours, the tariff for consumers will be at least 20% less than the normal tariff, promoting the adoption of solar power as an economically viable and sustainable solution. (Source: Ministry of Power)

Falling solar equipment costs: The decrease in solar system prices and PV product costs over time has facilitated the expansion of the market. Though installation costs are high, operational costs are low and the systems require minimal maintenance. In the competitive PV market, players introduce innovative and efficient products at competitive prices, resulting in a reduction of product prices.

Increasing government thrust: India has established a lofty goal of achieving 40% of its power from renewable sources by 2030, accompanied by a strategy to enhance its renewable energy capacity by 250 GW within the upcoming five years. To achieve the goal of 500 GW by 2030, the government intends to invite bids for 50 GW of renewable energy capacity annually until 2027-28. Furthermore, India has pledged to the global community its commitment to achieve net-zero emissions by the year 2070. This strategic approach will significantly reduce the country's dependence on non-renewable sources of energy. (Source: Ministry of New and Renewable Energy)

Growing adoption: The adoption of solar energy is on the rise in India, particularly within the residential and commercial sectors. The rise in rooftop solar installations is due to factors such as cost savings, consumer acceptance and market competition. Solar power presents an appealing opportunity for commercial property owners to cut costs and boost returns, driving substantial growth within the industry.

Rural electrification: India's endeavours to electrify rural areas with solar technology have been successful. Over 2.7 Million solar home-lighting systems and 7.4 Million solar lanterns have been distributed, making India the leading Asian market for off-grid solar products. Over 44,000 remote areas were electrified with standalone solar systems, providing access to electricity to more than 4.4 Million households in FY 2020-21.

100% FDI via automatic route: Rising foreign investment in the renewable sector (such as the US$ 75 Billion investment from the UAE) is expected to promote further investments in the country. As a result, India's renewable energy industry saw FDI inflows worth $ 1.6 Billion (₹130.7 Billion) in FY 2021-22.

Storage: The trend towards energy storage solutions like batteries is rising. They can store excess solar energy and shift PV electricity from high to low generation times. The cost of storage is coming down and that will help the industry to provide solutions when the sunlight is not available.

SWOT analysis of the PV industry market in India

Sectoral strengths

• India possesses vast renewable energy resources, including solar, wind, biomass and hydro, providing a strong foundation for renewable energy development.

• The Indian government has implemented supportive policies, incentives and targets to encourage renewable energy adoption, such as the National Solar Mission and various state-level initiatives.

• The declining costs of renewable energy technologies, particularly solar and wind, have improved the competitiveness of renewable energy sources compared to conventional energy sources.

• Renewable energy reduces dependence on fossil fuel imports, enhancing energy security and reducing vulnerability to price fluctuations and geopolitical risks.

Sectoral weaknesses

• The renewable energy sector faces infrastructure constraints, including inadequate transmission and distribution systems, hindering the seamless integration of renewable energy into the grid.

• Limited access to affordable financing and investment options poses challenges for renewable energy project development and implementation.

• The intermittent nature of renewable energy sources, such as solar and wind, requires efficient grid integration and energy storage solutions to ensure a stable and reliable power supply.

Sectoral opportunities

• Shareholders in the renewable energy industry are considering investments to facilitate the integration of variable renewables, like wind and solar, into the power grid with more confidence.

• The penetration of renewable energy in the grid is expected to grow, leading to an increase in the development of green hydrogen as a long-duration and seasonal fuel storage solution that can be used to generate power on demand.

• Solar photovoltaic (PV) systems continue to be the most cost-effective energy resource, even after a significant 85% reduction in realizations over the past decade. The industry is expected to expand solar-plus-storage projects, investigate floating solar PV modules and introduce community solar projects in new markets.

• Pairing storage with solar energy offers cost synergies, operational efficiencies and the opportunity to reduce storage capital costs with the solar investment tax credit.

• The development of transmission infrastructure is crucial to connect new, often remotely located renewable energy sources to power-consuming centers.

• By 2050, renewable energy is poised to become the largest source of primary energy in accelerated and net zero scenarios

• Electricity generation in 2050 is expected to be four to five times that of 2019, with solar and wind power accounting for 57% to 95% of that growth.

• Solar installed capacities in 2050 are poised to range from 1.3-2.2 terawatts (TW) depending on the scenarios.

• The rooftop solar market is set for multi-fold growth, promising significant advantages for the sector

• Hydrogen demand will grow significantly, to almost twelve times from current levels to net zero by 2050. Green hydrogen will represent 80% of net zero journey

Sectoral threats

• Sunlight and wind variations make renewable energy supply less consistent than that from fossil fuel plants, necessitating the use of energy storage batteries.

• Investment in renewable energy has been driven by innovation and technology development, but economic pressures and a lack of financial backing from big organizations and governments can impede breakthroughs.

• Political challenges in transitioning to renewables include political posturing, isolationism, populism and anti-science rhetoric that can threaten the renewable energy sector.

• Energy infrastructure in many areas is unexpectedly underfunded, inadequately maintained and insufficiently robust to meet future demands.

• As the demand for renewable energy increases due to domestic consumption, electric vehicle uptake and industrial transition, deficiencies in many electric grid systems will become more evident.

• The renewable energy sector needs to find ways to balance the need for power with the optimal use of land.

• The challenge in decarbonizing the industry is that energy transition pathways are not yet definitive.

Supportive government policies

India is leading the way among all countries in the adoption of solar renewable energy. India, a founding member of the International Solar Alliance (ISA), is the host country for its headquarters. Moreover, India has proposed the ideas of "One Sun One World One Grid" and "World Solar Bank" to leverage the vast potential of solar power on a global level. The Mission Innovation Cleantech Exchange, a worldwide program aimed at expediting clean energy innovation, was introduced by India.

National solar mission: The Indian government increased the allocation for the National Solar Mission and clean-energy fund by ₹10 Billion (US$130 Million) for the fiscal year 2010-11, up by ₹3.8 Billion (US$48 Million) from the previous budget. The budget also lowered the import duty on solar panels by 5%, potentially leading to a 15-20% reduction in the cost of rooftop solar-panel installations and promoting private solar companies.

Waiver of inter-state transmission system charges: The waiver of Inter-State Transmission System (ISTS) charges for the inter-state sale of solar and wind power is a part of the green energy initiatives taken by the Indian Government. This initiative is expected to boost the development of renewable energy projects and promote the inter-state trade of renewable energy.

National hydrogen energy mission: The Indian Government's National Hydrogen Energy Mission promotes hydrogen as a clean fuel, generated from renewable sources to reduce reliance on fossil fuels and meet Paris Agreement emission goals. The Power Ministry's green hydrogen policy waives ISTS charges for 25 years for green hydrogen and green ammonia producers from projects commissioned before 30th June, 2025 and allows renewable energy banking for green hydrogen production for 30 days.

Grip parity: Between 2010 and April 2017, there has been a significant reduction in the average bid for reverse auctions of electricity, from ₹12.16 (15¢ US) per kWh to ₹3.15 (3.9¢ US) per kWh. This represents a decline of approximately 73% during the time period. Additionally, the current cost of solar PV electricity is approximately 18% lower than the average cost of electricity generated by coal-fired plants.

PLI scheme: As part of the Union Budget 2022-23, the Indian government has earmarked ₹19,500 crores (US$ 2.57 Billion) for a Production-Linked Incentive (PLI) scheme aimed at promoting the production of high-efficiency solar modules.

National Renewable Purchase Obligation (RPO): India's renewable energy targets are guided by the National Renewable Purchase Obligation (RPO) trajectory. Solar energy is projected to be the primary source until 2030, with cumulative capacity additions required. Wind energy and other renewables are also included. RPO compliance varies across states, with Karnataka at 43.57%, followed by Uttar Pradesh, Bihar and Maharashtra. The average compliance for renewable energy and hydro is 19.62%. These figures highlight India's commitment to increasing the share of renewable energy in its electricity generation.

Solar rooftop program: The Ministry of New and Renewable Energy introduced the second phase of the Rooftop Solar Programme to promote rooftop solar installations, particularly in rural areas. The program has installed 4,000 MW of solar capacity in residential areas in 2022.

Solar cities and parks: The Indian government has recognised various regions in the country, such as Gujarat, Rajasthan and Tamil Nadu, as having immense potential for establishing solar parks. Currently, 59 solar parks with a combined capacity of 40 GW have been approved for development across different states. Additionally, the government is actively promoting Floating PV Projects to further advance the adoption of solar energy.

Budgetary allocation for 2023-24

The Union Budget for FY23-24, placed a strong emphasis on green growth and transitioning towards clean energy, with several initiatives to promote renewable energy and address climate change. This highlights the government's commitment to sustainable development. India has pledged to reduce the emissions intensity of its GDP by 45% by 2030 from its 2005 levels, demonstrating a proactive approach towards combating climate change.

Increased allocation: The Ministry of New and Renewable Energy (MNRE) received a significant boost in the Union Budget for the fiscal year 2023-24, with an allocation of ₹10,222 Crore, representing a 48% increase from the previous budget of ₹7,033 Crore. In contrast, the Ministry of Petroleum and Natural Gas's allocation saw a mere 2.2% growth, underscoring the government's clear focus and priorities for the future.

PM-KUSUM scheme: A total of ₹7,534 Crore was allocated towards various projects in the renewable energy sector under Pradhan Mantri Kisan Urja Suraksha Evam Uhan Mahabhiyan (PM-KUSUM) scheme

Off-grid solar projects: The implementation of Phase III of the off-grid solar Photo Voltaic program in India aims to bring access to clean energy to millions of people. This includes the installation of 0.3 Million solar street lights, distribution of 2.5 Million solar study lamps and the installation of solar power packs with a total aggregated capacity of 100 megawatts of power. These off-grid solar projects will help to reduce dependence on traditional sources of energy and promote sustainable development in the country.

Atal Jyoti Yojana (AJAY) Phase-II: In line with India's commitment to sustainable development and renewable energy, the Atal Jyoti Yojana (AJAY) Phase-II will witness the installation of over three Lakh solar street lights across the country. In addition, the government plans to undertake 20 MW projects of concentrated solar thermal, further bolstering its efforts towards clean and green energy.

Green bonds: The issuance of 15 green bonds by Indian corporations with a total value of ₹4,539 Crore between 2017 and September 2022 indicates policy support for renewable energy. Additionally, the upcoming auctions of ₹8,000 Crore each by the Reserve Bank of India further exemplify the country's commitment to promoting renewable energy.

The Company's overview

Websol Energy System Limited specializes in the production of photovoltaic crystalline solar cells and related modules. The Company's manufacturing facility is located in Falta SEZ, West Bengal, India. The Company's products are used in both commercial and industrial settings in India and internationally. The Company's manufacturing capacity includes the ability to produce 240 megawatts of cells and a fully automated module line with a capacity of 250 megawatts.

Financial analysis

The Company reported revenue from operations of ₹17.22 Crore on a consolidated basis during FY 2022-23, compared to ₹213.22 Crore in FY 2021-22.

Operating EBITDA on a consolidated basis stood at ₹(16.13) Crore for FY 2022-23.

Depreciation and interest for FY 2022-23 stood at ₹15.35 Crore and ₹3.83 Crore, respectively.

Risk **management**

Raw material risk

A surge in raw material costs could have adverse effects on the demand for solar photovoltaic products and dampen market prospects. A rise in the cost of raw materials could negatively impact the demand for solar photovoltaic products and negatively impact the market prospects.

Mitigation: Manufacturing solar photovoltaic cells particularly in relation to solar-grade silicon wafers and other raw materials, makes up 70% of the Company's overall manufacturing costs. The Company has mitigated some of the risk of raw material price inflation by using back-to-back sales agreements which protect it from price volatility in these resources.

Customer concentration risk

Excessive revenue concentration from a specific customer has the potential to impact profit margins.

Mitigation: The increasing focus of the Indian government on sourcing domestic renewable energy systems has resulted in a rise in the count of domestic manufacturers producing these systems. Furthermore, the expanding utilisation of solar energy has positioned India as one of the most appealing markets, thereby widening the risk associated with customer concentration.

Competition risk

Increasing competition may lead to an unfavourable effect on profitability.

Mitigation: The Company's product certifications and robust relationships have contributed to an improved level of competitiveness.

The Company is recognised as one of India's major and highly dynamic solar photovoltaic manufacturers, boasting production costs that are among the lowest across all Indian PV manufacturers.

Demand risk

A decline in demand could lead to a decrease in returns on investment.

Mitigation: India is projected to continue to be one of the fastest-growing countries in terms of renewable energy, with an estimated capacity of 174 GW by 2023 and an anticipated target of 280 GW by 2025. This is expected to lead to among the world's most affordable power costs, fostering the growth of the renewable energy market and driving up its demand. This is expected to lead among the world's most affordable power costs, fostering the growth of the renewable energy market and driving up its demand.

Technology risk

Technologies can become outdated rapidly.

Mitigation: The Company has a robust internal audit system that is regularly monitored and updated to protect assets, ensure compliance with regulations and address any issues in a timely manner. The audit committee reviews reports from internal auditors at regular intervals, takes note of any observations and takes corrective actions when necessary. It also maintains communication with both statutory and internal auditors to ensure that internal control systems are functioning effectively.

Cautionary statement

This statement made in this section describes the Company's objectives, projections, expectation and estimations which may be 'forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those either expressed or implied. Important factors that could make a difference to the Company's operation include among others, economic conditions affecting demand/supply and price conditions, variation in prices of raw materials, changes in Government regulations, tax regimes, economic developments and other incidental factors.

NOTICE

TO THE MEMBERS,

NOTICE is hereby given that the 33rdAnnual General Meeting (AGM) of the Members of Websol Energy System Limited will be held on Thursday, 21st September, 2023 at 01:00 P.M. (IST) through Video Conferencing (VC) or Other Audio-Visual Means (OAVM), to transact the following businesses:

ORDINARY BUSINESS:

Item No. 1: Adoption of Audited Financial Statements:

To receive, consider and adopt the Audited Financial Statements of the Company including Balance Sheet as at March 31, 2023, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.

Item No. 2: Re-appointment of a Director:

To appoint a director in place of Mrs. Dipti Budhia (DIN:03076890), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers herself for re-election.

Item No. 3: Re-appointment of M/s. G. P. Agrawal& Co., Chartered Accountants as the Statutory Auditors of the Company for a period of five consecutive years:

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

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and any other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (the 'Rules'),including any statutory amendments or modifications or reenactments thereof for the time being in force, and pursuant to recommendation made by the Audit Committee and Board of Directors, consent of the Members of the Company be and is hereby accorded for re-appointment of M/s. G. P. Agrawal& Co., Chartered Accountants (FRN 302082E), as the Statutory Auditor of the Company for the second consecutive term of five years, from the conclusion of 33rdAnnual General Meeting of the Company until the conclusion of the 38thAnnual General Meeting of the Company at such remuneration as may be mutually decided."

SPECIAL BUSINESS:

Item No. 4: Appointment of Ms. Sanjana Khaitan (DIN: 07232095) as a Director of the Company:

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

"RESOLVED THAT pursuant to Section 152, 197, 198of the Companies Act, 2013 and other applicable provisions if any, of the Companies Act, 2013 read with rules made thereunder and on the recommendation of Nomination and Remuneration Committee and Board of Directors (including any statutory amendments or modifications or re-enactments thereof for the time being in force), Ms. Sanjana Khaitan (DIN: 07232095), in respect of whom the Company has received a notice of candidature under Section 160, be and is hereby appointed as Executive Director of the Company, liable to retire by rotation, for a term of 3 (three) consecutive years commencing from 12th November, 2022 on such terms and conditions including remuneration, as set out in the Explanatory Statement annexed to the Notice convening Annual General Meeting.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorized to alter, revise and amend the terms and conditions of appointment and remuneration payable to Executive Director, subject to the overall limits as specified in this resolution and in accordance with the applicable provisions of the Companies Act, 2013 read with Schedule V thereto.

RESOLVED FURTHER THAT in the event, the Company has no profits or its profit are inadequate during the tenure of Ms. Sanjana Khaitan (DIN: 07232095), the remuneration shall be paid to her as per Schedule V of the Companies Act, 2013.

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

Item No. 5: Appointment of Mr. Kushal Agarwal (DIN:10266809) as a Non-Executive Independent Director of the Company:

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 160 and all other applicable provisions of the Companies Act, 2013 ("the Act") read with Schedule IV of the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended from time to time, applicable regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors, Mr. Kushal Agarwal (DIN:10266809), who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in respect of whom the Company has received a notice of candidature under Section 160, be and is hereby appointed as a Non-Executive Independent Director of the Company, not liable to retire by rotation, for a term of 5 (five) consecutive years commencing from 3rd August, 2023.

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

Item No. 6. To Offer, Issue and Allot Equity Shares of the Company on Preferential Basis:

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

"RESOLVED THAT pursuant to the provisions of Section 42, 62(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 and applicable rules made thereunder, including the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and others rules and regulations made thereunder (including any amendment(s), statutory modification(s) or re-enactment(s) thereof), (hereinafter referred to as the 'Act'), in accordance with the provisions of the Memorandum and Articles of Association of Websol Energy System Limited ('the Company'), and pursuant to the provisions under the Chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time (the 'SEBI (ICDR) Regulations'), the regulations issued by the Securities and Exchange Board of India ('SEBI'), including the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (the 'Listing Regulations'), the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time (the "SEBI Takeover Regulations"), and such other applicable rules, regulations, guidelines, notifications, circulars and clarifications issued/ to be issued thereon by the Government of India, Ministry of Finance (Department of Economic Affairs), Department for Promotion of Industry and Internal Trade, Ministry of Corporate Affairs ("MCA"), the Reserve Bank of India ("RBI"), SEBI, the BSE Limited, the National Stock Exchange of India Limited (hereinafter collectively referred as the 'Stock Exchanges'), any other rules, regulations, guidelines, notifications, circulars and clarifications issued by the Government of India and subject to such other approvals, permissions, sanctions and consents, as may be necessary and on such terms and conditions (including any alterations, modifications, corrections, changes and variations, if any, that may be stipulated while granting such approvals, permissions, sanctions and consents) by any regulatory authorities and which may be accepted by the Board of Directors of the Company (hereinafter referred to as 'Board' which term shall be deemed to include any duly constituted/ to be constituted Committee of Directors thereof to exercise its powers including powers conferred under this resolution), the consent, authority and approval of the Members of the Company be and is hereby accorded to the Board to create, offer, issue and allot upto 36,08,929 (Thirty-Six Lakhs Eight Thousand Nine Hundred and Twenty-Nine) equity shares of the face value of Rs. 10/- (Rupees Ten Only) each fully paid- up, on a preferential basis to the Proposed Allottees at an Issue Price of Rs. 112/- (Rupees One Hundred and Twelve Only) per equity share [including a premium of Rs. 102/- (Rupees One Hundred and Two Only) per equity share, or such higher price which shall not be less than the price determined as per the applicable guidelines, aggregating to an amount not exceeding Rs. 40,42,00,048/- (Rupees Forty Crores Forty-Two Lakhs and Forty-Eight Only) upon conversion of unsecured loan from the Promoters / Promoter Group and in cash from all the Other Investors in accordance with Regulation 164 (1) of Chapter V (Preferential Issue) of the SEBI (ICDR) Regulations and on such terms and conditions and in such manner as the Board may in its absolute discretion deem fit as mentioned below:

Sr. No.	Name of the Proposed Allottees	No. of Equity shares to be allotted	Committee Allottee is: QIB/ MF/ FI/ Trust/ Banks/ Others	Mode of payment
A.	**Promoter Group:**			
	S L Industries Pvt. Ltd	2,46,429	Others	Upon conversion of unsecured loan to the extent of Rs. 2.76 Crores by S L Industries Pvt Ltd and Rs. 11.90 Crores by Websol Green Projects Pvt Ltd.
	Websol Green Projects Pvt Ltd	10,62,500		
	Total (A)	**13,08,929**		
B.	**Other Investors:**			
	Rajinder Kumar Jain	1,00,000	Others	Cash
	Devanshi Marfatia	1,00,000	Others	Cash
	Sanjeev Poddar	1,00,000	Others	Cash
	Indus Equity Advisors Pvt. Ltd.	1,00,000	Others	Cash
	Adivam Family Trust	2,00,000	Trust	Cash

Sr. No.	Name of the Proposed Allottees	No. of Equity shares to be allotted	Committee Allottee is: QIB/ MF/ FI/ Trust/ Banks/ Others	Mode of payment
	Ankita Rajeev Choksey	1,00,000	Others	Cash
	Naomi Mathews	1,00,000	Others	Cash
	Abraham George	4,00,000	Others	Cash
	Raju Omprakash Agarwal	4,00,000	Others	Cash
	Priyanka Mishra	2,00,000	Others	Cash
	Rekha Bagrodia	1,00,000	Others	Cash
	Anita Jaideep Sampat	2,00,000	Others	Cash
	Malti Narendra Sampat	2,00,000	Others	Cash
	Total (B)	**23,00,000**		
	Total (A+B)	**36,08,929**		

"RESOLVED FURTHER THAT the relevant date for the purpose of determining the minimum price for Preferential Issue of the Equity shares to be issued in accordance with the SEBI (ICDR) Regulations be fixed as Tuesday, August 22, 2023, being 30th day prior to September 21, 2023 i.e., the date on which the Annual General Meeting of the shareholders is convened, in terms of Section 62(1)(c) of the Companies Act, 2013 (to the extant rules notified) to consider the proposed preferential issue."

"RESOLVED FURTHER THAT without prejudice to the generality of the above Resolution, the issue of the Equity shares to the Promoters/Promoter Group and Other Investors of the company under the Preferential Issue shall be subject to the following terms and conditions apart from others as prescribed under applicable laws:

(i) 100% of the preferential allotment consideration shall be payable on or before the date of the allotment of the equity shares except in regard to the equity shares issued against conversion of unsecured loan;

(ii) The equity shares so offered, issued and allotted to the Proposed Allottees, shall be issued by the Company for conversion of the outstanding unsecured loan of the Promoter / Promoter group Allottees and against cash consideration for Other investors, as applicable;

(iii) The consideration for allotment of equity shares shall be paid to the Company by the Proposed Allottees from their respective bank accounts;

(iv) The equity shares shall be issued and allotted by the Company to the Proposed Allottees within a period of 15 days from the date of passing of this resolution, provided that, if any approval or permission by any regulatory authority / Stock Exchanges/ the Central Government for allotment is pending, the period of 15 days shall be counted from the date of receipt of last of such approval(s);

(v) The equity shares shall be issued and allotted by the Company to the Proposed Allottees in dematerialized form within the time prescribed under the applicable laws;

(vi) The equity shares to be offered, issued and allotted shall rank pari-passu with the existing equity shares of the Company in all respects including the dividend and voting rights, if any;

(vii) The equity shares to be offered, issued and allotted shall be subject to lock-in as provided under the applicable provisions of SEBI (ICDR) Regulations; and

(viii) The equity shares so offered, issued and allotted will be listed on BSE Limited and the National Stock Exchange of India Limited where the existing equity shares of the Company are listed, subject to the receipt of necessary permissions and approvals, as the case may be."

"RESOLVED FURTHER THAT the consideration to be received by the Company from the Proposed Allottees towards application for subscription of the equity shares pursuant to this Preferential Issue shall be kept by the Company in a separate bank account opened by the Company except for the extinguishment of outstanding loan amount and shall be utilized by the Company in accordance with Section 42 of the Act."

"RESOLVED FURTHER THAT the equity shares to be issued and allotted pursuant to this resolution shall be subject to the provisions of the Memorandum and Articles of Association of the Company."

"RESOLVED FURTHER THAT the Company hereby takes note of the certificate from Mr. Abhijit Majumdar (Practicing Company Secretary) certifying that the above issue of equity shares of the Company is being made in accordance with the SEBI ICDR Regulations."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to accept any modification(s) in the terms of issue of Equity shares, subject to the provisions of the Act and the SEBI (ICDR) Regulations, without being required to seek any further consent or approval of the Members."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as the Board may, in its absolute discretion, deem necessary or desirable for such purpose, including without limitation to vary, modify or alter any of the relevant terms and conditions, attached to the number of equity shares to be allotted to the proposed allottees, effecting any modifications, changes, variations, alterations, additions and/or deletions to the preferential issue as may be required by any regulatory or other authorities or agencies involved in or concerned with the issue of the equity shares, making applications to the Stock Exchanges for obtaining in- principle approvals, listing of shares, filing requisite documents with the MCA and other regulatory authorities, filing of requisite documents with the depositories, to resolve and settle any questions and difficulties that may arise in the preferential offer, issue and allotment of equity shares without being required to seek any further consent or approval of the members of the Company."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of its powers conferred upon it by this resolution to any director(s), committee(s), executive(s), officer(s) or authorized signatory(ies) to give effect to this resolution including execution of any documents on behalf of the Company and to represent the Company before any governmental or regulatory authorities and to appoint any professional advisors, bankers, consultants, advocates and advisors to give effect to this resolution and further to take all others steps which may be incidental, consequential, relevant or ancillary in this regard."

For Websol Energy System Limited

Date: 21st August, 2023
Place: Kolkata

Sumit Kumar Shaw
Company Secretary

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..

   Further, Securities and Exchange Board of India ('SEBI'), vide its Circulars dated May 12, 2020, January 15, 2021, May 13, 2022 and January 5, 2023 ('SEBI Circulars') and other applicable circulars issued in this regard, have provided relaxations from compliance with certain provisions of the SEBI Listing Regulations.

   In compliance with the applicable provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and MCA Circulars, the 33rd AGM of the Company is being held through VC/OAVM.

2. Pursuant to the provisions of the Companies Act, 2013 read with rules made thereunder, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

3. Corporate Members are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting. Institutional/Corporate Members are requested to send a scanned copy (PDF/JPEG format) of the Board Resolution authorising its representatives to attend and vote at the AGM, pursuant to Section 113 of the Act, to Scrutiniser at majumdar_abhijeet@yahoo.co.in with a copy marked to evoting@nsdl.co.in.. Corporate Members can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

4. 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 for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding),Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

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

6. In accordance with the aforesaid MCA Circulars and SEBI Circulars, Notice of the Annual General Meeting along with the Annual Report 2022-23 is being sent only through electronic mode to those Members whose email addresses

are registered with the Company or Depositories. Members may note that the Notice of AGM and Annual Report 2022-23 will also be available on the Company's website at www.webelsolar.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and on the website of NSDL (agency for providing the Remote e-Voting facility) i.e.www.evoting.nsdl.com.

7. Members are requested to notify changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, PAN, registering of nomination, etc. to the concerned Depository Participant/Registrar and Transfer Agent/Company.

8. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which the Directors are interested maintained under Section 189 of the Companies Act, 2013 shall be made available for on-line inspection at the AGM.

9. Information of Director proposed to be re-appointed at the forthcoming Annual General Meeting as required under Regulation 36 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard on General Meetings is provided in the annexure to this Notice.

10. The Register of Members and the Share Transfer Register of the Company will remain closed from Friday, 15th September, 2023 to Thursday, 21st September, 2023 (both days inclusive) for the purpose of 33rd AGM.

11. SEBI has mandated submission of Permanent Account Number ("PAN") by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to provide their PAN details to their respective DPs with whom they are maintaining their demat accounts.

Voting Through Electronic Means:

12. Pursuant to Section 108 of the Companies Act 2013 read with Rule 20 of The Companies (Management and Administration) Rules, 2014, Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an arrangement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as Venue Voting on the date of the AGM will be provided by NSDL.

13. The Board of Directors has appointed Mr. Abhijit Majumdar, Practicing Company Secretary (ACS: 9804, C.P.: 18995) as the Scrutinizer to scrutinize the remote e-voting and e-voting at the AGM in a fair and transparent manner.

14. Members who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC/OAVM but shall not be entitled to cast their vote again.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE ASUNDER:-

The remote e-voting period begins on **Monday, 18th September, 2023 at 09:00 A.M. and ends on Wednesday, 20th September, 2023 at 05:00 P.M.** The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e., **14th September, 2023** may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being **14th September, 2023**.

Any person who become member of the Company subsequent to the dispatch of the Notice of AGM and holds the shares as on the cut-off date i.e., **14th September, 2023** may obtain the Login ID and Password by sending a request at evoting@nsdl.co.in or Company/RTA. However, if you are already registered with NSDL for remote e-voting then you can use your existing User ID and Password for casting your vote. If you have forgotten your password, you may reset your password by using ''Forgot User Details/Password" option available on www.evoting.nsdl.com.

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

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

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the **“Beneficial Owner”** icon under **“Login”** which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **“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 i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are 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 i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App **“NSDL Speede”** facility by scanning the QR code mentioned below for seamless voting experience. App Store Google Play

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting 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 is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL 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 a 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 evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 4886 7000 and 022 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 1800 22 55 33

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

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

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

7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.

8. Now, you will have to click on “Login” button.

9. After you click on the “Login” button, Home page of e-Voting will open.

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

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

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

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to majumdar_abhijeet@yahoo.co.in with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on **“Upload Board Resolution / Authority Letter”** displayed under **“e-Voting”** tab in their login.
2. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date i.e., **14th September, 2023** may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” or “Physical User Reset Password” option available on www.evoting.nsdl.com or call on **022 4886 7000 and 022 2499 7000**. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e., **14th September, 2023** may follow steps mentioned in the Notice of the AGM under Step 1: “Access to NSDL e-Voting system”(Above).
3. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
4. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on **022 4886 7000 and 022 2499 7000** or send a request to Ms. Pallavi Mhatre, Senior Manager at evoting@nsdl.co.in

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attestedscanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to www.webelsolar.com
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to (www.webelsolar.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e.Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**

3. Alternatively shareholder/members may send a request to evoting@nsdl.co.infor procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THEAGM ARE AS UNDER:-

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

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system.** After successful login, you can see link of "VC/OAVM link" placed under **"Join Meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. 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.
5. 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 sumit@webelsolar.com. 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 sumit@webelsolar.com. These queries will be replied to by the company suitably by email.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
7. When a pre-registered speaker is invited to speak at the meeting but he / she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/ camera along with good internet speed.
8. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, for smooth conduct of the AGM.
9. Members who need assistance before or during the AGM, can contact Ms. Pallavi Mhatre, Senior Manager, NSDL at evoting@ nsdl.co.in or call **022 4886 7000 and 022 2499 7000**.

ANNEXURE TO THE NOTICE

Details of Directors seeking appointment / reappointment in Annual General Meeting in pursuance of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Name of Director	Mr. Kushal Agarwal	Mrs. Dipti Budhia	Ms. Sanjana Khaitan
Date of birth	26thFebruary,1990	26th April, 1981	6th January, 1997
Nationality	Indian	Indian	Indian
Date of first appointment on the Board	3rd August, 2023	18th April, 2022	12th November, 2022
Qualification	B. Com (H), CA (Inter), CS (Executive)	She is a Commerce Graduate and has taken Diploma in Interior Designing	Judge Business School, University of Cambridge, UK 2021 - 2022 Master of Finance Shri Ram College of Commerce, University of Delhi, India 2015 - 2018 Bachelor of Commerce (Honours)
Experience in functional area	Mr. Kushal Agarwal has a rich experience of over 10 years in the area of financial management, financial control, business planning, due diligence, business development, business structuring, investor relations, commercial, taxation, people development and strategic planning.	She has a working experience of more than 5 years in this field.	J. P. Morgan, Mumbai, India Jan 2019 – Apr 2021 Multinational investment bank and financial services holding company Investment Banking Analyst (Centralized Research Group), Financial Institutions Group East Asia
Relationship with other Directors	Nil	Nil	Grand Daughter of Mr. Sohan Lal Agarwal, Managing Director
Shareholding in the Company	Nil	Nil	Nil
List of directorship held inother Listed Companies	Nil	Nil	Nil
Committee membership in other Listed Companies	Nil	Nil	Nil

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("The Act")

Item No. 3

The Members at the 28th Annual General Meeting ('AGM') of the Company held on 29th September, 2018, had approved appointment of M/s G. P. Agrawal& Co., Chartered Accountants (FRN: 302082E), as the Statutory Auditors of the Company to hold office from the conclusion of the 28th AGM till the conclusion of the 33rd AGM of the Company to be held in the year 2023. After evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., the Board of Directors of the Company ('Board') has, based on the recommendation of the Audit Committee, proposed the reappointment of M/s. G. P. Agrawal& Co., as the Statutory Auditors of the Company, for the second consecutive term of five years from the conclusion of 33rd AGM till the conclusion of 38th AGM of the Company to be held in the year 2028, at a remuneration as may be mutually agreed between the Board and the Statutory Auditors.

M/s. G. P. Agrawal& Co., Chartered Accountants (FRN: 302082E), have conveyed their consent for being appointed as the Statutory Auditor of the company along with a confirmation that, their appointment, if made by the members, would be within the limits prescribed under the Companies Act, 2013 and shall satisfy the criteria as provided under section 141 of the Companies Act, 2013 and have given a certificate in prescribed form declaring that the firm complies with all eligibility norms as prescribed regarding appointment of Statutory Auditors. Therefore, considering the efficiency of the firm, at a remuneration decided mutually , with the authority to the Board to alter or modify the terms of appointment including remuneration as mutually agreed between the Board and the Statutory Auditors from time to time.

None of the Directors or Key Managerial Personnel of the Company (including their relatives), except to the extent of their shareholding in the Company are concerned or interested in the said resolution.

The Board of Directors of the Company recommends the passing of the resolution in Item No. 03 of the notice as an Ordinary Resolution.

Item No. 4

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors have approved the appointment of Ms. Sanjana Khaitan (DIN: 07232095) as an Additional Director under category of Executive, w.e.f. 12th November, 2022, subject to approval of members and who shall hold office till the ensuing Annual General Meeting (AGM).

The Company has received a notice under Section 160 of the Companies Act, 2013 proposing her candidature as Director of the Company.

The Company has received declaration from Ms. Sanjana Khaitan that she is not disqualified from being appointed as a Director in terms of Section 164 of the Act and she is not debarred by SEBI or any other regulatory authority from holding the office of Director.

Ms. Sanjana Khaitan holds a Master's degree in Finance. The Board considers that her expertise and continued association would be of immense benefit to the Company.

The payment of remuneration has already been approved by the Nomination & Remuneration Committee & subsequently by the Board of Directors at their respective Meetings. Therefore, the Board proposes to seek approval of the Shareholders of the Company, approving the appointment and payment of remuneration to Ms. Sanjana Khaitan as detailed here under:

a) Salary: She shall receive a remuneration upto maximum of Rs. 1,00,00,000/- p.a. (Rupees One Crore Only) which shall be within the limits as prescribed under Schedule V of the Companies Act, 2013.

b) Perquisite: For such amount as may be decided by the Board of Directors.

Duties and Powers:

a) The Director shall devote her whole time attention to the business of the Company and perform such duties as may be entrusted to her by the Board from time to time and separately communicated to her and exercise such powers as may be assigned to her, subject to superintendence, control and directions of the Board in connection with and in the best interests of the business of the Company.

b) The Director shall not exceed the powers so delegated by the Board pursuant to clause (a) above.

c) The Director undertakes to employ the best of her skill and ability and to make her utmost endeavors to promote the interests and welfare of the Company and to conform to and comply with the policies and regulations of the Company and all such orders and directions as may be given to her from time to time by the Board.

In compliance with the provisions Companies Act, 2013 read with Schedule V, the terms of appointment and remuneration specified above are now being placed before the Members for their approval.

Accordingly, the Board recommends the appointment of Ms. Sanjana Khaitan as the Executive Director by way of Special Resolution.

Except Ms. Sanjana Khaitan (the appointee) and Mr. Sohan Lal Agarwal, none of the other Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise in this Resolution

The Board recommends the resolution set out at Item No. 4 of the accompanying Notice for your approval as a Special Resolution.

Item No. 5

Pursuant to Section 149, 150, 152 and 161 of the Companies Act, 2013 ("the Act") read with Companies (Appointment and Qualification of Directors) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Kushal Agarwal (DIN:10266809) was appointed as Additional Non-Executive Independent Directors of the Company by the Board of Directors of the Company w.e.f. 3rd August, 2023 for a consecutive period of 5 years subject to the approval and ratification by Shareholders at the General Meeting. The Company has received declaration that he meets with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act and under Listing Regulations. He has not been debarred from holding the office of Director pursuant to any SEBI order.

He possesses appropriate skills, experience and knowledge and in the opinion of the Board, fulfill the conditions for appointment as a Non-Executive Independent Director as specified in the Act and the Listing Regulations as amended. The brief profile is annexed to this notice.

The Company has received a notice under Section 160 of the Companies Act, 2013 proposing his candidature as Director of the Company.Accordingly, the Board recommends the appointment of Mr. Kushal Agarwal (DIN:10266809) as the Non-Executive Independent Director by way of Special Resolution.

None of the Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the aforementioned resolution.

Item No. 6

The Board of Directors upon the request/ commitment letter dated 21.08.2023 received from Proposed Allottees forming part of the Promoter / Promoter group category of the Company, to either make payment of their outstanding unsecured loan or to convert their loans in to equity shares, and thus, the Company has decided to convert amount outstanding towards the unsecured loan of the Proposed Allottees forming part of the Promoter/ Promoter Group, i.e., M/s. Websol Green Projects Private Limited and S.L. Industries Private Limited into equity shares of the Company. Further, the Board has also considered that in view of current financial situation and liquidity position of the Company, it would be in the interest of the Company to convert the unsecured loans of the Proposed Allottees (forming part of the Promoter / Promoter Group category) in Equity shares, which will enhance the Net worth and financial ratios of the Company. The Board has also received commitment letters from various Other Investors who have expressed their intention to subscribe to the Preferential Issue in cash which will further aid the Company to achieve its capital expenditure, working capital and general corporate requirements.

Thus, the Board of Directors had, at its meeting held on Monday, August 21, 2023, subject to the approval of the members of the Company and such other approvals as may be required, approved the issue of up to maximum of 36,08,929 (Thirty-Six Lakhs Eight Thousand Nine Hundred and Twenty-Nine) equity shares by way of private placement on a preferential basis to the Promoter/Promoter Group & Other Investors ("hereinafter referred as Proposed Allottees") at an Issue Price of Rs. 112/- (Rupees One Hundred and Twelve Only) per equity share ("Issue Price") [including a premium of Rs. 102/- (Rupees One Hundred and Two Only) per equity share, or such higher price which shall not be less than the price determined in compliance with provisions of Chapter V of the SEBI ICDR Regulations, aggregating to an amount not exceeding Rs. 40,42,00,048/- (Rupees Forty Crores Forty-Two Lakhs and Forty-Eight Only) upon the conversion of unsecured loan, to the extent outstanding as on date of the Promoter and Promoter group entities and by way of cash by the Other Investors, in accordance with Regulation 164 (1) of Chapter V (Preferential Issue) of the SEBI (ICDR) Regulations.

Since the Equity shares are proposed to be issued and allotted on private placement basis, the consent of the shareholders by a Special Resolution is necessary in terms of section 42 and 62(1) (c) of the Companies Act, 2013 subject to receipt of requisite corporate and regulatory approvals. The aforesaid issue and allotment of Equity shares will be governed by the provisions of the SEBI (ICDR) Regulations.

The disclosures as required in accordance with the provisions of the Companies Act, 2013, the SEBI (ICDR) Regulations and other applicable Regulations/ laws in relation thereto are as under:

Disclosure that is required to be made pursuant to clause 163(1) of the SEBI (ICDR) Regulations:

a) Object of the Issue:

There are Unsecured Loans from the Promoter and Promoter Group, and the Company proposes to issue such Number of Equity Shares on preferential basis in order to restructure the said unsecured loans held by such entities and to strengthen the Capital structure of the Company. The Promoters of the Company have requested the Board of the Company to either to make payment of their outstanding loans or to convert their outstanding unsecured loans amount due to the Company into equity shares. Thus, in view of current financial position of the Company, the Board of Directors of the Company has decided to convert unsecured loans into Equity shares which is in best interest of the Company and it will also strengthen the financial position of the Company which may increase net worth of the Company. The issue and allotment of equity shares by way of preferential allotment to other Investors is by way of cash contribution. Subject to the applicable law, the funds to be raised from the proposed issue of equity shares to other investors will be utilized towards capital expenditure, working capital requirements, and general corporate purposes or any combination thereof to pursue the business objects of the Company.

b) Maximum number of securities to be issued:

The Company proposes to issue up to maximum 36,08,929 (Thirty-Six Lakhs Eight Thousand Nine Hundred and Twenty-Nine) equity shares of the face value of Rs. 10/- (Rupees Ten Only) each fully paid up at an Issue Price of Rs. 112/- (Rupees One Hundred and Twelve Only) per equity share, including a premium of Rs. 102/- (Rupees One Hundred and Two Only) per equity share, aggregating upto Rs. 40,42,00,048/- (Rupees Forty Crores Forty-Two Lakhs and Forty-Eight Only) as determined under Regulation 164 of the SEBI (ICDR) Regulations, or at such higher price, which shall not be less than the minimum specified price as on the Relevant Date as per the SEBI (ICDR) Regulations subject to receiving the approval of the shareholders, stock exchanges and any other statutory approvals, if required. The "Relevant Date" as per Chapter V of the SEBI (ICDR) Regulations for the determination of the minimum price for equity shares to be issued is Tuesday, August 22, 2023, being the day which is 30 (Thirty) days prior to the date of the Annual General Meeting.

c) Intention of the Promoters/Directors/Key Management Persons to subscribe to this Offer:

The Promoter/ Promoter Group of the Company, as detailed below, intend to subscribe to the extent of 13,08,929 equity shares of face value of Rs. 10/- each (Rupees Ten Only) in lieu of their respective outstanding unsecured loan amount.

Name of the Proposed Allottees	PAN	Amount of unsecured loans which will be adjusted against issue of equity shares (Rs. In Crores)	No. of Securities
M/s. S. L. Industries Pvt. Ltd.	AADCS8623F	2.76	2,46,429*
M/s. Websol Green Projects Pvt. Ltd.	AABCW2306H	11.90	10,62,500*

*towards conversion of outstanding unsecured loan.

Except those as stated above, no other Promoters, Directors or Key Managerial Personnel or their relatives, intend to subscribe to the Preferential Issue of the Company.

d) Shareholding Pattern of the Company before and after the issue:

The pattern of shareholding before and after the proposed preferential issue of Equity shares would be as under:

Class of Members	Pre- Preferential Issue		Post- Preferential Issue (Assuming full Subscriptions of 36,08,929 Eq. Shares)	
	No. of Shares	% of share capital	No. of Shares	% of share capital
A. Promoters/ Promoter Group:				
a. Indian Promoters				
(i) Individuals/Hindu undivided Family	38,77,248	9.99	38,77,248	9.14
(ii) Others	65,07,554	16.77	78,16,483	18.43
b. Foreign Promoters	0	0.00	0	0.00
Total for Promoter Group (A)	1,03,84,802	26.77	1,16,93,731	27.57
A. Public Shareholdings:				
i Mutual Funds	6,200	0.02	6200	0.01
ii Other Financial Institutions	100	0.00	100	0.00
iii Foreign Portfolio Investors	16,05,258	4.14	16,05,258	3.79
iv Bank	0	0.00	0	0.00
v Central Government/ State Government/President of India	0	0.00	0	0.00
vi Non- Institutional				
- Individuals				
a. Individual members holding nominal share capital up to Rs. 2 Lakhs	1,82,72,079	47.10	1,82,72,079	43.09
b. Individual members holding nominal share capital in excess of Rs. 2 Lakhs	59,66,243	15.38	79,66,243	18.79
c. Non-Resident Indian (NRIs)	12,20,467		3.15	12,20,467
d. NBFCs registered with RBI	--	--	--	--
e. Any Other (Bodies Corporate, Trusts, Clearing Member)	13,42,269	3.46	16,42,269	3.87
vii Any Other	--	--		
Total Public Shareholdings (B)	2,84,12,616	73.23		3,07,12,616
GRAND TOTAL (A) + (B)	3,87,97,418	100.00	4,24,06,347	100.00

e) Proposed time within which the preferential issue shall be completed:

The allotment of equity shares is proposed to be made within 15 days of the date of passing of this resolution by the shareholders in the ensuing Annual General Meeting, provided that when the allotment on Preferential Basis is pending on account of pendency of any approval for such allotment by a regulatory authority or the Central Government, the allotment shall be completed within 15 days from the date of receipt of such approval. However, if so, required the period of allotment may be extended subject to requisite approval/applicable provisions.

f) Identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control the Proposed Allottees, the percentage of post preferential issue capital that may be held by them:

Name of the Proposed Allottees	Category	Identity of the Natural Person who is the ultimate Beneficial Owner	Pre- Preferential Issue Equity and Voting Share Capital of the Co.		Equity shares to be issued and allotted*	Post- Preferential Issue Equity and Voting Share Capital of the Company*	
			No.	%	No.	No.	%
Websol Green Projects Pvt. Ltd.	Promoter	Mr. Sohan Lal Agarwal	1087880	2.80	1062500	2150380	5.07
S. L. Industries Pvt Ltd	Promoter	Mr. Sohan Lal Agarwal	5419674	13.97	246429	5666103	13.36
Rajinder Kumar Jain	Non-Promoter	-	0	0.00	100000	100000	0.24
Devanshi Marfatia	Non-Promoter	-	0	0.00	100000	100000	0.24
Sanjeev Poddar	Non-Promoter	-	59820	0.15	100000	158920	0.38
Indus Equity Advisors Pvt Ltd	Non-Promoter	Mr Sushil C. Choksey	0	0.00	100000	100000	0.24
Adivam Family Trust	Non-Promoter	1. Mr. Rupesh Satnaliwala 2. Ms. Jyotsna Banerjee 3. Mr. Rajesh Dedhia 4. Ms. Anjali Tripathi 5. Mr. Shraddha Pawar	0	0.00	200000	200000	0.47
Ankita Rajeev Choksey	Non-Promoter	-	0	0.00	100000	100000	0.24
Naomi Mathews	Non-Promoter	-	24000	0.06	124000	124000	0.29
Abraham George	Non-Promoter	-	5500	0.01	405500	405500	0.96
Raju Omprakash Agarwal	Non-Promoter	-	50000	0.13	450000	450000	1.06
Priyanka Mishra	Non-Promoter	-	0	0.00	200000	200000	0.47
Rekha Bagrodia	Non-Promoter	-	0	0.00	100000	100000	0.24
Anita Jaideep Sampat	Non-Promoter	-	0	0.00	200000	200000	0.47
Malti Narendra Sampat	Non-Promoter	-	0	0.00	200000	200000	0.47

*Calculated on Post Preferential-Issue Capital of 4,24,06,347 equity shares.

g) The percentage of post preferential issue capital that may be held by the allottees and the change in control, if any, in the Company that would occur consequent to the Preferential Issue.

The percentage of post preferential issue capital that may be held by the allottees is detailed above under point no. f. above. Consequent to the proposed preferential allotment of equity shares, there will be no change in the control or management of the Company.

h) The Company undertakes that:

- It would re-compute the price of the Securities specified above in terms of the provisions of the SEBI (ICDR) Regulations where it is required to do so.
- If the amount payable on account of re-computation of price is not paid within the time stipulated in the SEBI (ICDR) Regulations the specified securities shall continue to be locked in till the time such amount is paid by allottees.

i) Undertaking:

The Issuer including its directors or Promoters have not been declared as wilful defaulter or a fraudulent borrower as defined under the SEBI (ICDR) Regulations. Further none of its Directors or Promoters is a fugitive economic offender as defined under the SEBI (ICDR) Regulations.

j) The Current and Proposed Status of the Allottee(s) post Preferential Issue namely, Promoters/Promoted Group:

There will be no change in the status of the allottees post the preferential issue. They shall remain to be the same i.e. Promoters/Promoter Group.

k) Certificate of Practicing Company Secretary:

The Certificate from Practicing Company Secretary, Ms. Sweta Gupta, Company Secretary in Practice and Proprietor of M/s. RSG Associates & Associates, Company Secretaries, having office at 108/110/1, G. T. Road, Sandhya Bazar, Howrah - 711101, UDIN: A059873E000868714 certifying that the preferential issue is being made in accordance with the requirements contained in the SEBI (ICDR) Regulations, is hosted on the Company's website and is accessible at link www.webelsolar.com.

l) No. of persons to whom allotment on preferential basis has already been made during the year, in terms of number of securities as well as price:

The Company has not made any preferential allotment during the current financial year 2023-24.

m) Valuation and justification for the allotment proposed to be made for consideration other than cash:

Not Applicable as the proposed issue is not for consideration other than cash.

n) Listing:

The Company will make an application to the Stock Exchanges at which the existing shares are listed, for listing of the equity shares. Such equity shares, once allotted, shall rank pari-passu with the existing equity shares of the Company in all respects, including dividend and voting rights.

o) Other Disclosures:

The proposed allottees have not sold any equity shares of the Company during the 90 trading days preceding the Relevant Date.

p) Lock-in:

- The Equity shares to be allotted shall be subject to 'lock-in' as per chapter V of the SEBI (ICDR) Regulations.
- The entire pre-preferential allotment shareholding of the above Allottees, if any, shall be locked-in from the Relevant Date up to a period of 90 trading days from the date of trading approval as per the SEBI (ICDR) Regulations.

q) Basis on which the price has been arrived at:

The equity shares of Company are listed and frequently traded on both the National Stock Exchange of India Limited and BSE Limited in accordance with SEBI (ICDR) Regulations. For the purpose of computation of the issue price per equity share, the data available at the National Stock Exchange of India Limited has been considered as it has higher trading volume during the preceding 90 trading days prior to the Relevant Date as compared to BSE Limited. In terms of the applicable provisions of the SEBI (ICDR) Regulations, the floor price for the Preferential Issue is Rs. 110.97/- per equity share. The Issue Price per equity share to be issued pursuant to the Preferential Issue is fixed at Rs. 112/- per equity share, being not less than the floor price computed in accordance with Regulation 164 of Chapter V of the SEBI (ICDR) Regulations.

Since the equity shares of the Company have been listed on the recognized Stock Exchanges for a period of more than 90 trading days prior to the Relevant Date, it is not required to re-compute the price per equity share to be issued and therefore, the Company is not required to submit the undertakings specified under Regulations 163(1) (g) and (h) of the SEBI (ICDR) Regulations.

In terms of the provisions of Section 42 and Section 62(1) (c) of the Companies Act, 2013 as amended including rules notified thereunder ("Act") read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 as amended and other applicable provisions, if any (including any statutory modifications(s) or reenactment thereof, for the time being in force), Regulation 160 (b) of the SEBI (ICDR) Regulations the said Equity shares issue requires prior approval of the shareholders of the Company by way of a special resolution.

The resolution and the terms stated therein and in the explanatory statement hereinabove shall be subject to the guidelines/ regulations issued/ to be issued by the Securities and Exchange Board of India or the Ministry of Corporate Affairs or any other regulatory/ statutory authorities in that behalf and the Board shall have the absolute authority to modify the terms contained herein or in the said resolution, if required by the aforesaid regulatory statutory authorities or in case they do not conform with the SEBI (ICDR) Regulations including any amendment, modification, variation or re-enactment thereof.

The approval of the members is being sought to enable the Board to issue and allot the equity shares on a preferential/ private placement basis, to the extent and in the manner as set out in the resolution and the explanatory statement. None of the Directors and their relatives and Key Managerial Personnel of the Company or their relatives is concerned or interested, financially of otherwise, in the proposed Special Resolution as set out in the Notice, except to the extent of their Shareholding, if any, in the Company.

The documents referred to in the Notice, for which this shareholder's approval is being obtained, will be available electronically for inspection without any fee by the members from the date of circulation of this Notice upto the date of the AGM i.e., 21st September, 2023. Members seeking to inspect such documents can send an email to investors@webelsolar.com, The Board accordingly recommends the resolution set forth above for approval of the members as a Special Resolution.

For Websol Energy System Limited

Date: 21st August, 2023
Place: Kolkata

Sumit Kumar Shaw
Company Secretary

BOARD'S REPORT

Dear Members,

The Board of Directors hereby submits the report of the business and operations of your Company ("the Company"), along with the audited financial statements, for the financial year ended 31st March, 2023.

STATE OF COMPANY'S AFFAIRS

Financial Performance

(Rs. In lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Total Income	2,023.33	21,781.34
Total Expenses	4,927.04	20,519.26
Profit or Loss before Exceptional Extraordinary items	**(2,903.73)**	**1,262.08**
Profit or Loss before tax	(3,153.66)	1,383.94
Less: Tax Expenses	(785.07)	416.95
Profit or Loss after Tax	**(2,368.59)**	**966.99**
Other Comprehensive Income	8.24	49.73
Total Comprehensive Income	**(2,360.35)**	**1,016.72**

During the year under review, the turnover of the Company has been reduced. The decline was primarily due to the discontinuance of the 250 MW cell line as part of the process to graduate towards the new Mono PERC technology in line with the planned expansion. On account of this, production had to be discontinued to dismantle the old manufacturing equipment and redesign the shop floor for the new operations. In view of this, the Company recorded net loss of Rs 23.68 crores for the financial year 2022-23. However, the Company reduced its liabilities throughout the year, strengthening its competitive position. However, your management has taken necessary steps to increase the production capacity.

The Company has reported total income of Rs. 2,023.33 Lakhs for the current financial year as compared to Rs. 21,781.34 Lakhs in the previous financial year. Total Comprehensive Income for the year under review amounted to Rs. (2,360.35) Lakhs in the current financial year as compared to Rs. 1,016.72 Lakhs in the previous financial year. The profit after tax for the year stands at Rs. (2,368.59) Lakhs as compared to Rs. 966.99 Lakhs in the previous year.

Change in nature of business

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

Management Discussion and Analysis Report

The Company's business activity primarily falls within a single business segment i.e., production of Solar Photo-Voltaic Cells and Modules. The analysis on the performance of the industry, the Company, internal control systems, risk management are presented in the Management Discussion and Analysis Report forming part of this report.

SHARE CAPITAL

Equity Shares

The paid-up Equity Share Capital as on 31st March, 2023 was Rs. 38,79,74,180/-. During the year under review, the Company has allotted 21,56,880 nos. of Equity Shares of Rs. 10/- each on Preferential Basis to following investors:

Name	Name of the Statute	Forum where dispute is pending
Websol Green Projects Private Limited	1087880	Conversion of Loan
India Max Investment Fund Limited	1069000	Cash

Other than above, there was no changes in the share capital of the Company.

Sweat Equity Shares

In terms of Sub-rule (13) of Rule 8 of The Companies (Share Capital and Debentures) Rules, 2014, the Company has not issued any Sweat Equity Shares.

Differential Voting Rights

In terms of Rule 4(4) of The Companies (Share Capital and Debenture Rules, 2014), the Company has not issued any share with Differential Voting Rights.

Employee Stock Options

In terms of Rule 12(9) of The Companies (Share Capital and Debenture Rules, 2014), the Company has not issued any Employee Stock Options.

DIVIDEND

Your Directors have not recommended any dividend for the year under review.

Transfer of unpaid & unclaimed Dividends & Shares to Investor Education and Protection Fund (IEPF)

Pursuant to Sections 124 and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") there was no unclaimed/unpaid dividend, hence the company is not required to transfer any amount to Investor Education and Protection Fund.

RESERVES

During the year under review, your Directors have not proposed to transfer any amount to Reserves.

MATERIAL CHANGES AND COMMITMENT

There are no material changes or commitments that took place after the close of financial year till date which will have any material or significant impact on the financials of the Company.

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

Conservation of Energy

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 as amended from time to time, are set out in the 'Annexure I'.

RISK MANAGEMENT

The Board of Directors have developed a risk management policy for the Company, identifying therein the elements of risk and concern that may threaten the existence of the Company. The senior management continuously evaluates the risk elements through a systematic approach to mitigate or reduce the impact of risk elements. The elements of risks and concerns are periodically reviewed by the Board of Directors. Discussion on risks and concerns have been made under 'Management Discussion and Analysis Report'.

CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES

Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, your Company has undertaken projects/ programs in accordance with the CSR Policy. The details of the CSR projects are given in 'Annexure II' to this Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not given any loan or provided any guarantee or made any investment under provisions of Section 186 of the Companies Act, 2013. However, the particulars of all loans, guarantees or investments made by the Company are given in notes to Financial Statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

All transactions entered with Related Parties during the financial year were on an arm's length basis and were in ordinary course of business and the provision of Section 188 of the Companies Act, 2013 are not attracted. There are no materially significant related party transactions during the period under review made by the Company with Promoters, Directors or other designated person which may have a potential conflict with the interest of the Company at large. Thus, disclosure in Form AOC- 2 is not required. However, details of all related party transactions are given in Notes to Financial Statements.

BOARD OF DIRECTORS, COMMITTEES AND MANAGEMENT

Composition:

The composition of the Board of Directors and its Committees, viz., Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee and Corporate Social Responsibility Committee are constituted in accordance with Companies Act, 2013 ("the Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["SEBI (LODR) Regulations, 2015"], wherever applicable. The details are provided in Corporate Governance Report which forms the part of the Annual Report.

Appointment

Considering the knowledge, expertise, experience, skills and based on the recommendation of Nomination and Remuneration Committee, the Board of Directors had appointed Mr. Vishal Patodia (DIN: 06859788) as the Non-Executive Independent Director of the Company for a period of 5 (five) consecutive years w.e.f. 18th April, 2022 and his appointment was subsequently approved by the Members at the Extra-Ordinary General Meeting held on 20th August, 2022.

Further, Mrs. Dipti Budhia (DIN: 03076890) was also appointed by the Board as the Non-Executive Director of the Company w.e.f. 18th April, 2022, whose appointment was confirmed by the Members a t the Extra-Ordinary General Meeting held on 20th August, 2022.

Mrs. Sanjana Khaitan (DIN: 07232095) was appointed as Executive Director of the Company w.e.f. 12th November, 2022.

Resignation

Mrs. Sushma Khaitan (DIN: 00132305), Non-Executive Director and Mr. Ritesh Ojha (DIN: 08277744), Non-Executive Independent Director of the Company resigned from the Board w.e.f. 18th April, 2022 and 12th May, 2022 respectively.

Mr. Gopal Mohan Kedia (DIN: 01479870), Non-Executive Independent Director of the Company resigned from the Company w.e.f. 5th May, 2023.

Retirement by Rotation

Pursuant to Section 152 of the Companies Act, 2013, at least two–third of the total number of Directors (excluding independent directors) shall be liable to retire by rotation.

The Independent Directors hold office for a fixed term of not exceeding five years from the date of their appointment and are not liable to retire by rotation.

Accordingly, Mrs. Dipti Budhia (DIN: 03076890), Non-Executive Director, being the longest in the office among the Directors liable to retire by rotation, retires from the Board this year and, being eligible, has offered herself for re–appointment.

The brief resume and other details relating to Mrs. Dipti Budhia (DIN: 03076890) who is proposed to be re-appointed, as required to be disclosed under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is incorporated in the annexure to the notice calling ensuing Annual General Meeting.

Meetings of the Board & Committees:

The details of Board and Committee Meetings held during the Financial Year ended on 31st March, 2023 and the attendance of the Directors are set out in the Corporate Governance Report which forms part of this report. The maximum time gap between any two Board Meetings was not more than 120 days as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Companies Act, 2013 and Secretarial Standard on Meetings of the Board of Directors.

The details of meeting of Independent Directors are set out in the Corporate Governance Report which forms part of this report.

Declaration by Independent Directors

The Company has received requisite declarations/ confirmations from all the Independent Directors confirming their independence as per provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board relies on their declaration of independence.

Familarisation Programme for Independent Directors

Pursuant to the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated a programme for familiarising the Independent Directors, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc. through various initiatives.

Further, at the time of appointment of an Independent Director, the company issues a formal letter of appointment outlining his/ her role, function, duties and responsibilities as a director. The details of programmes for familiarisation for Independent Directors are available on the website of the Company www.webelsolar.com.

Annual Evaluation of Board's Performance

In compliance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors has carried out an annual evaluation of its own performance, board committees and individual directors. The details are provided in Corporate Governance Report which forms the part of the Annual Report.

Directors' Responsibility Statement:

In accordance with the provisions of Section 134(5) of the Companies Act, 2013, your Directors state that:

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

b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit / 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;

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; and

f) 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.

KEY MANAGERIAL PERSONNEL

Mr. Sumit Kumar Shaw was appointed as Chief Financial Officer (CFO) of the Company w.e.f. 20th May, 2022 who subsequently resigned w.e.f. 6th June, 2023. There were no other changes in Key Managerial Personnel of the Company.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has adopted a Vigil Mechanism/Whistle Blower Policy to provide a formal mechanism to the Directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. It aims to provide an avenue for employees through this policy to raise their concerns on any violation of legal or regulatory requirements, suspicious fraud, misfeasance, misrepresentation of any financial statements and reports. It also provides for direct access to the Chairman of the Audit Committee. The Vigil Mechanism/Whistle Blower Policy is being made available on the Company's website www.webelsolar.com.

NOMINATION AND REMUNERATION POLICY

Pursuant to the provisions of Section 178 of the Companies Act, 2013, the Board, on the recommendation of the Nomination and Remuneration Committee, has framed a Nomination and Remuneration Policy for selection, appointment and remuneration of Directors and Key Managerial Personnel including criteria for determining qualifications, positive attributes and independence of Directors. The policy has been duly approved and adopted by the Board, pursuant to the recommendations of the Nomination and Remuneration Committee. The Remuneration Policy has been uploaded on the Company's website www.webelsolar.com. Further the salient features of the policy are given in the Report of Corporate Governance forming part of this Annual Report.

ANNUAL RETURN

The Annual Return of the Company as on 31st March, 2023 in Form MGT - 7 is in accordance with Section 92(3) of the Act read with the Companies (Management and Administration) Rules, 2014 and is available on the website of the Company at www.webelsolar.com.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any subsidiary, associate or joint venture. There was no Company which has become or ceased to be Company's Subsidiary, Joint Venture or Associate during the Financial Year 2022-23.

DEPOSITS

During the year under review, your Company has neither accepted nor renewed any deposits from public within the meaning of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

INTERNAL FINANCIAL CONTROL AND ITS ADEQUECY

The Company has laid down an adequate system of internal controls, policies and procedures for ensuring orderly and efficient conduct of the business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures.

The current system of internal financial control is aligned with the statutory requirements. Effectiveness of internal financial control is ensured through management reviews, controlled self-assessment and independent testing by the Internal Auditor.

AUDIT AND ALLIED MATTERS

Statutory Auditor

M/s G. P. Agrawal & Co., (FRN: 302082E) Chartered Accountants, have been appointed as Statutory Auditors of the Company at the Annual General Meeting held on 29th September, 2018 for a term of 5 consecutive years to hold office till the conclusion of 33rd Annual General Meeting to be held in the year 2023.

Since, the tenure of existing Statutory Auditors is expiring at the ensuing Annual General Meeting, the Board of Directors have recommended the re-appointment of M/s G. P. Agrawal & Co., (FRN: 302082E) Chartered Accountants, for further period of 5 (five) years to hold office from the conclusion of ensuing 33rd Annual General Meeting till the conclusion of 38th Annual General Meeting to be held in the year 2028.

The Statutory Auditors have confirmed that they are not disqualified from continuing as Auditors of the Company.

The Statutory Auditor Report to the Members for the year ended 31st March, 2023 does not contain any qualification, reservation, adverse remark or disclaimer. Also there has been no instance of fraud reported by the statutory auditors for the period under review.

Internal Auditor

As recommended by the Audit Committee, the Board of Directors had re-appointed M/s. M. Kumar Jain & Co., Chartered Accountants, as Internal Auditors of the Company to conduct internal audit and their report on findings is submitted to the Audit Committee on periodic basis.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors had re-appointed Mr. Abhijit Majumdar, Company Secretary in Practice, to undertake the Secretarial Audit of the Company. The Secretarial Audit Report for the Financial Year 2022-23 in the prescribed Form MR-3 is appended as 'Annexure III' to this Board's Report.

COST RECORDS

The Company is not required to maintain cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013.

CORPORATE GOVERNANCE

The Company adheres to follow the best corporate governance. As per Regulation 34 read with Schedule V (C) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Report on Corporate Governance along with a certificate received from the Secretarial Auditors confirming compliance is annexed and forms part of the Annual Report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS

There were no significant and material orders passed by the Regulators or Courts or Tribunals during the year under review impacting the going concern status and the operations of the Company in future.

DISCLOSURE ON SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('POSH Act') and Rules made thereunder, your Company have constituted Internal Complaints Committee for providing a redressal mechanism pertaining to sexual harassment of women employees at workplace.

During the year under review, no complaint was filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

REMUNERATION RATIO TO DIRECTORS/KMP/ EMPLOYEES

The disclosures pertaining to remuneration and other details as required under Section 197 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as 'Annexure IV' forming part of this report.

OTHER DISCLOSURES

Secretarial Standards

The company has complied with the applicable provisions of Secretarial Standards SS-1 and SS-2 with respect to convening of Board Meetings and General Meetings during the period under review.

Proceeding pending under the Insolvency and Bankruptcy Code, 2016

No application has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable.

Business Responsibility Report

Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 was not applicable to the Company during the year under review, based on the market capitalization.

Insurance

The Company has taken appropriate insurance for all assets against foreseeable perils.

APPRECIATION & ACKNOWLEDGEMENT

Your Directors express their sincere appreciation for the assistance and co-operation received from the Government authorities, financial institutions, banks, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services continuously being rendered by the Company's executives, staff and workers.

For and on behalf of the Board
Websol Energy System Limited

Sohan Lal Agarwal
Chairman & Managing Director
(DIN:00189898)

Place: Kolkata
Date: 14th August, 2023

Information under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 and forming part of the Board's Report for the year ended 31st March, 2023.

A. CONSERVATION OF ENERGY

The business unit continued their efforts to improve energy usage efficiencies and increase the share of renewable energy. The Company has taken adequate steps to ensure comparatively low energy consumption, following steps were taken:

a) Time to time replacement of old machinery with new machines having more efficient and cost-effective features.

b) Installation of Solar Power Project is being done at plant.

c) Continuous use of CFL & LED lights is being encouraged.

B. TECHNOLOGY ABSORPTION

1. Research and Development (R & D)

   No specific expenditure is made under the head R & D, constant development efforts are made to increase the efficiency and for cost reduction.

2. Technology Absorption, Adoption & Innovation

   The Company has fully absorbed the technology to manufacture Solar Photovoltaic Cells and Modules.

3. Information regarding Imported Technology

(a) Technology Imported	The technology to manufacture Solar Photovoltaic Cells and Modules has been imported from Helios Technology, Italy.
(b) Year of Import	1994-1995.
(c) Has technology been fully absorbed	Yes, fully absorbed.
(d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plan of action.	Not Applicable.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

(Rs. In lakh)

Particulars	For the year 2022-23	For the year 2021-22
(a) Foreign Exchange earnings of the Company	196.81	-
(b) Foreign Exchange Outgo		
(i) C. I. F. value of import of Raw Materials, Components, Spare parts and Capital Goods	413.43	11,776.00
(ii) Others	0.00	0.00

For and on behalf of the Board
Websol Energy System Limited

Sohan Lal Agarwal
Chairman & Managing Director
(DIN:00189898)

Place: Kolkata
Date: 14th August, 2023

Annual Report on Corporate Social Responsibility Activities as prescribed under Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014

1. Brief outline on CSR Policy of the Company:

The vision of our company, is to unleash the potential of everyone we touch. As we seek to do that, we aim at sustainable and inclusive growth, by making definitive triple bottom-line (social, economic and environmental) impact. While we always had a strong commitment to comply with the law, we seldom hesitate to go beyond the limits laid under law and put in an extra effort to achieve the status of a responsible corporate citizen in tune with the Company's values. Aiming at creating shared values for all stakeholders, we seek to integrate Corporate Social Responsibility ("CSR") into our businesses processes.

The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and Rules made thereunder. The CSR Policy provides for carrying out CSR activities in respect of those areas as provided in Schedule VII of the Companies Act, 2013. The CSR Policy of the Company can be accessed at the website of the Company at www.webelsolar.com.

2. Composition of CSR Committee:

As per the Companies Act, 2013, the Company has constituted CSR Committee consisting of following directors:

Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
Mr. Sohan Lal Agarwal	Chairman - Executive Director	1	1
Mr. Dharmendra Sethia	Member - Non-Executive Independent Director	1	1
Mr. Deven Kaushik	Member - Non-Executive Independent Director	1	1

3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company:

These details are disclosed on the Company's website at www.webelsolar.com.

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable:

The Company at present is not required to carry out impact assessment in pursuance of sub- rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014.

5. (a) **Average net profit of the Company as per section 135(5):** Rs. 2608.00 Lakhs

   (b) **Two percent of average net profit of the company as per section 135(5):** Rs. 52.16 Lakhs

   (c) **Surplus arising out of the CSR projects or programmes or activities of the previous financial years:** 1.81 lakhs

   (d) **Amount required to be set off for the financial year, if any:** Nil

   (e) **Total CSR obligation for the financial year [(b)+(c)-(d)]:** Rs. 50.35 lakhs

6. (a) **Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project:** Rs. 50.36 Lakhs

   (b) **Amount spent in Administrative Overheads:** Nil

   (c) **Amount spent on Impact Assessment, if applicable:** Nil

   (d) **Total amount spent for the Financial Year [(a)+(b)+(c)]:** Rs.50.36 lakhs

   (e) **CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year (Rs. in lakhs)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
50.36 lakhs	Nil	Not Applicable	Not Applicable	Nil	Not Applicable

(f) **Excess amount for set off, if any:** Nil

7. **Details of Unspent CSR amount for the preceding three financial years:** Not Applicable

8. **Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:** No

9. **Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):** Not Applicable

For and on behalf of the Board
Websol Energy System Limited

	Sanjana Khaitan	**Sohan lal Agarwal**
Place: Kolkata	Director	Chairman, CSR Committee
Date: 14th August, 2023	(DIN:07232095)	(DIN: 00189898)

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
Websol Energy System Limited
Plot No. 849, Block P
48 Pramatha Choudhary Sarani,
2nd Floor, New Alipore,
Kolkata-700053

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Websol Energy System Limited** (hereinafter called "the Company"). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

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

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

(i) The Companies Act, 2013 ("the Act") and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not Applicable to the Company during the period under review);

d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (Not Applicable to the Company during the period under review);

e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (Not Applicable to the Company during the period under review);

f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (Not Applicable to the Company during the period under review);

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not Applicable to the Company during the period under review); and

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not Applicable to the Company during the period under review).

(vi) Other applicable laws generally applicable to the Industry/ Company:

a) The Factories Act, 1948;

b) The Payment of Wages Act, 1936;

c) The Minimum Wages Act, 1948;

d) The Payment of Gratuity Act, 1972;

e) The Child Labour (Prohibition& Regulations) Act, 1986;

f) The Environment (Protection) Act, 1986, read with the Environment (Protection) Rules, 1986;

g) The Water (Prevention & Control of Pollution) Act, 1974, read with Water (Prevention & Control of Pollution) Rules, 1975;

h) The Air (Prevention & Control of Pollution) Act, 1981 read with Air (Prevention & Control of Pollution) Rules, 1982.

i) Information Technology Act, 2000 and the rules made thereunder;

j) Special Economic Zone Act, 2005and rules made thereunder

k) National Renewable Energy Act, 2015 etc

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

(i) Secretarial Standard-I and II issued by the Institute of Company Secretaries of India;

and

(ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above. However, the Company has been advised to upgrade standards of compliance with SS as applicable and the company has slightly delayed in compliance of Regulation 32(1) of SEBI(LODR) Regulations, 2015 has been observed

In respect of other laws specifically applicable to the Company, I have relied on the information/records produced by the Company during the course of my audit and the reporting is limited to that extent.

I further report that

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

Adequate notice was given to all directors to schedule the Board Meetings/committee meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decisions is carried through while dissenting members' views, if any, are captured and recorded as part of the minutes.

I further report that based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Company Secretary and taken on record by the Board of Directors at their meeting(s), I am of the opinion there are adequate systems and processes in place in the Company which is commensurate with its size and operations, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, there were no major events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. except:

a) The Company had allotted 21,56,880 nos. of Equity Shares of Rs. 10/- each on Preferential Basis, during the year under review.

Abhijit Majumdar
Practising Company Secretary
M. No.: 9804
C.P. No.: 18995
UDIN: A009804E000432248
ICSI Peer Review No.: 1341/2021

Place: Kolkata
Date: 30th May, 2023

Annexure-I

To
The Members,
WEBSOL ENERGY SYSTEM LIMITED
Plot No. 849, Block P 48 Pramatha Choudhary Sarani,
2nd Floor, New Alipore,
Kolkata-700053

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

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

Abhijit Majumdar
Practising Company Secretary
M. No.: 9804
C.P. No.: 18995
UDIN: A009804E000432248
ICSI Peer Review No.: 1341/2021

Place: Kolkata
Date: 30th May, 2023

PARTICULARS OF EMPLOYEES

The information required pursuant to section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given hereunder:

i. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year are given hereunder:

Name	Designation	Remuneration paid during FY 2022-23* (Rs. in Lakhs)	Ratio of remuneration to median remuneration of employees (Including Whole-time Directors)
1. Mr. S.L Agarwal	Managing Director	132.45	90.93
2. Mrs. Sreeram Vasanthi	Executive Director	10.80	7.41
3. Ms. Sanjana Khaitan	Executive Director	15.02	10.31

**Sitting fees paid to Non-executive Directors during the year is not considered as remuneration for ratio calculation purpose.*

ii. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year are given hereunder:

Name	Designation	% increase in remuneration in the financial year
Mr. S.L Agarwal	Managing Director	0%
Ms. Sanjana Khaitan	Executive Director	0%
Mr. Mr. Sumit Kumar Shaw	Company Secretary	0%

iii. The percentage of increase in the median remuneration of employees in the financial year 0% (due to No Annual Appraisal).

iv. The number of permanent employees on the role of company as on March 31, 2023 is 225 nos., including Executive directors.

v. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: Nil

vi. Affirmation that the remuneration is as per the remuneration policy of the company: The Board of Directors of the Company affirms that the remuneration is as per the Remuneration Policy of the Company.

For and on behalf of the Board
Websol Energy System Limited

Sohan lal Agarwal
Chairman & Managing Director
(DIN: 00189898)

Place: Kolkata
Date: 14th August, 2023

CORPORATE GOVERNANCE REPORT

The Corporate Governance Report, as applicable for the year ended 31st March, 2023 is set out below for the information of shareholders, investors and other stakeholders of Websol Energy System Limited (hereinafter referred to as the "Company" / "Websol"):

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The Company places great emphasis on upholding robust corporate governance practices, guided by a steadfast commitment to integrity, fairness, equity, transparency, accountability, and the promotion of core values. Recognizing that sustainable and long-term growth for all stakeholders hinges upon the prudent and effective utilization of available resources, the Company is dedicated to achieving business excellence while actively contributing to societal growth, environmental equilibrium, and overall economic progress. Throughout its existence, the Company has successfully embedded best practices of corporate operations and ethical conduct into its processes, transparently and effectively addressing governance issues. Despite the need to continuously adapt to a competitive economic landscape, the Company remains unwavering in its preservation and future continuation of deeply ingrained values intrinsic to its corporate culture.

Websol is professionally managed Company, which is run by highly qualified and expert professionals. The Board is responsible and committed to sound principles of Corporate Governance & Sustainability.

2. BOARD OF DIRECTORS

The Board of Directors ("Board") is responsible for the strategic supervision and overseeing the management performance and governance of the Company on behalf of the Members and other stakeholders. The Board sets out the overall corporate objectives and provides direction and independence to the management to achieve these objectives for value creation through sustained growth. The primary role of the Board is that of trusteeship to protect and to enhance shareholder value. As trustees, the Board has a fiduciary responsibility to ensure that the Company has clear goals aligned to shareholder value.

The Company's Board is an ideal mix of knowledge, perspective, professionalism, divergent thinking and experience. Board's uniqueness lies in the fact that the Board balances several deliverables, achieves sound corporate governance objectives and acts as a catalyst in creation of stakeholder value.

Composition and Category of Directors

The Company has a balanced mix of Executive, Non-Executive, including Independent Director which plays a crucial role in Board processes and provides independent judgement and helps the Company in improving corporate credibility and governance standards.

As on 31st March 2023, the Board of Directors of the Company comprises of 8 (Eight) directors, of whom 3 (three) were Executive Directors and 5 (five) were Non-Executive, out of which 4 (four) were Independent Directors.

In terms of the provisions of the Companies Act, 2013 ("the Act") and the SEBI Listing Regulations, the Directors of the Company submit necessary disclosures regarding the positions held by them on the Board and/ or the Committees of other companies with changes therein, if any, on periodical basis. On the basis of such disclosures, it is confirmed that as on 31st March, 2023, none of the Directors of the Company:

- holds Directorship positions in more than Twenty (20) companies [including Ten (10) public limited companies and Seven (7) listed companies;
- holds Executive Director position and serves as an Independent Director in more than Three (3) listed companies;
- is a Member of more than Ten (10) Committees and/ or Chairperson of more than Five (5) Committees, across all the Indian public limited companies in which they are Directors.

Details of attendance of each director at the Board Meetings and the last Annual General Meeting (AGM) along with number of other directorship(s) and other Board Committee Chairmanship(s)/Membership(s) held as on 31st March, 2023

Name of the Directors	Category	Attendance Particulars		No. of other Directorship(s) / Committee memberships / chairmanships held		
		at Board Meeting (s)	Last AGM	Other Directorship (s)$	Committee Membership (s) $$	Committee Chairmanship(s)
Mr. Sohan Lal Agarwal	Executive Managing Director	12	Yes	-	-	-
Mrs. Sreeram Vasanthi	Executive Director	12	Yes	-	-	-
Mr. Dharmendra Sethia	Non-Executive Independent Director	12	Yes	-	-	-
Mr. Deven Kaushik	Non-Executive Independent Director	12	Yes	-	-	-
Mrs. Dipti Budhia*	Non-Executive Non-Independent Director	11	Yes	-	-	-
Mr. Vishal Patodia*	Non-Executive Independent Director	11	Yes	-	-	-
Ms. Sanjana Khaitan**	Executive Director	2	NA	-	-	-
Mr. Gopal Mohan Kedia#	Non-Executive Independent Director	12	Yes	-	-	-

** appointed w.e.f., 18th April, 2022*

*** appointed w.e.f. 12th November, 2022*

#resigned w.e.f. 5th May, 2023

$ excludes Directorships held in Private Limited Companies, Foreign Companies and Section 8 Companies

$$ Committees considered are Audit Committee and Stakeholder's Relationship Committee

Mr. Gopal Mohan Kedia (DIN: 01479870), the Independent Director resigned from the Company as he was unable to continue to serve on the Board, owing to other preoccupations and commitment to complete some time-bound responsibilities. The Director has confirmed that there are no other reasons for resignation other than stated above.

Names of other listed entities where the person is a director and the category of directorship

None of the Directors are holding Directorship in other listed entities as on 31st March, 2023.

Meetings of the Board of Directors

During the year under review, 12 (Twelve) Meetings of the Board of Directors were held on 18th April, 2022, 20th May, 2022, 30th May, 2022, 28th June, 2022, 1st July, 2022, 21st July, 2022, 25th August, 2022, 7th September, 2022, 2nd November, 2022, 12th November, 2022, 21st January, 2023 and 14th February, 2023 respectively. The gap between any two meetings does not exceed 120 days.

Shareholding of Directors

Details of equity shares of the Company held by the Directors as on 31st March, 2023 are given below:

Name	Category	Number of Shares
Mr. Sohan Lal Agarwal	Executive Director	38,63,208

Disclosures of Relationships between directors

Ms. Sanjana Khaitan is the grand-daughter of Mr. Sohan Lal Agarwal. Except this, no Director is related to any other Director on the Board.

Skills / Expertise / Competencies of the Board of Directors

The following is the list of core skills / expertise / competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available with the Board Members:

Sl. No.	Area of core skills / expertise / competence	Available with the Board	Name of the directors who have such skills/ expertise/ competence
1	Leadership	Yes	All Directors
2	Understanding of Jute Industry and its Operations	Yes	All Directors
3	Sales and Marketing	Yes	All Directors
4	Regulatory Compliances, Legal, Due Diligence	Yes	All Directors
5	Finance, Corporate Planning, Strategy Formulation and overall Management	Yes	All Directors

The eligibility of a person to be appointed as a Director of the Company is dependent on whether the person possesses the requisite skill sets identified by the Board as above and whether the person is a proven leader in running a business that is relevant to the Company's business or is a proven academician in the field relevant to the Company's business.

Board Procedure

The Board of Directors convenes regular meetings to discuss and review strategic, operational and financial matters. It adheres to a formal schedule and has a predefined set of reserved matters for its decision-making. These include approving interim and preliminary financial statements, budgets, the annual financial plan, significant contracts, capital investments and strategic decisions such as business restructuring, debt management and human resources.

Board Meetings Notice is circulated to the members of the Board, well in advance. The agenda is circulated well in advance to the Board members, along with comprehensive back-ground information on the items in the agenda to enable the Board members to take informed decisions. The agenda and related information are circulated in electronic form through their email, which is easily accessible to the Board members. The Board ensures that all relevant information is provided to directors before each meeting. The information as required under Part A of Schedule II to the SEBI Listing Regulations is also made available to the Board, wherever applicable, for their consideration. The Company adheres to the Secretarial Standard-1 on the Board and Committee Meetings as prescribed by the Institute of Company Secretaries of India.

Code of Conduct for Board of Directors and Senior Management

The Company has adopted a Code of Conduct for the Board of Directors and Senior Management (The Code). The Code has been communicated to the Directors and Senior Management. The Code has also been posted on the Company's website at www.webelsolar.com. All Board of Directors and Senior Management have confirmed compliance with code for the year ended 31st March, 2023.

Apart from receiving remuneration, if any, that they are entitled to under the Act as Non-Executive Directors and reimbursement of expenses incurred in the discharge of their duties, none of the Non-Executive Directors has any other material pecuniary relationship or transactions with the Company, its Promoters or its Directors and its Senior Management.

The Senior Management of the Company have made disclosures to the Board confirming that there is no material financial and/ or commercial transactions between them and the Company that could have potential conflict of interest with the Company at large.

Independent Directors and Separate Meeting of Independent Directors

Independent Directors play an eminent role in the governance processes of the Board. By virtue of their varied expertise and experience, they enrich the Board's decision-making and prevent possible conflicts of interest that may emerge in such decision-making and safeguards the interests of all stakeholders.

The appointment of Independent Directors is carried out in a structured manner in accordance with the provisions of the Act and the SEBI Listing Regulations. The Nomination & Remuneration Committee identifies candidates based on certain laid down criteria and takes into consideration the need for diversity on the Board and accordingly makes its recommendations to the Board of Directors.

Certificates have been obtained from the Independent Director confirming their position as Independent Director on the Board of the Company in accordance with Section 149 of the Companies Act, 2013 read with Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Based on the declarations received from the Independent Directors, the Board confirms that the Independent Directors fulfill the conditions specified in these regulations and that they are Independent of the Management.

The Company also has a structured Familiarization framework for the Independent Directors. It takes due steps for familiarizing the Independent Directors with the Company's procedures and practices, by providing them the necessary documents, reports and internal policies. The familiarization programme for Independent Directors is given on the website at www.webelsolar.com.

As stipulated by Regulation 25(3) of the SEBI Listing Regulations and Section 149(8) read with Clause VII of Schedule IV of the Companies Act, 2013, a separate meeting of the Independent Directors of the Company was held on 13th March, 2023 during the Financial Year, without the attendance of Non-Independent Directors.

The Independent Directors, inter-alia, reviewed the performance of Non-Independent Directors and the Board as a whole, assessed the quality, quantity and timeliness of flow of information between the Company's Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

3. AUDIT COMMITTEE

Audit Committee acts in accordance with the terms and reference specified by the Board which includes the recommending on the appointment, re-appointment, terms of appointment, replacement or removal of the statutory auditor and the fixation of audit fees, review and monitor the auditor's performance and effectiveness of the audit process, financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, evaluation of internal financial control and risk management system, any subsequent modification of transaction of the Company's related party, monitoring the end use of the fund raised through public offers and related matters.

Brief description of Terms of Reference

The terms of reference of the Audit Committee are in line with Regulation 18(3) read with Schedule II, Part - C of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013 are briefly described below:

- To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- To recommend the appointment, remuneration and terms of appointment of the Statutory Auditors and Internal Auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the Management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
    a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
    b) Changes, if any, in accounting policies and practices and reasons for the same;
    c) Major accounting entries involving estimates based on the exercise of judgment by Management;
    d) Significant adjustments made in the financial statements arising out of audit findings;
    e) Compliance with listing and other legal requirements relating to financial statements;
    f) Disclosure of any related party transactions;
    g) Modified opinion(s) in the draft audit report, if any.
- To review with management, the quarterly financial statements before submission to the board for approval;
- Reviewing, with the Management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take steps in the matter;
- To review and monitor the Auditor's independence and performance and effectiveness of the Audit Process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of Inter-corporate loans and Investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up thereon;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

- To review the functioning of the whistle blower mechanism;
- Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- To review the utilization of loans and/ or advances from/ investment by the company to its subsidiary exceeding 100 crore or 10% of the asset size of the subsidiary, whichever is lower, including existing loans / advances / investments;
- To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;
- Carrying out any other function as is mentioned in the terms of reference of the audit committee.

Review of information by Audit Committee

- To review the following:

a) management discussion and analysis of financial condition and results of operations;

b) management letters / letters of internal control weaknesses issued by the statutory auditors;

c) internal audit reports relating to internal control weaknesses; and

d) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.

e) statement of deviations:

  - quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7).

Composition, Name of members and Chairperson

The details of composition of the Audit Committee with name of members and chairperson are as follows:

S No	Name of the Committee Members	Designation in the Committee	Category
1.	Mr. Dharmendra Sethia	Chairperson	Non-Executive - Independent Director
2.	Mr. Deven Kaushik	Member	Non-Executive - Independent Director
3.	Mr. Sohan Lal Agarwal	Member	Executive - Director

All the members of the Audit Committee have rich experience and knowledge in financial and accounting areas.

Meetings and Attendance during the year

During the year, 4 (four) meetings of the Audit Committee were held on 30th May, 2022, 25th August, 2022, 12th November, 2022 and 14th February, 2023.

Name of the Directors	Number of Meeting attended
Mr. Dharmendra Sethia	4
Mr. Deven Kaushik	4
Mr. Sohan Lal Agarwal	4

Representatives of statutory auditor were invitees to the meetings of the audit committee. The Chairman of the Audit Committee was present at the previous AGM of the Company held on 30th September, 2022. Minutes of Audit Committee were placed before the Board for noting. The Company Secretary acts as the secretary to the Audit Committee. The maximum gap between any two Audit Committee Meetings was less than one hundred and twenty days.

4. NOMINATION AND REMUNERATION COMMITTEE

Terms of Reference

The terms of reference of the Nomination and Remuneration Committee include:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommended to the Board a policy, relating to the remuneration of the Directors, Key managerial Personnel and other employees;
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Identification of person who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommended to the Board their appointment and removal;
- Devising a policy on Board diversity;
- Deciding whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

- Recommend to the board, all remuneration, in whatever form, payable to senior management;
- Evaluating the balance of skills, knowledge and experience on the Board upon the appointment of an independent Director. Based on this evaluation, preparing a description of the role and capabilities required of an independent Director. The recommended candidate for the position of an independent Director should possess the identified capabilities. The Committee may utilize external agencies, consider candidates from diverse backgrounds, and take into account the time commitments of the candidates when identifying suitable candidates.

Composition, Name of Members and Chairperson

The details of composition of the Nomination & Remuneration Committee with name of members and chairperson are as follows:

S No	Name of the Committee Members	Designation in the Committee	Category
1.	Mr. Dharmendra Sethia	Chairperson	Non-Executive - Independent Director
2.	Mr. Deven Kaushik	Member	Non-Executive - Independent Director
3.	Mr. Ritesh Ojha*	Member	Non-Executive - Independent Director
4.	Mr. Vishal Patodia#	Member	Non-Executive - Independent Director

** resigned w.e.f. 12th May, 2022*

 # appointed w.e.f. 18th April, 2022

Meetings and Attendance during the year

During the year under review, 3 (three) meetings of the Nomination & Remuneration Committee Committee were held on 18th April, 2022, 20th May, 2022 and 12th November, 2022.

Name of the Directors	Number of Meeting attended
Mr. Dharmendra Sethia	3
Mr. Deven Kaushik	3
Mr. Ritesh Ojha	1
Mr. Vishal Patodia	2

The Chairman of the Nomination and Remuneration Committee was present at the previous AGM of the Company held on 30th September, 2022.

Performance Evaluation

Pursuant to the provisions of the Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Guidance Note on Board Evaluation issued by the SEBI, Nomination and Remuneration Committee has devised a criteria for the evaluation of the performance of Directors including Independent Directors. An indicative list of factors on which evaluation was carried out includes experience, attendance, acquaintance with the business, effective participation, strategy, contribution and independent judgement.

During the financial year 2022-23, the performance of the independent directors was evaluated by the entire Board, excluding the director being evaluated.

The Independent Directors at their separate meeting reviewed the performance of: Non-Independent Directors and the Board as a whole and the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

The performance evaluation process for the Financial Year 2022-23 has been completed.

Nomination and Remuneration Policy

The Company has adopted a Nomination and Remuneration Policy for its Directors, Key Managerial Personnel and other employees. The Nomination & Remuneration Committee formulates and reviews Nomination and Remuneration Policy and also lays down the criteria for determining qualifications, positive attributes, Independence of Director and Board diversity. The Policy laid down the factors for determining remuneration of Non-Executive Directors, Key Managerial Personnel and other employees.

The Company does not have any Employee Stock Option Scheme. The Nomination and Remuneration policy may be referred to at the Company's official website at the web link www.webelsolar.com.

A. Remuneration to Executive Directors:

The Executive Directors are paid salary as per agreement, considered by Board & Committee. In addition, the Company provides with certain perquisites, allowances and benefits in accordance with terms of contract, if any. In the event that there is no breach of the terms of the agreement, if any, by the Executive Director, the Company exercise the discretion to terminate his/her services during the terms of agreement, without assigning any reason thereof, then and in that event, the Executive Director may be paid a compensation of a sum which shall not exceed the remuneration which he/she would have earned.

B. Remuneration to Non-Executive Directors and Independent Directors:

The Independent Directors and Non-Executive Directors are paid sitting fees for attending the meetings of the Board and/or Committee thereof with the discretion of Board. The Non-Executive Directors and Independent Directors, in their individual capacity, did not have any pecuniary relationship or transactions with the Company during the financial year 2022-23.

C. Remuneration to Key Managerial Personnel (KMP) and other Employees:

The objective of the Policy is to have a compensation framework that will reward and retain talent. The remuneration will be such as to ensure the correlation of remuneration to performance is clear and meet appropriate performance benchmark. Remuneration to Key Managerial Personnel, Senior Management and other Employees will involve a balance between fixed and variable pay reflecting short and long term performance objectives of the employees in line with the working of the Company and its goal.

The Nomination & Remuneration Committee recommend the remuneration of KMP and other Employees.

D. Remuneration paid or payable to Directors for the year ended 31st March, 2023 are as follows:

Non-Executive Directors (NEDs):

Figures in lakhs

Name of the Directors	Sitting Fees (Rs.)	Commission (Rs.)	Total (Rs.)
Mr. Dharmendra Sethia	1.62	-	1.62
Mr. Deven Kaushik	1.62	-	1.62
Mrs. Dipti Budhia	1.62	-	1.62
Mr. Vishal Patodia	1.62	-	1.62
Mr. Gopal Mohan Kedia	1.20		1.20

Executive Directors (EDs):

Figures in lakhs

Name of the Directors	Salary (Rs.)	Perquisites (Rs.)	Others (Rs.)	Total (Rs.)
Mr. Sohan Lal Agarwal	132.45	-	-	132.45
Ms. Sanjana Khaitan	15.02	-	-	15.02

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

Terms of Reference

The terms of reference and roles of the Stakeholders Relationship Committee as framed in line with provisions of SEBI Listing Regulations and Companies Act, 2013, are as under:

- To resolve the grievances of the security holders of the Company including complaints related to transfer / transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new / duplicate certificates, general meetings etc.
- To review measures taken for effective exercise of voting rights by shareholders.
- To review adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- To review of various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders of the Company.

Composition, Name of members and Chairperson

The Stakeholders Relationship Committee has been constituted by the Board in compliance with the requirements of Section 178(5) of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations.

S No	Name of the Committee Members	Designation in the Committee	Category
1.	Mr. Dharmendra Sethia	Chairperson	Non-Executive - Independent Director
2.	Mr. Devan Kaushik	Member	Non-Executive - Independent Director
3.	Mr. Ritesh Ojha*	Member	Non-Executive - Independent Director
4.	Mr. Vishal Patodia#	Member	Non-Executive - Independent Director

** resigned w.e.f. 12th May, 2022*

 # appointed w.e.f. 18th April, 2022

Name and designation of the Compliance Officer

Mr. Sumit Kumar Shaw, Company Secretary is the Compliance Officer of the Company and acts as secretary to Committee.

Meetings and Attendance during the year

During the year under review, 4 (four) meetings of the Stakeholders Relationship Committee were held on 30th May, 2022, 25th August, 2022, 12th November, 2022 and 14th February, 2023.

Name of the Directors	Number of Meeting attended
Mr. Dharmendra Sethia	4
Mr. Deven Kaushik	4
Mr. Vishal Patodia	4

The Chairman of the Stakeholders Relationship Committee was present at the previous AGM of the Company held on 30th September, 2022.

Number of shareholders' complaints received during the financial year, number of complaints not solved to the satisfaction of shareholders, number of pending complaints

During the year under review 0 (Zero) investor complaints were received. The Company had no complaint pending at the close of financial year. Queries received from the investors are replied generally within 15 (fifteen) days of the receipt of the letters/emails.

6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Composition, Name of members and Chairperson

The details of composition of Corporate Social Responsibility (CSR) Committee with name of members and chairperson are as follows:

S No	Name of the Committee Members	Designation in the Committee	Category
1.	Mr. Sohan Lal Agarwal	Chairperson	Executive Director
2.	Mr. Devan Kaushik	Member	Non-Executive - Independent Director
3.	Mr. Dharmendra Sethia	Member	Non-Executive - Independent Director

Meetings and Attendance during the year

During the year under review, 1 (One) meeting of the Corporate Social Responsibility (CSR) Committee was held on 30th May, 2022.

Name of the Directors	Number of Meeting attended
Mr. Sohan Lal Agarwal	1
Mr. Devan Kaushik	1
Mr. Dharmendra Sethia	1

7. GENERAL BODY MEETINGS

a) Location and time where last three AGMs were held and special resolution passed in the previous three AGMs:

Date, Time and Location of last three AGM	Special Resolution passed; if any
30th September, 2022 at 1:00 p.m. through Video Conferencing (VC) or Other Audio-Visual Means (OAVM)	-
30th September, 2021 at 12:00 p.m. through Video Conferencing (VC) or Other Audio-Visual Means (OAVM)	◆ Re-appointment of Mr. Sohan Lal Agarwal as the Managing Director ◆ Increase the borrowing powers of the Company ◆ Approval to create charge/Mortgage over the properties of the Company for the purpose of borrowing in the terms of section 180 (1)(a) of the Companies Act, 2013
31st December, 2020 at 11:00 a.m. through Video Conferencing (VC) or Other Audio-Visual Means (OAVM)	◆ Re-appointment of Mr. Deven Kaushik as an Independent Director

b) Postal ballot

No Special Resolution was passed during financial year 2022-23 through postal ballot.

As on the date of this report, no Special Resolution is proposed to be passed through Postal Ballot.

c) Extraordinary General Meeting:

Apart from the Annual General Meeting, an Extra-ordinary General Meeting of the Company was held during the Financial Year 2022-23, wherein the following special resolutions were passed:

Financial Year	Date and Time	Venue	No of Special Resolutions passed
2022-23	20th August, 2023	Through Video Conferencing (VC) or Other Audio-Visual Means (OAVM)	Raising of funds through issue of Equity Shares on Preferential Basis

8. MEANS OF COMMUNICATION

The quarterly / annual financial results are normally published in “Financial Express” (English) and “Ekdin” (Bengali). The financial results, shareholding pattern and other requirements under Regulation 17 to 27 and 46(2)(b) to (i) of SEBI Listing Regulations, wherever applicable, were uploaded on the websites of the National Stock Exchange of India Limited (NSE) at www.nseindia.com, BSE Limited at www.bseindia.com and the Company at www.webelsolar.com. During the year, press releases, presentations made to analysts / institutional investors were made available on the website of the Company.

9. GENERAL SHAREHOLDER INFORMATION

i) AGM Date, Time and Venue	Wednesday, 20th September, 2023 at 01.00 p.m. through Video-Conferencing or Other Audio-Visual Means to be conducted as per details given in the notice calling the ensuing AGM of the Company.
ii) Financial Year	Financial Year: 1st April to 31st March. Quarterly, Half-Yearly and Annual Financial Results of the Company shall be submitted to the Stock Exchange(s) within the time prescribed under Regulation 33 of the SEBI Listing Regulations.
iii) Dates of Book Closure	As mentioned in AGM Notice
iv) Dividend Payment Date	Not Applicable
v) the name and address of each stock exchange(s) at which the Company's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s)	ISIN: INE855C01015 **BSE Limited** Phiroze Jeejeebhoy Towers, Dalal Street Mumbai- 400001 Scrip Code: 517498 **National Stock Exchange of India Limited (NSE)** National Stock Exchange of India Ltd. Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051 Symbol: WEBELSOLAR Listing Fees as applicable have been paid.
vi) Suspension of Securities of the Company from Stock Exchange	The Securities of the Company are not suspended from trading on the stock exchange.
vii) Registrar and Share Transfer Agent	**R & D Infotech Pvt Ltd** 15/C, Naresh Mitra Sarani (Formerly Beltala Road) Kolkata – 700 026 Ph: 033-24192641 & 033-24192642 Fax: 033-24761657 E-mail: info@rdinfotech.net and rdinfo.investors@gmail.com
viii) Share Transfer System	The Company has in place a proper and adequate share transfer system. The Company formed a Committee known as "Stakeholders Relationship Committee" to process share transfer request as delegated by the Board of Directors of the Company. M/s. R & D Infotech Pvt Ltd, the Registrar and Share Transfer Agent of the Company was appointed to ensure that the share transfer system is maintained in physical as well as electronic form.
ix) Dematerialization of Shareholding and Liquidity	As on 31st March, 2023, 3,84,61,526 Equity Shares representing 99.13% of the Company's paid–up share capital was held in dematerialised form. A reconciliation of share capital, audited by Practicing Company Secretary (PCS) is submitted to the Stock Exchanges on a quarterly basis in terms of regulation 76 of SEBI (Depositories and Participants) Regulations, 2018.
x) Outstanding GDRs/ADRs/ Warrants or any convertible instruments, conversion date and likely impact on equity	No
xi) Commodity price risk or foreign exchange risk and hedging activities	Not applicable
xii) Plant Locations	**Falta SEZ Unit** Sector – II, Falta Special Economic Zone, Falta District, South 24 Parganas, PIN – 743 504, West Bengal
xiii) Address for Correspondence	**Websol Energy System Limited** Plot No. 849, Block – P, 2nd Floor, 48, Pramatha Choudhry Sarani, New Alipore, Kolkata – 700 053 Phone: +91 – 33 – 2400 0419 Fax: +91 – 33 – 2400 0375 Email: investors@webelsolar.com Website: www.webelsolar.com
xiv) List of all credit ratings obtained by the Company along with any revisions thereto during the relevant financial year.	Not Applicable

xv) Market Price Data

NSE		Months	BSE	
High	Low		High	Low
141.00	94.00	April, 2022	141.10	92.60
117.50	87.00	May, 2022	115.90	87.00
94.70	67.50	June, 2022	94.90	67.30
99.00	82.10	July, 2022	99.90	82.50
103.70	84.35	August, 2022	104.00	83.30
129.95	88.55	September, 2022	129.90	88.55
104.25	88.55	October, 2022	104.20	89.25
98.25	86.55	November, 2022	98.00	86.65
107.10	85.00	December, 2022	106.80	85.50
106.00	90.90	January, 2023	105.80	91.05
97.95	75.50	February, 2023	97.75	75.25
83.70	62.75	March, 2023	86.25	62.30

Categories of Shareholders as on 31st March, 2023:

Category	No of Shares held	% of shareholdings
Promoters' Holding	1,03,84,802	26.77
Non-Promoters' Holding	2,84,12,616	73.23
Total		**100.00**

10. DISCLOSURES

a. All the related party transactions have been entered into are in the ordinary course of business and at arms' length basis. There are no materially significant related party transactions that may have potential conflict with the interests of the Company. The Company has the Related Party Transaction Policy which has been hosted on the website of the Company at www.webelsolar.com. In any case, disclosures regarding the transactions with related parties are given in the notes to the accounts of Financial Statements.

b. The Company has complied with the applicable provisions of the SEBI (LODR) Regulations, 2015 as well as the other applicable regulations and guidelines of SEBI and other statutory authorities. Consequently, there are no strictures or penalties imposed on the Company for any matter relating to capital markets during the last three years.

c. The Company is committed to conduct its business in accordance with applicable laws, rules and regulations. The Company promotes ethical behaviour in its operations and has a Vigil mechanism which is overseen through the Audit Committee. This policy has been posted on the website of the Company.

d. The Company has complied with all mandatory requirements under the applicable provisions of SEBI Listing Regulations.

e. The Company has adopted Policy for determining 'material' subsidiaries which has been placed in the website of the Company www.webelsolar.com.

f. The Company has raised funds through issue of 21,56,880 Equity Shares of Rs. 10/- each on preferential basis. Details of the same are given in Financial Statements.

g. The Company has received a certificate from a Company Secretary in Practice certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

h. The Board had accepted all recommendation of mandatory committees during the financial year 2022-23.

i. Details of total fees for all services, paid by the Company to the Statutory Auditors have been provided under Notes to the Financial Statement forming part of this Annual Report.

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

- number of complaints filed during the financial year - NIL
- number of complaints disposed of during the financial year - N.A.
- number of complaints pending as on end of the financial year – NIL

k. Pursuant to point 10(m) of Schedule V of the SEBI Listing Regulations, the Company hereby confirms that during the Financial Year ended 31st March, 2023, no loan /advances in nature of loan are provided to firms/ companies in which the directors of the Company are interested.

l. The Company does not have any subsidiary, hence, details with respect to date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries, are not applicable.

m. The financial statements have been prepared in accordance with the applicable Accounting Standards and relevant provisions of the Companies Act, 2013 and related rules, as amended from time to time.

n. The Company has complied with the requirements as specified in the SEBI (LODR) Regulations, 2015.

o. Disclosure on discretionary requirements as specified in Part E of Schedule II of the Listing Regulations:

    i) The Board: The Chairman of the Company is an executive director.

    ii) Shareholder Rights: Quarterly results and other information are published in newspaper and uploaded on Company's website (www.webelsolar.com).

    iii) Modified opinion(s) in audit report: The Company has received unmodified audit opinion on the financial statements for the year ended 31st March, 2023.

    iv) Reporting of internal auditor: The internal auditors have access to directly report to the audit committee.

11. CODE OF CONDUCT

The Board of Directors has laid down a Code of Conduct for all Board members and all employees in management grade of the Company. The Code of Conduct is posted on the website of the Company. All Board members and senior management personnel have confirmed compliance with the Code. Chief Executive Officer's (MD) certificate regarding compliance of the Code of Conduct by the Directors and Senior Management is appended to this Report.

12. COMPLIANCE CERTIFICATE FROM THE AUDITORS

The Company has obtained a certificate from Secretarial Auditors of the Company, regarding the compliance with the provisions of Corporate Governance as required under the SEBI Listing Regulations. The same is annexed to this Report.

For and on behalf of the Board
Websol Energy System Limited

Sohan Lal Agarwal
Chairman & Managing Director
(DIN:00189898)

Place: Kolkata
Date: 14th August, 2023

CERTIFICATE REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

In accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that all the Directors and Senior Management personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the Financial Year ended 31st March, 2023.

For and on behalf of the Board
Websol Energy System Limited

Sohan Lal Agarwal
Chairman & Managing Director
(DIN:00189898)

Place: Kolkata
Date: 14th August, 2023

Certification by Managing Director and Chief Financial Officer

(Under Regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015)

1. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
    a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
    b) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the auditors and the Audit committee:
    a) significant changes in internal control over financial reporting during the year, if any;
    b) significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements; and
    c) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For and on behalf of the Board
Websol Energy System Limited

Sohan Lal Agarwal
Managing Director
(DIN:07232095)

Sumit Kumar Shaw
Chief Financial Officer
(PAN: BMXPS5593J)

Place: Kolkata
Date: 14th August, 2023

CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To
The Members,
Websol Energy System Limited
Plot No. 849, Block P 48 Pramatha Choudhary Sarani,
2nd Floor, New Alipore,
Kolkata-700053

We have examined the compliance of conditions of Corporate Governance by Websol Energy System Limited ("the Company"), for the year ended on 31st March, 2023, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C and D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations, as applicable.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Abhijit Majumdar
Practising Company Secretary
M. No.: A9804
C.P. No.: 18995
UDIN: A009804E000805324
ICSI Peer Review No.:1341/2021

Place: Kolkata
Date: 14th August, 2023

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members,
Websol Energy System Limited
Plot No. 849, Block P
48 Pramatha Choudhary Sarani,
2nd Floor, New Alipore,
Kolkata – 700 053

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of M/s. Websol Energy System Limited (CIN L29307WB1990PLC048350) (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sl. No	Name of Directors	DIN	Date of Appointment in Company (as per MCA portal) *
1	Mr. Sohan Lal Agarwal	00189898	25/09/1992
2	Mrs. Sreeram Vasanthi	00289326	31/07/2020
3	Mrs. Dipti Budhia	03076890	18/04/2022
4	Mr. Dharmendra Sethia	06775533	14/08/2014
5	Mr. Vishal Patodia	06859788	18/04/2022
6	Mr. Deven Kaushik	07096599	11/02/2015
7	Mrs. Sanjana Khaitan	07232095	12/11/2022
8	Mr. Gopal Mohan Kedia#	01479870	24/03/2022

** the date of appointment is as per the MCA Portal*

 # resigned from the Company w.e.f. 5th May, 2023

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion based on the verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Abhijit Majumdar
Practising Company Secretary
M. No.: A9804
C.P. No.: 18995
UDIN: A009804E000805335
ICSI Peer Review No.:1341/2021

Place: Kolkata
Date: 14th August, 2023

Financial Statements

Independent Auditor's Report

To the Members of
Websol Energy Systems Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of **Websol Energy System Limited** ('the Company'), which comprise the Balance Sheet as at 31st March, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and notes to the Financial statement including a summary of the significant accounting policies and other explanatory information (herein after referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023, and its loss (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. 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 ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Key Audit Matter	Auditor's Response
Recognition of Deferred tax assets and liabilities Deferred tax assets pertaining to Unabsorbed depreciation and carried forward losses amounting to Rs. 3,036.86 Lakh as on 31st March, 2023, which includes amount recognised in earlier years has been continued in the books of accounts in this year. Recognition of deferred tax assets and liabilities is based on expected utilization and/ or reversal thereof considering the management's projection of future taxable income of the company. This involves estimation of future operations and profitability based on assumptions and anticipations which may be in variance with the actual happening.	Our audit procedures based on which we arrived at the conclusion regarding reasonableness of the recognition of deferred tax assets include the following: • Evaluation of the temporary differences and utilization/ reversal of deferred tax assets and liabilities based on internal forecasts by the management and resultant impact on future taxable income of the Company. • The above includes critical review of underlying assumptions for consistency and arriving at reasonable level of probability on the matters with due regard to the current and past results and performances, as required in terms of Ind AS 12 'Income Taxes' and principles in this regard. • Review of management's assumption with respect to profit in future periods and taxability thereof and placing reliance on such assumptions and projections given the current scale of operations, new solar project in progress and prevailing conditions and situations.

Information Other than the Financial Statements and Auditor's 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 Management Discussion and Analysis, Board's Report including Annexures to Board's Report and Shareholder's Information but does not include the financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

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.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Financial statements

The Company's Board of Directors is 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 including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act, read with relevant rules issued there under.

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

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.

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

Auditor's Responsibility for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls 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.

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 sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraph 3 and 4 of the Order.

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

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

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

   (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash flows dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid financial statements comply with the Ind AS 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   (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, as amended, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements- Refer Note No. 34.1 to the financial statements.

      ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

      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 (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, 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 its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The Company has not declared or paid any dividend during the year.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from 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 31st March, 2023.

3. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

For **G.P. Agrawal & Co.**
Chartered Accountants
Firm's Registration No. - 302082E

(CA. Sunita Kedia)
Partner
Membership No. 060162
UDIN: 23060162BGVTSK7513

Place of Signature: Kolkata
Date: The 30th day of May, 2023

"Annexure A" to the Independent Auditor's Report

Statement referred to in paragraph 'Report on Other Legal & Regulatory Requirements' of our report of even date to the members of Websol Energy System Limited on the financial statements for the year ended 31st March 2023:

(i)	a)	(A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
		(B) The Company has maintained proper records showing full particulars of intangible assets.
	b)	The Property, Plant and Equipment have been physically verified by the management during the year. Based on our review, no material discrepancies were noticed in respect of Property, Plant and Equipment physically verified during the year and the periodicity of such physical verification is reasonable having regard to the size of the Company and nature of its assets.
	c)	Based on our examination of records provided to us, we report that the title deeds of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
	d)	According to the information and explanations given to us and on the basis of our examination of the records, the Company has not revalued its property, plant and equipment and intangible assets during the year. Accordingly, reporting under paragraph 3(i)(d) of the Order is not applicable to the company.
	e)	According to the information and explanations given to us and as represented by management, no proceedings have been initiated during the year or are pending against the company as at 31st March, 2023 for holding any Benami property under the "Benami Transactions (Prohibition) Act, 1988 and Rules made thereunder amended from time to time. Accordingly, reporting under paragraph 3(i)(e) of the Order is not applicable to the company.
(ii)	a)	The inventories have been physically verified during the year by the management at reasonable intervals and in our opinion coverage and procedure of such verification by the management is appropriate having regard to the size of the company and nature of its inventory. Further, no material discrepancy noted on physical verification of inventories with the books of accounts.
	b)	According to the information and explanations given to us and on the basis of our examination of the records, the company has not been sanctioned any working capital limit, at any point of time during the year, from banks or financial institutions on the basis of security of current assets. Therefore, reporting under paragraph 3 (ii) (b) of the said order is not applicable to the Company.
(iii)		The Company has not made investments in or provided any guarantee or security or granted any loans or advances in nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, reporting under paragraph 3(iii) (a) to (f) of the Order is not applicable to the company.
(iv)		According to the information and explanation given to us and based on our examination of the books and records, the company has not provided any loans, investments, guarantee, security on which the provision of section 185 and 186 of the Act. Accordingly, reporting under paragraph 3(iv) of the Order is not applicable to the company.
(v)		The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable to the company.
(vi)		In our opinion and according to the information and explanation given to us, the cost records and accounts has not been prescribed by the Government under section 148 (1) of the Act. Accordingly, reporting under paragraph 3 (vi) of the Order is not applicable to the Company.
(vii)	a)	According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally irregular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. According to the information and explanations given to us, the there was no undisputed amounts payable in respect of the above were in arrears as at 31st March, 2023 for a period of more than six months from the date they became payable.
	b)	The disputed statutory dues aggregating to Rs. 2,866.38 lakh that have not been deposited on account of matters pending before appropriate authorities are as under:

Sl. No.	Name of the Statute	Nature of dues	Period to which pertain	Amount (Rs. In Lakhs)	Forum where dispute is pending
1	Central Excise Act, 1944	Excise Duty	October, 2006 to October, 2007	57.12	High court, Kolkata
2	Employee Provident Fund Act, 1952	Employee Provident Fund	February '2018 to November' 2022	11.68	EPFO
3	Income Tax Act, 1956	Income Tax	A.Y. 2018	167.48	CPC
4	Income Tax Act, 1956	Income Tax	A.Y. 2020	330.75	CPC
5	Income Tax Act, 1956	Income Tax	A.Y. 2021	2,299.35	CPC

(viii)		In our opinion and on the basis of information and explanations given to us and as represented by the management, we have neither come across nor have been informed of transactions which were previously not recorded in books of account and that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 and accordingly reporting under paragraph 3 (viii) of the Order is not applicable.
(ix)	a)	Based upon the audit procedures performed and the information and explanations given by the management, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
	b)	The Company has not been declared wilful defaulter by any bank or financial institution or any other lenders.
	c)	The Company has not taken any term loan during the year and hence, reporting under paragraph 3(ix)(c) of the Order is not applicable to the company.
	d)	According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that the company has used funds raised on shortterm basis aggregating to Rs. 200.00 Lakh for long-term purposes.
	e)	The company has no subsidiary, associate or joint venture. Accordingly, reporting under paragraph 3(ix)(e)and (f) of the order is not applicable to the Company.
(x)	a)	The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under paragraph 3(x)(a) of the Order is not applicable to the company.
	b)	The Company had issued shares on a preferential basis amounting to Rs. 2,329.43 lakhs which is equal to 21,56,880 Equity Shares of the Company during the year at the rates as required by the provisions of SEBI ICDR. The company has also obtained necessary board's approval and has complied with the requirements of section 42 and 62 of the Companies Act, 2013.
(xi)	a)	During the course of our examination of books and records of the Company carried out in accordance with generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instance of fraud by the Company or on the Company noticed or reported during the year, nor have been informed of any such cases by the management;
	b)	No report under sub-section (12) of section 143 of the Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
	c)	According to the information and explanation given to us and based on our examination of the books of account of the company, no whistle blower complaints have been received during the year by the company. Accordingly, reporting under paragraph xi (c) of the order is not applicable.
(xii)		The Company is not a Nidhi company. Therefore, paragraph 3(xii) of the said order is not applicable to the Company.
(xiii)		According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
(xiv)	a)	The company has an internal audit system commensurate with the size and nature of its business.
	b)	We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

(xv)		According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not has entered into any non-cash transactions with directors or persons connected with them during the year under the provisions of section 192 of the Act. Therefore, reporting under paragraph 3(xv) of the Order is 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. Therefore, reporting under paragraph 3(xvi)(a), (b) and (c) of the Order is not applicable to the Company.
	b)	On the basis of our examination of records and according to the information and explanations given to us, the company is not a CIC (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016). Therefore, reporting under paragraph 3(xvi)(d) of the Order is not applicable to the company.
(xvii)		According to the information and explanation given to us and as per records examined by us, the Company has incurred cash losses of Rs. 296.50 lakh during the financial year. The Company has not incurred cash losses during the immediately preceding financial year.
(xviii)		There has been no resignation of the statutory auditors of the Company during the year. Therefore, reporting under paragraph 3 (xviii) of the Order is not applicable to the Company.
(xix)		On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 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)	According to the information and explanations given to us and on the basis of the financial records, there are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Act in compliance with second proviso to sub-section (5) of Section 135 of the Act. Therefore, reporting under paragraph 3(xx)(a) of the Order is not applicable for the year on the company.
	b)	According to the information and explanations given to us and on the basis of the financial records, there is no amount remaining unspent under sub-section (5) of section 135 of the Act, requiring compliance with the provision of sub¬section (6) of section 135 of the Act. Therefore, reporting under clause (xx) (b) of paragraph 3 is not applicable for the year.
(xxi)		The Company is not required to prepare consolidated financial statements. Therefore, reporting under paragraph 3(xxi) of the Order are not applicable to the Company.

For **G.P. Agrawal & Co.**
Chartered Accountants
Firm's Registration No. - 302082E

(CA. Sunita Kedia)
Partner
Membership No. 060162
UDIN: 23060162BGVTSK7513

Place of Signature: Kolkata
Date: The 30th day of May, 2023

"Annexure B" to the Independent Auditor's Report

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Websol Energy System Limited** ("the Company") as of 31st March, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For **G.P. Agrawal & Co.**
Chartered Accountants
Firm's Registration No. - 302082E

(CA. Sunita Kedia)
Partner
Membership No. 060162
UDIN: 23060162BGVTSK7513

Place of Signature: Kolkata
Date: The 30th day of May, 2023

Standalone Balance Sheet as at March 31, 2023

(Rs. In Lakh)

particulars				Note No.	As At 31st March, 2023	As At 31st March, 2022
I.	ASSETS					
(1)	Non - current assets					
	(a)	Property, plant and equipment		5(i)	20,976.90	22,467.44
	(b)	Capital work in progress		5(ii)	561.14	-
	(c)	Right of use assets		5(iii)	35.27	28.68
	(d)	Intangible assets		5(iv)	1.00	1.56
	(e)	Financial assets				
		(i)	Other financial assets	6(i)	342.73	344.62
	(f)	Other non-current assets		7(i)	3,028.09	5.85
					24,945.13	**22,848.15**
(2)	Current assets					
	(a)	Inventories		8	1,361.19	2,242.17
	(b)	Financial assets				
		(i)	Trade receivables	9	172.54	2,708.88
		(ii)	Cash and cash equivalents	10	8.55	376.99
		(iii)	Other financial assets	6(ii)	0.05	0.33
	(c)	Current tax assets (net)		11	37.91	30.34
	(d)	Other current assets		7(ii)	181.99	382.99
					1,762.23	**5,741.70**
			Total Assets		**26,707.36**	**28,589.85**
II.	EQUITY AND LIABILITIES					
(1)	Equity					
	(a)	Equity share capital		12	3,879.75	3,664.06
	(b)	Other equity		13	15,248.22	15,494.83
					19,127.97	**19,158.89**
	Liabilities					
(2)	Non - current liabilities					
	(a)	Financial liabilities				
		(i)	Borrowings	14(i)	-	446.36
		(ii)	Lease liabilities	15(i)	8.30	-
	(b)	Provisions		16(i)	174.57	175.46
	(c)	Deferred tax liabilities (net)		17	1,618.31	2,403.37
	(d)	Other non-current liabilities		18(i)	-	111.40
					1,801.18	**3,136.59**
(3)	Current liabilities					
	(a)	Financial liabilities				
		(i)	Borrowings	14(ii)	2,710.86	3,168.84
		(ii)	Lease liabilities	15(ii)	31.61	32.25
		(iii)	Trade and other payables	19		
			Total outstanding dues of micro and small enterprises		13.90	8.21
			Total outstanding dues of creditors other than micro and small enterprises		2,182.79	2,304.80
		(iv)	Other financial liabilities	20	415.31	215.66
	(b)	Other current liabilities		18(ii)	178.25	458.56
	(c)	Provisions		16(ii)	245.49	106.05
					5,778.21	**6,294.37**
			Total Equity and Liabilities		**26,707.36**	**28,589.85**
Corporate Information				1		
Significant accounting policies and estimates				2 to 4		
Other disclosures and additional regulatory information				34		

The accompanying notes 1 to 34 are an integral part of the financial statements.

As per our report of even date attached.

For G. P. Agrawal & Co.
Chartered Accountants
Firm's Registration No. - 302082E

(CA. Sunita Kedia)
Partner
Membership No. 060162

S.L.Agarwal
Managing Director
DIN No. 00189898

Sanjana Khaitan
Director
DIN No. 07232095

Sumit Kumar Shaw
CFO and Company Secretary
Membership No. : 64215

Place of Signature: Kolkata
Date: 30th May, 2023

Statement of Profit and Loss for the year ended 31st March, 2023

(Rs. In Lakh)

Particulars		Note No.	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2022
I.	Revenue from operations	21	1,722.43	21,322.33
II.	Other Income	22	300.90	459.01
III.	**Total income (I+II)**		**2,023.33**	**21,781.34**
IV.	**Expenses**:			
	Cost of materials consumed	23	977.56	14,976.27
	Stores and spares consumed	24	328.67	1,163.55
	Changes in inventories of finished goods and work-in-progress	25	(64.73)	(334.32)
	Power and fuel consumption	26	180.06	1,086.43
	Employee benefits expense	27	678.93	1,044.21
	Finance costs	28	382.49	305.19
	Depreciation and amortization expense	29	1,534.49	1,533.45
	Other expenses	30	909.57	744.48
	Total expenses (IV)		**4,927.04**	**20,519.26**
V.	**Profit/(Loss) before exceptional items and tax (III-IV)**		**(2,903.73)**	**1,262.08**
VI.	Exceptional items	31	249.93	(121.86)
VII.	**Profit/(Loss) before tax (V-VI)**		**(3,153.66)**	**1,383.94**
VIII.	**Tax expense**	32		
	Current tax		-	-
	Deferred tax		(785.07)	416.95
	Tax expense		**(785.07)**	**416.95**
IX.	**Profit/(Loss) for the year (VII-VIII)**		**(2,368.59)**	**966.99**
X.	**Other comprehensive income (net of tax)**			
	A. I. Items that will not be reclassified to Profit or Loss			
	Remeasurements of defined benefit plan		8.24	49.73
	- Income tax relating to above item		-	-
	Other comprehensive income for the year		8.24	49.73
XI.	Total comprehensive income (net of tax) (IX + X)		**(2,360.35)**	**1,016.72**
XII.	**Earnings per equity share** (Nominal value per share Rs. 10/-)	33		
	Basic (Rs.)		(6.31)	2.91
	Diluted (Rs.)		**(6.31)**	**2.91**

Corporate Information	1
Significant accounting policies and estimates	2 to 4
Other disclosures and additional regulatory information	34

The accompanying notes 1 to 34 are an integral part of the financial statements.

As per our report of even date attached.

For G. P. Agrawal & Co.
Chartered Accountants
Firm's Registration No. - 302082E

(CA. Sunita Kedia)
Partner
Membership No. 060162

S.L.Agarwal
Managing Director
DIN No. 00189898

Sanjana Khaitan
Director
DIN No. 07232095

Sumit Kumar Shaw
CFO and Company Secretary
Membership No. : 64215

Place of Signature: Kolkata
Date: 30th May, 2023

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

(Rs. In Lakh)

	Particulars	Year Ended 31st March, 2023	Year Ended 31st March, 2022
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Profit before tax & exceptional item	(2,903.73)	1,383.94
	Adjustments for		
	Depreciation	1,534.49	1,533.45
	Finance costs	382.49	305.19
	Interest income	(280.47)	(222.81)
	Sundry balances written back	(20.42)	(188.04)
	Sundry balances written off	167.24	19.24
	Exchange Fluctuation (Income)/Loss	69.90	(161.41)
	Allowance for impairment of receivables	140.15	237.84
	Operating Profit/ (Loss) before working capital changes	**(910.35)**	**2,907.38**
	Increase / (Decrease) in Trade and other payables	(165.81)	(1,304.25)
	Increase/(Decrease) in provisions	10.51	36.33
	Increase/(Decrease) in Lease Liabilities	(33.87)	(33.87)
	(Increase)/Decrease in Trade receivables	2,228.94	(979.36)
	Increase / (Decrease) in Other liabilities	(111.24)	79.72
	Increase/(Decrease) in Other financial liabilities	199.65	(331.85)
	(Increase)/Decrease in Other financial assets	2.17	(1.03)
	(Increase) / Decrease in Other assets	(2,821.24)	(185.83)
	(Increase) / Decrease in Inventories	767.32	(466.79)
	Cash generated from operations	**(833.92)**	**(279.55)**
	Direct Taxes Paid	(7.56)	(16.59)
	Net cash used in operating activities	**(841.48)**	**(296.15)**
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of property, plant and equipment and capital work in progress	(575.79)	(96.98)
	Purchase of intangible assets	(0.05)	(0.53)
	Net cash used in investing activities	**(575.84)**	**(97.51)**
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Repayment of long term borrowings	(517.37)	(712.50)
	(Repayment)/ Proceeds from short term borrowings (net)	(457.98)	863.43
	Interest paid	(305.20)	(145.84)
	Proceeds from issue of Share warrant (Converted into Equity shares)*	-	600.00
	Proceeds from issue of Share through preferential allotment	2,329.43	-
	Net cash inflow from financing activities	**1,048.88**	**605.10**
	Increase in cash and cash equivalents (A+B+C)	**(368.44)**	**211.45**
	Cash and cash equivalents at beginning of the year	376.99	165.54
	Cash and cash equivalents at end of the year	**8.55**	**376.99**

*Excluding Loan from Director of Rs. Nil (Previous year Rs. 150 Lakh) converted into share warrants.

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

Notes

(Rs. In lakh)

1) Cash an Cash Equivalent at the end of the year consists of:-	31st March 2023	31st March 2022
Cash on hand	2.78	1.46
Balance with Banks		
On Current accounts	5.77	375.53
Closing cash and cash equivalent for the purpose of Cash Flow Statement	**8.55**	**376.99**

2) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS 7) on Statement of Cash Flows.

3) Cash and Cash Equivalents do not include any amount which is not available to the company for its use.

4) Company has incurred Rs. 50.36 lakh (Previous year Rs.25.17 lakh) on account of Corporate Social Responsibility (CSR) expenditure.

5) Change in Liabilities arising from financing activities:

(Rs. In lakh)

Particulars	Borrowings	
	Non-current	Current
As at 01.04.2021	1271.69	2,187.31
Cash flow during the year	(712.50)	863.43
Non-Cash Adjustments during the year#	(112.83)	118.10
As at 31.03.2022	446.36	3,168.84
Cash outflow during the year	(517.37)	(457.98)
Non-Cash Adjustments during the year	71.01	-
As at 31.03.2023	**-**	**2,710.86**

#Amortised cost adjustment

6) Figure in brackets represent cash outflow from respective activities.

Corporate Information	1
Significant accounting policies and estimates	2 to 4
Other disclosures and additional regulatory information	34

The accompanying notes 1 to 34 are an integral part of the financial statements.

As per our report of even date attached.

For G. P. Agrawal & Co.
Chartered Accountants
Firm's Registration No. - 302082E

(CA. Sunita Kedia)
Partner
Membership No. 060162

S.L.Agarwal
Managing Director
DIN No. 00189898

Sanjana Khaitan
Director
DIN No. 07232095

Sumit Kumar Shaw
CFO and Company Secretary
Membership No. : 64215

Place of Signature: Kolkata
Date: 30th May, 2023

Statement of Changes in Equity for the year ended 31st March, 2023

A. Equity Share Capital

(1) For the year Ended 31st March, 2023

(Rs. In lakh)

Balance as at 1st April, 2022	Changes in equity share capital during the year	Balance as at 31st March, 2023
3,664.06	215.69	3,879.75

(1) For the year Ended 31st March, 2023

(Rs. In lakh)

Balance as at 1st April, 2021	Changes in equity share capital during the year	Balance as at 31st March, 2022
3,114.33	549.74	3,664.06

B. Other Equity

(1) As at 31st March, 2023

(Rs. In lakh)

Particulars	Equity component of Foreign Currency Convertible Bonds	Money received against Share Warrant	Reserves and Surplus			Other Comprehensive Income	Total
			Capital Reserve	Securities Premium	Retained Earnings	Remeasurement of Defined Benefit Plan	
Balance as at 1st April, 2022	**-**	**-**	**19,109.28**	**18,143.56**	**(21,758.01)**	**-**	**15,494.83**
Change is accounting policy or Prior period errors	-	-	-	-	-	-	-
Restated balance at 1st April, 2022	**-**	**-**	**19,109.28**	**18,143.56**	**(21,758.01)**	**-**	**15,494.83**
Profit/(Loss) for the year	-	-	-	-	(2,368.59)	-	(2,368.59)
Other Comprehensive Income (net of taxes)	-	-	-	-	-	8.24	8.24
Total Comprehensive Income	**-**	**-**	**-**	**-**	**(2,368.59)**	**8.24**	**(2,360.35)**
Issue of equity shares against preferential allotment	-	-	-	2,113.74	-	-	2,113.74
Transfer from other comprehensive income to retained earnings	-	-	-	-	8.24	(8.24)	-
Balance as at 31st March, 2023	**-**	**-**	**19,109.28**	**20,257.30**	**(24,118.36)**	**-**	**15,248.22**

Statement of Changes in Equity for the year ended 31st March, 2023

(2) As at 31st March, 2022

(Rs. In lakh)

Particulars	Equity component of Foreign Currency Convertible Bonds	Money received against Share Warrant	Reserves and Surplus			Other Comprehensive Income	Total
			Capital Reserve	Securities Premium	Retained Earnings	Remeasurement of Defined Benefit Plan	
Balance as at 1st April, 2021	**2,478.31**	**-**	**19,109.28**	**15,464.98**	**(20,929.81)**	**-**	**16,122.76**
Change is accounting policy or Prior period errors	-	-	-	-	(1,844.92)	-	(1,844.92)
Re-stated balance at 1st April, 2021	**2,478.31**	**-**	**19,109.28**	**15,464.98**	**(22,774.73)**	**-**	**14,277.84**
Profit for the year	-	-	-	-	966.99	-	966.99
Other Comprehensive Income (net of taxes)	-	-	-	-	-	49.73	49.73
Total Comprehensive Income	**-**	**-**	**-**	**-**	**966.99**	**49.73**	**1,016.72**
Issue of Warrant	-	750.00	-	-	-	-	750.00
Conversion of warrant to equity shares	-	(150.00)	-	-	-	-	(150.00)
Conversion of FCCB to equity shares	(399.73)	-	-	-	-	-	(399.73)
Issue of equity shares at premium	(2,078.58)	(600.00)	-	2,678.58	-	-	-
Transfer from other comprehensive income to retained earnings	-	-	-	-	49.73	(49.73)	-
Balance as at 31st March, 2022	**-**	**-**	**19,109.28**	**18,143.56**	**(21,758.01)**	**-**	**15,494.83**

As per our report of even date attached.

For G. P. Agrawal & Co.
Chartered Accountants
Firm's Registration No. - 302082E

(CA. Sunita Kedia)
Partner
Membership No. 060162

Place of Signature: Kolkata
Date: 30th May, 2023

S.L.Agarwal
Managing Director
DIN No. 00189898

Sumit Kumar Shaw
CFO and Company Secretary
Membership No. : 64215

Sanjana Khaitan
Director
DIN No. 07232095

Notes forming part of finanacial statements

Note 1 Corporate information

Websol Energy Systems Limited ("the Company") is a public limited entity incorporated in India and is engaged in the business of manufacturing Solar photo-Voltaic Cells and Modules.

Its registered office is situated at 48, Pramatha Choudhury Sarani, Plot No 849, Block - P, 2nd Floor, New Alipore, Kolkata (West Bengal). The financial statements for the year ended 31st March, 2023 were approved for issue by the Board of Directors on 30th May, 2023.

Note 2 Significant accounting policies

2.1 Statement of Compliance with Ind AS

These financial statements comply with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Companies Act, 2013 ("The Act") read with Companies (Indian Accounting Standards) Rules as amended from time to time.

2.2 Basis of preparation

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at fair values, as explained in the accounting policies. Historical cost is generally based on the fair value of the consideration in exchange for goods and services.

Accounting policies have been consistently applied except where a newly issued Indian Accounting Standard is initially adopted or a revision to an existing Indian Accounting Standard requires a change in the accounting policy hitherto in use.

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

The Company prepares and present its Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity in the format prescribed by Division II of Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 'Statement of Cash Flows'.

All amount disclosed in the financial statements including notes thereon have been rounded off to the nearest rupees in lakh upto 2 decimal as per the requirement of Schedule III to the Act, unless stated otherwise.

2.3 Use of estimates

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

2.4 Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to The Act and Ind AS 1 – Presentation of Financial Statements. The Company's normal operating cycle in respect of operations relating to manufacturing Solar photo-Voltaic Cells and Modules is considered as 12 months.

2.5 Property, plant and equipment (PPE) and Depreciation

a) Property, plant and equipment are stated at cost of acquisition less accumulated depreciation and impairment, if any. For this purpose, cost includes deemed cost which represents the carrying value of PPE recognised as at 1st April, 2016 measured as per the previous GAAP.

Notes forming part of finanacial statements

b) Cost is inclusive of inward freight, non-refundable taxes and duties and directly attributable costs of bringing an asset to the location and condition of its intended use. In addition, interest on borrowings used to finance the construction of qualifying assets is capitalised as part of the asset's cost until such time that the asset is ready for its intended use. All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits.

The cost and related accumulated depreciation are derecognised from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.

c) Depreciation of these assets commences when the assets are ready for their intended use. Depreciation on items of PPE is provided on a straight line basis to allocate their cost, net of their residual value over the estimated useful life of the respective asset as specified in Schedule II to The Act which in the view of the management best represents the period for which the asset is expected to be used:

The estimated useful lives of PPE of the Company are as follows:

The estimated useful lives of PPE of the Company are as follows:	
Leasehold Land	Lease term
Building	30 Years
Plant & Machinery	25 Years
Furniture and Fixture	10 Years
Computer	5 Years
Office Equipment	5 Years
Motor Vehicle	8 Years

The estimated useful lives, residual values and method of depreciation are reviewed at each Balance sheet date and changes, if any, are treated as changes in accounting estimate.

d) Treatment of expenditure during construction period:

Property, plant and equipment that are not ready for intended use on the balance sheet date are disclosed as "Capital work in-progress". Advances paid towards acquiring property, plant and equipment outstanding at each balance sheet date are classified as Capital advances under "Other non-current assets". Directly attributable expenditures (including finance costs relating to borrowed funds for construction or acquisition of property, plant and equipment) incurred on projects under implementation are treated as pre-operative expenses pending allocation to the assets and are shown under "Capital work-in-progress"

2.6 Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period and changes, if any, are treated as changes in accounting estimate.

Derecognition of intangible assets:

An Intangible asset is derecognised on disposal, or when no future economic benefits are expected front use or disposal. Gains or losses arising from derecognition of Intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the statement of profit and loss when the asset is derecognised.

Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

Software purchased	6 Years

Notes forming part of finanacial statements

2.7 Impairment of Assets

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment loss previously recognized is reversed such that the asset is recognized at its recoverable amount but not exceeding written down value which would have been reported if the impairment loss had not been recognized.

2.8 Inventories

Inventories are valued at lower of cost and net realisable value after providing for obsolescence, if any.

Cost of inventory comprises of purchase price, cost of conversion and other directly attributable costs that have been incurred in bringing the inventories to their respective present location and condition. Borrowing costs are not included in the value of inventories.

The cost of inventories is computed on weighted average basis. Inventories are written down on a case-by-case basis if the anticipated net realizable value declines below the carrying amount of inventories. Such write downs are recognised in the Statement of profit and loss.

Net realizable value is the estimated selling price in the ordinary course of business less estimated cost of completion and estimated costs necessary to make the sale.

2.9 Revenue recognition

Revenue is recognised upon transfer of control of promised goods or services to customers at an amount to which the entity expects to be entitled following a five-step model in accordance with Ind AS 115. Revenue is measured based on the consideration specified in a contract with a customer, and is reduced for discounts, rebates and other similar allowances. Revenue are net of estimated returns and taxes collected from customers.

a) Sale of goods

Revenue from sale of goods is recognized if the performance obligation of the same is satisfied. Performance obligation is satisfied at a point in time as per which income is recognized as and when control in goods is passed to the buyer. The transaction price is documented on the sales invoice and payment is generally due as per agreed credit terms with customer.

b) Interest income

Interest income is recorded on accrual basis using the effective interest rate (EIR) method.

c) All other incomes are accounted for on accrual basis.

2.10 Provisions, contingent liabilities and contingent assets

a) Provisions are recognized only when there is a present obligation, as a result of past events and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

b) Contingent liability is disclosed for possible obligations which will be confirmed only by future events not wholly within the control of the Company or present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

c) Contingent assets are neither recognized nor disclosed except when realisation of income is virtually certain, related asset is disclosed.

d) Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

Notes forming part of finanacial statements

2.11 Employee benefits

a) Short-term employee benefits

Short-term employee benefits in respect of salaries and wages, including non-monetary benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered.

b) Provident fund

Company's Contributions to Provident fund are charged to the Statement of Profit and Loss in the year when the contributions to the respective funds are due.

c) Gratutiy

The Company's net obligation in respect of gratuity, which is defined benefit plan, is calculated using the projected unit credit method and the same is carried out by qualified actuary. The current service cost and interest on the net defined benefit liability / (asset) is recognized in the statement of profit and loss. Past service cost are immediately recognized in the statement of profit and loss. Actuarial gains and losses net of deferred taxes arising from experience adjustment and changes in actuarial assumptions are recognized in other comprehensive income in the period in which they arise.

2.12 Financial instruments, Financial assets, Financial liabilities and Equity instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities.

i) Financial Assets

(a) Recognition

Financial assets include Trade receivables, Advances, Security Deposits, Cash and cash equivalents, Bank balances etc. Such assets are initially recognised at transaction price when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient.

Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Trade receivables are amounts due from customers for sale of goods or services performed in the ordinary course of business. Trade receivables are initially recognized at its transaction price which is considered to be its fair value and are classified as current assets as it is expected to be received within the normal operating cycle of the business.

(b) Classification

Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

(1) amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and/ or interest.

(2) fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.

(3) fair value through profit or loss (FVTPL), where the assets does not meet the criteria for categorization as at amortized cost or as FVTOCI. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the Statement of Profit and Loss in the period in which they arise.

Trade receivables, Advances, Security Deposits, Cash and cash equivalents, Bank balances etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

(c) Impairment

The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

(d) Reclassification

When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

(e) De-recognition

Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership. If the asset is one that is measured at:

(i) amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;

(ii) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

ii) Financial liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost.

Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

iii) Equity instruments

Equity instruments are recognised at the value of the proceeds, net of direct costs of the capital issue.

iv) Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

v) Dividend distribution

Dividends paid (including income tax thereon) is recognised in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

vi) Fair value measurement

Fair value is a market-based measurement, not an entity-specific measurement. Under Ind AS, fair valuation of financial instruments is guided by Ind AS 113 “Fair Value Measurement” (Ind AS – 113).

For some assets and liabilities, observable market transactions or market information might be available. For other assets and liabilities, observable market transactions and market information might not be available. However, the objective of a fair value measurement in both cases is the same—to estimate the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions.

In determining the fair value of financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each balance sheet date.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

2.13 Taxes

Taxes on income comprises of current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognized for deductible temporary differences, the carry forward of unused tax credits and any unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised.

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under other comprehensive income or equity, as applicable.

2.14 Earnings per Share

a) Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted-average number of equity shares outstanding during the period.

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

The number of equity shares and potential dilutive equity shares are adjusted retrospectively for all periods presented for any share split and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors,

2.15 Leases

a) Where the Company is the lessee

The Company's lease asset classes primarily consist of land. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (a) the contract involves the use of an identified asset, (b) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (c) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of use asset (“ROU”) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short- term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

Leasehold land classified as Right-of-use assets is depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

b) Where the Company is the lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

2.16 Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received and the Company will comply with all the conditions attached to them. Government grants related to property, plant and equipment, including non-monetary grants, are presented in the Balance sheet by deducting the grant arriving at the asset's carrying amount.

Government grants of revenue in nature are recognised on a systematic basis in the Statement of Profit and Loss over the period necessary to match them with the related costs and are adjusted with the related expenditure. If not related to a specific expenditure, it is considered income and included under “Other operating revenue” or “Other income”.

2.17 Operating Segment

The Company is engaged in production of Solar photo-Voltaic Cells and Modules. Based on its internal organisation and management structure, the Company operates in only one business segment i.e. manufacturing of Solar photo-Voltaic Cells and Modules and in only one geographic segment i.e. India. Accordingly there are no separate reportable segments.

2.19 Foreign Currency Transactions

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

Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Gains/ losses arising on settlement as also on translation of monetary items are recognised in the Statement of Profit and Loss.

Notes forming part of finanacial statements

2.20 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of these assets, until such time as the assets are substantially ready for their intended use or sale.

2.21 Cash and cash equivalents

Cash and cash equivalents in the Balance sheet comprise cash on hand, cheques on hand, balance with banks, and short-term highly liquid investments with an original maturity of three months or less and carry an insignificant risk of changes in value.

2.22 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.23 Exceptional items

Exceptional items include income or expenses that are part of ordinary activities. However, they are of such significance and nature that separate disclosure enables the user of financial statements to understand the impact more clearly. These items are identified by their size or nature to facilitate comparison with prior periods and assess underlying trends in the Company's financial performance.

Note 3 Use of estimates and judgements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(i) Useful lives of property, plant and equipment:

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

(ii) Fair value measurement

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(iii) Provisions and contingent liabilities

The Company has ongoing litigations with various regulatory authorities and third parties. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the

Notes forming part of finanacial statements

liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the financial statements.

(iv) Deferred Tax

Deferred tax assets are recognised for unused losses (carry forward of prior years' losses) and unused tax credit to the extent that taxable profit would probably be available against which the losses and tax credit could be utilised. Significant judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. The Company reviews the carrying amount of deferred tax assets and liabilities at each balance sheet date with consequential change being given effect to in the year of determination."

Note 4 Recent Pronouncements

Ministry of CorporateAffairs ("MCA") notifies new standards or amendments to the existing standards under Companies (IndianAccountingStandards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements -This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company hase valuated the amendment and the impact of the amendment is insignificant in the financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors-This amendment has introduced a definition of accounting estimates and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 12 - Income Taxes -This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and off setting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statement.

Notes forming part of finanacial statements

Note No. : 5

(i) Property, plant and equipment

(Rs. In lakh)

Particulars	Gross Block				Depreciation				Net Block
	As on 1st April, 2022	Additions during the year	Disposals/ deductions during the year	As on 31st March, 2023	As on 1st April, 2022	For the year	Disposals/ deductions during the year	As on 31st March, 2023	As on 31st March, 2023
Building*	4,724.80	0.72	-	4,725.52	1,212.74	206.78	-	1,419.52	3,306.00
Plant and machinery	25,924.83	-	-	25,924.83	7,016.48	1,279.99	-	8,296.47	17,628.36
Furniture and Fixture	152.36	2.20	-	154.56	147.21	2.03	-	149.24	5.33
Computer	20.61	2.88	-	23.49	11.99	3.48	-	15.48	8.01
Office Equipment	32.70	8.00	-	40.70	23.67	4.26	-	27.93	12.77
Motor Vehicles	61.98	0.86	-	62.84	37.75	8.66	-	46.40	16.43
Total	**30,917.28**	**14.66**	**-**	**30,931.94**	**8,449.84**	**1,505.20**	**-**	**9,955.04**	**20,976.90**

*The title deed of immovable property is held in the name of the company.

Previous Year

Note No. : 5

(i) Property, plant and equipment

(Rs. In lakh)

Particulars	Gross Block				Depreciation				Net Block
	As on 1st April, 2021	Additions During the year	Disposals/ deductions during the year	As on 31st March, 2022	As on 1st April, 2021	For the year	Disposals/ deductions during the year	As on 31st March, 2022	As on 31st March, 2022
Building*	4,708.68	16.12	-	4,724.80	1,005.99	206.75	-	1,212.74	3,512.06
Plant and machinery	25,846.55	78.28	-	25,924.83	5,737.17	1,279.31	-	7,016.48	18,908.35
Furniture and Fixture	152.36	-	-	152.36	145.31	1.90	-	147.21	5.15
Computer	19.64	0.97	-	20.61	8.74	3.25	-	11.99	8.62
Office Equipment	31.09	1.61	-	32.70	19.26	4.41	-	23.67	9.03
Motor Vehicles	70.23		8.25	61.98	37.39	8.61	8.25	37.75	24.23
Total	**30,828.55**	**96.98**	**8.25**	**30,917.28**	**6,953.86**	**1,504.23**	**8.25**	**8,449.84**	**22,467.44**

*The title deed of immovable property is held in the name of the company.

The Company had availed loans from Banks against security of the Fixed Assets (i.e. Property, plant & equipment) as refered in Note No. 14

Notes forming part of finanacial statements

Note No. : 5 (ii) Capital work in progress

(Rs. In lakh)

Particulars		As at 31st March, 2023		As at 31st March, 2022	
Building, plant and equipment, electrical installations, etc. in progress					
Additions during the year			281.27		75.72
	(A)		**281.27**		**75.72**
Pre-operative Expenses:					
Employee benefits expense					
Salary		186.46		-	
Contribution to provident and other funds		13.52	199.98	-	-
Other Expenses					
Professional & Consultancy		38.39		-	
Travelling Expenses		23.32		-	
Other Charges		0.12	61.83	-	-
Power & Fuel					
Electricity Charges		18.06	18.06	-	-
	(B)		**279.87**		**-**
Total additions during the year	**C=(A+B)**		561.14		75.72
Balance brought forward	**(D)**		-		-
	E=(C+D)		**561.14**		**75.72**
Capitalised during the year	**(F)**		-		75.72
Capital work in progress at the end of the year	**G=(E-F)**		**561.14**		**-**

Foot notes:

1. Capital work-in-progress amounted to Rs. 239.53 Lakh (Previous year: Rs. Nil) primarily includes Plant & Machinery under construction.
2. For Capital commitment with regards to Property, plant and equipment Refer Note No. 34 (1).
3. Refer note 34.12(b) for ageing of Capital work in Progress.

Note No. : 5 (ii) Capital work in progress

(Rs. In lakh)

Particulars	Leasehold Land
As at 1st April, 2022	**28.68**
Additions during the year	35.27
Amortisation during the year	28.68
As at 31st March, 2023	**35.27**
As at 1st April, 2021	57.36
Additions during the year	-
Amortisation for the year	28.68
As at 31st March, 2022	**28.68**

Foot notes:

1. Leasehold Land of Falta SEZ unit has been acquired under a lease of 15 years with a renewal option against which right of use assets is created as per Ind AS 116.
2. Refer Note 34.7 for lease disclosure

Notes forming part of finanacial statements

Note No. : 5 (iv) Intangible assets

(Rs. In lakh)

Particulars	Computer Software
Gross carrying amount as at 1st April, 2022	**6.84**
Additions during the year	0.05
As at 31st March, 2023	**6.89**
Accumulated Amortisation	
As at 1st April, 2022	5.28
Amortisation for the year	0.61
As at 31st March, 2023	**5.89**
Net carrying amount as at 31st March, 2023	**1.00**

(Previous Year)
Note No. : 5 (iv) Intangible assets

(Rs. In lakh)

Particulars	Computer Software
Gross carrying amount as at 1st April, 2021	**6.31**
Additions during the year	0.53
As at 31st March, 2022	**6.84**
Accumulated Amortisation	
As at 1st April, 2021	4.73
Amortisation for the year	0.55
As at 31st March, 2022	**5.28**
Net carrying amount as at 31st March, 2022	**1.56**

Note No. : 6 Other financial assets (Unsecured, considered good)

(i) Non-current

(Rs. In lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Security deposits	342.73	344.62
Total	**342.73**	**344.62**

(ii) Current

(Rs. In lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Security deposits	0.05	0.05
Others	-	0.28
Total	**0.05**	**0.33**

Note No. : 7 Other assets (Unsecured, considered good)

(i) Non Current

(Rs. In lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Capital advances	3,028.09	5.85
Total	**3,028.09**	**5.85**

Notes forming part of finanacial statements

Note No. : 7 Other assets (Unsecured, considered good) *(Contd.)*

(ii) Current (Rs. In lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Advances other than capital advances		
Duty paid under protest	100.00	119.72
Advance to vendors	19.81	-
Advance to Staff	12.15	16.63
Others		
Prepayments	15.18	34.97
Electricity duty refundable	29.07	29.07
GST input receivable	5.78	182.60
Total	**181.99**	**382.99**

Note No. : 8 Inventories (Valued at lower of cost and net realisable value)

(Rs. In lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Raw Materials*	256.58	937.83
Work In Progress	-	121.31
Finished Goods	735.85	549.81
Stores and Spares	368.76	633.22
Total	**1,361.19**	**2,242.17**

* Excludes write down of inventories of Rs. 113.66 lakh (Previous year: Nil).

Note No. : 9 Trade receivables

(Rs. In lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
a) Trade receivables Considered good- Unsecured*	171.67	2,237.34
b) Trade receivables which have significant increase in Credit Risk	449.60	788.24
Less:Allowance for impairment of receivables	(448.73)	(316.70)
	0.87	**471.54**
Total	**172.54**	**2,708.88**
Debts due by a private company in which director of the Company is a a director	**-**	**8.56**

In determining the allowance for credit losses of trade receivable, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivable based on a provision matrix. The provision matrix takes into account the historical credit loss experience. The expected credit loss allowance is based on the ageing of the recivables that are due and rates used in the provision matrix.

* Includes due from a related party as at 31st March, 2023 Rs. Nil (P.Y. Rs. 8.56 lakh).

Notes forming part of finanacial statements

Note No. : 9 Trade receivables *(Contd.)*

As at 31st March, 2023: (Rs. In lakh)

Particulars	Outstanding for following periods from date of transaction					
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables- considered good	-	2.12	11.77	1.09	156.69	171.67
(ii) Undisputed Trade receivables- which have significant increase in credit risk	-	25.95	14.34	75.68	273.64	389.60
(iii) Undisputed Trade receivables- credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-	-
(v) Disputed Trade receivables- which have significant increase in credit risk	-	-	-	-	60.00	60.00
(vi) Disputed Trade receivables- credit impaired	-	-	-	-		-

As at 31st March, 2022: (Rs. In lakh)

Particulars	Outstanding for following periods from date of transaction					
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables- considered good	2,158.79	9.34	9.36	44.88	14.97	2,237.34
(ii) Undisputed Trade receivables- which have significant increase in credit risk	-	-	-	71.58	656.66	728.24
(iii) Undisputed Trade receivables- credit impaired	-	-	-			-
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-	-
(v) Disputed Trade receivables- which have significant increase in credit risk	-	-	-	-	60.00	60.00
(vi) Disputed Trade receivables- credit impaired	-	-	-	-		

Note No. :10 Cash and cash equivalents

(Rs. In lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Balances with banks		
On current and EEFC accounts	5.77	375.53
Cash on hand	2.78	1.46
Total	**8.55**	**376.99**

Note No. : 11 Current tax assets (net)

(Rs. In lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Advance Tax	45.10	37.55
Less : Provision for taxation	(7.19)	(7.19)
Total	**37.91**	**30.34**

Notes forming part of finanacial statements

Note No. : 12 Equity share capital

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	No. of shares	(Rs. In lakh)	No. of shares	(Rs. In lakh)
(a) Authorised				
Equity shares of par value Rs. 10/- each	6,00,00,000	6,000.00	6,00,00,000	6,000.00
	6,00,00,000	6,000.00	6,00,00,000	6,000.00
(b) Issued, subscribed and paid up				
Equity shares of par value Rs. 10/- each fully paid in cash	1,12,86,553	1,128.66	1,12,86,553	1,128.66
Equity shares of par value Rs. 10/- each fully paid up issued as bonus shares by capitalization of Securities Premium	99,86,533	998.65	99,86,533	998.65
Equity shares of par value Rs. 10/- each fully paid for consideration other than cash	1,38,67,452	1,386.75	1,38,67,452	1,386.75
Equity shares of par value Rs. 10/- each fully paid against conversion of warrants	15,00,000	150.00	15,00,000	150.00
Equity shares of par value Rs. 10/- each fully paid against conversion of loan	10,87,880	108.79	-	-
Equity shares of par value Rs. 10/- each fully paid in cash	10,69,000	106.90	-	-
	3,87,97,418	3,879.75	3,66,40,538	3,664.06

(c) Reconciliation of number and amount of equity shares outstanding:

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	No. of shares	(Rs. In lakh)	No. of shares	(Rs. In lakh)
At the beginning of the year	3,66,40,538	3,664.06	3,11,43,268	3,114.33
Shares issued during the year (Conversion of FCCB)	-	-	39,97,270	399.73
Shares issued during the year (Conversion of Warrants)	-	-	15,00,000	150.00
Shares issued during the year (Preferential Alltoment in cash)	10,69,000	106.90	-	-
Shares issued during the year (Preferential Allotment against conversion of loan)**	10,87,880	108.79	-	-
At the end of the year	3,87,97,418	3,879.75	3,66,40,538	3,664.06

**During the year, the Company had allotted 10,87,880 shares of face value of Rs. 10 each on a preferential basis to it's related party Websol Green Projects Private Limited at a stipulated price of Rs. 108 per equity share, pursuant to conversion of loan into shares on 02.11.2022.

(d) The Company has only one class of equity shares having a par value of Rs. 10/- per Equity share. Each holder of equity shares is entitled to vote one per equity share held. All equity shares ranks pari passu with respect to the dividend, voting rights and other terms. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuring Annual General Meeting. In the event of the liquidation of the company, the equity shareholders are eligible to receive remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

(e) Shareholders holding more than 5 % of the equity shares in the Company :

Name of the shareholder	As at 31st March, 2023		As at 31st March, 2022	
	No. of shares held	% of holding	No. of shares held	% of holding
S L Industries Private Limited	54,19,674	13.97%	54,19,674	14.79%
Sohan Lal Agarwal	38,63,208	9.96%	38,63,208	10.54%
India Max Investment Fund Limited	11,69,000	3.01%	60,37,407	16.48%

Notes forming part of finanacial statements

Note No. : 12 Equity share capital *(Contd.)*

(f) Promoter's Shareholding as at 31st March,2023

Promoter name		No. of Shares	% of total shares	% Change during the year
1	Sohan Lal Agarwal	38,63,208	9.96%	-
2	Raj Kumari Agarwal*	20	0.00%	-
3	Chiranji Lall Agarwal	14,020	0.04%	-
4	S. L Industries Pvt. Ltd.	54,19,674	13.97%	-
5	Websol Green Projects Private Limited	10,87,880	2.80%	2.80%
Total		**1,03,84,802**	**26.77%**	

* Nil due to rounding off

Promoter's Shareholding as at 31st March, 2022

Promoter name		No. of Shares	% of total shares	% Change during the year
1	Sohan Lal Agarwal	38,63,208	10.54%	2.95
2	Raj Kumari Agarwal*	20	0.00%	-
3	Chiranji Lall Agarwal	14,020	0.04%	-
4	S. L Industries Pvt. Ltd.	54,19,674	14.79%	-
Total		**92,96,922**	**25.37%**	

* Nil due to rounding off

(g) Foreign Currency Convertible Found (FCCB) amounting to US$ 16.80 million issued by the Company in earlier years was restructured vide a written resolution dated 7th December, 2016 signed by the bondholders and consequently, a supplementary trust deed was executed on the same date between the Company and the trustee. Post restructuring, the bond convertible into equity shares of the Company at the option of the Bond Holders. During the previous year, FCCB converted into equity shares.

Note No. : 13 Other equity

Particulars	As at 31st March, 2023		As at 31st March, 2022	
(a) Equity component of Foreign Currency Convertible Bonds (FCCB)				
Balance as per last account	-		2,478.31	
Less: Issue of equity shares	-		(2,478.31)	
Closing Balance		-		-
(b) Money received against share warrants				
Balance as per last account	-		-	
Add: Issued during the year	-		750.00	
Less: Converted into equity shares	-		(150.00)	
Less: Transferred to securities premium on conversion to equity share	-		(600.00)	
Closing Balance		-		-
(c) Capital Reserve				
Balance as per last account	19,109.28		19,109.28	
Closing Balance		19,109.28		19,109.28

Notes forming part of finanacial statements

Note No. : 12 Equity share capital *(Contd.)*

Particulars	As at 31st March, 2023		As at 31st March, 2022	
(d) Securities Premium				
Balance as per last account	18,143.56		15,464.98	
Add: Issue of equity shares against FCCB	-		2,078.58	
Add: Issue of equity shares against warrants	-		600.00	
Add: Issue of equity shares against preferential allotment	2,113.74		-	
Closing Balance		20,257.30		18,143.56
(e) Retained earnings				
Balance as per last account	(21,758.01)		(20,929.81)	
Prior Period Adjustment (Refer Note 34(12)(b))	-		(1,844.92)	
Restated Balance as per last account	**(21,758.01)**		**(22,774.73)**	
Add: Profit for the year	(2,368.59)		966.99	
Add: Transfer from Other Comprehensive income	8.24		49.73	
Closing Balance		(24,118.36)		(21,758.01)
(f) Other Comprehensive Income-				
Remeasurement of Defined Benefit Plan				
Balance as per last account	-		-	
Add:Other Comprehensive income for the year	8.24		49.73	
Less:Transferred to Retained Earnings	(8.24)		(49.73)	
Closing Balance		-		-
Total		**15,248.22**		**15,494.83**

Notes:-

1 Capital Reserve represents various capital receipts such as subsidy, share application money forfeited, receipt on settlement of loan, etc.

2 Securities Premium is used to record the premium on issue of shares. This reserve is being utilised in accordance with the provisions of the Act.

3 Retained Earnings represents the undistributed profit / amount of accumulated earnings of the Company.

4 Remeasurement of defined benefit plans comprises actuarial gains and losses which are recognised in other comprehensive income and then immediately transferred to retained earnings.

Note No. : 14 Borrowings

(i) Non-current

(Rs. In lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Term loans		
Secured		
From Entity other than Bank		
Invent Asset Reconstrucrtion Company Ltd. (Invent) #	-	446.36
Total	**-**	**446.36**

Current Maturities of Long term debts shown under Current - Borrowings (Note - 14(ii))

i) Nature of security:

Term loan from Invent was primarily secured by way of first pari passu charge on mortgage / hypothecation over 90 MW cell line, plant and equipment including land of Falta unit measuring 28,576.84 sq mts.

Notes forming part of finanacial statements

Note No. : 14 Borrowings *(Contd.)*

ii) Terms of Repayment

Repayment Schedule as at March 31, 2023

The Company has prepaid the loan on 16th February, 2023.

Repayment Schedule as at March 31, 2022 (Rs. In lakh)

Particulars	Maturity profile		Total
Secured loan	Less than 1 year	1-5 years	
Invent Asset Reconstruction Company Ltd.*	**1,187.50**	**475.00**	**1,662.50**

* The figures as stated above are actual loan balances and excludes adjustment to the extent of Rs. 100.25 lakh on transition to Ind AS for loans recognised using effective interest rate.

(ii) Current

(Rs. In lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Secured		
Current maturities of long-term debts#	-	1,115.89
Unsecured		
Other loans and advances (payable on demand)		
From Related parties (Refer Note 34.8)*	1,298.35	1,212.97
From bodies corporate (other than related parties)**	1,412.51	839.98
Total	**2,710.86**	**3,168.84**

Notes:

1 #Refer Note No. 14(i) and (ii) for nature of securities and terms of repayment respectively.

2 *Includes Interest free borrowings of Rs. 690.10 lakh (Previous Year : Nil).

3 **Includes interest free borrowings Nil (Previous Year : Rs. 495.53 lakh).

Note No. : 15 Lease Liabilities

(i) Non-current

(Rs. In lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Lease obligation	8.30	-
Total	**8.30**	**-**

*Refer Note 34.7 for disclosure related to lease

(ii) Current

(Rs. In lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Lease obligation	31.61	32.25
Total	**31.61**	**32.25**

*Refer Note 34.7 for disclosure related to lease

Notes forming part of finanacial statements

Note No. : 16 Provisions

(i) Non-current

(Rs. In lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Provision for Employee benefits		
Gratuity (Refer Note 34.4)	174.57	175.46
Total	**174.57**	**175.46**

(ii) Current

(Rs. In lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Provision for Employee benefits		
Gratuity (Refer Note 34.4)	25.44	2.55
Other Provisions		
Provision for contingency*	3.50	3.50
Provision for Excise Duty	216.55	100.00
Total	**245.49**	**106.05**

*Provisions for contingencies represent provision towards various claims made/anticipated in respect of litigation claims against the Company based on the Management's assessment.

Movement in Provision for contingencies:

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Provision for contingency	Provision for Excise Duty	Provision for contingency	Provision for Excise Duty
As per last account	3.50	100.00	-	100.00
Created during the year	-	116.55	3.50	-
Closing balance (Current)	3.50	216.55	3.50	100.00

It is not possible to estimate the timing/uncertainties relating to utilisation /reversal from the provision for contingencies. Future cash outflow in respect of the above is determinable only upon Court decision/out of Court settlement/disposal of appeals. The Company does not expect any reimbursement in respect of above provisions.

Note No. : 17 Deferred tax liabilities (Net)

(Rs. In lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Tax effect of items constituting deferred tax liabilities		
Property, plant and equipment	4,705.51	4,931.29
	4,705.51	**4,931.29**
Tax effect of items constituting deferred tax assets		
Expenses allowable on payment basis	50.34	50.36
Carry Forward Loss	422.60	-
Unabsorbed depreciation	2,614.26	2,477.56
	3,087.20	**2,527.92**
Net deferred tax liabilities / expense	**1,618.31**	**2,403.37**

The ultimate realisation of deferred tax assets and carried forward tax losses / unabsorbed depreciation is dependent upon the generation of future taxable income. Deferred tax assets is recognised on management's assessment of reasonable certainty for reversal/utilisation thereof against future taxable income.

Notes forming part of finanacial statements

Note No. : 17 Deferred tax liabilities (Net) *(Contd.)*

As at 31.03.2023 (Rs. In lakh)

Particulars	As at 1st April, 2022	Recognized in profit or loss	Recognized in Other Comprehensive Income	As at 31st March, 2023
Tax effect of items constituting deferred tax liabilities				
Property, plant and equipment	4,931.29	(225.78)	-	4,705.51
	4,931.29	**(225.78)**	**-**	**4,705.51**
Tax effect of items constituting deferred tax assets				
Expenses allowable on payment basis	50.36	(0.02)	-	50.34
Carry Forward Loss	-	422.60	-	422.60
Unabsorbed depreciation	2,477.56	136.70	-	2,614.26
	2,527.92	**559.28**	**-**	**3,087.20**
	2,403.37	**(785.06)**	**-**	**1,618.31**

As at 31.03.2022 (Rs. In lakh)

Particulars	As at 1st April, 2022	Recognized in profit or loss	Recognized in Other Comprehensive Income	As at 31st profit or loss
Tax effect of items constituting deferred tax liabilities				
Property, plant and equipment	5,075.82	(144.53)	-	4,931.29
	5,075.82	**(144.53)**	**-**	**4,931.29**
Tax effect of items constituting deferred tax assets				
Expenses allowable on payment basis	49.06	1.30	-	50.36
Carry Forward Loss	-	-	-	-
Unabsorbed depreciation	3,040.34	(562.78)	-	2,477.56
	3,089.40	**(561.48)**	**-**	**2,527.92**
	1,986.42	**416.95**	**-**	**2,403.37**

Note No. : 18 Other Current liabilities

(i) Non-current

(Rs. In lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Deferred Income	-	111.40
Total	**-**	**111.40**

(ii) Current

(Rs. In lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Advances from customers	100.37	21.93
Statutory Liabilities	77.88	213.82
Deferred Income	-	222.81
Total	**178.25**	**458.56**

Notes forming part of finanacial statements

Note No. : 19 Trade and Other Payables

(Rs. In lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Trade payables		
Total outstanding dues of micro and small enterprises (Refer Note 34.2)	13.90	8.21
Total outstanding dues of creditors other than micro and small enterprises	**1,962.43**	**1,978.73**
Other payables		
Total outstanding dues of creditors other than micro and small enterprises	220.36	326.07
Total	**2,196.69**	**2,313.01**

As at 31st March, 2023

(Rs. In lakh)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	10.52	3.38	-	-	13.90
(ii) Others	320.00	856.82	18.66	987.31	2,182.79
(iii) Disputed dues- MSME		-	-	-	-
(iv) Disputed dues- Others		-	-	-	-

As at 31st March, 2022

(Rs. In lakh)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	8.21	-	-	-	8.21
(ii) Others	1,285.34	801.22	67.64	150.60	2,304.80
(iii) Disputed dues- MSME		-	-	-	-
(iv) Disputed dues- Others		-	-	-	-

Note No. : 20 Other Financial Liabilities

(Rs. In lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Other Payables		
Unpaid salary and other payroll dues	362.49	211.81
Accrued expenses	3.50	3.85
Book Overdraft	49.32	-
Total	**415.31**	**215.66**

Note No. : 21 Revenue from operations

(Rs. In lakh)

Particulars	Year ended 31st March, 2023	Year ended 31stMarch, 2022
Sale of goods		
Solar Photovoltaic Cells and Modules	1,722.43	21,322.33
Total	**1,722.43**	**21,322.33**

Note: There is no difference between the contract price and the revenue from contract with customers.

Notes forming part of finanacial statements

Note No. : 21 Revenue from operations *(Contd.)*

Disclosure as per Ind AS 115 Revenue from Contract with Customers:

Disaggregated revenue information:

Note No. : 21.1

(Rs. In lakh)

Particulars	Year ended 31st March, 2023	Year ended 31stMarch, 2022
a) India	1,525.62	21,322.33
b) Outside India	196.81	-
Total	**1,722.43**	**21,322.33**

Note No. : 21.2

(Rs. In lakh)

Particulars	Year ended 31st March, 2023	Year ended 31stMarch, 2022
a) Manufactured goods - Solar Photovoltaic Cells and Modules	1,722.43	21,322.33
Total	**1,722.43**	**21,322.33**

Note No. : 21.3

(Rs. In lakh)

Particulars	Year ended 31st March, 2023	Year ended 31stMarch, 2022
Timing of goods		
At a point in time	1,722.43	21,322.33
Total	**1,722.43**	**21,322.33**

Note No. : 21.4

(Rs. In lakh)

Particulars	Year ended 31st March, 2023	Year ended 31stMarch, 2022
Contract Balances		
Trade Receivables (Refer Note 9)	172.54	2,708.88
Total	**172.54**	**2,708.88**

Note No. : 22 Other income

(Rs. In lakh)

Particulars	Year ended 31st March, 2023	Year ended 31stMarch, 2022
Interest income on financial assets carried at amortized cost	280.47	222.81
Other non-operating income		
Sundry balances written back	20.42	66.19
Foreign Exchange Fluctuation	-	161.41
Miscellaneous income	0.01	8.60
Total	**300.90**	**459.01**

Notes forming part of finanacial statements

Note No. : 23 Cost of materials consumed

(Rs. In lakh)

Particulars	Year ended 31st March, 2023	Year ended 31stMarch, 2022
Opening stock	937.83	877.77
Add: Purchases	395.68	14,315.87
Carriage Inward	14.29	720.46
	1,347.80	**15,914.10**
Less: Write down of inventory recognized as exceptional item (refer Note 31(c))	113.66	-
Less: Closing stock of raw Material	256.58	937.83
	977.56	**14,976.27**
Silicon Wafers	565.16	8,854.13
Silver & Aluminium Paste	206.26	3,317.71
Other Materials	206.14	2,804.43
Total	**977.56**	**14,976.27**

Note No. : 24 Stores and Spares consumed

(Rs. In lakh)

Particulars	Year ended 31st March, 2023	Year ended 31stMarch, 2022
Opening Stock	633.22	560.81
Add: Purchase	63.67	1,223.69
Carriage Inward	0.54	12.27
	697.43	**1,796.77**
Less: Closing Stock	368.76	633.22
Total	**328.67**	**1,163.55**

Note No. : 25 Changes in inventories of finished goods and work-in-progress

(Rs. In lakh)

Particulars	Year ended 31st March, 2023	Year ended 31stMarch, 2022
Finished Goods		
Opening stock	549.81	264.08
Less : Closing stock	735.85	549.81
Total (A)	**(186.04)**	**(285.73)**
Work- in-progress		
Opening stock	121.31	72.72
Less : Closing stock	-	121.31
Total (B)	121.31	(48.59)
Total (A+B)	**(64.73)**	**(334.32)**

Note No. : 26 Power and Fuel

(Rs. In lakh)

Particulars	Year ended 31st March, 2023	Year ended 31stMarch, 2022
Power and fuel	176.90	1,082.86
Electric charges	3.16	3.57
Total	**180.06**	**1,086.43**

Notes forming part of finanacial statements

Note No. : 27 Employee benefits expense

(Rs. In lakh)

Particulars	Year ended 31st March, 2023	Year ended 31stMarch, 2022
Salaries, allowances, bonus and gratuity	608.50	938.39
Contributions to provident and other funds	46.64	69.78
Staff welfare expenses	23.79	36.04
Total	**678.93**	**1,044.21**

Note No. : 28 Finance costs

(Rs. In lakh)

Particulars	Year ended 31st March, 2023	Year ended 31stMarch, 2022
Interest		
Lease Obligation	6.28	159.35
On Loans	335.06	127.46
Other borrowing costs *	41.15	18.38
Total	**382.49**	**305.19**

*Includes		
i) Interest for late payment of statutory dues (Other than TDS)	7.21	3.68
ii) Interest on TDS	2.00	8.06

Note No. : 29 Depreciation and amortisation expense

(Rs. In lakh)

Particulars	Year ended 31st March, 2023	Year ended 31stMarch, 2022
Depreciation of property, plant and equipment	1,505.20	1,504.23
(Refer note no. 5(i))		
Amortisation of Right of use Assets	28.68	28.67
(Refer note no. 5(ii))		
Amortisation of intangible assets	0.61	0.55
(Refer note no. 5(iii))		
Total	**1,534.49**	**1,533.45**

Notes forming part of finanacial statements

Note No. : 30 Other expenses

(Rs. In lakh)

Particulars	Year ended 31st March, 2023	Year ended 31stMarch, 2022
Rent	12.46	11.01
Repairs and Maintenance		
Building	40.65	22.32
Machinery	20.65	50.73
Others	19.39	10.58
Insurance	37.20	39.17
Listing Fees	8.55	9.62
Rates & taxes	188.25	11.12
Carriage Outward	1.31	8.97
Director's Sitting fees	7.87	4.86
Donation	1.00	-
Advertisement and Selling Expenses	17.75	29.48
Bank Commission and Charges	7.27	1.80
Printing and Stationery	1.73	7.31
Professional and consultancy charges	64.23	107.04
Payment to Auditor*	9.08	8.75
Telephone charges	5.95	5.66
Travelling and Conveyance	16.87	72.04
Coolie & Cartage	0.21	0.09
CSR Expenditure (Refer Note 34(13))	50.36	25.17
Provision for contingency (Refer Note 16(ii))	-	3.50
Hire Charges	8.40	8.68
Security Expenses	18.00	16.50
Sundry Balances written off	147.52	19.24
Exchange Fluctuation Loss	69.90	-
Credit impairment for doubtful debt	140.15	237.84
Miscellaneous Expenses	14.82	33.00
Total	**909.57**	**744.48**

Note No. : 30 Other expenses *(Contd.)*

(Rs. In lakh)

Payment to Auditor	Year ended 31st March, 2023	Year ended 31stMarch, 2022
As Auditor	4.00	4.00
For Taxation Matters	1.75	1.75
For other Services	3.33	3.00
Total	**9.08**	**8.75**

Notes forming part of finanacial statements

Note No. : 31 Exceptional Items

(Rs. In lakh)

Payment to Auditor	Year ended 31st March, 2023	Year ended 31stMarch, 2022
Sundry Balances written back (Refer note no. 31(a))	-	(121.86)
Sundry Balances written off (Refer note no. 31(b))	19.72	-
Write Down of Inventory (Refer note no. 31(c))	113.66	
Litigation settlement - Excise Duty (Refer note no. 31(d))	116.55	
Total	**249.93**	**(121.86)**

(a) Sundry balances written back amounting to Rs. Nil (Previous Year Rs. 121.86 lakh) includes various credit balance, those were payable to various parties for trade payables and borrowings.

(b) Sundry balances written off amounting to Rs. 19.72 lakh (Previous Year Nil) includes excess debit balance of Cenvat Credit balance being written off.

(c) Write down of inventory includes includes write down in the value of inventory to NRV due to expiry of the materials amounting to Rs. 113.66 lakh (Previous Year Rs. Nil).

(d) Provision amounting to Rs. 116.55 lakh has been made as per High Court Order, rejecting the plea against settlement commision demand of Rs. 216.55 lakh. The company had paid Rs. 100 lakh and already provided for against this demand in the year 2004-05.

Note No. : 32 Tax expense

(Rs. In lakh)

Payment to Auditor	Year ended 31st March, 2023	Year ended 31stMarch, 2022
Recognised in Statement of profit and loss		
Current tax	-	-
Deferred tax (Refer note no. 17)	(785.07)	416.95
Tax Expense	**(785.07)**	**416.95**

The reconciliation of estimated income tax to income tax expense is as below:

(Rs. In lakh)

Payment to Auditor	Year ended 31st March, 2023	Year ended 31stMarch, 2022
Profit before tax	(3,153.66)	1,383.94
Statutory Income Tax Rate	25.17%	25.17%
Expected income tax expense at statutory income tax rate	(793.78)	348.34
(i) Adjustment of previous years' carry forward losses	569.66	(561.92)
(ii) Items not allowed as per Income Tax	468.57	505.56
(iii) Items deductible as per Income Tax	(244.46)	(291.97)
(iv) Impact of deferred tax	(785.07)	416.95
Tax Expense recognised in Statement of profit and loss/OCI	**(785.07)**	**416.95**

Notes forming part of finanacial statements

Note No. : 33 Earnings per share

Particulars	Year ended 31st March, 2023	Year ended 31stMarch, 2022
Amount used as the numerator (Rs. in lakh)		
Profit/(Loss) for the year - (A)	(2,368.59)	966.99
Weighted average number of equity shares outstanding used as the denominator for computing Basic Earnings per share - (B)	3,75,21,018	3,32,26,709
Weighted average number of equity shares outstanding used as the denominator for computing Diluted earnings per share - (C)	3,75,21,018	3,32,26,709
Nominal value of equity shares (Rs.)	10.00	10.00
Basic earnings per share (Rs.) (A/B)	(6.31)	2.91
Diluted earnings per share (Rs.) (A/C)	**(6.31)**	**2.91**

Note No. : 34 Other disclosures and additional regulatory information

1. Contingent liabilities (to the extent not provided for)

(Rs. in Lakh)

Sl. No.	Particulars	As at 31st March, 2023	As at 31st March, 2022
A.	**Contingent liabilities :**		
	Claims against the Company not acknowledged as debts :		
	(i) Excise duty and penalty	57.12	187.54
	(ii) Trade payable- Liquidated damages	-	20.00
	(iii) Employee Provident Fund	11.68	-
	(iv) Income Tax	2,797.58	487.28
		2,866.38	**694.82**
B.	**Capital Commitments and Advances:**		
	Capital Commitment - Property, plant and equipment	15,158.91	5.85
	Capital advance given	3,028.09	5.85
	Letter of comfort issued on behalf of a related party	590.00	-

The amounts shown above represent the best possible estimates arrived at on the basis of available information. The uncertainties and timing of the cash flows are dependent on the outcome of different legal processes which have been invoked by the Company or the claimants, as the case may be and, therefore, cannot be estimated accurately. The Company does not expect any reimbursement in respect of above contingent liabilities.

In the opinion of the management, no provision is considered necessary for the disputes mentioned above on the ground that there are fair chances of successful outcome of the appeals.

The company's product namely Solar Photovoltaic Modules carry a warranty of 25 years as per International Standards.

A fair estimate of future liability that may arise on this account is not ascertainable. The same shall be accounted for as and when any claim occurs.

Notes forming part of finanacial statements

Note No. : 34 Other disclosures and additional regulatory information *(Contd.)*

2. The company has received memorandum (as required to be filed by the suppliers with the notified authority under the Micro, Small and Medium Enterprises Development Act, 2006) claiming their status as on 31 March 2023 as micro, small and medium enterprises. Consequently, the amount due to micro and small enterprises as per requirement of Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 is Rs. 13.15 Lakh (31st March 2022 - 8.21 Lakh) as follows:

(Rs. in Lakh)

Sl. No.	Particulars	As at 31st March, 2023	As at 31st March, 2022
1	Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end.	13.15	8.21
2	Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end.	0.75	0.01
3	Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-
4	Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-
5	Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-
6	Interest due and payable towards suppliers registered under MSMED Act, for payments already made.	-	-
7	Further interest remaining due and payable for earlier years	-	-
		13.90	**8.22**

3. Operating segment

The Company is primarily engaged in only one product line i.e., Solar photo-Voltaic Cells and Modules. All the activities of the Company revolve around the main business. As such there are no separate reportable segments as per requirements of Accounting Standard (Ind AS- 108) on operating segment. Further, the Company operates only in India, hence additional information under geographical segments is also not applicable. The Director of the Company has been identified as the Chief Operating Decision Maker (CODM). The Chief Operating Decision Maker also monitors the operating results as one single segment for the purpose of making decisions about resource allocation and performance assessment and hence, there are no additional disclosures to be provided other than those already provided in the financial statements.

4 Employee Benefits :

As per Indian Accounting Standard - 19 " Employee Benefits", the disclosures of Employee Benefits are as follows:

a) Defined Contribution Plan :

Employee benefits in the form of Provident Fund and Employee State Insurance Corporation are considered as defined contribution plan.

The contributions to the respective fund are made in accordance with the relevant statute and are recognised as expense when employees have rendered service entitling them to the contribution. The contributions to defined contribution plan, recognised as expense in the Statement of Profit and Loss are as under :

(Rs. In lakh)

Particulars	Year ended 31st March, 2023	Year ended 31stMarch, 2022
Employer's Contribution to Provident Fund	50.78	59.18
Employer's Contribution to Employees' State Insurance Scheme	9.38	10.60

Notes forming part of finanacial statements

Note No. : 34 Other disclosures and additional regulatory information *(Contd.)*

Retiring gratuity

The Company operates a defined benefit plan (the gratuity plan) covering eligible employees, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employees salary and the tenure of employment. The liability was funded till last year and unfunded in current year. The Company accounted for the liability for gratuity benefits payable in the future based on an actuarial valuation. The Company was exposed to interest risk, liquidity risk, salary escalation risk, demographic risk, regulatory risk.

i. **Interest risk:** The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

ii. **Liquidity risk:** This is the risk that the Company is not able to meet the short-term gratuity payouts. This may arise due to non-availability of enough cash / cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

iii. **Salary Escalation risk:** Higher than expected increases in salary will increase the defined benefit obligation.

iv. **Demographic risk:** This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

v. **Regulatory risk:** Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act , 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (e.g. Increase in the maximum limit on gratuity of Rs. 20 Lakh).

The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	Valuation As at 31st March, 2023	Valuation As at 31st March, 2022
Discount rate(s)	7.20%	7.20%
Withdrawal rate	2.00%	2.00%
Expected rate(s) of salary increase	**10.00%**	**10.00%**

Future mortality rates are obtained from relevant table of Indian Assured Lives Mortality (2006-08) Ultimate.

Amounts recognised in statement of profit and loss in respect of these defined benefit plans are as follows:-

(Rs. In lakh)

Particulars	Year ended 31st March, 2023	Year ended 31stMarch, 2022
Current service cost	21.28	28.18
Past service cost and (gain)/loss from settlements	-	-
Net interest expense	12.68	12.96
Components of defined benefit costs recognised in profit or loss	**33.96**	**41.14**
Remeasurement on the net defined benefit liability:		
Return on plan assets (excluding amounts included in net interest expense	-	-
Actuarial (gains) / losses arising from experience assumptions	(8.24)	(37.47)
Actuarial (gains) / losses arising from assumptions changes	-	(11.45)
Components of defined benefit costs recognised in other comprehensive income	**(8.24)**	**(48.92)**
Total	**25.72**	**(7.78)**

Notes forming part of finanacial statements

Note No. : 34 Other disclosures and additional regulatory information *(Contd.)*

The current service cost and the net interest expense for the year are included in the "Employee benefit expenses" (Note 27) line item in the statement of profit and loss

The remeasurement of the net defined liability is included in other comprehensive income.

The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

(Rs. In lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Present value of funded defined benefit obligation	200.01	196.75
Fair value of plan assets	-	(18.74)
Funded status	**200.01**	**178.01**
Restrictions on asset recognised	-	-
Net liability arising from defined benefit obligation	**200.01**	**178.01**

Movements in the present value of the defined benefit obligations are as follows:

(Rs. In lakh)

Particulars	Year ended 31st March, 2023	Year ended 31stMarch, 2022
Opening defined benefit obligations	196.75	212.73
Current service cost	21.28	28.18
Interest cost	14.03	14.18
Actuarial (gains) / losses arising from experience assumptions	(28.33)	(38.56)
Actuarial (gains) / losses arising from financial assumptions	-	(11.45)
Benefits paid	(3.73)	(8.32)
Closing defined benefit obligation	**200.01**	**196.76**

Movements in the fair value of the plan assets are as follows:

(Rs. In lakh)

Particulars	Year ended 31st March, 2023	Year ended 31stMarch, 2022
Opening fair value of plan assets	18.74	17.82
Interest income	1.35	1.21
Return on plan assets greater/(lesser) than discount rate	(20.09)	(0.29)
Closing fair value of plan assets	**-**	**18.74**

(Rs. In lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Investment Details	**Gratuity Unfunded**	**Gratuity Funded**
Scheme of insurance - conventional products	**-**	**100%**

Notes forming part of finanacial statements

Note No. : 34 Other disclosures and additional regulatory information *(Contd.)*

The following payments are expected contributions to the defined benefit plan in future years:

(Rs. In lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
March 31, 2023	-	22.34
March 31, 2024	26.34	7.00
March 31, 2025	7.07	7.88
March 31, 2026	5.31	6.07
March 31, 2027	4.18	4.94
March 31, 2028	4.56	-
March 31, 2029 to March 31, 2032	-	64.60
March 31, 2029 to March 31, 2033	67.43	
Total expected payments	**114.89**	**112.84**

Sensitivity analysis

Significant actuarial assumption for determination of defined benefit plan are discount rate and expected salary growth. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The result of sensitivity analysis is given below :

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
Assumptions	**Discount rate**		**Discount rate**	
Sensitivity Level	+1 % increase	-1 % decrease	+1 % increase	-1 % decrease
Impact on defined benefit obligation (Rs. In lakh)	(24.12)	(29.56)	(24.78)	30.55
% Change compared to base due to sensitivity [+/(-)%]	-12.10%	14.80%	-12.60%	15.50%
Assumptions	**Future salary increases**		**Future salary increases**	
Sensitivity Level	+1 % increase	-1 % decrease	+1 % increase	-1 % decrease
Impact on defined benefit obligation (Rs. In lakh)	24.78	21.47	25.64	(28.12)
% Change compared to base due to sensitivity [+/(-)%]	12.40%	-10.70%	13.00%	-11.30%

5. Details of Loan, guarantee and Investments covered under section 186 (4) of the Companies Act, 2013 :

The Company has neither given any Loans, security or guarantee nor made any investment during the year.

6. Disclosure under Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

There are no transactions which are required to be disclosed under Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

7. Lease disclosure

a) The Company has adopted IND AS 116 “Leases” with the date of initial application being 1st April, 2019, using the modified retrospective method.

b) Lease Liabilities is being measured by discounting the lease payments using incremental borrowing rate i.e., 8.00% p.a.

Notes forming part of finanacial statements

Note No. : 34 Other disclosures and additional regulatory information *(Contd.)*

c) Movement in Lease Liabilities:

(Rs. In lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
closing Balance	32.25	62.04
Additions during the year	31.61	-
Finance Cost accrued during the year	1.62	4.08
Payment of lease liabilities for the year	33.87	33.87
Closing Balance	**31.61**	**32.25**

d) The breakup of non-current and current lease liabilities is as follows:

(Rs. In lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Non-Current Lease Liabilities	8.30	-
Current Lease liabilities	**31.61**	**32.25**

e) The details of the contractual maturities of lease liabilities on an undiscounted basis are as follows :

(Rs. In lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Less than One Year	33.87	33.87
One to Five year	8.47	-
	42.34	**33.87**

f) Amount Recognised in statement of profit and loss:

(Rs. In lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Interest on lease liabilities	1.62	4.08
Expenses relating to shorter term lease	12.46	11.01
	14.06	**15.09**

g) Amount Recognised in statement of cash flows:

(Rs. In lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Total Cash outflow of leases including cash outflow for short term leases and leases of low value	72.84	-
	72.84	**-**

h) The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Notes forming part of finanacial statements

Note No. : 34 Other disclosures and additional regulatory information *(Contd.)*

8 Related party disclosures

a) Name of the related parties and description of relationship :

i) **Key Managerial Personnel** (KMP): Mr. S.L. Agarwal - Managing Director
Mr. Sumit Kumar Shaw- (Upto 19-09-2021) Company Secretary (Appointed on 15-01-2021)

Directors
Sreeram Vasanthi
Dharmendra Sethia
Deven Kaushik
Ritesh Ojha
Dipti Budhia (W.e.f. 18/04/2022)
Vishal Patodia (W.e.f.18/04/2022)
Sanjana Khaitan (12/11/2022)

ii) **Other related parties**

Relative of KMP: Mrs. Raj Kumari Agarwal (Wife of Mr. S. L. Agarwal)

Significant influence entities:
Sangrima Enterprise
S.L Industries Pvt. Ltd.
Websol Green Projects Private Limited
Tysom Agencies Private Limited
Shalimar Hatcheries Ltd.
Sona Vets Pvt. Ltd.

b) Transactions with Related parties :

(Rs. In lakh)

Nature of transaction/ Name of related party	Other related parties	Key Managerial Personnel (KMP)	Total
(i) Compensation/ Remuneration of KMP			
Mr. S.L. Agarwal	-	132.45	132.45
	(-)	(114.89)	(114.89)
Mr. Sumit Kumar Shaw	-	10.67	10.67
	(-)	(10.67)	(10.67)
Ms. Sanjana Khaitan	-	15.02	15.02
	(-)	(-)	(-)
(ii) Unsecured Loan taken			
S.L Industries Pvt. Ltd.	700.00	-	700.00
	(-)	-	(-)
Tysom Agencies Private Limited	(-)	-	(-)
	(1,314.00)	(-)	(1,314.00)
Websol Green Projects Pvt. Ltd.	1,301.00	-	1,301.00
	(400.00)	(-)	(400.00)
Sreeram Vasanthi	-	6.10	6.10
	(-)	(-)	(-)

Note No. : 34 Other disclosures and additional regulatory information *(Contd.)*

(Rs. In lakh)

Nature of transaction/ Name of related party	Other related parties	Key Managerial Personnel (KMP)	Total
(iii) Unsecured Loan Repayment			
S.L Industries Pvt. Ltd.	16.00	-	16.00
	(0.04)	(-)	(0.04)
Tysom Agencies Private Limited	810.62	-	810.62
	(616.00)	(-)	(616.00)
Websol Green Projects Pvt. Ltd.	1,174.91	-	1,174.91
	(9.21)	(-)	(9.21)
Mr. S.L. Agarwal	-	-	-
	(-)	(150.00)	(150.00)
(iv) Interest on Unsecured Loans taken			
Mr. S.L. Agarwal	-	-	-
	(-)	(2.02)	(2.02)
Tysom Agencies Private Limited	4.13	-	4.13
	(28.25)	(-)	(28.25)
Websol Green Projects Pvt. Ltd.	79.73	-	79.73
	(16.24)	(-)	(16.24)
(v) Reimbursement of Expenses			
Mr. S.L. Agarwal	-	0.59	0.59
	(-)	(3.57)	(3.57)
(vii) Sitting Fees - Director			
Dharmendra Sethia	-	1.62	1.62
	(-)	(1.62)	(1.62)
Deven Kaushik	-	1.62	1.62
	(-)	(1.62)	(1.62)
Ritesh Ojha	-	0.19	0.19
	(-)	(1.62)	(1.62)
Dipti Budhia	-	1.62	1.62
	(-)	(-)	(-)
Vishal Patodia	-	1.62	1.62
	(-)	(-)	(-)
(viii) Retainership fees			
Sreeram Vasanthi	-	10.80	10.80
	(-)	(6.00)	(6.00)
(ix) Proceeds from Share Warranats (Converted into Equity Shares)			
Mr. S.L. Agarwal	-	-	-
	(-)	(600.00)	(600.00)
(x) Letter of comfort issued on behalf of			
Mrs. Raj Kumari Agarwal	590.00	-	590.00
	(-)	(-)	(-)

Notes forming part of finanacial statements

Note No. : 34 Other disclosures and additional regulatory information *(Contd.)*

(Rs. In lakh)

Nature of transaction/ Name of related party	Other related parties	Key Managerial Personnel (KMP)	Total	
(xi) Balance outstanding at the end of the year				
a) Borrowing				
Tysom Agencies Private Limited	-	-	-	-
	(806.48)	(-)	(-)	(806.48)
Websol Green Projects Private Limited	608.25	(-)	(-)	608.25
	(406.49)	(-)	(-)	(406.49)
S.L Industries Pvt. Ltd.	684.00	(-)	(-)	684.00
	(-)	(-)	(-)	(-)
Sreeram Vasanthi	-	6.10	-	6.10
	(-)	(-)	(-)	(-)
b) Trade receivable				
Tysom Agencies Private Limited	-	-	-	-
	(8.56)	(-)	(-)	(8.56)
c) Letter of comfort				
Mrs. Raj Kumari Agarwal	590.00	-	590.00	590.00
	(-)	(-)	(-)	(-)

c) **Details of Remuneration paid/ payable to KMP**

(Rs. In lakh)

Particulars	Mr. S.L. Agarwal	Mr. Sumit Kumar Shaw	Ms. Sanjana Khaitan	Total
Short - term employee benefits				
Salary	124.50	10.12	14.13	148.75
	(108.00)	(10.36)	(-)	(118.36)
Personal Loan	-	-	-	-
	(-)	(0.04)	(-)	(0.04)
	124.50	10.12	-	134.62
	(108.00)	(10.40)	(-)	(118.40)
Post employment benefits				
Contribution to provident fund	7.95	0.25	0.89	9.09
	(6.89)	(0.27)	(-)	(7.16)
Total	132.45	10.67	15.02	158.14
	(114.89)	(10.67)	(-)	(125.56)

Note : The above remuneration does not include provision for gratuity which is determined for the Company as a whole.

d) The transactions with related parties have been entered at an amount which are not materially different from those on normal commercial terms.

e) The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received except comfort letter issued to a lender for loan taken by relative of Managing Director.

f) The company issued and allotted 15,00,000 Equity Shares pursuant to conversion of warrant to the Managing Director i.e Mr. Sohanlal Agarwal at the rate of Rs. 50 per warrant by subscribing to one Equity share per warrant of face value of Rs. 10 each aggregating to Rs. 1,50,00,000 (Previous year Nil).

g) Figures in brackets-( ) represents for year ended 31st March, 2022

Notes forming part of finanacial statements

Note No. : 34 Other disclosures and additional regulatory information *(Contd.)*

9. Financial instruments - Accounting, Classification and Fair value measurements

A. Financial instruments by category

As at 31st March, 2023 (Rs. In lakh)

Sl. No.	Particulars	Refer Note No.	Total Fair Value	Carrying value			
				Amortized cost	FVTOCI	FVTPL	Total
(1)	**Financial assets**						
	(a) Trade receivables	9	172.54	172.54	-	-	172.54
	(b) Cash and cash equivalents	10	8.55	8.55	-	-	8.55
	(c) Other financial assets	6	342.78	342.78	-	-	342.78
	Total		**523.86**	**523.86**	**-**	**-**	**523.86**
(2)	**Financial liabilities**						
	(a) Borrowings	14	2,710.86	2,710.86	-	-	2,710.86
	(b) Lease Liabilities	15	39.92	39.92	-	-	39.92
	(c) Trade payables and other payable	19	2,196.69	2,196.69	-	-	2,196.69
	(d) Other financial liabilities	20	415.31	415.31	-	-	415.31
	Total		**5,362.78**	**5,362.78**	**-**	**-**	**5,362.78**

As at 31st March, 2022 (Rs. In lakh)

Sl. No.	Particulars	Refer Note No.	Total Fair Value	Carrying value			
				Amortized cost	FVTOCI	FVTPL	Total
(1)	**Financial assets**						
	(a) Trade receivables	9	2,708.88	2,708.88	-	-	2,708.88
	(b) Cash and cash equivalents	10	376.99	376.99	-	-	376.99
	(c) Other financial assets	6	344.95	344.95	-	-	344.95
	Total		3,430.82	3,430.82	-	-	3,430.82
(2)	**Financial liabilities**						
	(a) Borrowings	14	3,615.20	3,615.20	-	-	3,615.20
	(b) Lease Liabilities	15	32.25	32.25	-	-	32.25
	(c) Trade payables and other payable	19	2,313.01	2,313.01	-	-	2,313.01
	(d) Other financial liabilities	20	215.66	215.66	-	-	215.66
	Total		6,176.12	6,176.12	-	-	6,176.12

B. Fair value hierarchy

The fair value of the financial assets and financial liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Fair value of cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables and other current financial assets, short term borrowings, trade payables and other current financial liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature.

Where such items are non-current in nature, the same has been classified as Level 3 and fair value determined using adjusted net asset value method.

Note No. : 34 Other disclosures and additional regulatory information *(Contd.)*

There has been no change in the valuation methodology for Level 3 inputs during the year. The Company has not classified any material financial instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2.

Financial assets and financial liabilities measured at fair value on a recurring basis as at 31st March, 2023 Nil (31st March, 2022 : Nil).

10. Financial risk management objectives and policies

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

(a) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under financial instrument or a customer contract leading to a financial loss. The Company is exposure to credit risk from its operating activities primarily trade receivables with exchanges and from its financing activities including deposits placed with bank and other financial instruments/assets. Credit risk from balances with bank and other financial instrument is managed in accordance with company's policies.

Credit risk arising from balances with banks and other cash equivalents is limited and no collaterals are held against these because the counterparties are banks and recognised financial institutions with high credit ratings assigned by credit rating agencies.

Other financial assets measured at amortized cost includes security deposits and others. Credit risk related to these financial assets are managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system is in place to ensure that the amounts are within defined limits.

Customer credit risk is managed as per company's established policy, procedure and control related to credit risk management. Credit quality of the customer is assessed based on his previous track record and funds & securities held by him in his account amd individual credit limit are defined according to this assessment. Outstanding customer receivables are regularly monitored. An impairment analysis is performed at each balance sheet date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. Assets are written off when there is no reasonable expectation of recovery. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognized in statement of profit and loss. The maximum exposure to credit risk at the balance sheet date is the carrying value of each class of financial assets.

The Company assesses and manages credit risk of financial assets on the basis of assumptions, inputs and factors specific to the class of financial assets. The Company provides for expected credit loss on Cash and cash equivalents, other bank balances, loans, trade receivables and other financial assets based on 12 months expected credit loss/life time expected credit loss/ fully provided for. Life time expected credit loss is provided for trade receivables.

Expected credit loss for trade receivables under simplified approach

In respect of trade receivables, the Company considers provision for lifetime expected credit loss. Given the nature of business operations, the Company's trade receivables has low credit risk. Further, historical trends indicate any shortfall between such deposits held by the Company and amounts due from customers have been negligible. Hence, no loss allowances using life time expected credit loss mode is required.

The movement of Trade Receivables and Expected Credit Loss are as follows:

Trade Receivables (Rs. In lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Trade Receivables (Gross)	621.27	3,025.58
Less: Expected Credit Loss	(448.73)	(316.70)
Trade Receivables (Net)	**172.54**	**2,708.88**

Notes forming part of finanacial statements

Note No. : 34 Other disclosures and additional regulatory information *(Contd.)*

Expected Credit Losses

(Rs. In lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Balance at the beginning of the year	316.70	78.87
Charge/(Credit) in Statement of Profit and Loss	140.15	237.83
Provision no longer required written back	(8.12)	-
Balance at the end of the year	**448.73**	**316.70**

(b) Liquidity risk

Liquidity risk is defined as the risk that the company will not be able to settle or meet its obligation on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

The tables below summarises the Company's financial liabilities into relevant maturity groupings based on their contractual maturities:

(Rs. In lakh)

Particulars	Less than 1 year	1-5 years	More than 5 years	Total
As at 31st March, 2023				
Borrowings	2,710.86	-	-	2,710.86
Lease Liabilities	31.61	8.30	-	39.91
Trade payables and other payable	2,196.69	-	-	2,196.69
Other financial liabilities	415.31	-	-	415.31
Total	**5,354.47**	**8.30**	**-**	**5,362.77**
As at 31st March, 2022				
Borrowings	3,168.84	446.36	-	3,615.20
Lease Liabilities	32.25	-	-	32.25
Trade payables and other payable	2,313.01	-	-	2,313.01
Other financial liabilities	215.66	-	-	215.66
Total	**5,729.76**	**446.36**	**-**	**6,176.12**

(c) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market prices. Market rate risk comprises of currency risk, interest rate risk and other price risk such as equity price risk and commodity risk.

Foreign currency risk

Foreign currency risk is the risk of impact related to fair value of future cash flows if an exposure in foreign currency, which fluctuate due to change in forign currency rate. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's foreign currency denominated trade payables. The foreign currency risk is unhedged.

Unhedged Foreign Currency exposures are as follows :-

Nature	Currency	As at 31st March, 2023	As at 31st March, 2022
Amount receivable on account of sale of goods, loans and advances, interest, etc.	USD (in lakh)	NIL	NIL
Amount payable on account of purchase of goods and services	USD (in lakh)	10.87	14.03
	EURO (in lakh)	0.06	0.08

Notes forming part of finanacial statements

Note No. : 34 Other disclosures and additional regulatory information *(Contd.)*

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market interest rate.

i) Liabilities

The Company's fixed rate borrowings are carried at amortised cost. They are, therefore, not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Company has no variable rate borrowings.

ii) Assets

The company's fixed deposits and loans are carried at fixed rate. Therefore, these are not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Price risk

Price risk is the risk that the fair value of financial instrument will fluctuate due to change in market traded price.

The Company has no investment in shares or other securities.

11. Capital Management

Risk management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity share-holders of the Company. The Company's objective when managing capital is to safeguard its ability to continue as a going concern so that it can continue to provide returns to shareholders and other stake holders and maintain an optimal capital structure to reduce the cost of Capital.

The Company manages its capital structure and makes adjustments in light of changes in the financial condition and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders (buy back its shares) or issue new shares.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. The Company has complied with these covenants.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31st March, 2023 and 31st March, 2022.

Note No. : 34 Other disclosures and additional regulatory information *(Contd.)*

12 Additional regulatory information:

a) Ratios

The following are analytical ratios for the year ended March 31, 2023 and March 31, 2022

Particulars	Numerator	Denominator	March 31, 2023 (Rs. In lakh)	March 31, 2022 (Rs. In lakh)	Variance (%)	Reason for Variance
Current Ratio (in times)	Current Assets	Current Liabilities	0.30	0.91	-66.57%	See Footnote 1 below
Debt - Equity Ratio (in times)	Total Debt (borrowings and lease liabilities)	Shareholder's Equity	0.14	0.19	-24.46%	N/a
Debt Service Coverage Ratio (in times)	Earning for Debt Service*	Debt Service#	-2.79	17.40	-116.05%	See Footnote 2 below
Return on Equity (%)	Net Profit After Taxes	Average Shareholder's Equity	-12.37%	5.29%	-17.66%	N/a
Inventory Turnover Ratio (in times)	Revenue from operation	Average Inventory	0.96	10.61	-90.99%	See Footnote 3 below
Trade Receivables turnover ratio (in times)	Revenue from operation	Average Accounts Receivable	1.20	9.08	-86.84%	See Footnote 4 below
Trade payables turnover ratio (in times)	Purchase of Raw Material & Stores	Average Accounts Payable	0.21	5.18	-95.94%	See Footnote 5 below
Net Capital Turnover Ratio (in times)	Revenue from operation	Working Capital	-0.43	-38.58	-98.89%	See Footnote 6 below
Net profit ratio (%)	Net Profit	Revenue	-137.51%	4.54%	-142.05%	See Footnote 7 below
Return on Capital employed (%)	Earnings before interest and taxes (EBIT)	Capital Employed##	-12.15%	7.67%	-19.82%	N/a

*Net profit after tax + non cash operating expenses + Finance costs

Includes Interest + Principal repayment

##Includes Net worth +borrowing+ lease liabilities + deferred tax liabilities

Reasons for variance in ratios:

1 The current ratio has decreased due to realisations made from existing debtors and sale of finished goods and decrease in cash balance for payments being made for capital expenditure for ongoing project.

2 The debt service coverage ratio has decreased due to negative net operating income, as the company was not in operation during the financial year due to ongoing project.

3 Inventory Turnover ratio has decreased as the company was not engaged in production after April and May 2022, due to ongoing project.

4 Trade receivables turnover ratio has decreased due to decrease in sales, consequent to ongoing project.

5 Trade payables turnover ratio has decreased due to decrease in purchases, consequent to ongoing project.

6 Net Capital turnover ratio has decreased due to decrease in sales and decrease in working capital of the company.

7 Net Profit ratio has decreased due to decrease in net profit, as the company has not generated sufficient revenue during the year due to ongoing project.

Notes forming part of finanacial statements

Note No. : 34 Other disclosures and additional regulatory information *(Contd.)*

b) Capital Work in Progress Ageing Schedule

As at 31st March, 2023 (Rs. In lakh)

CWIP	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in progress	561.14	-	-	-	561.14
(ii) Projects temporarily suspended	-	-	-	-	-

As at 31st March, 2022 (Rs. In lakh)

CWIP	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in progress	-	-	-	-	-
(ii) Projects temporarily suspended	-	-	-	-	-

c) Disclosure required under Additional regulatory information as prescribed under paragraph WB to general instructions for preparation of Balance Sheet under Schedule III to the Companies Act, 2013 are not applicable to the Company except as disclosed in Para (a) and (b) above.

13 Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, COVID-19 relief and rural development projects. A CSR committee has been formed by the company as per the Act. The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013:

(i) Non-current (Rs. In lakh)

Particulars	As at 31st March, 2023	As at 31st March, 2022
i) Amount required to be spent by the company during the year	50.35	23.36
ii) Amount of Expenditure incurred during the year*	50.36	25.17
iii) Shortfall at the end of the year	Nil	Nil
iv) Total of Previous years shortfall	Nil	Nil
v) Reason for shortfall	NA	NA
vi) Nature of CSR activities	Promoting Healthcare including preventive Healthcare and Eradication of poverty	Promoting Healthcare including preventive Healthcare and Eradication of poverty
vii) Details of related party transactions, e.g.,contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard.	NA	NA
viii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year	NA	NA

*Other than construction/acquisition of assets

As per our report of even date attached.

For G. P. Agrawal & Co.
Chartered Accountants
Firm's Registration No. - 302082E

(CA. Sunita Kedia)
Partner
Membership No. 060162

S.L.Agarwal
Managing Director
DIN No. 00189898

Sanjana Khaitan
Director
DIN No. 07232095

Sumit Kumar Shaw
CFO and Company Secretary
Membership No. : 64215

Place of Signature: Kolkata
Date: 30th May, 2023

WEBEL SOLAR

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