WEBEL SOLAR

Date: September 12, 2022

To, TheManager Listing, NationalStockExchange ofIndia Limited,Exchange Plaza, BandraKurla Complex, Bandra(E)Mumbai:400051 Scrip Code-WEBELSOLAR	To, TheManager Listing, BombayStockExchange Limited, Floor25, PJTowers,DalalStreet, Mumbai:400001 Scrip Code-517498

WEBSOL ENERGY SYSTEM LIMITED:ISIN-INE855C01015

Dear Sir,

Re: Notice of the 32ndAnnual General Meeting of the Company and Annual Report of the Company for the financial year ended 31st March, 2022

Pursuant to Regulations 30 and 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company for the year ended 31st March, 2022 together with Notice convening the 32ndAnnual General Meeting of the Company on Friday, 30th September, 2022 at 01:00 P.M. through Video Conferencing / Other Audio Visual Means ("VC / OAVM") facility, in accordance with the provisions of the Companies Act, 2013 read with MCA/SEBI Circulars issued in this regard.

For Websol Energy System Limited

SOHAN LAL AGARWAL

Digitally signed by SOHAN LAL AGARWAL
Date: 2022.09.12 13:56:37 +05'30'

Managing Director
(Sohan Lal Agarwal)

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Block-'P' 2nd Floor, New Alipore, Kolkata-700 053
Phone : +91-33-24000419 Fax : +91-33-24000375
E-mail : websol@webelsolar.com
CIN- L29307WB1990PLC048350

Corporate Office and Plant :
Sector II, Falta Special Economic Zone, Falta
24 Parganas (South), West Bengal, India, Pin-743504
Ph. : 91-3174-222932, Fax : 91-03174-222933

www.webelsolar.com

India's only listed pure play profitable **solar cells and module manufacturer**

Websol Energy System Limited

Annual Report 2021-22

Contents

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.

PART ONE

What we are, what we do and how we performed

Websol Energy System Limited.

Pioneered the manufacture of solar cells in India.

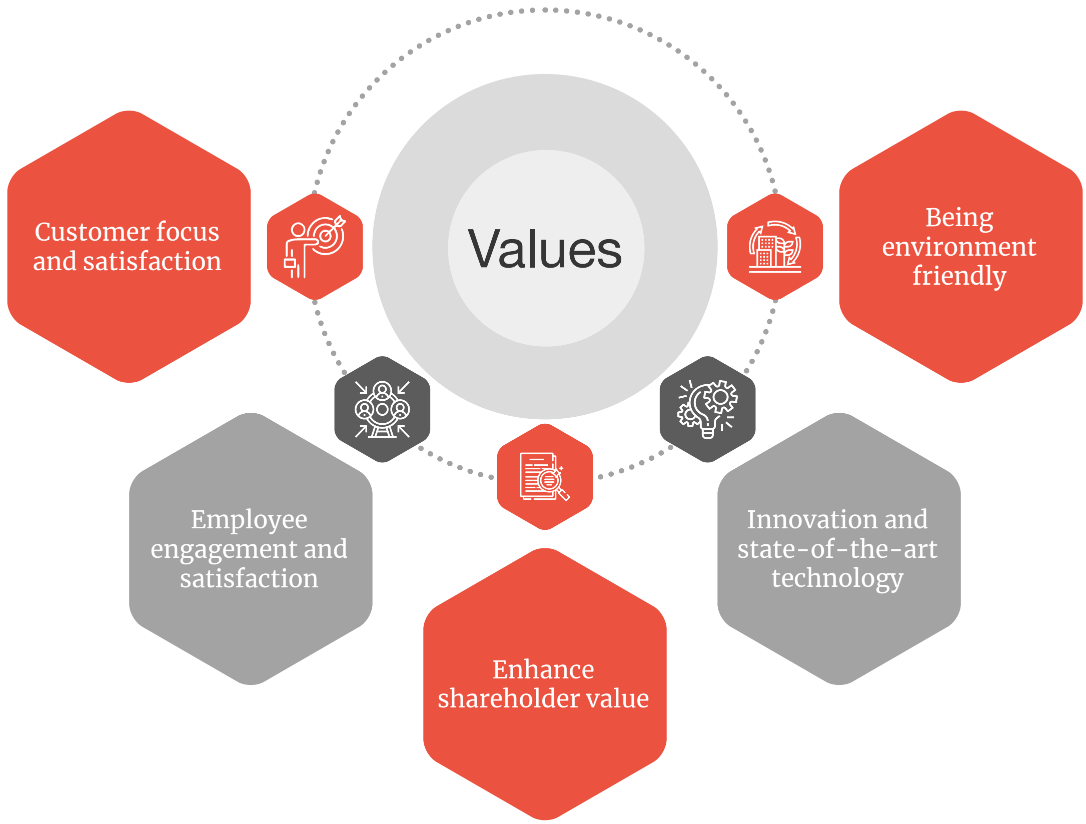
Endured through various market, policy and technology cycles.

Liquid, profit-making and debt-free today.

Positioned to address the growing needs of the country and world.

Vision

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



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.

Research and development

The Company has invested in a team of research professionals focused on delivering a better utilisation of solar cell manufacturing capacity, enhancing quality standards and addressing sectorial trends through product customisation and improvement.

Experience

The Company has emerged as one of the leading solar photovoltaic cell players. The Company enjoys a prominent presence due to its longstanding experience of two-and-a-half decades. The Company commenced its business as a fully export oriented unit, serving Europe (Germany and Italy) and US. The Company has manufactured quality products for exports; its panels have been successfully in operation for 26 years.

Talent

The Company comprised 250 workers and knowledge professionals as on 31st March, 2022. The average employee age was 35 on that date.

Advanced technologies

The Company invested in cutting-edge technologies to address rapid technological advancements, which enabled it to produce world-class photovoltaic solar cells and modules at its state-of-the-art facility in Falta SEZ. The facility empowered the Company to ramp production capacity to 250 MW cells and 250 MW modules.

Certifications

The Company is ISO 9001:2015-certified, which signifies its commitment towards supplying superior quality products for its customers. The solar modules are also approved as per IEC 61215, IEC 61730 and UL 1703 standards. The Company possesses environment certifications that endorse its HSE compliance: ISO 14001:2015 certification, in addition to the OHSMS 45001:2018 certification. Our modules have also been certified for BIS, facilitating their deployment in Indian solar energy projects.

How we have grown across the years

1990-91

Mr. S. L. Agarwal, Founder and Managing Director of Websol Energy System Limited, commenced 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 enhanced to 3 MW.

2002-04

International certification obtained for W1000 as per IEC 61215 standards. UL 1703 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 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. Migrated from 125x125 mm to 156x156 mm wafers; enhanced the power output of modules to 290W.

2011-12

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

2012-13

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.

2014-15

Installed a new texturising line to graduate to the manufacture of cost-effective multi-crystalline solar cells. Installed capacity 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 kg) 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 rejections.

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

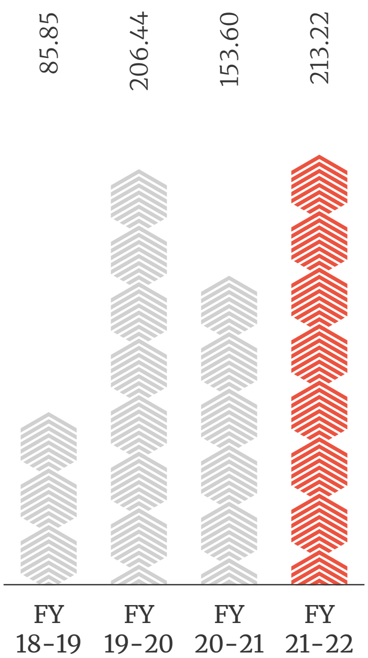
2021-22

Websol continued to use its multicrystalline cells equipment to full capacity. The Company planned for capacity enhancement with technological upgradation to Mono PERC in line with international requirements.

Our performance over the years

Revenues

(Rs crore)



Definition

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

Reason for measurement

It indicates sales trend volume and the extent of the customer's acceptance of the Company's products.

Performance, FY2021-22

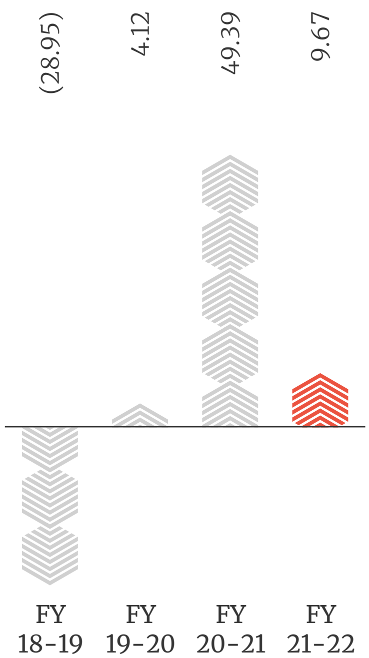
The revenue from operations increased by 39% to Rs 213.22 crore during FY2021-22. In FY2021-22, the market bounced back and there was a good demand for our products.

Value impact

Develops a strong growth foundation on which profits can be built

PAT

(Rs crore)



Definition

Profits earned during the year net of all expenses and provisions

Reason for measurement

It indicates the robustness of the business model

Performance, FY2021-22

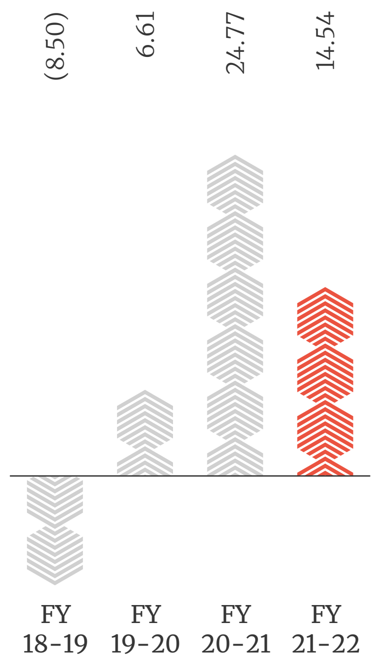
The profit after tax of the Company was less, due to lower exceptional items. In FY2021-22, PAT was low compared to FY2020-21 as write backs were more in FY2020-21

Value impact

Enables the sustainability of the Company's growth engine and ensures the availability of cash for reinvestment.

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

Reason for measurement

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

Performance, FY2021-22

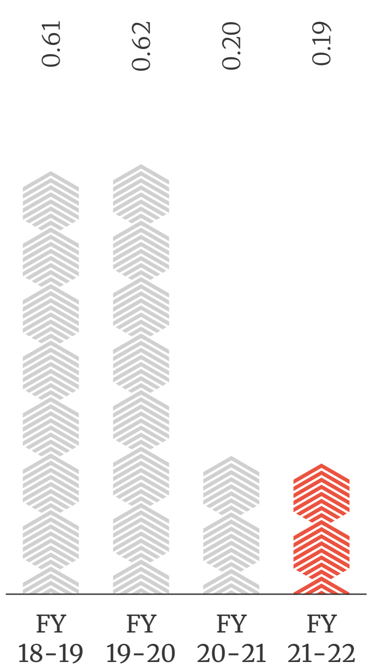
The Company's EBITDA margin decreased by more than 700 bps in FY2021-22 as competition grew and selling price per Wp reduced.

Value impact

Manifests a significant cushion in the business, which, when amplified by scale, increases 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)

Reason for measurement

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

Performance, FY2020-21

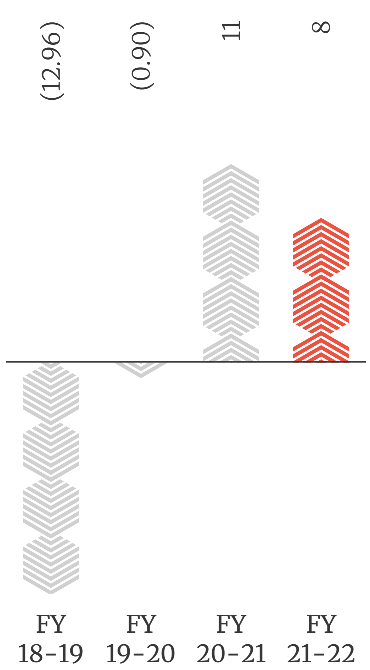
The Company's debt-equity ratio strengthened from 0.20 in FY2020-21 to 0.19 in FY2021-22.

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.

Reason for measurement

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, FY2021-22

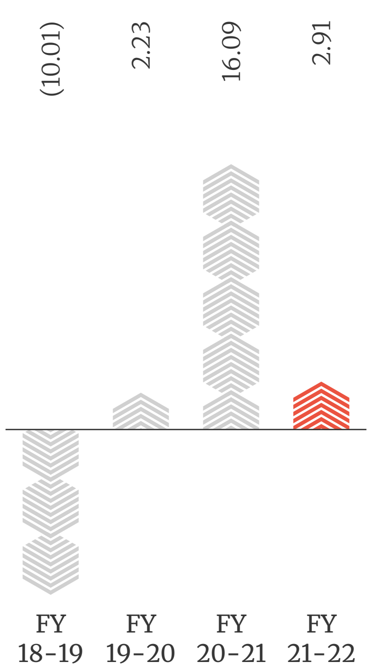
Due to present technology becoming obsolete, no capex additions were done. Due to a reducing EBITDA margin, the RoCE reported a reduction compared to FY2020-21

Value impact

Following a decline in ROCE due to the Covid pandemic, the profit was impacted

Earnings per share

(Rs crore)



Definition

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

Reason for measurement

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

Performance, FY2021-22

The Company's EPS decreased from Rs16.09 in FY2020-21 to Rs2.91 in FY2021-22.

Value impact

Decreased earnings per share due to Covid pandemic effected profits.

The financial health of our business

Year, FY2021-22	Quarter one	Quarter two	Quarter three	Quarter four
Revenues (Rs crore)	44.60	59.30	50.48	63.43

Year, FY2021-22	Quarter one	Quarter two	Quarter three	Quarter four
EBITDA (Rs crore)	8.83	8.53	8.66	6.2

Year, FY2021-22	Quarter one	Quarter two	Quarter three	Quarter four
Profit after tax (Rs crore)	3.12	4.04	2.01	0.50

Year, FY2021-22	Quarter one	Quarter two	Quarter three	Quarter four
Cash profit (Rs crore)	6.94	7.91	5.87	4.29

Year, FY2021-22	Quarter one	Quarter two	Quarter three	Quarter four
EBITDA margin (%)	20.53	14.38	17.15	9.90

Year, FY2021-22	Quarter one	Quarter two	Quarter three	Quarter four
Interest cover (x)	6.34	6.47	6.59	2.98

Year, FY2021-22	Quarter one	Quarter two	Quarter three	Quarter four
Interest outflow (Rs crore)	0.79	0.72	0.73	0.81

PART TWO

The management's perspectives on value creation

5

principal messages of this Annual Report

1

The Company has been a successful sectorial survivor for more than 25 years

2

The Company is now placed to more than seven fold cell and module manufacturing capacity

3

The Company is also concurrently engaged in the replacement of conventional technology

4

The Company's performance of FY2022-23 may be affected on account of planned downtime for equipment replacement

5

Following re-commissioning, the Company is expected to enhance revenues and margins

Chairman's overview

At Websol, we intend to capitalise on the unprecedented opportunity through the following initiatives: one, we intend to more than seven fold our existing capacity (around 250 MW) so that we retain our position as one of the largest producers of solar cells in India

At Websol, our principal achievement is that we have consistently evolved and survived. We continue to be technologically relevant and profitable, a distinguishing feature of our corporate longevity. The result of this responsiveness is that we find ourselves at the cusp of an inflection point in our existence.

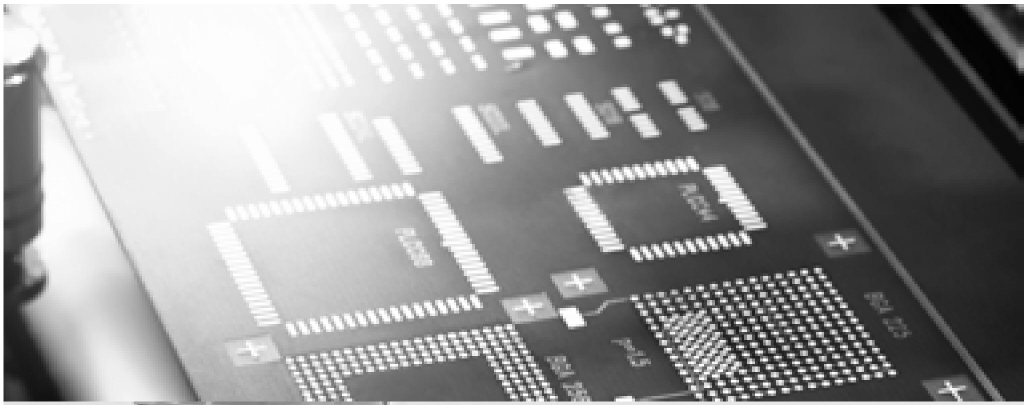
This inflection is on account of four reasons that I will explain, enabling a better understanding of where we are headed.

One, India's renewable energy story is one of the most exciting in the world. The country outlined a renewable energy target of 225 GW by 2022, which was upgraded to 450 GW by 2030, and eventually to 50% of the country's energy being derived through renewable means by 2030.

Two, this daring target was complemented by relevant policy. In a decisive move, the Indian government implemented customs tariff of 40% on solar energy modules and 25% on solar energy cells, providing the domestic sector with adequate protection, empowering it to achieve scale, economy and export competitiveness.

Three, the exciting development of green hydrogen provides a basis of multi-decade growth prospects. Green hydrogen is made by splitting water through renewable power. Green hydrogen could be an ideal power source for energy-intensive industries like refining, steel, cement, heavy mobility and industrial heating. There is a growing excitement that green hydrogen could be the fuel of the future, backed by renewable energy. The simple replacement of fossil fuel-driven energy with solar cells or wind energy has been extensively discounted and accepted. It is the excitement of green hydrogen backed by solar or wind energy that is driving global excitement and prospects of

The exciting development of green hydrogen provides a basis of multi-decade growth prospects.



The conventional multi-crystalline technology is being replaced with the Mono PERC and TOPCon equivalents that are generating a higher cell output and yield.

sustained business growth into the long-term.

Four, solar energy technologies are passing through an unprecedented change. The conventional multi-crystalline technology is being replaced with the Mono PERC and TOPCon equivalents that are generating a higher cell output and yield, making it possible to generate a higher watt output per given land area. This development is accelerating the shift from conventional to modern technologies, increasing return on invested capital and deepening research into new generation developments.

Even as these developments represent opportunities for the world at large, they represent a challenge for solar energy equipment manufacturers, marked by a need to embrace challenges, adapt with speed, benchmark with the best technology standards, enhance relevance in competitive markets and protect one's brand as a future-facing Company.

There are two big messages that one seeks to communicate to our shareholders.

Websol continues to remain benchmarked with the best technologies of the day. During the current year and the next, the Company will graduate from the multi-crystalline technology to Mono PERC and TOPCon, among a handful of companies within India's renewable energy sector to embrace these cutting-edge advancements.

This transition has not been without challenges related to equipment replacement, cost management in the interim and funds mobilisation. This decision is warranting a complete replacement of the Company's erstwhile equipment; the replacement warranted a complete cessation of manufacturing activity for six months; during this period, the Company will be required to absorb overheads and report losses; the result is that after a creditable performance during FY2021-22, the current financial year will be marked by a planned sub-optimal financial performance.

I must assure shareholders that this financial setback is voluntary and taken in the conscious interest

of preparing the Company for its next growth round. Starting from the last quarter of the current financial year (and accelerated from the second quarter of FY2023-24 when our TOPCon technology-backed assets are commissioned), we expect to see a sharp rebound in our financial numbers. More importantly, we expect to be completely sold out for the next few years, generating superior realisation per watt when compared with realisations derived from the multi-crystalline portfolio.

At Websol, we intend to capitalise on the unprecedented opportunity through the following initiatives: one, we intend to more than seven fold our existing capacity (around 250 MW) so that we retain our position as one of the largest producers of solar cells in India; we intend to engage in capex to commission solar module capacity; we intend to mobilise net worth to fund the expansion without affecting our capacity to reward shareholders; we intend to commission the new lines with speed starting in the later part of the current financial year.

At Websol, we are optimistic that this investment will enhance our global visibility and competitiveness. The new investment will attract customers seeking the latest solar energy cells; we intend to enter into arrangements of long-term supply that protect us from the vagaries of market pricing or demand. Besides, the predictable cash flows generated from the expanded capacity are likely to be reinvested in the next round of capacity expansion, strengthening business sustainability. We will be one of the few companies in India to start producing Mono PERC cells and modules emerging as early birds in capturing the market.

In view of these reasons, I am convinced that Websol stands at a dramatic moment in its existence, likely to enhance value for all its stakeholders in an attractive way.

Sohanlal Agarwal
Chairman

Where we have come from

240

MW, our installed solar photovoltaic cell capacity aggregated across 27 years

- Company launched with a nominal 1 MW capacity
- Reinvested accruals; mobilized debt
- Commissioned progressively larger capacity
- Benchmarked new capacities around prevailing technology standards

Where we are going

1800

MW, our installed solar photovoltaic cell capacity to be commissioned (phase-wise starting from the third quarter of FY2022-23)

Graduated to a new technology (1200 MW Mono PERC and 600 MW TopCON)

Capex in progress; to be commissioned by Q4 FY2022-23

To reinvest accruals and net worth (largely)

Future-readied the business through scale and sophistication

The Company ran its two cell lines at full capacity during the year and sold its entire production.

A technical review of the Company's FY2021-22 performance by **Ms Vasanthi Sreeram,** *Technical Director*

Q

Was the management pleased with the performance of the Company during the year under review?

A: The management was pleased within the Company's performance. The Company responded to the buoyant external reality by running its two cell lines at a high capacity utilisation during the year and sold its entire production. The finished good inventory at the close of the last year was 15 days of production. Against an installed capacity of 240 MW of solar cells, the Company sold 200 MW during the last financial year. The result was that revenues increased 39% to Rs 213.22 crore during the last financial year.

Q

What was the other creditable achievement from a technical perspective?

A: At Websol, we measure our technology competence through a higher process yield – generating a higher proportion of finished products from the given raw material availability. During the course of the last financial year, the Company enhanced process yield from 95% to 96.5%, the highest in its existence. The incremental revenue generated from the additional yield was Rs 3.5 crore. The improvement in yield was an index of the extensive training and empowerment; generated a greater process ownership among shop floor employees that translated into superior numbers. These numbers were among the best in India's solar cell sector.

Q

What else contributed to the Company's superior performance?

A: The Company continued to emphasise a consistent reduction in the use of consumables and materials. The Company upgraded the quality of screens used in manufacture. This helped moderate the consumption of silver from 95 mg per wafer to 75 mg per wafer, generating savings of Rs 1.5 crore. The Company moderated power consumption through optimised equipment utilisation. A number of such kaizens strengthened the case for frugal engineering. The result is that the Company did not just pass cost increases to customers in a seller's market; it moderated costs with the objective of enhanced product affordability that could widen the market.

The other achievement that Team Websol was proud of was its commitment to extend the durability of the cells. It is a known fact that over time cell efficiency declines. The Company worked on the subject of 'Potential induced degradation' across two years following reasonable capital investments and process changes. The result is that the Company succeeded in extending the life of its cells, enhancing the value proposition for the customer. I also believe that improvements like these have strengthened respect for India's indigenous solar cell manufacturing industry in the international community.

Q

How did the Company perform in terms of sales?

A: The Company reported 39% growth in revenues during the last financial year. This improvement was the outcome of a large sales contract with Tata Power. The customer was pleased with the performance of the cells and the Company's capacity to deliver. The result was that it signed a new client that extended into the current financial year. Besides, the Company addressed the needs of small clients from across the country, which accounted for 40% of the Company's revenues.

Q

What was the Company proud of having achieved?

A: The Company was proud of producing in line with the global technology standards and around the cost competitiveness achieved by Chinese companies. The Company was among the first Indian companies to produce conventional multi-crystalline PV cells in India. During the last financial year, the Company embarked on the shift to Mono PERC cells using a different kind of wafer viz. monocrystalline wafer. This will enhance cell efficiency from 18.8-19% to an indicative 23% and then seek to move to the TOPCon technology that increases cell efficiency to around 24.5%, strengthening the customers Return on Space.

Q

Where does the Company go from here?

A: The Company is at the cusp of entering a new orbit. This orbit will be defined by scale and technology. During the last few years, China has begun to exit the production of multi-crystalline cells, which will define the sector the world over. This has sent out a signal to serious players: the time has come to discontinue the production of multi-crystalline cells. Our Company is scrapping old machines, replacing them with a combination of Mono PERC and TOPCon cell manufacturing technologies. The Company will leverage these technologies to manufacture 182x182 mm cells, which will ensure that the Company's products move with speed.

Q

How is the Company competitively placed within the Indian solar energy hardware sector?

A: India is one of the largest consumers of solar energy hardware in the world. By 2030, India expects to generate half of its energy through renewable means. For a country with as vast an appetite, the number of solar cell manufacturers is about a dozen. When its Mono PERC capacity is commissioned, the Company expects to emerge among a handful of such manufacturers in India. The Company is presently engaged in refurbishing its utilities to service the capacity expansion.

Q

How is the demand side shaping up?

A: The Company is optimistic of prospects in view of the evolving nature of geo-political realities. For one, America is seeking renewable energy hardware suppliers away from China and South East Asia, which should benefit Indian manufacturers. Given this reality, the sales outlook appears safe for the rest of this decade. As soon as we commission our increased capacity in the later part of this financial year, the priority will be to enhance capacity utilisation and enter module manufacture for the export market.

How we intend to enhance shareholder value

Value creation

132.51	344.97
Rs crore, market capitalisation, FY2020-21	Rs crore, market capitalisation, FY2021-22

1
Technology stability

- The Company stabilised the multi-crystalline technology
- The Company enhanced cell yield, enhancing value for customers
- The Company's quality was endorsed by TUV, Rheinland
- The Company possesses the following certifications like ISO 14001: 2015, ISO 45001: 2015, ISO: 9001: 2015 and ISO 14001:2018.

2
Sustained customer engagements

- The Company services Indian and global customers
- The Company has serviced some of the largest Indian customers
- 70% revenues in FY2021-22 were derived from customers of 5 years or more
- The Company derived 100% revenues in FY2021-22 from within India

3
Capacity increase

- The Company possessed an installed capacity of 240 MW as on 31st March, 2022
- The Company intends to more than seven-fold PV cell capacity in less than a year
- The capacity increase will service sharp demand growth the world over
- The increased capacity will help sustain the Company's position among leading producers in India

4
Technology investment

- The Company is graduating from multi-crystalline cells
- The Company is investing in Mono PERC technology
- The Company is also investing in TOPCon technology
- Access to these technologies will deepen the Company's future-facing relevance.
- It will also open up the international market like the US for the Company

5
Under-borrowed

- The Company had Rs191.58 crore in net worth and Rs36.47 crore in debt as on 31st March, 2022
- The Company intends to expand production capacity through net worth
- This net worth-centric approach will enhance the Company's competitiveness
- The under-borrowed Balance Sheet is expected to protect business sustainability

PART THREE

The future of the energy sector

Green hydrogen

...And how this is creating a considerably larger market for solar cells

Hydrogen has 3x the energy of natural gas per kg, generates no emissions and burns to leave water.

The world is at the start of a multi-decade renewable energy, power transmission and storage super-cycle.

Green hydrogen is the most exciting development within this global energy sector.

Hydrogen and ammonia are futuristic fuels; the produced hydrogen can be combined with nitrogen to make ammonia, eliminating the use of hydrocarbons in production.

India is building some of the largest green hydrogen capacities in the world.

The Green Hydrogen Policy is relevant for a country that has pledged to become carbon- neutral by 2070.

Green hydrogen can potentially replace a large portion of India's energy imports and transform the country into an energy exporter.

The Global Hydrogen Council classified India as a net exporter of green hydrogen from 2030 on the basis of India's low renewable power prices (Rs 1.99/USD 2.7 cents per kWh).

Green hydrogen could be an ideal power source for energy-intensive industries like refining, steel, cement, heavy mobility and industrial heating.

Given that India is the world's third-largest greenhouse gas emitter (3.6 gigatonnes of Co2 equivalent across sectors), green hydrogen could play an effective role in the country's transition.

The Government of India notified the National Green Hydrogen Policy to produce five million tonnes of green hydrogen by 2030.

The Indian government intends to promote clean energy through a waiver of interstate transmission charges for 25 years to the manufacturers of green hydrogen and green ammonia (for projects commissioned before 30th June, 2025). The result is that companies will have the liberty to generate green energy anywhere in the country and 'wheel' that free through open access of the transmission grid from where hydrogen is produced.

Energy plants set up to produce green hydrogen/ammonia would be given connectivity to the grid on a priority basis. The policy will facilitate 'banking', where a green power producer can save surplus renewable power with an electricity distribution company for up to 30 days.

The government plans to bring in Green Hydrogen Consumption Obligation in fertiliser production and petroleum refining, akin to renewable purchase obligations.

The government will encourage exports to Japan, South Korea and Europe.

India is likely to deliver one of the lowest GH2 production costs globally, backed by low cost renewable energy and a significant Indian demand base that could lead to GH2 ecosystem development and economies of scale

The aggregate opportunity of this development has been estimated at USD 340 billion across the value chain between FY2022-23 and FY2049-50.

The capital cost of electrolysis plant has come down by 60% since 2010. Fuel cell costs are down 70% since 2006. Electrolyser capacity, which used to be 1MW in 2015, became 10MW in 2018 and now some projects are coming of 100MW size and by 2030, the world could be reaching 1 GW size.

At COP 21, as part of its Nationally Determined Contributions (NDCs), India committed to achieving 40% of its installed electricity capacity from non-fossil energy sources by 2030. The country achieved this target in November 2021.

(Sources: Indian Express, Mint and IEA)

The big numbers of India’s achievement as **a solar energy nation**

4	124,000	50,000
India is the world’s fourth largest renewable energy producer by installed capacity	MW, Installed capacity as on 31st March, 2022	MW, under implementation
27000	5	45,200
MW, under tendering	India possesses the world’s fifth largest solar installed capacity	MW, India’s solar installed capacity, August 2022

3

X, the number of times installed RE capacity was grown in India in seven years

17

X, the number of times installed solar capacity has grown in India in seven years

5

GW, India's proposed electrolyser manufacturing capacity in the first phase

110

GW capacity needed for solarising India's agricultural sector

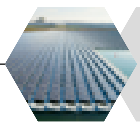
17

Number of cities proposed to run entire cities on renewable energy in India

4.6

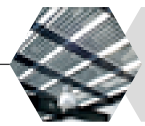
%, of India's solar potential that has been consumed till now

How new solar technologies are touching consumers...



Floating solar farms (aka 'floatovoltaics')

Silicon panels are becoming more economical and efficient with every passing day. According to experts, if photovoltaic panels are placed on reservoirs and other water bodies, they offer even greater efficiency as well as a plethora of other benefits. 'Floatovoltaics' are photovoltaic solar power systems created for floating on reservoirs, dams and other water bodies. Floating solar farms can generate huge amounts of electricity without using valuable land or real estate. As per many research analysts, power production of floating solar panels is greater by up to 10% due to the cooling effect of water. Floating solar farms can facilitate water management besides producing clean solar power.



BIPV solar technology

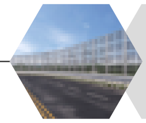
Building an integrated photovoltaics seamlessly blends into building architecture in the form of roofs, canopies, curtain walls, facades and skylight systems. Apart from traditional solar PV panels, BIPV can be aesthetically appealing rather than a compromise to a building's design. BIPV solar panel systems also enable homeowners to save building materials and electric power costs. By substituting BIPV for standard building materials, you can cut down on the additional cost of solar panel mounting systems. BIPV technology, when used on the building's facades, atrium, terrace floor, and canopies, provides the following benefits: increased energy efficiency, high thermal and sound insulation, clean and free power output from the sun, decreased O&M costs and zero carbon footprint

Solar skins

Solar skins are a novel PV technology to integrate custom designs into solar panel systems. The solar skin technology is similar to the ad wraps displayed on bus windows. Solar thin-film skins maintain high efficiency due to their selective light filtration advancements. The sunlight falling on solar skins is filtered to reach the solar cells beneath it. As a result, it simultaneously displays the custom image and provides solar energy. Solar skin panels can also be beneficial for businesses or government offices. They can be customised to display business logos, business advertisements, a country's flag and so on.

Solar fabric

Researchers are developing solar fabrics with a vision of including solar power in each fibre. These solar filaments can be embedded into your t-shirts, winter coats, or any other clothing to help you keep warmer, power your phone and provide energy for other needs while you're on the go. With solar costs continuously falling, it's no more unlikely to imagine a future where almost everything will be powered by free solar, the sun.



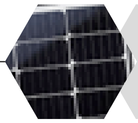
Photovoltaic solar noise barriers

Highway traffic noise in the US has always been a concern for everyone. To overcome this issue, 48 states in the US have built nearly 3,000 miles of photovaltaic-based traffic noise barriers. Noise barriers were always constructed with the single aim of designing cost-effective barriers that efficiently perform noise abatement functions.

(Source: Solarreview.com)

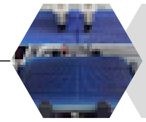
Bifacial solar panel

A bifacial solar panel is a two-sided panel that converts sunlight into electrical energy on its top and bottom sides. Bifacial cells can generate electricity from the top and bottom side of the cell when sunlight falls on it. They are constructed with protective glass covering the top and bottom of each solar module. In contrast with a conventional solar panel system, bifacial panel can increase efficiency by 11 to 27%.



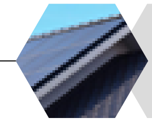
Half-cell panel

Half-cell panels have photovoltaic cells that have been split in half, which enhances the efficiency and durability of the module. When solar cells are cut in half, their current is also cut in half. Halving the cells lowers resistive losses and allows the cells to produce a little more power. Half-cell modules outperform traditional panels in terms of output and dependability.



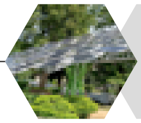
Multi-busbars

Silicon solar cells have thin strips of metals printed on the front and back. These are called busbars, and their purpose is to conduct the direct current (DC) power generated by the cell. Solar cells with two busbars were common in the past. However, as the industry has progressed, busbars have increased to three (or more) in most solar cells.



Solar shingles

Solar shingles are panels disguised as traditional roofing materials while are still producing electricity. One of the most significant advantages of solar shingles is removing the ribbon to connect cells. Second, removing the ribbon has improved the module's aesthetics, as the panels are now uniformly colored. Third, shingle module cells have busbars on opposite ends and are sliced into several strips, thus, reducing the current.

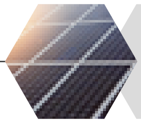


Solar trees

Solar trees are made up of leaf-like solar panels connected by metal branches. They are more space-efficient than solar panels, requiring around 100 times less space to generate an equal amount of electrical power as a horizontal solar plant, thus providing a solution for economies with limited land and space.

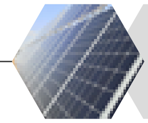
Solar-powered highways

Solar-powered roads can produce clean energy, illuminate the night, and thaw snow and ice during winter. Several businesses and transportation groups are currently testing the feasibility of a solar-powered road system.



Mono PERC solar cell

Mono PERC solar panels are slightly different from standard monocrystalline panels. PERC stands for passivated emitter rear contact and is a modern technology used to increase the efficiency of standard solar modules. This is done by adding a passivated layer in the rear of the cell. The sunlight that falls on the surface of a standard module is reflected, absorbed, or passed through the surface. On the other hand, the light passed through the cells can be used again in the case of the PERC modules, increasing output. This layer is capable of reflecting back the photons passed away from the panel. In this way, more light is absorbed by the module leading to a higher production.



TOPCon solar cell

TOPCon, or tunnel oxide passivated contact was introduced to the industry in 2013 by the Fraunhofer Institute for Solar Energy Systems in Germany and has been used by mainstream Chinese manufacturers since 2019. It pairs a tunneling oxide layer with a PERC solar cell to reduce recombination losses and increase cell efficiency. With a few extra steps, TOPCon cells become more powerful and efficient than PERC cell. (Source: worldconstructiontoday.com)

...and are leading to the prospect of solar industry growth

Overview

The average solar cell is approximately 20% efficient, which means nearly 80% of the sunlight that hits it does not get converted into electricity.

Increasing concerns on climate change, energy security and depletion of oil resources are catalysing the use of low-carbon energy alternatives such as solar power. The solar energy industry has achieved progress in terms of off-grid installations, cost reductions, and technological innovation.

Solar PV is one of the cheapest energy sources

Solar photovoltaic (PV) power is the second most widely deployed renewable energy technology. The solar PV cost of electricity is competitive with all other generation forms and likely to become cheaper, inspired partly by cheaper materials. Despite unprecedented demand growth in recent years, the cost of solar PV modules and inverters has declined.

Solar panel installations will accelerate

The solar PV market will grow rapidly over the three decades due to technological advancements and cost reduction. On top of cost reductions, solar panels at the end of their life cycle would have to be replaced. This replacement will lead to the use of new panels with advanced technologies. Consumers have found that off-grid power lowers electricity bills; solar power generators can store electricity and sell to the grid. In comparison to installations in 2018, the global installed capacity of solar PV could six-fold by 2030 (2840 gigawatts) and reach 8,519 gigawatts by 2050.

Technological innovation could boost solar power generation efficiency

The barrier to improved solar power is efficiency. Most solar panels are stationary; much sunlight that strikes the panels is lost. The use of photosynthetic nanomaterials can improve sunlight absorption, enhancing efficiency.

Websol: How we are strengthening our marketing

Overview

Websol is among the most respectable solar energy brands in India, marked by a high customer retention and accretion.

The Company's marketing function is appraising international opportunities for the deployment of its new Mono PERC line.

The Company intends to broadbase its presence from East India towards other regions.

The Company enjoys relationships with large Indian power distribution companies.

Achievements, FY2021-22

The Company countered supply chain bottlenecks through engagement with customers on revised delivery schedules

The Company passed on cost increases to customers

The Company widened its customer base, enhancing resilience and moderating its customer concentration risk

The Company focused on exports with a major focus on the US market, moderating it excessive dependance on India

The Company achieved sales of around 200 MW during the year under review.

The Company engaged with prominent companies like Tata Power, Vikram Solar, Icomm Tele Ltd.

The Company generated 90% of its revenues from repeat customers; it added nearly a dozen institutional clients.

The Company addressed the Government's preference for India-manufactured solar cells.

Our competitive features

Association: The Company's longstanding association with customers has helped generate repeat orders. More than 44% of the customers were associated with the Company for five years or more at the close of FY2021-22.

Healthy order book: The Company's order book comprised 3 months of sales at the close of FY2021-22.

Brand: The Company continued to be respected as a reliable solar energy brand, marked by a respect for superior cell and module quality, timely delivery and overall price-value proposition

Experience: The Company's marketing team has been stable for nearly a decade, strengthening customer engagement

Outlook

The Company plans to set up 1200 MW of Mono PERC line during the current financial year (fourth quarter) followed by an additional 600 MW of TOPCon cells in FY2023-24.

The former comprises the highly efficient single-cell battery, unlocking exports to the US and Europe, which are facing solar cell shortage and seeking markets alternative to China.

The Company intends to address the growing demand for solar cells from the international markets (especially USA).

The Company will widen its marketing team and deepen its presence in western and southern India.

Big numbers

35
%, contribution of sales from Southern India in FY2021-22

30
%, contribution of sales from Western India in FY2021-22

20
%, contribution of sales from Northern India in FY2021-22

15
%, contribution of sales from Eastern + Central India in FY2021-22

Websol: Strengthening the supply chain

Overview

In a business marked by Rs140 crore of purchases, there is a premium on timely and efficient procurement.

During the last two years, the global supply chain has been affected by lockdowns, container unavailability and increased freight costs.

Previously, around 90% raw materials would be imported from China and Taiwan but the lockdowns catalysed our engagement with domestic suppliers, rationalising our shipping costs.

Strengths

- Around 60% raw materials are sourced from Gujarat, consuming ten days in transit and reducing working capital outlay.
- Around 80% of the suppliers have been associated with the Company for more than five years.
- The Company purchases quality raw materials as per IEC and US standards.
- The Company's research and development team has been endeavouring to reduce the consumption of raw materials

Achievements, FY2021-22

The Company stocked inventory to address supply chain disruptions.

The Company procured 36 million silicon wafers, 3,600 Kg of silver paste and 60,000 Kg of aluminum paste, keeping its manufacturing lines running.

The Company added three suppliers for silicon wafers, strengthening procurement economies

The Company moderated its inventory of resources (gas and chemicals) where availability was assured

The consumption of silver paste declined 15% following changes in screen design and higher cell efficiency.

The Company produced nearly 200 MW, which was 15% higher than the previous year, an outcome of its supply chain competence.

Outlook

The Company seeks to engage with more indigenous suppliers, reducing cost and time while promoting the Government's 'Make in India' programme.

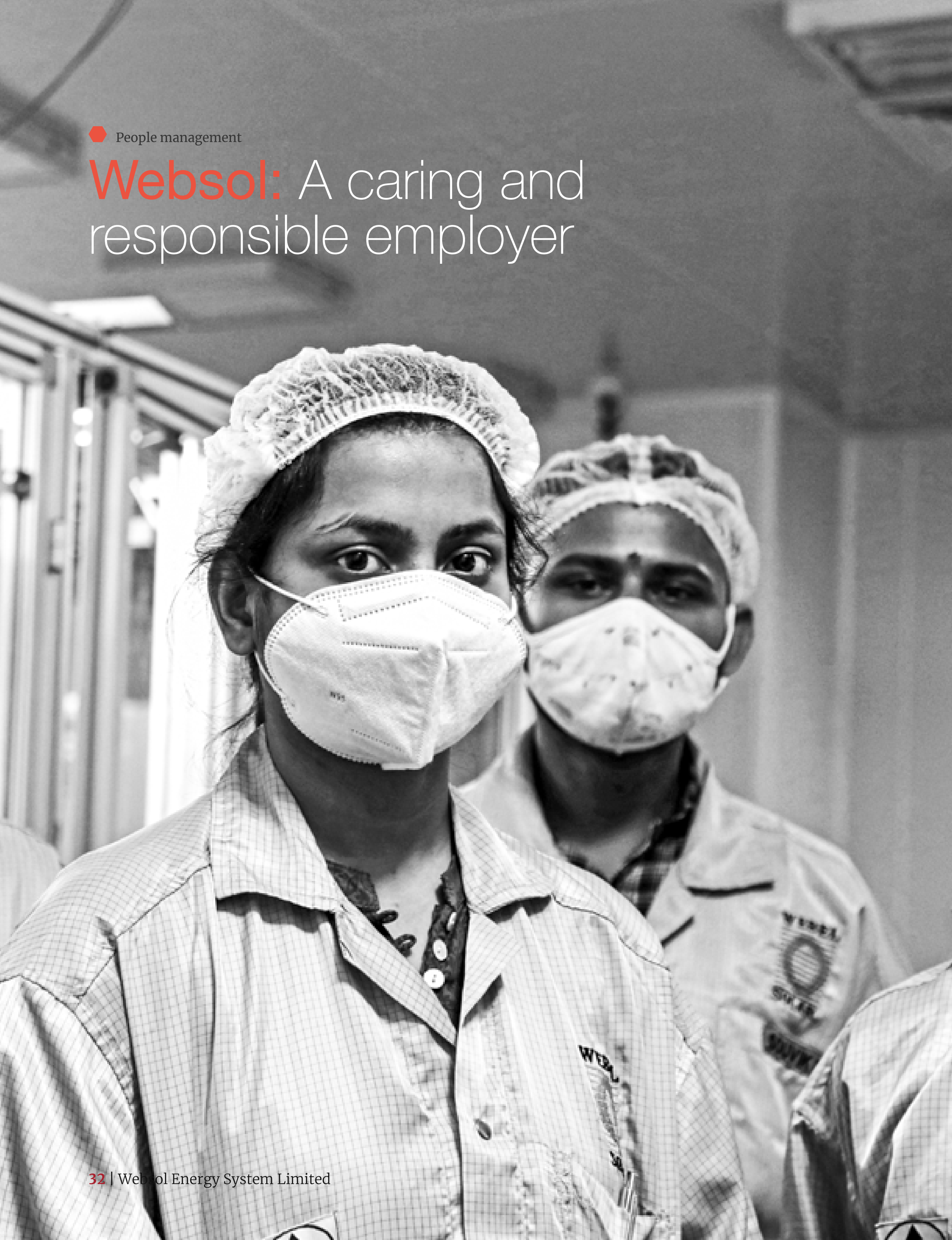
Raw materials used

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



People management

Websol: A caring and responsible employer



Overview

At Websol, we provide our employees with the opportunity to expand their knowledge and evolve into valuable assets.

Our human resource policies define our culture; the objective of our HR policy is to promote a healthy work culture, provide career growth and deepen a rapport between the senior management and general workforce.

Our HR policies

- Maintain a high standard of integrity and professionalism
- Be responsible and scrupulous in the use of company information, funds, equipment and facilities
- Be considerate and respectful of the environment and others
- Exercise fairness, equality, courtesy, consideration and sensitivity in dealing with other employees, clients and suppliers
- Avoid conflicts of interest, promptly disclosing to a senior manager any interest that may constitute a conflict
- Promote the interests of Websol at all times
- Perform duties with skill, honesty, care and diligence
- Abide by policies, procedures and lawful directions that relate to your employment with Websol Energy System Limited and/or our clients
- Resist the perception that business transactions can be influenced with gifts
- Under no circumstances offer or accept money for transaction consideration. Any employee, who in good faith, raises a complaint or discloses an alleged breach of the Code, whilst following correct reporting procedures, is not disadvantaged or prejudiced. All reports are dealt in a timely and confidential manner

Strengths

- Multi-level selection process, covering technical and soft skills, to ensure the selection of the best candidate.
- Friendly work environment, transparency and open communication
- Orientation of new employees to educate them about the Company and its rules
- Providing employees with a career path (graduating operators to senior management positions)

Facilities

- Complement of casual leaves, sick leaves and earned leaves.
- Provision for subsidised food and accommodation for those living far from their homes.
- Health insurance for employees, covering disease and accidents; providing financial support to employee families through insurance claims.
- Pick and drop service for employees
- Regular training related to the employee field of expertise (and safety)
- Recognition of deserving employees through mementos and promotions in the annual felicitation programme

Challenges and counter-initiatives

- The Company tied up with Woodlands and AMRI Hospitals for employee vaccination at a time of vaccine shortage.

Big numbers

245

Workforce as of 31st March, 2022

85

Employees with Websol for 20+ years

2

% attrition, FY2021-22

What Websol's senior members have to say about working with the Company

"Websol is like a family at work with an approachable Managing Director. If an individual possesses capability and knowledge, this is the right company to grow with. This is the principal reason why most employees have been working in Websol for 10 to 15 years. I joined this company as an IT in Charge and now I am the senior manager for HR and administration."

Modaswar Hossain
Senior Manager, Human resource and Administration

"I joined as a trainee in the quality control function and took control of the production line. Then I moved to international marketing before being appointed as Technical Director by the Board. What makes Websol a vibrant workplace is the openness to new ideas. The result is that everyone here is his or her own manager."

Vasanthi Sreeram
Technical Head and Director

"I am proud to be associated with a Company that has invested in cutting-edge technology. We are working on the installation of an advanced technology that will more than quadruple our production capacity, strengthening our scale and viability."

Sumit Kumar Shaw
Chief Financial Officer and Company Secretary

"At Websol, a high job satisfaction has helped talent attrition at the senior level to almost zero. Most seniors have been associated with the Company for more than 10 years. This has helped retain knowledge and enhance organisational stability."

Sonjoy Pattnaik
Manager - Maintenance

"At Websol, we provide a 25-year warranty, which is indicative of our product integrity. This is the outcome of active worker engagement in quality management. Even a junior is heard and suggestions implemented."

Tarak Munshi
GM- Projects & Marketing

"I joined as an ISO implementation officer and was given charge of procurement. The success of our Company is that it never hires from outside for the senior section; it prefers to grow its people instead."

S D Mallick
Head Procurement and Administration

Websol: a commitment towards HSE responsibility

Our environment commitment

Environment management is integral to solar cells manufacture.

The process comprises chemical processes and the need to manage chemical wastage.

The Company invested in enclosed drainage to the effluent treatment plant, protecting the environment. The Company's environment management system helps measure and moderate effluent generation.

All wastage outlets are tested, issues identified from test reports and proactive action undertaken. The Company tests ambient air, noise and other parameters to ensure a healthy eco-friendly process.

The Company complies with applicable environment stipulations to moderate pollution, reduce resource consumption and moderate wastage.

Initiatives

- The Company installed exhausts and scrubbers to control emissions.
- The Company conducted periodic monitoring through sampling (ambient air, noise, water and emissions); samples are tested in labs and checked to protect quality.
- The Company conducts periodic audits (internal and external) to keep the workplace hazard-free
- The Company is certified for ISO-14001: 2015 and ISO-14001: 2018 Environment Management System
- The Company's plant is automated, minimising the scope for human errors
- The Company celebrates World Environment Day through programmes; it engages in tree plantation (target 5,200 a year)

Our safety commitment

There are various chemical processes involved in the manufacture of solar cells that could be unsafe.

The areas like highly flammable gas area and chemical area and malfunctions could affect safety. A culture of preventive maintenance reduces malfunctions. Employees are trained in safety practices including the maintenance of safety data sheets to ensure proper chemicals handling. The Company is accredited with ISO-45001: 2015 Occupational Health and Safety certification, validating its commitment to a safer work place.

Initiatives

- The Company ensures timely preventive maintenance; machine manufacturer and installer perspectives are taken into account.
- The Company has provided total protective equipment to all workers.
- The Company has prioritised safety in all discussions before commencing a project.
- The Company provides safety training (firefighting training, noise safety, safety management system and first-aid safety) to all employees.
- The Company has displayed the National Safety Council poster to enhance safety awareness and warning boards in places of caution.
- The Company has appointed managers and supervisors who ensure that each employee follows safety SOPs.
- The Company celebrates National Safety Day each year
- The Company conducts mock drills (fire, gases and chemicals).
- The Company created a cross-functional Emergency Response Team.
- The Company invested in fire extinguishers, fire hydrants, fire sprinkler, smoke detectors and smoke sensors.
- The Company assesses safety violations coupled with punitive action.

Our health commitment

Overview

At Websol, we emphasise the importance of health as the bottom line of who we are and what we are engaged in. This covers the interests of employees, community members and trade partners.
In line with this, we invested in activities and processes that would not compromise workers' health and well-being.

Besides, the Company is ensuring a safe workplace by reviewing and monitoring near-misses with the objective to safeguard the health of the workforce and environment. This forward-looking perspective makes it possible for the Company to ensure business continuity.

Initiatives

- The Company conducts special eye checks for employees working in quality control labs.
- The Company tied up with the ESI Hospital, Joka. A team from the hospital visited the plant for two checks in FY2021-22.
- The Company provides a group health insurance for all employees.
- The Company displayed the emergency contact number of ambulances at each gate to access ambulances in Falta SEZ.
- The Company arranged a car to take unwell employees to their homes or hospitals.
- The Company allocated rest rooms and infirmaries for employees

- A medical insurance policy covers each employee from Rs 2 lakh to Rs 10 lakh per year.
- The Company provides nutritious food to employees through an in-house canteen.
- The Company vaccinated all employees against the COVID-19 pandemic.

Management discussion and analysis

Global economic overview

The global economy grew an estimated 5.9% in 2021 compared to a de-growth of 3.3% in 2020. This improvement was largely due to increased vaccination rollout the world over and a revival in economic activity based on catch-up consumption.

The global economic recovery is attributed to accelerated vaccine rollout across 4.4 billion people, around 56% of the global population (single dose). The spot price of Brent crude oil increased 53.34% from USD 50.37 per barrel at the beginning of 2021 to USD 77.24 per barrel at the end of the calendar year, strengthening the performance of oil exporting countries and moderating growth in importing nations. Global FDI reported an increase from USD 929 billion in 2020 to an estimated USD 1.65 trillion in 2021.

The global economy was affected by prohibitive shipping freight rates, a shortage of shipping containers and semiconductor chips in 2021, affecting global economic recovery. Inflation was at its highest since 2011, especially in the advanced economies, catalysed by a run up in commodity prices. Some emerging and developing economies were positioned to withdraw policy support to contain inflation even as the economic recovery was still incomplete.

The prominent feature of the global economic activity during the year under review was a sharp revival in commodity prices to record levels following the drop at the time of pandemic outbreak. The commodities that reported a sharp increase in prices comprised steel, coal, oil, copper, food grains, fertilisers and gold.

The global economy is projected to grow at a modest 2.6% in 2022 following the Russia-Ukraine crisis. A higher interest rate environment could affect emerging markets and developing economies with large foreign currency borrowings and external financing needs in 2022.

Regional growth (%)	2021	2020
World output	5.9	(3.3)
Advanced economies	5.0	(4.9)
Emerging and developing economies	6.3	(2.4)

(Source: IMF, World Bank, UNCTAD)

Performance of major economies

United States
The country reported a GDP growth of 5.7% in 2021 compared to a de-growth of 3.4% in 2020, following the government's investment of trillions of dollars in COVID relief.

China
The country's GDP grew 8.1% in 2021 compared to 2.3% in 2020 despite it being the novel coronavirus epicentre.

United Kingdom
The country's GDP grew 7.5% in 2021 compared to a 9.9% de-growth in 2020.

Japan
The country reported a growth of 1.7% in 2021 following a contraction in the previous year.

Germany
The country reported a GDP growth of 2.9% in 2021 compared to a decline of 4.9% in 2020.

(Source: World Bank, IMF, Business Standard, Times of India)

Indian economic overview

The Indian economy reported an attractive recovery in FY2021-22, its GDP rebounding from a de-growth of 7.3% in FY2020-21 to a growth of 8.7% in FY2021-22. By the close of FY2021-22, India was among the six largest global economies, its economic growth rate was the fastest among major economies (save China), its market size at around 1.40 billion the second most populous in the world and its rural under-consumed population arguably the largest in the world.

Y-o-Y growth of the Indian economy

	FY2018-19	FY2019-20	FY2020-21	FY2021-22
Real GDP growth (%)	6.1	4.2	(7.3)	8.7

Growth of the Indian economy, FY2021-22

	Q1, FY2021-22	Q2, FY2021-22	Q3, FY2021-22	Q4, FY2021-22
Real GDP growth (%)	20.1	8.4	5.4	4.1

The Indian economy was affected by the second wave of the pandemic that affected economic growth towards the fag end of the previous financial year and across the first quarter of the financial year under review. The result is that after a growth of 1.6% in the last quarter of 2020-21, the Indian economy grew 20.1% in the first quarter of FY2021-22 due to the relatively small economic base during the corresponding period of the previous year.

India's monsoon was abundant in 2021 as the country received 99.32% of a normal monsoon, lower though than in the previous year. The estimated production of rice and pulses recorded volumes of 127.93 million tonnes and 26.96 million tonnes respectively. The total oilseeds production of the country recorded a volume of 371.47 million tonnes. Moreover, based on the spatial and temporal distribution of the 2021 monsoon rainfall, the agricultural gross value added (GVA) growth in FY2021-22 is anticipated to be 3-3.5%. The country's manufacturing sector grew an estimated 12.5%, the agriculture sector 3.9%, mining and quarrying by 14.3%, construction by 10.7% and electricity, gas and water supply by 8.5% in FY2021-22.

There were positive features of the Indian economy during the year under review.

India attracted the highest annual FDI inflow of USD 83.57 billon in FY2021-22, a validation of global investing confidence in India's growth story. The government approved 100% FDI for insurance intermediaries and increased FDI limit in the insurance sector from 49% to 74% in Union Budget 2021-22.

India surpassed the Rs 88,000 crore target set for asset monetisation in FY2021-22, raising over Rs 97,000 crore with roads, power, coal, mining and minerals accounting for a large chunk of the transactions.

The Indian government launched a four-year Rs 6 lakh crore asset monetisation plan (roads and highways, pipelines, power transmission lines, telecom towers, railways station re-development, private trains, tracks, goods sheds, dedicated freight corridor, railways stadiums, airports, projects in major ports, coal mining projects, mineral mining blocks, national stadia, redevelopment of colonies and hospitality assets).

In 2021, India was the largest recipient of global remittances. The country received USD 87 billion during 2021, with the US being the largest source (20%). India's foreign exchange reserves stood at an all-time high of USD 642.45 billion as on 3rd September, 2021, crossing USD 600 billion in FOREX reserves for the first time.

India's currency weakened 3.59% from Rs 73.28 to Rs 75.91 to a US dollar through FY2021-22. The consumer price index (CPI) of India stood at an estimated 5.3% in FY2021-22. India reported improving Goods and Services Tax (GST) collections month-on-month in the second half of FY2021-22 following the relaxation of the lockdown, validating the consumption-driven improvement in the economy. The country recorded its all-time highest GST collections in March 2022 standing at Rs 1.42 lakh crore, which is 15% higher than the corresponding period in 2021.

India ranked 62 in the 2020 World Bank's Ease of Doing Business ranking. The country received positive FPIs worth Rs 51,000 crore in 2021 as the country ranked fifth among the world's top leading stock markets with a market capitalisation of USD 3.21 trillion in March 2022.

The fiscal deficit was estimated at ~Rs 15.91 trillion for the year ending 31st March, 2022 on account of a higher government expenditure during the year under review.

India's per capita income was estimated to have increased 16.28% from Rs1.29 lakh in FY2020-21 to Rs1.50 lakh in FY2021-22 following a relaxation in lockdowns and increased vaccine rollout.

India's tax collections increased to a record Rs 27.07 lakh crore in FY2021-22 compared with a budget estimate of Rs 22.17 lakh crore. While direct taxes increased 49%, indirect tax collections increased 30%. The tax-to-GDP ratio jumped from 10.3% in FY2020-21 to 11.7% in FY2021-22, the highest since 1999.

Retail inflation in March at 6.95% was above the RBI's tolerance level of 6% but fuel prices played no part in this surge. Retail inflation spiked to a 17-month high in March 2022, above the upper limit of the RBI's tolerance band for the third straight month.

(Source: Economic Times, IMF, World Bank, EIU, Business Standard, McKinsey, SANDRP, Times of India, Livemint, InvestIndia.org, Indian Express, NDTV, Asian Development Bank)

Outlook

The Indian economy is projected to grow by 7% in FY2022-23, buoyed by tailwinds of consistent agricultural performance, flattening of the COVID-19 infection curve, increase in government spending, favourable reforms and an efficient roll-out of the vaccine leading to a revival in economic activity.

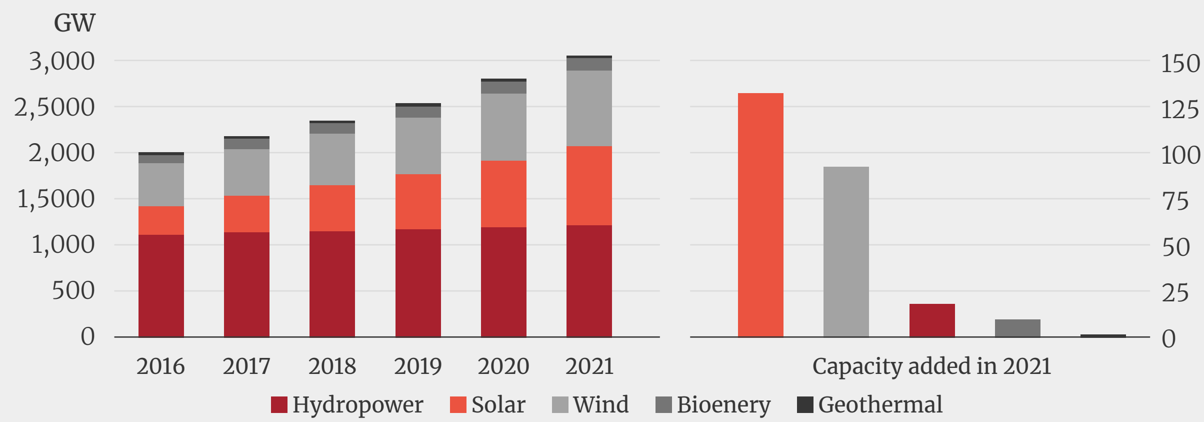
Global renewable energy sector overview

Renewable energy is projected to amount to 90% of global capacity additions and PV capacity is expected to touch 162 GW (gigawatts) in 2022. In 2020, the global renewable energy market was valued at USD 881.7 billion and is expected to grow to USD 1977.6 billion by 2030, increasing at a CAGR of 8.4% from 2021 to 2030. Renewable energy, also termed as clean energy, is usually obtained from natural sources that are persistently renewed. Solar energy proceeded to lead capacity expansion, with a growth of 1.3 GW (+19%), followed by wind energy with 93 GW (+13%). Hydropower capacity was extended by 19 GW (+2%) and bioenergy by 10 GW (+8%). Geothermal energy increased by 1.6 GW.

In 2021, the renewable generation capacity over the world increased by 3,064 Gigawatt (GW), a rise of 9.1%. Hydroelectric power accounted for the biggest share of the worldwide overall renewable generation capacity at 1,230 GW.

Renewable capacity is projected to reach 8% in 2022, reaching almost 320 GW. However, unless new policies are executed swiftly, growth will remain moderate in 2023 as solar PV expansion cannot fully indemnify for lower hydropower and constant year-on-year wind additions. Solar is expected to account for 60% of the growth in worldwide renewable capacity in 2022, taking the worldwide overall to more than 300 gigawatts. Wind and solar generated more than 10% of electricity globally in 2021. 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.

Renewable power capacity growth



Source: IRENA

(Source: IRENA, Economic Times, cleanenergynews.ihsmarkit.com, saurenergy.com, spglobal.com, alliedmarketresearch.com, iea.org, jwenergy.com, global.chinadaily.com)

India's renewable energy sector overview

In India, power generation from renewable energy sources amounted to 13.15 billion units in FY2021-22. As of January 2022, India reached 152.36 GW of renewable energy capacity. The Indian renewable energy market is anticipated to register a CAGR of more than 10% during the projected period (2022-2027). India has determined to achieve 175 GW of renewable energy capacity, which will include 100 GW of solar and 60 GW of wind energy by 2022.

India added 15.5 GW of new non-hydro renewable energy capacity from solar, wind, biomass and other renewable energy sources in the 2021-22 financial year, from just 7.7 GW installed in the previous financial year. Solar energy accounted for 90% of the total renewables capacity added in FY2021-22, driven partly by a 21% increase in rooftop solar installations to 2.3 GW. India's cumulative renewable energy generation capacity (including hydro) stood at 150 GW. About 63 GW of renewable energy capacity is under various construction phases, and installed power capacity from non-fossil fuels is projected to increase up to 66% by 2030.

In the total renewable energy capacity addition, solar energy is the biggest contributor with a share of 49.34 GW followed by wind with 40.08 GW. In FY2021-22 India added 13,549 MW of total new capacity in the renewable energy sector compared to 7,356 MW in FY2020-21. Renewable energy accounted for nearly 25% of the total energy mix as against 75% generated from conventional sources (including electricity imported from Bhutan).

(Source: MNRE, HinduBusinessLine, Mercom India, PV magazine India, economictimes.indiatimes.com, livemint.com)

Solar energy sector overview

Solar power installed capacity has expanded by more than 18 times from 2.63 GW in March 2014 to 49.3 GW at the end of 2021. In FY2021-22, till December 2021, India has added 7.4 GW of solar power capacity, up 335% from 1.73 GW in the preceding year. Solar thermal electricity technologies produce electricity by converting the sun's energy into high-temperature heat using various mirror configurations, which are then directed to an on-site power plant and used to create electricity through traditional heat-conversion technologies. The plant fundamentally constitutes two parts; one that accumulates solar energy and transforms it to heat, and another that transforms the heat energy into electricity. A solar cell is a semiconductor device that converts sunlight into electricity. The semiconductor material is placed between two electrodes. When sunshine gets to the cell, free negatively charged electrons are released from the material, enabling conversion to electricity. This is the so-called photovoltaic effect. In theory, a solar cell made from one semiconductor material only can convert ~30% of the solar radiation energy it is exposed to into electricity. Commercial cells, based on technology, have an efficiency of 5 to 12% for thin films and 13 to 23% for crystalline silicon-based cells. Efficiencies up to 25% have been reached with the use of laboratory processes. By adopting multiple solar cells, a record of 40% efficiency has been achieved.

(Source: new.senergysage.com, economictimes.indiatimes.com, ibef.org)

Global solar energy sector overview

Solar energy will be accountable for 60% of the world's total renewable power growth in FY2021-22. In 2021, 172 GW DC direct current of photovoltaic (PV) capacity was added worldwide, accounting for 939 GW DC cumulative capacity. By 2030, approximately 1,500 GW new solar PV capacities will be installed in Asia-Pacific. China has an installed solar power capacity of over 300 GW. Increasing from a cumulative capacity from 4.2 GW in 2012 to 307 GW in 2021, followed by Japan (71.9 GW) and India (49 GW).

(Source: IRENA, PV- magazine, iea.org, timesofindia.indiatimes.com, economictimes.indiatimes)

Indian solar energy sector overview

As of 31st March, 2022, cumulative solar installations in the country amounted to around 12,438 MW. This means that 12.4 % share of India's total installed power capacity comprises solar power.

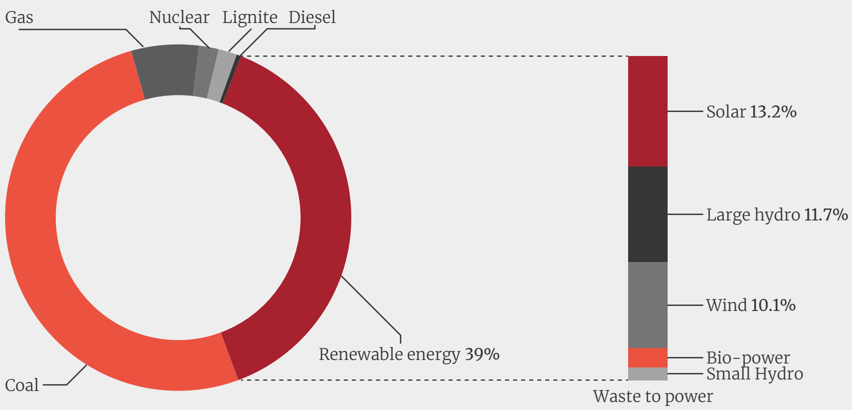
India added about 11.1 GW of solar capacity from January 2021 till November 2021. The country's total installed power capacity stood at about 399.467 GW as of 31st March, 2022. Of this, renewable energy accounted for about 110 GW, with an 8.5% increase from 94.43 GW in FY2020-21. Between March 2014 and March 2021, the installed capacity of solar energy expanded by more than 18 times, from 2.63 GW to 49.3 GW. India increased its solar power capacity by 7.4 GW in FY2021-22 (till December 2021), up 335% from 1.73 GW in FY2020-21.

(Source: economictimes.indiatimes.com, pib.gov.in, ibef.org)

India – Cumulative installed power capacity mix (%)

Renewables (including large hydro) comprise ~39% of India's total installed capacity, with solar accounting for ~13.0%

Among renewables, solar accounts for ~34% of the installed capacity



(Source: Mercom India Research)

Renewables (including large hydro) comprised ~39 % of India's total installed capacity, with solar accounting for ~13.2% of the installed capacity.

Solar generation grew by 21% and accounted for 60.4 billion units (BU) in FY2020- 21, compared to 50.1 billion units (BU) in FY2019-20, where the total solar energy generated was 39.3 billion units.

However, this increase was the lowest in six years.

(Source: Mercom India Research,)

Global solar photovoltaic sector

In 2021, the global solar photovoltaics (PV) market had a successful year, with approximately 145 GW of additional capacity installed, which are expected to grow by 8%. The global solar photovoltaic market size is projected to reach USD 1000.92 billion at a CAGR of 25.9% by 2028. In 2021, China was the largest solar market, with approximately 65 GW installed, followed by USA and India. As per the list, Japan was in the fourth position. In 2021, the top four markets collaboratively accounted for 80% of the solar PV capacity installed. About 20 countries combined a GW or more in 2021 pointing to an increasing trend of strong, mid and small-scale markets as PV has become more economical than fossil fuels in many parts of the world. The top 10 developers' operational projects are proportionately small when you contemplate installations of relatively 145 GW in 2021 and over 891 GW of cumulative PV installations. That reviews the disintegrated nature of the market, where local and single-market developers make up the greater part of the activity.

Of the top 10 global solar developers, the Asia-Pacific (APAC) region made up 52.4% of developers' capacity, trailed by the Americas at 42.1% and Europe, the Middle East and Africa (EMEA) at 5.5%. In contrast, when compared with the number of projects, the largest number of solar projects by top developers is in EMEA at 41.6%, followed by the APAC at 29.9%, and Americas at 28.4%.

(Source: iea.org, irena.org, reuters.com, ieefa.org, globenewswire.com)

India's solar energy potential

Most parts of India receive 4-7 kWh energy per sq. m per day out of about 5,000 trillion kWh energy per year. A minuscule portion of the total solar energy, if captured, can fulfill the power requirements of the country. The National Institute of Solar Energy has evaluated the country's solar potential to be about 748 GW, assuming 3% of the waste land area is covered by solar PV modules.

Electricity generation through renewable sources grew by more than 8%. It is predicted that by 2040, renewable energy will account for around 49% of total electricity production. India out-spaced the global average of 9.7% with a 9.8% contraction in carbon emissions in 2022. Even before the pandemic started in late 2019, India was already on the way to record negative carbon emissions.

Among all IEA members and association countries, less than half of Mexico and less than one-tenth of Australia, the per capita energy use of India is comparatively the lowest by a massive margin along with lower carbon emissions. India's per capita emissions in 2021 stood at 1.96 tonnes of CO_2, compared to the global average of 400 Mt, while its contribution to global total CO2 emissions was only 13%.

(Sources: iea.org, Business insider, mnre.gov.in, solarquarter.com, mercomindia.com, worldometers.info, energsustainsoc.biemedcentral.com)

Year-on-year additions to global renewable energy capacity are projected to average approximately to 305 GW per year from 2021 – 2026 as per our forecast. This indicates a quickness of almost 60% as contrasted to renewable's growth over the last five years. Furthermore, annual renewable capacity additions in our accelerated case are a quarter higher than our main case, spanning over 380 GW on average over 2021-2026.

Although, the intervals between our main and accelerated case projections and the path necessary to meet Net Zero by 2050 remain crucial. Annual capacity growth under the IEA Net Zero Scenario during 2021-2026 needs to be 80% quicker than in our accelerated case, suggesting that governments need to not only address policy and implementation challenges but also to grow their aspiration.

(Source: iea.org)

Outlook

By 2030, India is anticipated to transcend the European Union as the third largest energy consumer globally. As stated by its current national policy scenario, India's energy consumption is expected to nearly double as the country's GDP expands to an estimated USD8.6 trillion by 2040.

Correspondingly, India could contribute to the biggest share of energy demand growth at 25% over the next twenty years due to increased urbanisation, growth in digital space and quality of life. This evidently specifies that India needs to add large power generation capacity. This growing demand will require massive renewable energy alternatives and cannot be contended with only conventional and thermal energy sources. Our country could save USD 190 billion every year in energy imports by expanding its energy efficiency and reducing 875 terawatt-hours per year of power generation, which would account for almost half of India's yearly power generation currently.

The government of India commenced a progressive aim to strengthen the contribution of renewables in electricity generation to 175GW capacity by 2022 and increase its renewables capacity to 500 GW by 2030. The country has a target to raise the contribution of non-fossil-based capacity in its electricity mix to more than 40% by 2030 and a reduction in the emissions intensity of its GDP of 33-35% by 2030 as against the 2005 consumption level.

(Source: The Hindu)

Growth drivers

Exponential economic growth: During the financial period between 2015 and 2022, India became one of the quickest-growing economies with growing support of the government and demand for clean power.

Government commitments and regulations: The government of India intends to reach 175 GW of renewable energy capacity by 2022 and 500 GW by 2030. The Indian government is also making attempts to reach 40% of its power installed capacity from natural resources and by 2030 reduce its emissions intensity of its GDP by 33-35%.

Urbanisation: In 2021-22, the Indian urban population was 461 million people. The number is increasing by 2.3% each year. By 2031, around 75% of India's national income is expected to come from the cities, strengthening power demand.

Climate change: 2021 was the 5th warmest year on record but only slightly warmer than 2015 and 2018. To increase the utilisation of solar energy, the increase in temperatures is expected to generate more solar energy.

Depletion of non-renewable resources: Immoderate depletion of non-renewable resources has been paving the way for renewable and clean energy like solar energy for better economical and environment purposes.

Grid parity: The world has reached grid parity, specifying that alternative energy sources can generate power at a cost equivalent or less than that of the price of power from thermal electricity.

In recent power auctions, bidders bid down to Rs 2 a unit for solar energy, intensifying its appeal.

Storage: Storage-plus solar options ensure round-the-clock power access. For e-vehicles, indigenous and economical batteries can lessen the battery cost from the current 50%+ of the car's price, generating a traction in India's e-vehicle sales. From 50 MWh in 2019 to 175 MWh by 2022, Storage requirements for solar are approximated to rise over three-fold. India reached only halfway in its target of 175 GW of renewable energy capacity by 2022 (which includes 100 GW of solar), storage solutions could hold the key to bringing solar energy to scale.

Indian government initiatives

- The Government of India set a goal of installing 175 GW of renewable energy capacity by the year 2022, which includes 100 GW from solar, 60 GW from wind, 10 GW from bio-power and 5 GW from small hydro-power.
- In November 2021, the government announced plans to increase funding for the PLI scheme for domestic solar cells and module manufacturing to Rs 24,000 crore (USD 3.17 billion) from the present Rs 4,500 crore (USD 594.68 million).
- The Ministry of New and Renewable Energy launched the Rooftop Solar Programme Phase II in July 2021 to boost rooftop solar (RTS) installations across the country, especially in rural areas, with the objective to install 4,000 MW of RTS capacity in the residential sector by 2022.
- In July 2021, the Ministry of New and Renewable Energy (MNRE) agreed to NTPC Renewable Energy Ltd. to build a 4,750-MW renewable energy park at the Rann of Kutch in Khavda, Gujarat, which will be India's largest solar park.
- During 2018-21, USD 4.63 billion was spent by the government on hydroelectric projects to supply electricity to villages in Jammu and Kashmir.

Union Budgetary allocations

- The Union Budget 2022-23 apportioned a budgetary allocation of Rs 3,365 crore for the solar power sector, including both grid-interactive and off-grid projects. This was a 29% increase over the previous year budget of Rs 2,606 crore .
- In the Budget, the government allocated Rs 19,500 crore (USD 2.57 billion) for a PLI scheme to boost the manufacturing of high-efficiency solar modules.
- The Budget ensured the domestic manufacturing required for achieving the ambitious goal of 280 GW of installed solar capacity by 2030. The government announced that it would allocate an additional Rs 195 billion for the production-linked incentive (PLI) program.
- The Budget also provided for Sovereign Green Bonds to be issued for mobilising resources for green infrastructure.
- The government also proposed the implementation of the Ken-Betwa Link Project at an estimated cost of Rs 446.05 million. A total of Rs 14 billion was allocated for the project in the Budget 2022-23.

(Source: Mercom India, Economic Times, sustainabledevelopment.un.org)

Opportunities

- Renewable energy industry shareholders are contemplating investments in them, which can ultimately assist in confidently combining variable renewables such as wind and solar into the electric grid. In 2022, as renewable energy penetration in the grid grows, green hydrogen development is also anticipated to increase, owing to its prospect to act as long-duration and seasonal storage of fuel available on demand to generate power.
- Solar photovoltaic (PV) systems is the most cost-competitive energy resource, even after an 85% cost decrease in realisations over the last decade. The year 2022 could see the industry expanding solar-plus-storage buildouts, exploring floating solar PV modules, and growing community solar projects to new markets. Pairing storage with solar offers cost synergies, operational efficiencies and the opportunity to reduce storage capital costs with the solar investment tax credit.
- Transmission development, which is crucial for linking new, often remotely located renewable energy capacity to electricity-consuming centers, is anticipated to be a significant part of the renewable energy industry's agenda in 2022.
- The renewable energy industry is going to pursue evolving supply chains, as profits have suffered among logistics-related cost pressures and US-China trade tensions.
- In 2022, end-of-life (EoL) management strategies for renewable energy industry products and materials are probably to grab attention, as early installations approach the end of their useful life. This could help in the decline of waste, increase resource security, and provide additional financial value as well as sustainability credentials.

(Source: deloitte.com)

Challenges

- Variations in sunlight levels and wind mean that supplies are less compatible than those obtained from fossil fuel plants. Owners, as a consequence, need batteries to store energy for subsequent use.
- Investment in renewables has been derived from innovation and developing technologies. Economic pressures do still suppress innovation; an absence of financial backing from big organisations and governments reluctant to change as rapidly as needed can slow the breakthroughs required.
- Totally connected with economic affairs are the political challenges of the transition to renewables. Political posturing, isolationism, popularism and an anti-science discourse threaten the renewable energy sector.
- Energy infrastructure is, in many areas, unexpectedly underfunded, inadequately maintained, and insufficiently steady or effervescent to meet the demands of the future.
- As the demand for renewable energy continues to increase – owing to the growing domestic use, increased electric vehicle uptake and industrial transition – the deficiency of many electric grid systems will become more evident.
- The renewable energy sector must identify ways to balance the need for power with the need to make the best possible use of land.
- The problem in decarbonising the industry is that energy transition pathways are not yet definitive.

(Source: trvst.world)

The Company's overview

Websol Energy System Limited has been engaged in the manufacture of photovoltaic crystalline solar cells and related modules. The Company's facility is located in Falta SEZ, Sector II, Falta, West Bengal. The Company's products are used in commercial and industrial establishments in India and abroad. The Company's manufacturing capacity comprises 240MW of cells and a 250 MW fully automated module line.

Financial analysis

The Company reported revenue from operations of Rs 213.22 crore on a consolidated basis during FY2021-22, compared to Rs 153.59 crore in FY2020-21.

Operating EBITDA on a consolidated basis stood at Rs 31.01 crore for FY2021-22. Depreciation and interest for FY2021-22 stood at Rs 15.33 crore and Rs 3.05 crore, respectively.

Risk management

Risk	Mitigation
Raw material risk The cost increase in raw materials could impact demand for solar photovoltaic products and affect prospects.	Mitigation: The manufacturing cost of solar photovoltaic cells, in specifically linked to solar-grade silicon wafers and other raw materials, comprises 70% of the Company's manufacturing costs. The Company was shielded partly from the risk of raw material inflation through back-to-back sales agreements that secured it from resource volatility.
Customer concentration risk An excessive concentration of revenues from a particular customer could affect margins.	Mitigation: The Indian Government's increasing focus on initial procurement has increased the number of domestic manufacturers of renewable energy systems. Besides, the growing use of solar energy has made India one of the most attractive markets, broadening the customer concentration risk.
Competition risk Expanding competition could have an adverse impact on profitability.	Mitigation: The Company's product certifications and strong relationships have led to enhanced competitiveness. The Company is ranked as one of the biggest and most dynamic solar photovoltaic manufacturers in India with the cost of production being among the lowest across all Indian PV manufacturers.
Demand risk A decrease in demand could moderate returns on investment.	Mitigation: India is expected to retain its position as one of the rapidly growing renewable energy countries – an estimated 175 GW capacity from renewable energy by 2022 and an estimated 500 MW by 2030. This is likely to translate into one of the lowest power costs in the world, broadening the market for renewable energy while increasing demand.
Technology risk Technologies could become obsolete with speed.	Mitigation: The Company's internal audit system has been continuously monitored and updated to ensure that assets are safeguarded, established regulations are complied with and pending issues are addressed promptly. The audit committee reviews reports presented by the internal auditors on scheduled intervals. The committee makes note of the audit observations and takes corrective actions, if necessary. It maintains constant dialogue with statutory and internal auditors to ensure that internal control systems are operating 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 32nd Annual General Meeting (AGM) of the Members of Websol Energy System Limited Limited will be held on Friday, 30th September, 2022 at 01:00 P.M. (IST) through video conferencing (VC) or other audio visual means (OAVM), to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended 31st March, 2022 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Mrs. Sreeram Vasanthi (DIN: 00289326), who retires by rotation and, being eligible, offers herself for re-appointment.

NOTES:

1. The Register of Members and the Share Transfer Register of the Company will remain closed from Saturday, 24th September, 2022 to Friday, 30th September, 2022 (both days inclusive) for the purpose of AGM.
2. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021 and Circular No. 02/2022 dated May 05, 2022 all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM. The VC/OAVM facility will be provided by National Securities Depository Limited (NSDL).
3. ONLY A MEMBER IS ENTITLED TO ATTEND AND VOTE AT THE AGM THROUGH VC/OAVM. The facility to appoint proxies by the members will not be available for this AGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed hereto. However, pursuant to Section 113 of the Companies Act, 2013, corporate members are entitled to appoint authorised representative to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-Voting. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote at the AGM.
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. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020, May 05, 2020 and May 05, 2022 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the

authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.

7. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.webelsolar.com. The Notice can also be accessed from the 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 the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

8. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 May 05, 2020, MCA Circular No. 2/2021 dated January 13, 2021 and MCA Circular No. 2/2022 dated May 05, 2022.

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

The remote e-voting period begins on Tuesday, 27th September, 2022 at 10:00 A.M. and ends on Thursday, 29th September, 2022 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. 23rd September, 2022 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 23rd September, 2022.

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. **NSDL Mobile App is available on** App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi.
	2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.
	3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration
	4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in 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 provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
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 toll free no.: 1800 1020 990 and 1800 22 44 30
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 022- 23058738 or 022-23058542-43

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. 23rd September, 2022, 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 toll free no. 1800 1020 990 and 1800 22 44 30. 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. 23rd September, 2021 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 toll free no.: 1800 1020 990 and 1800 22 44 30 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 attested scanned 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.in for procuring user id and password for e-voting by providing above mentioned documents.

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

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

1. The procedure for e-Voting on the day of 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 may send their request mentioning their name, demat account number/ folio number, email id, mobile number at (www.webelsolar.com) latest by 04.00.p.m. (IST) on Wednesday, 28th day of September, 2022.

6. Shareholders who would like to express their views/ have questions may send their questions in advance mentioning their name demat account number/ folio number, email id, mobile number at at (www.webelsolar.com) latest by 04.00.p.m. (IST) on Wednesday, 28th day of September, 2022. The same will be replied by the company suitably.

7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

8. 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.

9. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, for smooth conduct of the AGM.

10. Members who need assistance before or during the AGM, can contact Ms. Pallavi Mhatre, Senior Manager, NSDL at evoting@nsdl.co.in or call 1800 1020 990 / 1800 22 44 30.

11. Members desirous of getting any information about the financial statements and/or operations of the Company are requested to send their queries at investors@webelsolar.com at least 10 (ten) days in advance of the AGM i.e. by Tuesday, 20th September, 2022, so that proper information can be made available at the AGM.

Director's Report

Dear Members,

Your Directors are pleased to present the 32nd Annual Report of your company on the operations and performance along with the Audited Financial Statements for the year ended on 31st March 2022.

1. FINANCIAL HIGHLIGHTS

The Company's financial performance for the year ended 31st March, 2022 is summarised below:

(Rs in lakh)

Particulars	2021-22	2020-21
Revenue from Operations	21322.23	15359.63
Other Income	459.01	431.34
Total Revenue	21781.34	15790.97
Total Expenses	20519.26	14428.86
Profit/ (Loss) before exceptional items and Tax	1262.08	1362.11
Exceptional Items	(121.86)	(5563.13)
Profit/ (Loss) before Tax	1383.94	6925.24
Less: Tax expense	416.95	1986.42
Profit/ (Loss) after tax	966.99	4938.82
Other Comprehensive Income	49.73	15.62
Total Comprehensive Income for the year	1016.72	4954.44
Earnings per share (Nominal value per share Rs 10/-)		
Basic	2.91	16.09
Diluted	2.91	14.05

2. RESULTS OF OPERATIONS AND STATE OF THE COMPANY'S AFFAIRS:

The brief highlights of the Company's performance for the financial year ended March 31, 2021 are:-

I. Performance Review

Revenues from Operation **(Rs Cr)**

FY 18-19	FY19-20	FY20-21	FY21-22
68.56	195.54	153.60	213.22

It indicates sales trend volume and the extent of the customer's acceptance of the Company's products.

Performance, FY2021-22

Aggregate sales increase by 39% to Rs 213.22 crore during FY2021-22 in comparison to FY 2020-2021.

Value impact

Develops a strong growth foundation on which profits can be built

EBITDA margin (%)

FY21-22
14.54

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

Earnings per share (Rs Cr) (BASIC EPS)

FY21-22
2.91

3. CORPORATE GOVERNANCE

In terms of Regulation 34(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate report on corporate governance together with a certificate from M/s Abhijit Majumdar, a firm of Practising Company Secretaries, confirming compliance thereof is given in Annexure-I forming part of this report.

4. MATERIAL CHANGES AFFECTING THE COMPANY

No material changes and commitments have occurred after the close of the year till the date of this report which may affect the financial position of the Company.

5. DEPOSITS

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act, 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014 during the year under review. Hence, the requirement of providing details relating to deposits as also of deposits which are not in compliance with Chapter V of the Act, is not applicable.

6. FINANCIAL STATEMENT

The audited Standalone Financial Statements of the Company, which form a part of this Annual Report, have been prepared in accordance with the provisions of the Companies Act, 2013 ("Act") and the Indian Accounting Standards.

7. SHARE CAPITAL

The Company has one class of issued share i.e ordinary share of face value of Rs 10/- each.

The issued, subscribed and fully paid up ordinary share capital of the Company as at March 31, 2022 stood at Rs. 36.64 crores. As on March 31, 2022, none of the Directors of the Company hold instruments convertible into Equity Shares of the Company.

8. DIVIDEND

In order to conserve the resources for meeting future capital needs related to maintenance, regulatory, cost reduction and potential strategic projects, the Board of Directors have decided not to recommend dividend on the equity shares of the Company.

9. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

During the year under review the Company has not made any inter corporate loans, investments, given any corporate guarantee to any other body corporate, subsidiary, associate or any other company within the limits prescribed under section 186 of the Companies Act, 2013.

10. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

During the financial year 2021-22, the Company had no Subsidiary, Associate or Joint Venture company.

11. .DIRECTORS

As on 31st March, 2022, the Company had seven Directors, four of whom were Non-Executive Independent Director, one Non-executive Non-independent Directors and two were Executive Directors.

Re-Appointment/Appointment

The Board of Directors based on the recommendation of nomination & remuneration committee had appointed Mr. Gopal Mohan Kedia (DIN: 01479870) as the Independent director of the Company for a period of 5 years commencing from 24th March, 2022, Mrs. Sushma Khaitan (DIN: 00132305) as a Non-Executive Director of the Company w.e.f 24th March, 2022. Further during the year Mr. Sohan Lal Agarwal was re-appointed as the Managing Director of the Company for a further period of five years w.e.f. April 01, 2021 to March 31, 2026 by the shareholders in their meeting held on 30th September, 2021.

Director retiring by rotation:

Pursuant to the requirements of the Companies Act, 2013 and Articles of Association of the Company, Ms. Sreeram Vasanthi, (DIN: 00289326), retires by rotation at the ensuing Annual General Meeting, and being eligible, has offered herself for re-appointment.

The Board recommends the appointment/ reappointment of above Director for your approval.

No. of Meetings of the Board:

Ten meetings of the Board were held during the year ended March 31, 2022, details of which have been provided separately in the Corporate Governance report.

Independent Directors and their Meeting

Details of the separate meeting of Independent Directors held in terms of Schedule IV of the Act and Regulation 25(3) of the Listing Regulations are given in the Corporate Governance Report.

Declaration by Independent Directors:

All Independent directors have given declarations that they meet the criteria of independence as required under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing

Regulations'). In the opinion of the Board of Directors of the Company, the Independent Directors are persons of integrity and possess relevant expertise, experience and proficiency as per the Companies Act, 2013.

12. KEY MANAGERIAL PERSONNEL

In terms of the provisions of section 203 of the Companies Act, 2013, Mr. Sohan Lal Agarwal Managing Director, Ms Sreeram Vasanthi, Executive Director & Mr. Sumit Kumar Shaw- Company Secretary continues to hold their respective offices during the financial year 2021-22 as Key Managerial Personnel. Mr. Sumit Kumar Shaw who was appointed as Chief Financial Officer resigned from the post w.e.f. September 19, 2021.

13. ANNUAL PERFORMANCE EVALUATION

The Board of Directors evaluated its own performance, its Committees and the performance of independent directors. The nomination and remuneration committee carried out annual performance evaluation of individual directors. The overall performance of the Board of Directors, its committees and individual directors was found adequate and effective in terms of the criteria set out by the nomination and remuneration committee. The evaluation of the Board of Directors was based on criteria such as appropriateness of Board composition and structure, decisions passed by the Board of Directors, awareness on Industry operations, compliance with applicable laws, succession planning, strategic planning, implementation of guidelines or strategies decided by the Board of Directors etc. The evaluation of the Committees was based on composition, functioning, competencies of the members, frequency of meetings, procedures, monitoring, advisory role, timely reporting to Board of Directors, etc. The evaluation of directors was based on criteria such as preparedness for board meetings, attendance, judgements, contribution to risk management, adherence to Company's code of conduct and corporate governance, pro-activeness in highlighting areas of concern, sharing of knowledge and business information, disclosure of interest and related parties in timely manner etc.

14. COMMITTEES OF THE BOARD

Pursuant to various requirements under the Act and the Listing Regulations, the Board of Directors has constituted various committees such as Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Corporate Social Responsibility Committee. The details of composition, terms of reference, etc., pertaining to these committees are mentioned in the Corporate Governance Report.

15. AUDIT COMMITTEE:

The Board of Directors have constituted the audit committee with three directors as members, all of whom are financially literate. Two-third of the members of audit committee are independent directors. More details on the audit committee are given in the report on corporate governance.

16. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement of Section 134(3)(c) and 134(5) of the Companies Act, 2013 and on the basis of explanation given by the executives of the Company and subject to disclosures in the Annual Accounts of the Company from time to time, we state as under:

(a) in the preparation of the annual accounts for the financial year ended 31st March, 2022, 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 as at 31st March, 2022 and profit and loss account 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 the Companies Act, 2013, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

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

(e) The directors of the company had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

(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.

17. POLICY RELATING TO DIRECTORS APPOINTMENT AND REMUNERATION

The policy of the Company on Director's appointment and remuneration, including criteria for determining qualifications, independence and other matters is as provided under subsection(3) of Section 178 of the Companies Act, 2013 is available on the company's website at http://www.webelsolar.com/.

18. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of managerial personnel and employees of the Company is provided as Annexure II to this report.

19. TRANSFER TO INVESTOR EDUCATION & PROTECTION FUND (IEPF)

Pursuant to the provisions of Section 124 of the Act, Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") read with the relevant circulars and amendments thereto, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund ("IEPF"), constituted by the Central Government.

During the Year, no amount of dividend was unpaid or unclaimed for a period of seven years and therefore no amount is required to be transferred to Investor Education and Provident Fund under the Section 125(1) and Section 125(2) of the Act.

20. PARTICULARS OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES:

All transactions entered into with related parties as defined under the Companies Act, 2013 during the year, were in the ordinary course of business and at arm's-length price. There was no materially significant related party transaction made by the Company with its promoters, directors or key managerial personnel which may have potential conflict with the interest of the Company at large or which warrants the approval of the members. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable to the Company for FY 2021-22 and hence does not form part of this report.

Details of related party transactions entered into by the Company, in terms of IND AS-24 are disclosed in note 34 (RPT) to the financial statements for the financial year ended 31st March, 2022. All related party transactions were placed before the audit committee for approval on a quarterly basis and prior omnibus approval of the audit committee was obtained for the transactions which were of a repetitive nature.

21. AUDITORS

a. Statutory Auditors

M/s G. P. Agrawal & Co., Chartered Accountants (FRN 302082E) were appointed as Statutory Auditors of your company in the Annual General Meeting held on 29th September, 2018 for a term of five consecutive years to hold office till the conclusion of the annual general meeting to be held in the calendar year 2023.

Statutory Auditors Report

The Board has duly reviewed the Statutory Auditor's Report on the Accounts for the year ended March 31, 2022 and has noted that the same does not have any reservation, qualification or adverse remarks. However, the Board decided to further strengthen the existing system and procedures to meet all kinds of challenges and growth in the coming years.

b. Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013, the Board has appointed Abhijit Majumdar, Company Secretary in whole time practice (Membership No. CP No.9804) to carry out secretarial audit of the Company for the financial year 2021-22. The Secretarial Audit Report issued by Abhijit Majumdar, for the financial year 2021-22 confirms that the Company has complied with the provisions of the applicable laws and observation or qualification, if any has been provided in the report in Form MR-3 forming part as Annexure III of this Report.

Secretarial Audit Report

The Board has duly reviewed the Secretarial Audit Report for the year ended March 31, 2022 on the Compliances according to the provisions of Section 204 of the Companies Act, 2013.

The Board has also discussed the need to broad base the Directors of the company to include technical member, one finance professional and next generation from promoter family, to steer the company through the proposed next phase of growth

c. **Cost Auditor**

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

d. **Internal Auditor**

During the year under review your Company has appointed M/s M. Kumar Jain & Co, an Independent firms of Chartered Accountants to act as an Internal Auditor as per suggestion and recommendation of the Audit Committee in order to strengthen the internal control system for the Company.

The recommendations of the internal audit teams on improvements in the operating procedures and control systems for strengthening the operating procedures were also presented periodically to the Audit Committee.

22. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB SECTION (12) OF SECTION 143

There was no instance of fraud during the year under review, which required the Statutory

Auditors to report to the Audit Committee and / or Board under Section 143(12) of the Act and Rules framed thereunder.

23. 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 in this report under the head 'management discussion and analysis'.

24. ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2022 is available on the Company's website at https://www.webelsolar.com/

25. VIGIL MECHANSIM POLICY

The Company has formulated a Vigil Mechanism / Whistle Blower Policy in terms of Section 177 of the Companies Act, 2013 and as per Regulation 22 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the employees and directors to report their grievance(s) / concern(s) about instances of unethical behaviour, actual or suspected fraud or violation of Company's code of conduct to the Vigilance Officer or the Chairman of the audit committee. During the year under review, no complaint was reported. The whistle blower policy is available on the Company's website https://www.webelsolar.com/

26. INTERNAL FINANCIAL CONTROLS

The Board of Directors had laid down internal financial controls for preparation of reliable financial statement. The Audit Committee and the auditors evaluates the internal financial control system periodically. The measures taken 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 timely preparation of reliable financial information were found to be adequate. The record maintenance including back up system were found to be adequate and working effectively.

27. 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 capitalisation.

28. CORPORATE SOCIAL RESPONSIBILITY (CSR)

During the year ended 31st March, 2022, your Company has undertaken various CSR activities. The annual report on CSR activities, in terms of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, is provided in Annexure-IV forming part of this report.

The Corporate Social Responsibility Policy of the Company as adopted by the Board of Directors is available on Company's websites (http://www.webelsolar.com/). The composition of CSR

Committee is disclosed in the report on corporate governance forming part of this report.

29. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

The information on conservation of energy, technology absorption, foreign exchange earnings and outgo, as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, are provided in Annexure-V forming part of this report.

30. INSURANCE

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

31. SECRETARIAL STANDARDS

The directors have devised proper systems to ensure compliance with the provisions of the applicable Secretarial Standards issued by The Institute of Company Secretaries of India and such systems are adequate and operating effectively.

32. EVENT BASED DISCLOSURES

Your Directors state that no disclosure or reporting is required with respect to the following items as there were no transactions related to these items during the year under review:

1. Issue of equity shares with differential rights to dividend, voting or otherwise.
2. Issue of sweat equity shares.
3. Provision of money for purchase of its own shares by employees or by trustees for the benefit of employees.
4. Application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year along with their status as at the end of the financial year.

33. PREVENTION OF SEXUAL HARRASMENT AT WORK PLACE

The Company has complied with provisions relating to the constitution of Internal Complaint Committee as required to be formed under Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules made thereunder. The Company has adopted a policy in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. During the year under review, no complaint of sexual harassment has been received by the Internal Complaint Committee.

34. SIGNIFICANT MATERIAL ORDERS PASSED BY THR REGULATORS COURTS OR TRIBUNALS

There were no instances of any significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

35. CREDIT & GUARANTEE FACILITIES

The Company has no Working Capital facilities from Bank

36. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

The Management's Discussion and Analysis Report for the year under review, is presented in a separate section forming an integral part of the Annual Report.

37. STATUTORY COMPLIANCE

The Company has complied with the required provisions relating to statutory compliance with regard to the affairs of the Company in all respects.

38. APPRECIATION

Your Directors would like to express their appreciation for the co-operation and assistance received from the Government authorities, banks and other financial institutions, vendors, suppliers, customers, debenture holders, shareholders and all other stakeholders during the year under review.

Your Directors also wish to place on record their deep sense of appreciation for the committed services of all the employees.

For and on behalf of the Board

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

ANNEXURE I TO THE BOARD'S REPORT

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Corporate Governance is about promoting corporate fairness, transparency, accountability and integrity of the management to facilitate effective entrepreneurial and prudent management practices for long-term sustainable growth of the Company. It also aims to align as nearly as possible the interests of individuals, corporates & society and enhancing the stakeholders' value. Best results are achieved when companies begin to treat the Corporate Governance system not as a mere structure but as a way of corporate life. Websol's Guiding Principles also reflect the fundamental philosophy of Good Corporate Governance practices which have always been an integral part of the Company's philosophy.

2. BOARD OF DIRECTORS

In keeping with the commitment of the Management to the principle of integrity and transparency in business operations for good corporate governance, the Company's policy is to have an appropriate blend of executive and independent directors to maintain the independence of the Board and to separate the Board functions of governance and management.

a) **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 31 March 2022, the Board of Directors of the Company comprises of 7 (seven) directors, of whom 2 (two) were Executive Director, and 5 (five) were Non-Executive, out of which 4 (four) were Independent Directors. Independent directors are Non-Executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations. The maximum tenure of Independent Directors is in Compliance with the Companies Act, 2013.

b) 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, 2022.

Name of the Director	Position [Refer abbreviations below]	Attendance Particulars		No. of other directorship(s) and other Board committee memberships / chairmanships held[1]		
		At Board Meeting (s)	Last AGM	Other Directorship(s)	Committee Membership(s) *	Committee Chairmanship(s) *
Sohan Lal Agarwal	Executive Managing Director – Promoter	10	Yes	-	1	-
Sreeram Vasanthi	Executive Director	10	Yes	-		-
Dharmendra Sethia	Non-Executive Independent Director	10	Yes	-	2	2
Deven Kaushik	Non-Executive Independent Director	10	Yes	-	2	-
Ritesh Ojha*	Non-Executive Independent Director	10	NA	-	1	-
Gopal Mohan Kedia	Non-Executive Independent Director	-	Yes	-	-	-
Sushma Khaitan **	Non-Executive Non-Independent Director	-	NA	-	-	-

- [1]The Directorships held by the Directors, as mentioned above excludes alternate directorship, directorship in foreign companies, Companies under section 8 of the Companies Act, 2013 and Private Limited Companies which are not subsidiaries of Public Limited Companies.
- Only Audit Committee and Stakeholder Relationship Committee, in public companies including Websol Energy System Limited, have been considered for the committee position.
- *Resigned w.e.f 12th May, 2022
- ** Resigned w.e.f 18th April, 2022

c) **Names of other listed entities where the person is a director and the category of directorship-** N.A

d) **Number of Board meetings held and dates on which held**

10 (Ten) meetings of the Board of Directors were held during the year on 31st May, 2021, 5th July, 2021, 23rd July, 2021, 14th August, 2021,1st September, 202, 11th September, 2021, 2nd November, 2021, 2nd February, 2022, 11th February, 2022 and 24th March, 2022.

The maximum gap between two meetings was less than one hundred and twenty days. In order to adhere to the social distancing norms, the directors participated at all the board meetings held during the year through video conferencing/ other audio-visual means.

e) **Disclosure of relationships between directors inter-se**

No director is, inter se, related to any other director on the Board. Except Mrs. Sushma Khaitan who is related to Mr. Sohan lal Agarwal, Chairman & Managing director of the Company.

f) **Number of shares and convertible instruments held by non-executive directors**

None of the independent directors hold any share or convertible instrument of the Company as on 31st March, 2022.

g) **Web link where details of familiarisation programmes imparted to independent directors is disclosed**

The details of familiarisation programme imparted to independent directors are disclosed on the website of the Company (https://www.webelsolar.com)

h) **A chart or a matrix setting out the skills/ expertise/competence of the Board of Directors**

The list of core skills/expertise/competence identified by the Board of Directors as required in the context of its business and sector(s) for it to function effectively and those actually available with the Board are as under:

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 Board of Directors possess the necessary skills/expertise/competencies in all the above mentioned areas.

i) **Other provisions**

It is hereby confirmed that in the opinion of the Board of Directors, the independent directors fulfill the conditions specified in the SEBI Listing Regulations and are independent of the management. None of the independent directors has resigned before the expiry of their tenure of appointment. The Company has developed proper systems to enable the Board of Directors to periodically review compliance reports prepared by the Company in respect of laws applicable to the Company. Corrective steps are taken by the Company to rectify any instance of non-compliance. The Board of Directors have devised plans for orderly succession for appointments to the Board and to senior management level.

3. Audit committee

a) **Brief description of terms of reference**

The powers, roles and terms of reference of the Audit Committee are in accordance with the provisions of Section 177 of the Act and Regulation 18 of the SEBI Listing Regulations. The terms of reference inter alia include:

- Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Review and monitor the auditor's independence, performance and effectiveness of audit process;

- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company to the Board of Directors;
- Examining and reviewing, quarterly results and annual financial statements and the independent auditor's report thereon before submission to the Board of Directors;
- Evaluation of internal financial controls and risk management systems;
- Discussion with internal auditors on any significant findings and follow up thereon;
- 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;
- Review the performance of statutory and internal auditors, adequacy of the internal control systems;
- Review the functioning of whistle blower mechanism;
- Scrutiny of inter-corporate loans and investments;
- Approval of related party transactions or any subsequent modification of transactions with related parties;
- Review compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and verify the effectiveness of internal controls followed by the Company.

b) Composition, name of members and chairperson

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

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

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

c) Meetings and attendance during the year

During the year, 4 (four) meetings of the Audit Committee were held on 31st May, 2021, 14th August, 2021, 2nd November, 2021 and 11th February, 2022.

Name of the Directors	Number of Meeting attended
Dharmendra Sethia	4
Devan Kaushik	4
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, 2021. Minutes of Audit Committee are 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

a) Brief description of terms of reference:

The powers, role and terms of reference of the Nomination and Remuneration Committee are in accordance with the provisions of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations. The terms of reference inter alia include:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors 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;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the

criteria laid down and recommend to the Board of Directors their appointment and removal;

- Specify the manner for effective evaluation of performance of Board of Directors, its committees and individual directors to be carried out either by the Board of Directors or by the nomination and remuneration committee and review its implementation and compliances;
- Devise a policy on diversity of Board of Directors;
- Recommend to the Board of Directors, all remuneration, in whatever form, payable to senior management.

b) Composition, name of members and chairperson

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

Sl. No.	Name of the Committee Members	Designation in the Committee	Category
1.	Dharmendra Sethia	Chairperson	Non-Executive - Independent Director
2.	Devan Kaushik	Member	Non-Executive - Independent Director
3.	Ritesh Ojha	Member	Non-Executive - Independent Director

c) Meetings and attendance during the year

During the year, 2 (two) meetings of the Nomination & Remuneration Committee Committee were held on 1st September, 2021 and 24th March, 2022.

Name of the Directors	Number of Meeting attended
Dharmendra Sethia	2
Devan Kaushik	2
Ritesh Ojha	2

The Chairman of the Nomination and Remuneration Committee was present at the previous AGM of the Company held on 30th September, 2021.

Performance evaluation criteria for independent directors

The Nomination and Remuneration Committee has laid down the evaluation criteria for determining the performance of the independent directors on the Board broadly covering preparedness for board meetings; attendance; application of independent judgement while taking decisions; adherence to Company's code of conduct and corporate governance; effective participation in committee meetings; adequate deliberation on areas of concern; sharing of knowledge and business information; disclosure of interest and related parties in timely manner and avoiding conflict of interest.

5. Stakeholders' Relationship Committee

a) Name of non-executive director heading the committee

Mr. Dharmendra Sethia, an independent director of the Company, is the Chairman of the Stakeholders' Relationship Committee. The details of composition of Stakeholders' Relationship Committee with names of members and chairperson are as follows:

Sl. No.	Name of the Committee Members	Designation in the Committee	Category
1.	Dharmendra Sethia	Chairperson	Non-Executive - Independent Director
2.	Devan Kaushik	Member	Non-Executive - Independent Director
3.	Ritesh Ojha	Member	Non-Executive - Independent Director

b) **Name and designation of the Compliance Officer**

Mr. Sumit Kumar Shaw, Company Secretary of the Company is the Compliance Officer.

c) **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. Remuneration of directors

(a) Details of remuneration of directors

(i) Details of remuneration of executive directors for the financial year ended 31st March, 2022:

Name of Director	Salary	Commission	Contribution to Provident Fund	Estimated value of other allowance and perquisites	Tenure of Appointment
Mr. Sohan lal Agarwal	1,14,89,264	-	13,78,712	11,86,368	5 years from 1st April, 2021
Ms Sreeram Vasanthi	6,00,000	-	-	-	5 years from 31st July, 2021.

(ii) Details of remuneration of non-executive directors, including independent directors of the Company for the financial year ended 31st March, 2022:

Name of the Directors	Sitting Fees
Dharmendra Sethia (Independent, Non-Executive Director)	1,62,000
Ritesh Ojha (Independent, Non-Executive Director)	1,62,000
Devan Kaushik (Independent, Non-Executive Director)	1,62,000
Gopal Mohan Kedia (Independent, Non-Executive Director)	NIL
Sushma Khaitan (Non-Executive Director)	NIL

The Company has not issued any stock options to its directors.

The appointment of the executive directors is governed by the Articles of Association of the Company. The principal terms and conditions including the remuneration governing the appointment/re-appointment of the executive directors were recommended by the Nomination and Remuneration Committee and approved by the Board of Directors and the members of the Company.

As per terms of appointment, the Company and the executive directors have the right to terminate the appointment by giving three months' prior notice in writing to the other. There is no provision for payment of severance fees under the resolutions governing the appointment of executive directors.

The Company has not entered into any other pecuniary relationship or transaction with the non-executive directors.

b) Criteria of making payment to non-executive directors

The role of the non-executive directors requires devotion of sufficient time to exercise independent judgement in the best interest of Company with ability to contribute and to monitor corporate governance practice and adherence to the Company's code of conduct.

Appointments and terms of remuneration of non-executive directors are considered by the Board of Directors of the Company based on the recommendation of the Nomination and Remuneration Committee within the limits specified in the resolution passed by the members. Remuneration to the non-executive directors is kept at levels such that they retain and motivate directors to run the Company successfully.

Non-executive directors including independent directors shall be entitled to receive remuneration by way of sitting fee for attending meetings of the Board or Committee thereof or any other meeting as may be decided by the Board within the limits prescribed under Section 197 of the Act and Rules made thereunder for payment of sitting fees.

In addition to the sitting fees, the non-executive directors, including independent directors of the Company shall be entitled to be paid their reasonable travelling, hotel and other expenses incurred for attending Board and Committee meetings or otherwise incurred in the execution of their duties as directors.

In the event that the Company, in any financial year during the tenure of appointment of non-executive directors, including independent directors of the Company, has no profits or its profits are inadequate, the remuneration payable to non-executive directors, including independent directors of the Company in such year(s) shall not exceed the ceiling laid down in Section II of Part II of Schedule V to the Act or any modification(s) or re-enactment thereof, subject to such approvals as may be required.

7. Corporate Social Responsibility Committee

a) 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:

Sl. No.	Name of the Committee Members	Designation in the Committee	Category
1.	Dharmendra Sethia	Chairperson	Non-Executive - Independent Director
2.	Devan Kaushik	Member	Non-Executive - Independent Director
3.	Ritesh Ojha	Member	Non-Executive - Independent Director

Name of the Directors	Number of Meeting attended
Dharmendra Sethia	1
Devan Kaushik	1
Ritesh Ojha	1

8. Separate meeting of Independent Directors

During the year, the independent directors held a separate meeting on Friday, 4th March, 2022 and carried out inter alia the performance evaluation of the Chairman and Managing Director of the Company, other non-independent directors and the Board as a whole and assessed 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, as per the requirement of Schedule IV to the Act read with Regulation 25(3) of the SEBI Listing Regulations. The meeting was attended by all the independent directors.

9. 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, 2021 at 12:00 P.M. through video conferencing (VC) or other audio-visual means (OAVM) conducted from the Registered Office	1. Re-appointment of Mr. Sohan Lal Agarwal as the Managing Director 2. Increase the borrowing powers of the Company 3. 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) conducted from the Registered Office	1. Re-appointment of Mr. Deven Kaushik as an independent director

Date, Time and Location of last three AGM	Special Resolution passed; if any
30th September, 2019 at 9.30 A.M. at Nazrul Tirtha, Biswa Banglasarani, Beside Dlf Building, AF Block, Action Area 1A, Newtown, West Bengal,Kolkata-700156	1. Re-appointment of Mr. Dharmendra Sethia (DIN:06775533) as Non-Executive Director of the Company

Postal ballot

No special resolution was passed during last year through postal ballot. In pursuance to the proviso to Section 110(1) of the Act, business required to be transacted by means of postal ballot had been transacted at the general meeting by providing facility to members to vote by electronic means. There is no item on the agenda of ensuing AGM which requires passing a special resolution through postal ballot.

10. MEANS OF COMMUNICATION:

- The quarterly financial results of the Company are uploaded at the website of BSE Limited and the website of the Company and simultaneously published in newspapers within the stipulated time.
- Results are published in Financial Express(all India editions) (in English) and in Ekdin (in Bengali).
- The Company has its own functional websites "https://www.webelsolar.com" where information about the Company, quarterly financial results, audited financial statements, annual reports, distribution of shareholding at the end of each quarter, official news releases and such other information required to be disclosed under Regulations 30, 46 and other applicable provisions of the SEBI Listing Regulations are regularly updated.
- The Company has not made any presentation to institutional investors or to the analysts during the year under review.
- Management discussion and analysis forms part of the Board's Report.

11. GENERAL SHAREHOLDER INFORMATION:

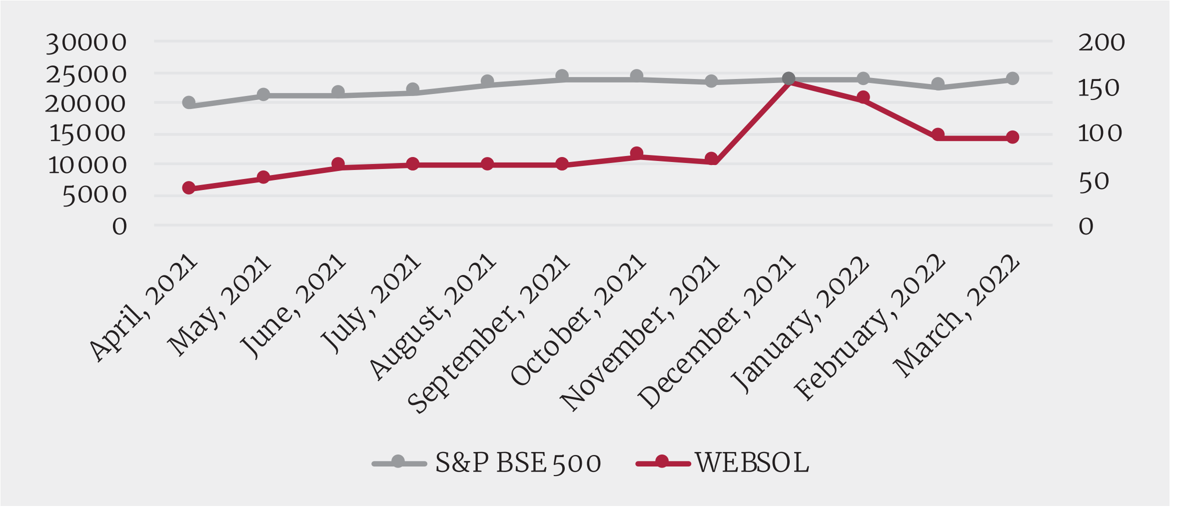
i)	AGM Date, Time and Venue	Friday, 30th September, 2022 at 01.00 p.m. through video conferencing or other audio-visual means to be conducted as per details given in the notice calling the ensuing AGM of the Company.
ii)	Financial year	Financial Year: 1st April to 31st March. Quarterly, Half-Yearly and 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)	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)	**BSE Limited** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 **NSE Limited** Exchange Plaza, Bandra Kurla Complex, Bandra (E),Mumbai-400051 Annual listing fee for the year 2022-2023 has been paid in full.
iv)	Stock Code	ISIN: INE855C01015 BSE Limited: Scrip Code: 517498 NSE Limited: WEBELSOLAR
v)	Market Price data: High, Low during each month in last financial year	Information has been given at the end of clause 11.
vi)	Stock performance of the Company in comparison to BSE Sensex. (April, 2021 to March, 2022)	Information has been given at the end of clause 11.

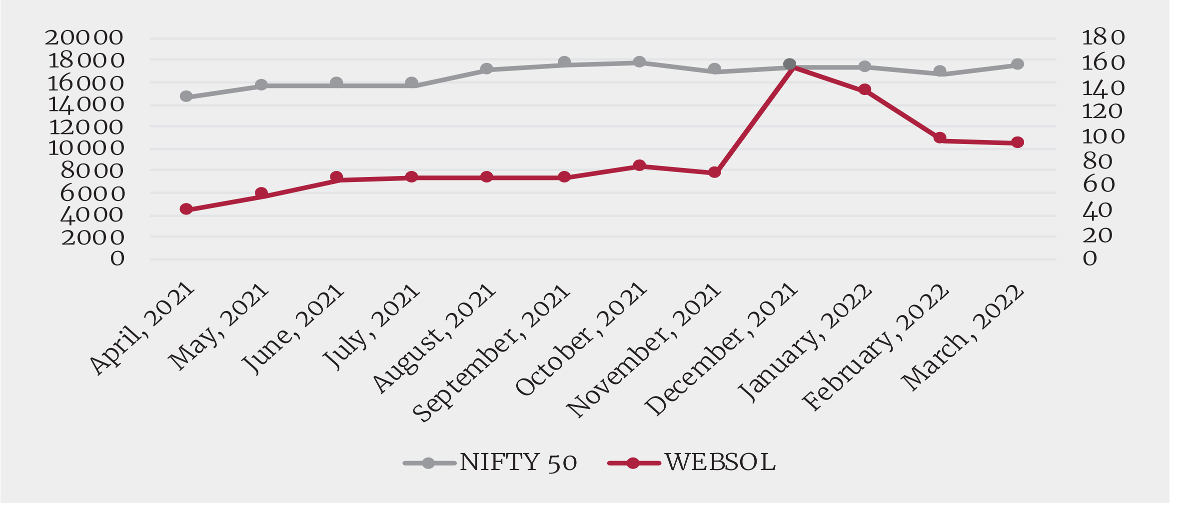
vii)	Suspension of securities	The listed securities were not suspended from trading during the year
viii)	Registrar and Share Transfer Agent	**R & D INFOTECH PVT** 7A, Beltala Road, Naresh Mitra Sarani Ph: 033-24192641 Fax: 033-24761657 E-mail: rdinfotech@yahoo.com
ix)	Share Transfer System	Information has been given at the end of clause 11.
x)	Distribution of Shareholding as at 31st March, 2022	Information has been given at the end of clause 11.
xi)	Dematerialisation of shares and liquidity	As on 31st March, 2022, 36302146 ordinary shares representing 99.08% of the Company's paid–up share capital was held in dematerialised form.
xii)	Outstanding GDRs/ADRs/ Warrants or any convertible instruments, conversion date and likely impact on equity	No
xiii)	Commodity price risk or foreign exchange risk and hedging activities	Not applicable
xiv)	Plant Locations	**Falta SEZ Unit** Sector – II, Falta Special Economic Zone, Falta District, South 24 Parganas, PIN – 743 504, West Bengal
xv)	Address for Correspondence	**Websol Energy System Limited** 48, Pramatha Choudhry Sarani, Plot No. 849 Block – P, 2nd Floor, New Alipore, Kolkata – 700 053 Phone: +91 – 33 – 2400 0419 Fax: +91 – 33 – 2400 0375 Email: investors@webelsolar.com Website: www.webelsolar.com
xvi)	List of all credit ratings obtained by the Company along with any revisions thereto during the relevant financial year.	N.A

Stock Market Price Data

NSE		Months	BSE	
High	Low		High	Low
46.50	39.05	April, 2021	45.75	39.55
58.05	39.70	May, 2021	58.05	39.7
64.60	48.60	June, 2021	64.6	48.65
78.40	61.00	July, 2021	78.4	61.35
80.80	59.25	August, 2021	80.7	59.75
74.90	61.55	September, 2021	74.8	62
90.00	63.00	October, 2021	89.9	63
84.90	66.50	November, 2021	85.05	66.3
156.55	68.25	December, 2021	156.75	68.5
172.55	126.40	January, 2022	172.75	126
148.60	86.00	February, 2022	148.7	85.85
111.90	89.65	March, 2022	111.8	89.7

Performance in comparison to broad-based indices:





Share Transfer System

The transfer/transmission of shares are approved in accordance with the powers delegated by the Board of Directors to the Chairman and Managing Director, Wholetime Director and Company Secretary. Pursuant to Regulation 40 of SEBI Listing Regulations, requests for effecting transfer, transmission or transposition of securities shall be processed in dematerialised form only. The shares lodged for dematerialisation are processed within the stipulated time from the date of their lodgement, if instruments are found valid and complete in all respects.

Pursuant to Regulation 76 of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, Mr. Abhijit Majumdar, Practising Company Secretaries carried out the audit to reconcile the total admitted capital in dematerialized form with National Securities Depository Limited and Central Depository Services (India) Limited and total number of shares in physical form and to confirm that the total listed and paid-up capital are in agreement with the aggregate number of shares. This audit was carried out in every quarter and the report was submitted to the BSE Limited.

Information in respect of clause 11 (xi)

a) Distribution of Shareholding as on 31st March, 2022

No. of Shares Slab	No. of Shareholders		No. of Shares	
Shareholding	Number	% of Total Share holders	Number	% of Total Shares
Upto 5000	77,645	99.32	14,889,410	40.64
5001 to 10000	285	0.36	2,118,861	5.78
10001 to 20000	140	0.18	2,070,532	5.65
20001 to 30000	34	0.04	859,562	2.35
30001 to 40000	17	0.02	586,197	1.60
40001 to 50000	10	0.01	468,196	1.28
50001 to 100000	22	0.03	1,618,972	4.42
100001 and above	25	0.03	14,028,808	38.29
Grand Total	**78,178**	**100**	**36,640,538**	**100**

Categories of Shareholders:

Sl No.	Description	No. of Shares	Percentage of Capital (%)
I.	Promoters & Promoters Group	92,96,922	25.37
II.	Public Shareholding	27,343,616	74.63
i.	Non Institutions		
a.	Individuals	24,717,960	67.46
b.	Any other	15,25,900	4.16
ii.	Institutional		
d.	Mutual fund	6,200	0.02
e.	Foreign Portfolio Investor	1,093,456	2.98
f.	Financial Institutions/Bnaks	100	0.00
	TOTAL (I+II)	**36,640,538**	**100**

12. CEO and CFO certification

Mr. Sohan Lal Agarwal, Chairman and Managing Director, Chief Executive Officer and Mr. Sumit Kumar Shaw, Chief Financial Officer of the Company provide compliance certificate to the Board of Directors, in terms of Regulation 17(8) of the SEBI Listing Regulations.

13. Declaration on compliance with Company's code of conduct

The Board of Directors have formulated a code of conduct applicable to all the directors and senior management personnel of the Company incorporating duties of independent directors which has been posted on the websites of the Company (https://www.webelsolar.com). A declaration signed by the Managing Director of the Company affirming compliance with the Company's code of conduct by the directors and senior management personnel of the Company is appended to this report.

14. Disclosure with respect to demat suspense account / unclaimed suspense account

As on 31st March, 2022, there are no outstanding shares of the Company lying in the demat suspense / unclaimed suspense account.

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

Sl No.	Description	
a	number of complaints filed during the financial year	Nil
b	number of complaints disposed of during the financial year	Nil
c	number of complaints pending as on end of the financial year	Nil

15. Other Disclosures

i) There are no materially significant related party transactions between the Company and its promoters, directors or their relative's etc. that may have potential conflict with the interests of the Company at large. All transactions, entered with related parties, were in the ordinary course of business and at arm's length price with prior approval of the audit committee in line with the policy on related party transactions of the Company. Disclosures as required under IND AS-24 have been made in Note 34 to the financial statements for the year ended 31st March, 2022. Policy on related party transactions and other policies and code of conduct adopted by the Board of Directors are displayed on the website (https://www.webelsolar.com).

ii) There were no instances of non-compliances related to capitalmarkets during the year under review and no penalties/strictures were imposed against the Company during the last three years

iii) Whistle blower policy/vigil mechanism established by the Company offers appropriate protection to the whistle blower(s) from victimisation, harassment or disciplinary proceedings. The whistle blower(s) may also lodge his/their complaint(s)/concern(s) with the Chairman of the Audit Committee. No personnel have been denied access to the Audit Committee.

iv) The Company does not have any subsidiary.

v) The Senior Management Personnel of the Company have confirmed to the Board of Directors that there was no material, financial and commercial transaction entered during the financial year ended 31st March, 2022, where they have personal interest that may have a potential conflict with the interests of the Company at large.

vi) Details of total fees for all services paid by the Company on a consolidated basis, to the Statutory Auditors and all entities in the network firm/network entity of which the Statutory Auditors are a part, given below:

Year 2021-22	Total (Rs.)
For Statutory Audit	4,00,000
For Limited Review	3,00,000
For Taxation Matter	1,75,000
Total	**8,75,000**

vii) The Company has not raised funds through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of the SEBI Listing Regulations during the year under review.

viii) The Company did not extend any loan or advance to any firm/company in which directors are interested.

ix) Disclosure of compliance with mandatory and non-mandatory corporate governance requirements:

The Company has complied with corporate governance requirements as specified in Regulations 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 read with Schedule V to SEBI Listing Regulations.

a) Mandatory requirements: The Company has complied with all mandatory requirements under the SEBI Listing Regulations.

b) Discretionary requirements:

A. The Board: The Chairman of the Company is an executive director.

B. Shareholder Rights: Quarterly results and other information are published in newspaper and uploaded on Company's website (https://www.webelsolar.com).

C. Modified opinion(s) in audit report: The Company has received unmodified audit opinion on the financial statements for the year ended 31st March, 2022.

D. Separate posts of Chairperson and

the Managing Director or the Chief Executive Officer: The Board shall review this requirement after the expiry of present term of office of the Chairman and Managing Director.

E. Reporting of internal auditor: The internal auditors have access to directly report to the audit committee.

x) Certificate received from a practising company secretary confirming that none of the directors on the Board of Directors of the Company 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 statutory authority is appended to this report.

xi) There has not been any instance where the Board of Directors did not accept the recommendations of committees of the Board, which is mandatorily required.

xii) Compliance certificate from Abhijit Majumdar, practising company secretaries regarding compliance of conditions of corporate governance is appended to this report.

For and on behalf of the Board

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

DECLARATION ON COMPLIANCE WITH COMPANY'S CODE OF CONDUCT

I hereby declare that to the best of my knowledge and belief, all the members of Board of Directors and senior management personnel of the Company have affirmed compliance with the Company's code of conduct for the financial year ended 31st March, 2022.

For and on behalf of the Board

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

CERTIFICATE OF MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER (CFO)

We, the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of Websol Energy System Limited ("the Company") to the best of our knowledge and belief, hereby certify that:

A. We have reviewed the financial statements and the cash flow statements for the year ended 31st March, 2022 and that to the best of our knowledge and belief, we state that:

   1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   2. 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.

B. We further state that to the best of our knowledge and belief, no transactions were entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

C. 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 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.

D. We have indicated to the Auditors and the Audit Committee

   1. there has been no significant change in internal control over financial reporting during the year;

   2. there has been no significant change in the accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   3. there has been no instance 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 systems over financial reporting.

	sd/-	sd/-
Place: Kolkata	**S L Agarwal**	**Sumit Kr Shaw**
Date: 30th May, 2022	*Managing Director*	*Chief Financial Officer*

AUDITORS CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To,
The Members
Websol Energy System Limited

We have examined the compliance of conditions of Corporate Governance by Websol Energy System Limited ("the Company"), for the year ended on 31st March, 2022, 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 except for Regulation 17(1) of SEBI LODR Regulations, 2015 which was subsequently complied by the Company at its board meeting held on 24th March, 2022, 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)
Practicing Company Secretary
Membership No: A9804
Certificate of Practice No: 18995
UDIN:A009804D000894127

Place: Kolkata
Date: 02/09/2022

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

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Websol Energy System Limited having CIN NO: L29307WB1990PLC048350 and having registered office at 48, PRAMATHA CHOUDHARY SARANI, PLOT NO. 849, BLOCK P, 2ND FLOOR, NEW ALIPORE, KOLKATA-700053 (hereinafter referred to as 'the Company'), produced before us 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 and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our 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/us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 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	Sohan Lal Agarwal	00189898	25/09/1992
2	Sreeram Vasanthi	00289326	31/07/2020
3	Dharmendra Sethia	06775533	14/08/2014
4	Deven Kaushik	07096599	11/02/2015
5	Ritesh Ojha*	08277744	14/11/2018
6	Gopal Mohan Kedia	01479870	24-03-2022
7	Sushma Khaitan	00132305	24-03-2022

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our 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)
Practicing Company Secretary
Membership No: A9804
Certificate of Practice No: 18995
UDIN:A009804D000894127

Place: Kolkata
Date: 02/09/2022

ANNEXURE II TO THE BOARD'S REPORT
Annexure- C

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

a. **The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:**

Executive Director	Ratio to Median Remuneration
Mr. S.L Agarwal	66.48
Mr. Sumit Kumar Shaw	5.89
Mrs. Sreeram Vasanthi	3.08
Independent Director	
Mr. Dharmendra Sethia	0.83
Mr. Devan Kaushik	0.83
Mr. Ritesh Ojha	0.83

b. **The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the Financial Year:**

Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary	% increase in remuneration in the Financial year
Mr. S L Agarwal	66%
Mr. Sumit Kr. Shaw	NIL
Mrs. S Vasanthi	150%

c. **The percentage increase in the median remuneration of employees in the Financial year:** NIL

d. **The number of permanent employees on the rolls of Company:** 299

e. **Comparison of the remuneration of the key managerial personnel against the performance of the Company:**

Aggregate remuneration of Key Managerial Personnel (KMP) in FY 2021-22 (Rs in lakh)	160.75
Total Revenue (Rs. In lakh)	21,781.34
Remuneration of KMPs (as % of revenue)	0.73
Profit before Tax (PBT) (Rs. In lakh)	1,383.94
Remuneration of KMP (as % of PBT)	11.61%

f. **Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year:**

Particulars	March 31, 2021	March 31, 2022	% change
Market Capitalization(Rs. Crores)	132.51	344.97	160.33
Price Earnings Ratio	2.64	32.35	12.25 times

g. Details of share issued:

At the beginning of the year	3,11,43,268
Shares issued during the year (Conversion of FCCB)	39,97,270
Shares issued during the year (Conversion of Warrants)	15,00,000
At the end of the year (F.YR 21-22)	**3,66,40,538**

h. 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: NA

i. Comparison of each remuneration of the key managerial personnel against the performance of the Company:

Particulars	Mr. Sumit Kr. Shaw
Remuneration in F.Y. 2021-22 (Rs. In lakh)	11.47
Revenue (Rs. In lakh)	21,781.34
Remuneration as % of revenue	0.052
Profit before Tax (PBT) (Rs. In lakh)	1,383.94
Remuneration (as % of PBT)	0.828%

j. The key parameters for any variable component of remuneration availed by the directors: NA

k. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: NA

l. Affirmation that the remuneration is as per the remuneration policy of the Company:

The Company affirms remuneration is as per the remuneration policy of the Company.

Statement of Particulars of Employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended)

Name	Designation, Nature of Duties	Remuneration (Rs)	Qualification and experience (years)	Age (years)	Date of commencement of employment	Last employer, designation
Employed throughout the financial year 2021-22						
Mr. S L Agarwal	Managing Director	129,51,948	B.COM (HONS)	76	01-01-1990	
Employed for part of the financial year 2021-22 (If any employee was not employed for full year, then details of that employees should be disclosed here if his / her remuneration was more than Rs. 5 lakhs per month						

Notes:

1. Remuneration includes salary, company's contributions to provident and other funds, bonus, allowances and monetary value of perquisites.
2. Except the appointment of directors, all appointments are non-contractual and terminable by notice on either side.
3. No employee is a relative of any director of the Company.

None of the employees are covered under Rule 5(2)(ii) and (iii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended).

ANNEXURE III TO THE BOARD'S REPORT

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 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 **WEBSOL ENERGY SYSTEM LIMITED** (CIN: L29307WB1990PLC048350) (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

The Company's Management is responsible for preparation and maintenance of secretarial and other records and for devising proper systems to ensure compliance with the provisions of applicable laws and Regulations.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022, complied with the statutory provisions listed hereunder and also that the Company hasproper 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, 2022, to the extent applicable, according to the provisions of:

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

b) The Securities Contracts (Regulation) Act, 1956 and rules made thereunder;

c) The Depositories Act, 1996 and Regulations and Bye-laws framed thereunder;

   a) The 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;

   b) The Regulations and Guidelines prescribed under the Securities & Exchange Board of India Act, 1992 ("SEBI Act") or by SEBI, as amended from time to time, to the extent applicable:

   c) The Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011;

   d) The Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations 2015;

   e) The Securities & Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

   f) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

   g) The Securities & Exchange Board of India (Issue and listing of Debt securities) Regulations, 2008;

h) The Securities & Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;

i) The Securities & Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

j) The Securities & Exchange Board of India (Buyback of Securities) Regulations, 2018;

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

l) Apart from other fiscal and labour laws which are generally applicable to all companies, the following specific laws/acts are also, inter alia, applicable to the Company:

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

   (ii) Special Economic Zone Act, 2005and rules made thereunder

   (iii) The Air (Prevention and Control of Pollution) Act, 1981 and rules made there under.

   (iv) The Water (Prevention and Control of Pollution) Act, 1974 and rules made there under.

   (v) Environment Protection Act, 1986

   (vi) National Renewable Energy Act, 2015 etc

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India.

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

I further report that:

1) The Board of Directors of the listed Company (top 2000) did not have 6 directors on the Board from 2nd November, 2021 to 24th March, 2022, during the period under review

2) Adequate notice is given to all directors to schedule the Board 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.

3) None of the directors in any meeting dissented on any resolution and hence there was no instance of recording any dissenting member's view in the minutes.

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

We further report that:

4) The Company has not appointed Chief Financial Officer from 2nd November, 2021 to 31st March, 2022 during the period under review.

5) Board of Directors of the listed company has not drawn an orderly succession plan for the appointment to the Board of Directors & Senior Management.

6) The Board of Directors has not ensured that a structured Digital database is maintained comprising of the names of such persons or entities as the case may be with whom information is shared under the SEBI (PIT) Regulations.

7) The Board of Directors of the Company in its meeting held on 2nd February, 2022 has considered and approved right issue of equity shares to the existing members of the Company pursuant to the provisions of Section 62 of the Companies Act, 2013 read with SEBI (ICDR) Regulations, 2018.

This report is to be read with our letter of even date which is annexed as Annexure – I which forms an integral part of this report.

Abhijit Majumdar
(Practicing Company Secretary)
ACS No. 9804
COP No. 18995
UDIN:A009804D000428299

Date: 30-05-2022
Place: Kolkata

Annexure – I

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

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

1. It is management's responsibility to identify the Laws, Rules, Regulations, Guidelines and Directions which are applicable to the Company depending upon the industry in which it operates and to comply and maintain those records with same in letter and in spirit. Our responsibility is to express an opinion on those records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management's Representation about the compliance of Laws, Rules, Regulations, Guidelines and Directions and happening events, etc.
5. 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
(Practicing Company Secretary)
ACS No. 9804
COP No. 18995
UDIN:A009804D000428299

Date: 30-05-2022
Place: Kolkata

ANNEXURE IV TO THE BOARD'S REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR)

[Pursuant to Section 135 of the Companies Act, 2013 ("the Act") read with Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014]

1	Brief outline on CSR Policy of the Company	The Corporate Social Responsibility (CSR) policy has been developed in consonance with Sec 135 of the Companies Act 2013 and in accordance with the CSR Rules notified thereof by the Ministry of Corporate Affairs, Govt. Of India and shall apply to all CSR projects undertaken by UAL Industries Ltd. The CSR Policy was approved by the Board of Directors and has been uploaded on the Company's website.

2. Composition of CSR Committee

Sl. No.	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
1	Mr. Sohan Lal Agarwal Chairman	Executive Director	1	1
2	Mr. Dharmendra Sethia Member	Independent, Non-Executive Director	1	1
3	Mr. Deven Kaushik	Independent, Non-Executive Director	1	1

3.	Provide the weblink where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company.	www.webelsolar.com
4.	Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach report)	Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (Rs in Lacs)	Amount required to be set- off for the financial year, if any (in Rs)
Not Applicable			

6.	Average net profit of the company as per Section 135(5)	
7	(a) Two percent of average net profit of the Company as per Section 135 (5)	Rs. 23.66 lakhs
	(b) Surplus arising out of the CSR projects or programs or activities of the previous financial year	Nil
	(c) Amount required to be set off for the financial year:	Nil
	(d) Total CSR obligation for the financial year (7a+7b+7c)	

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year.(Rs in Lacs.)	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
29.16 Lakhs	Nil	NA	Nil	Nil	NA

(b) Details of the CSR amount spent against ongoing projects for the financial year

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl No.	Name of the Project	Item from the list of activities in Sch VII to the Act	Local area (Y/N)	Location of the project.		Project duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6)	Mode of Implementation-Direct (Yes/No)	Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR registration No.
Not Applicable												

(c) Details of CSR amount spent against other than ongoing projects for the financial year: (Rs. In lakhs)

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl No.	Name of the Project	Item from the list of activities in Sch VII to the Act	Local area (Y/N)	Location of the project.		Amount spent for the project	Mode of Implementation-Direct (Y/N).	Mode of Implementation – Through Implementing Agency	
				State	District			Name	CSR registration No.
1	Constructing Toilets for School, Community Center, Women cloth changing room, General Health, Blood Donation & Eye Camps and providing Ambulance Services for Hospitalization, Mask Distribution, Providing Drinking Water facility	Health, Hygiene & Sanitation	Yes	Hyderabad	Hyderabad	4.00	No	Ichha Foundation	CSR00027747
2	Contribution towards Hospital for Neurology, Neurosurgery and Psychiatry		Yes	W.B	Kolkata	2.00	No	Shree Vishudhanand Saraswati Marwari Hospital	CSR00001804

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl No.	**Name of the Project**	**Item from the list of activities in Sch VII to the Act**	**Local area (Y/N)**	**Location of the project.**		**Amount spent for the project**	**Mode of Implementation-Direct (Y/N).**	**Mode of Implementation – Through Implementing Agency**	
				State	**District**			**Name**	**CSR registration No.**
3	Contribution towards Hospital for Neurology, Neurosurgery and Psychiatry		Yes	W.B	Kolkata	2.00	No	Marwari Relief Society Hospital	CSR00006109
4	Computer Training, Promotion of young talents and amateur Artists, Set up a training center for Mechanical, Electrical and Computer training	Vocational training and skill enhancement	Yes	W.B	Kolkata	2.00	Yes	Ramkrishna Mission Nivedita Educational and Cultural Centre	CSR00006101
5	Providing Food to the poor children, Distribution of cloth and blanket to needy people, Distribution of Grocery at Gangasagar to needy people.	Eradication of Hunger, Poverty and Malnutrition	Yes	W.B	Kolkata	4.00	Yes	Shree Manav Seva Trust	CSR00011270
6	Health Awareness programmes, Blood Donation & Eye Camps and Mask Distribution, Providing Drinking Water facility		Yes	BIHAR	PATNA	11.168	Yes	SATYAM SRI	CSR00008611
	Total								

(d) Amount spent in Administrative Overheads	NIL
(e) Amount spent on Impact Assessment, if applicable	Not Applicable
(f) Total amount spent for the Financial Year (8b+8c+8d+8e)	25.17 lakhs (approx.)

(g) Excess amount for set off, if any

Sl No.	Particular	Amount
(i)	Two percent of average net profit of the company as per section 135(5)	23.36 lakhs
(ii)	Total amount spent for the Financial Year	25.17 lakhs
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	1.81 lakhs
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

9 **(a) Details of Unspent CSR amount for the preceding three financial year:**

SL No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the Reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the fund	Amount	Date of transfer	
NIL							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year (s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (Rs in Lakhs.)	Amount spent on the project in the reporting Financial Year	Cumulative amount spent at the end of reporting Financial Year.	Status of the project-Completed /Ongoing.
NIL								

10 **In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details)**

(a)	Date of creation or acquisition of the capital asset(s).	No capital asset was created or acquired by the Company out of the CSR spent in the financial year.
(b)	Amount of CSR spent for creation or acquisition of capital asset	
(c)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	
(d)	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	

11	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 behalf of the Board
WEBSOL ENERGY SYSTEM LIMITED

Sohan Lal Agarwal
Chairman & Managing Director
DIN: 00704840

ANNEXURE V TO THE BOARD'S REPORT

CONSERVATION OF ENERGY

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 Directors' Report for the year ended 31st March, 2021.

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 2021-22	For the year 2020-21
(a)	Foreign Exchange earnings of the Company	-	-
(b)	Foreign Exchange Outgo		
	(i) C. I. F. value of import of Raw Materials, Components, Spare parts and Capital Goods	11776.00	7,393.85
	(ii) Others	0.00	0.00

Financial Section

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, 2022, 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, 2022, and its profit (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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note No. 34(15) to the Statement regarding levy of Basic Customs Duty (BCD) on solar cells w.e.f. 1st April, 2022. Our opinion is not modified in respect of this matter.

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.

Key Audit Matter	Auditor's Response
Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances as per Ind AS 115 "Revenue from Contracts with Customers". The application of the revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations,	Our procedures, in relation to revenue recognition for those contracts, included: ▪ Understanding and evaluating the design and testing the operating effectiveness of controls in respect of revenue recognition ▪ Reading the underlying contracts with customers and advances received ▪ Assessing the appropriateness of information, such as allotment letter, and stage of completion of the project including expected completion date, completion certificate and possession letter used by the Management, to determine the duration of the project

Key Audit Matter	Auditor's Response
the appropriateness of the basis used to measure revenue recognised over a period. Additionally, revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date. Refer Note No. 2.9 and 21 to the Financial Statements.	▪ Evaluating the assumptions used by the Management in ascertaining performance obligation is satisfied over time or at a point in time in accordance with Ind AS 115. ▪ Selected a sample of agreements, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price, satisfaction of performance obligation at a point of time and in recording and disclosing revenue in accordance with the new revenue accounting standard. Based on the above procedures performed we did not find any significant exceptions in revenue recognized on transitioning to Ind AS 115, Revenue from contracts with customers.

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.

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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 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.

vi. 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.

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. Radhika Singhania)
Partner
Membership No. 310691

Place of Signature: Pune
Date: the 30th day of May, 2022

"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 2022:

1. 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 at reasonable intervals. According to the information and explanations given to us, no material discrepancy was noticed on such verification.

   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) The company has not revalued its Property, Plant and Equipment, Right of use Assets and/or intangible assets during the year. Therefore, the provisions of paragraph 3 (i) (d) of the said order is not applicable to the Company.

   e) No proceedings have been initiated during the year or are pending against the Company as at 31st March, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder. Therefore, the provisions of paragraph 3 (i) (e) of the said order is not applicable to the Company.

2. a) The inventories have been physically verified during the year by the management at reasonable intervals. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the coverage and procedure of such verification by the management is appropriate and no material discrepancy was noticed on such physical verification.

   b) 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, the provisions of paragraph 3 (ii) (b) of the said order is not applicable to the Company.

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

4. In our opinion and according to the information and explanations given to us, there is no loans, guarantees or securities provided by the Company in respect of which provisions of Sec 185 and 186 of the Act is applicable. Accordingly, the provisions of paragraph 3 (iv) of the Order is not applicable to the Company.

5. 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.

6. 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, the provisions of paragraph 3 (vi) of the Order is not applicable to the Company.

7. (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 regular 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, 2022 for a period of more than six months from the date on when they become payable.

(b) The disputed statutory dues 674.81 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 (₹ In Lakhs)	Forum where dispute is pending
1	Central Excise Act, 1944	Excise Duty	1994-95 to 1999-00	116.55*	High court, Kolkata
2	Central Excise Act, 1944	Excise Duty	October, 2006 to October, 2007	57.12	High court, Kolkata
3	Central Excise Act, 1944	Excise Duty	November, 1999 to June, 2001	13.87	High court, Kolkata
4	Income Tax Act, 1956	Income Tax	F.Y. 2015-16	0.62	CPC
5.	Income Tax Act, 1956	Income Tax	F.Y. 2016-17	137.12	CPC
6.	Income Tax Act, 1956	Income Tax	F.Y. 2019-20	349.53	CPC

* The company had paid ₹ 100.00 Lakhs against this demand in the year 2004-05.

8. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

9. a) The Company has not defaulted in repayment of any loans or other borrowings from any lender or in payment of interest thereon to any lender. Hence reporting under paragraph 3(ix)(a) of the Order is not applicable to the company

   b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

   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) On an overall examination of the financial statements of the Company, funds raised on short-term basis have prima facie, not been used during the year for long-term purposes by the Company.

   e) The Company does not have any subsidiary. Hence reporting under paragraph 3(ix)(e) of the Order is not applicable to the company.

   f) The Company does not have any subsidiary. Hence reporting under paragraph 3(ix)(f) of the Order is not applicable to the company.

10. 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 Foreign Currency Convertible Bonds ('FCCBs') amounting to ₹ 2,478.31 lakhs which has been converted into 39,97,270 Equity Shares of the Company during the year as per the rates approved by regulators and shareholders. Further, the Company has also issued convertible warrants for an aggregate amount of ₹ 600.00 lakhs to one of its promoter on preferential allotment basis which were later on converted into 15,00,000 Equity Shares of the Company after complying with the requirements of section 42 and 62 of the Act.

11. a) No fraud by the company and on the Company has been noticed or reported during the year.

    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) The Company has not received any whistle blower complaint during the year.

12. The Company is not a Nidhi company. Therefore, paragraph 3(xii) of the said order is not applicable to the Company.

13. 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.

14. 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.

15. 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, paragraph 3(xv) of the said Order is not applicable to the Company.

16. 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.

17. The company has not incurred cash losses in the financial year and in the immediately preceding financial year.

18. There has been no resignation of the statutory auditors of the Company during the year. Therefore, the provisions of paragraph 3 (xviii) of the Order is not applicable to the Company.

19. 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.

20. 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, amount there is no remaining unspent under sub-section (5) of section 135 of the Act, pursuant to any ongoing project, which has not been transferred to special account in compliance with the provision of sub section (6) of section 135 of the Act.

21. The company is not required to prepare consolidated financial statements. Therefore, the provisions of paragraph 3 (xxi) of the Order is not applicable to the company.

For G.P. Agrawal & Co.
Chartered Accountants
Firm's Registration No. - 302082E

(CA. Radhika Singhania)
Partner
Membership No. 310691

Place of Signature: Pune
Date: the day of, 2022

“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, 2022 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, 2022, 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. Radhika Singhania)
Partner
Membership No. 310691

Place of Signature: Pune
Date: the 30th day of May, 2022

Balance Sheet as at 31st March, 2022

(₹ in lakh)

Particulars	Note No.	As At 31st March, 2022	As At 31st March, 2021
I. ASSETS			
(1) Non - current assets			
(a) Property, plant and equipment	5(i)	22,467.44	23,874.69
(b) Right of use assets	5(ii)	28.68	57.35
(c) Intangible assets	5(iii)	1.56	1.58
(d) Financial assets			
(i) Other financial assets	6(i)	344.62	343.20
(e) Other non-current assets	7(i)	5.85	-
		22,848.15	24,276.82
(2) Current assets			
(a) Inventories	8	2,242.17	1,775.38
(b) Financial assets			
(i) Trade receivables	9	2,708.88	1,986.60
(ii) Cash and cash equivalents	10	376.99	165.54
(iii) Other financial assets	6(ii)	0.33	0.73
(c) Current tax assets(net)	11	30.34	13.75
(d) Other current assets	7(ii)	382.99	203.02
		5,741.70	4,145.02
Total Assets		28,589.85	28,421.84
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	12	3,664.06	3,114.33
(b) Other equity	13	15,494.83	14,277.85
		19,158.89	17,392.18
Liabilities			
(2) Non - current liabilities			
(a) Financial liabilities			
(i) Borrowings	14(i)	446.36	1,271.69
(ii) Lease liabilities	15(i)	-	32.25
(b) Provisions	16(i)	175.46	190.61
(c) Deferred tax liabilities (net)	17	2,403.37	1,986.42
(d) Other non-current liabilities	18(i)	111.40	334.21
		3,136.59	3,815.18
(3) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	14(ii)	3,168.84	2,187.31
(ii) Lease liabilities	15(ii)	32.25	29.79
(iii) Trade and other payables	19		
Total outstanding dues of micro and small enterprises		8.21	6.19
Total outstanding dues of creditors other than micro and small enterprises		2,304.80	3,960.54
(iv) Other financial liabilities	20	215.66	547.51
(b) Other current liabilities	18(ii)	458.56	378.84
(c) Provisions	16(ii)	106.05	104.30
		6,294.37	7,214.48
Total Equity and Liabilities		28,589.85	28,421.84

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

For and on behalf of the Board of Directors of
Websol Energy System Limited

(CA. Radhika Singhania)
Partner
Membership No. 310691

S. L. Agarwal
Managing Director
DIN No. 00189898

Dharmendra Sethia
Director
DIN No. 06775533

Sumit Kumar Shaw
Company Secretary
MEMBERSHIP NO. : 64215

Place of Signature: Pune
Date: 30th day of May, 2022

Statement of Profit and Loss for the year ended 31st March, 2022

(₹ in lakh)

	Particulars	Note No.	For the Year Ended 31st March, 2022	For the Year Ended 31st March, 2021
I.	Revenue from operations	21	21,322.33	15,359.63
II.	Other Income	22	459.01	431.34
III.	Total income (I+II)		21,781.34	15,790.97
IV.	Expenses:			
	Cost of materials consumed	23	14,976.27	9,051.13
	Stores and spares consumed	24	1,163.55	133.57
	Changes in inventories of finished goods and work-in-progress	25	(334.32)	146.56
	Power and fuel consumption	26	1,086.43	1,036.39
	Employee benefits expense	27	1,044.21	901.56
	Finance costs	28	305.19	907.79
	Depreciation and amortization expense	29	1,533.45	1,535.80
	Other expenses	30	744.48	716.06
	Total expense (IV)		20,519.26	14,428.86
V.	Profit before exceptional items and tax (III-IV)		1,262.08	1,362.11
VI.	Exceptional items	31	(121.86)	(5,563.13)
VII.	Profit before tax (V-VI)		1,383.94	6,925.24
VIII.	Tax expense	32		
	Current tax			-
	Deferred tax		416.95	1,986.42
	Tax expense		416.95	1,986.42
IX.	Profit for the year (VII-VIII)		966.99	4,938.82
X.	Other comprehensive income (net of tax)			
	A. I. Items that will not be reclassified to Profit or Loss			
	Remeasurements of defined benefit plan		49.73	15.62
	- Income tax relating to above item		-	-
	Other comprehensive income for the year		49.73	15.62
XI.	Total comprehensive income (net of tax) (IX + X)		1,016.72	4,954.44
XII.	Earnings per equity share (Nominal value per share ₹ 10/-)	33		
	Basic (₹)		2.91	16.09
	Diluted (₹)		2.91	14.05

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. Radhika Singhania)
Partner
Membership No. 310691

Place of Signature: Pune
Date: 30th day of May, 2022

S. L. Agarwal
Managing Director
DIN No. 00189898

Dharmendra Sethia
Director
DIN No. 06775533

Sumit Kumar Shaw
Company Secretary
MEMBERSHIP NO. : 64215

Statement for Cash Flows for the year ended 31st March, 2022

(₹ in lakh)

	Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit before tax	1,383.94	6,925.23
	Adjustments for		
	Depreciation	1,533.45	1,535.81
	Finance costs	305.19	907.79
	Interest Income	(222.81)	(241.84)
	Sundry balances written back	(188.04)	(6,922.43)
	Sundry balances written off	19.24	1,431.59
	Loss on Discard of Property Plan and Equipment	-	0.80
	Exchange Fluctuation Income	(161.41)	(47.50)
	Allowance for impairment of receivables	237.84	73.91
	Operating Profit/ (Loss) before working capital changes	**2,907.38**	**3,663.35**
	Increase / (Decrease) in Trade and other payables	(1,304.25)	567.51
	Increase/(Decrease) in provisions	36.33	37.09
	Decrease in Lease Liabilities	(33.87)	(27.52)
	Increase in Trade receivables	(979.36)	(281.97)
	Increase / (Decrease) in Other liabilities	79.72	(274.26)
	Decrease in Other financial liabilities *	(331.85)	(148.76)
	Increase in Other financial assets	(1.03)	(15.58)
	(Increase) / Decrease in Other assets	(185.83)	673.68
	(Increase) / Decrease in Inventories	(466.79)	(571.45)
	Cash generated from operations	**(279.55)**	**3,622.09**
	Direct Taxes Paid	(16.59)	(5.08)
	Net cash (outflow)/from operating activities	**(296.15)**	**3,617.01**
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of property, plant and equipment	(96.98)	(48.99)
	Proceeds from sale of property, plant and equipment	-	2.35
	Purchase of intangible assets	(0.53)	-
	Interest received	-	19.03
	Net cash outflow from investing activities	**(97.51)**	**(27.61)**
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Repayment of long term borrowings	(712.50)	(845.93)
	(Repayment)/ Proceeds from short term borrowings (net)	863.43	(1,496.38)
	Interest paid	(145.84)	(1,133.52)
	Proceeds from issue of Share warrant (Converted into Equity shares)**	600.00	-
	Net cash used in financing activities	**605.10**	**(3,475.83)**
	Increase in cash and cash equivalents (A+B+C)	**211.45**	**113.57**
	Cash and cash equivalents at beginning of the year	165.54	51.97
	Cash and cash equivalents at end of the year	**376.99**	**165.54**

* Includes cash outflow of leases (Refer Note No.: 34)

** Excludes Loan from director of ₹ 150 lakh converted into share warrants during F.Y 2021-22 (Previous Year Nil)

Company has incurred ₹ 25.17 lakh (Previous year ₹ Nil) on account of Corporate Social Responsibility (CSR) expenditure.

Statement for Cash Flows for the year ended 31st March, 2022

Notes

(₹ in lakh)

1)	Cash an Cash Equivalent at the end of the year consists of:-	31st March 2022	31st March 2021
	Cash on hand	1.46	10.41
	Balance with Banks		
	On Current accounts	375.53	155.13
	Closing cash and cash equivalent for the purpose of Cash Flow Statement	376.99	165.54

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) Figure in brackets represent cash outflow from respective activities.

5) Change in Liabilities arising from financing activities:

(₹ in lakh)

Particulars	Borrowings	
	Non-current	Current
As at 01.04.2020	3980.74	3,787.06
Cash flow during the year	(2,709.05)	(1,599.75)
As at 31.03.2021	1271.69	2,187.31
Cash flow during the year	(712.50)	863.43
Others	(112.83)	118.10
As at 31.03.2022	446.36	3,168.84

Corporate Information	1
Significant Accounting Policies and estimates	2 to 4
Other disclosures	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. Radhika Singhania)
Partner
Membership No. 310691

Place of Signature: Pune
Date: 30th day of May, 2022

S. L. Agarwal
Managing Director
DIN No. 00189898

Dharmendra Sethia
Director
DIN No. 06775533

Sumit Kumar Shaw
Company Secretary
MEMBERSHIP NO. : 64215

Statement of Changes in Equity for the year ended 31st March, 2022

A. Equity Share Capital

(1) Current Reporting Period

(₹ In lakh)

For the year Ended March 31, 2022

Balance as at 1st April, 2021	Changes in Equity Share Capital due to prior period errors	Restated balance at 1st April,2021	Changes in equity share capital during the year	Balance as at March 31, 2022
3114.33	-	3114.33	549.73	3,664.06

(2) Previous Reporting Period

(₹ In lakh)

For the year Ended March 31, 2022

Balance as at 1st April, 2020	Changes in Equity Share Capital due to prior period errors	Restated balance at 1st April,2020	Changes in equity share capital during the year	Balance as at March 31, 2021
3059.46	-	3059.46	54.87	3114.33

B. Other Equity

(1) Current Reporting Period

(₹ 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 (Refer Note 34(12)(b))	-	-	-	-	(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

Statement of Changes in Equity for the year ended 31st March, 2022

(2) Previous Reporting Period

(₹ In lakh)

Particulars	Equity component of Foreign Currency Convertible Bonds	Reserves and Surplus			Other Comprehensive Income	Total
		Capital Reserve	Securities Premium	Retained Earnings	Remeasurement of Defined Benefit Plan	
Balance as at 1st April,2020	2,818.49	19,109.28	15,179.68	(27,729.16)	-	9,378.29
Change is accounting policy or prior period errors	-	-	-	-	-	-
Re-stated balance at 1st April, 2020	2,818.49	19,109.28	15,179.68	(27,729.16)	-	9,378.30
Profit for the year	-	-	-	4,938.82	-	4,938.82
Other Comprehensive Income (net of taxes)	-	-	-	-	15.62	15.62
Total Comprehensive Income	-	-	-	4,938.82	15.62	4,954.43
Issue of equity shares	(340.18)	-	285.30	-	-	(54.88)
Transfer from other comprehensive income to retained earnings	-	-	-	15.62	(15.62)	-
Balance as at 31st March, 2021	2,478.31	19,109.28	15,464.98	(22,774.73)	-	14,277.85

As per our report of even date attached.

For G. P. Agrawal & Co.
Chartered Accountants
Firm's Registration No. - 302082E

(CA. Radhika Singhania)
Partner
Membership No. 310691

Place of Signature: Pune
Date: 30th day of May, 2022

S. L. Agarwal
Managing Director
DIN No. 00189898

Dharmendra Sethia
Director
DIN No. 06775533

Sumit Kumar Shaw
Company Secretary
MEMBERSHIP NO. : 64215

Notes forming part of financial statements (Contd.)

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, 2022 were approved for issue by the Board of Directors on 30th May, 2022.

Note 2 Significant accounting policies

2.1 Statement of Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Companies Act, 2013 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 Companies Act, 2013 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.

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. 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 Companies Act, 2013 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:

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.

Note 2 Significant accounting policies (Contd.)

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 earning 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

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.

Notes forming part of financial statements (Contd.)

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 volume discounts, rebates and other similar allowances.

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.

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.

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

Gratuity is provided on accrual basis.

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.

(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.

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 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.

2.17 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.

2.18 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.

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 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.

Note 4 Recent Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below:

Ind AS 16 – Property Plant and equipment - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material

Note No. : 5 (iii) Intangible assets

(₹ 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

Previous Year

Note No. : 5 (iii) Intangible assets

(₹ In lakh)

Particulars	Computer Software
Gross carrying amount as at 1st April, 2020	6.31
Additions during the year	-
As at 31st March, 2021	6.31
Accumulated Amortisation	
As at 1st April, 2020	4.21
Amortisation for the year	0.52
As at 31st March, 2021	4.73
Net carrying amount as at 31st March, 2021	1.58

Notes forming part of financial statements (Contd.)

Note No. : 5

(i) Property, plant and equipment (₹ in lakh)

Particulars	Gross Block				Depreciation / Amortisation				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
(ii) Right of Use Assets@									
Leasehold Land*	114.71	-	-	114.71	57.36	28.67	-	86.03	28.68

Notes forming part of financial statements (Contd.)

Previous Year

Note No. : 5

(i) Property, plant and equipment

(₹ in lakh)

Particulars	Gross Block				Depreciation / Amortisation				Net Block
	As on 1st April, 2020	Additions During the year	Disposals/ deductions during the year	As on 31st March, 2021	As on 1st April, 2020	For the year	Disposals/ deductions during the year	As on 31st March, 2021	As on 31st March, 2021
Building	4,708.68	-	-	4,708.68	799.75	206.24	-	1,005.99	3,702.69
Plant and machinery	25,819.28	27.27	-	25,846.55	4,461.27	1,275.90	-	5,737.17	20,109.38
Furniture and Fixture	151.99	0.37	-	152.36	137.59	7.72	-	145.31	7.05
Computer	13.25	6.39	-	19.64	6.28	2.46	-	8.74	10.90
Office Equipment	24.32	7.39	0.62	31.09	15.30	4.24	0.28	19.26	11.83
Motor Vehicles	89.28	7.57	26.62	70.23	51.16	10.04	23.81	37.39	32.84
Total	30,806.80	48.99	27.24	30,828.55	5,471.35	1,506.60	24.09	6,953.86	23,874.69
(ii) Right of Use Assets @									
Leasehold Land*	114.71	-	-	114.71	28.68	28.68	-	57.36	57.35

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 financial statements (Contd.)

Note No. : 6 Other financial assets (Unsecured, considered good)

(i) Non-current (₹ In lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Security deposits	344.62	343.20
Total	344.62	343.20

(ii) Current (₹ In lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Security deposits	0.05	0.05
Others	0.28	0.68
Total	0.33	0.73

Note No. : 7 Other assets (Unsecured, considered good)

(i) Non Current (₹ In lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Capital advances	5.85	-
Total	5.85	-

(ii) Current (₹ In lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Advances other than capital advances		
Cenvat Credit	119.72	119.72
Advance to Staff	16.63	8.01
Electricity duty refundable	29.07	29.07
GST input receivable	182.60	11.76
Prepayments	34.97	34.46
Total	382.99	203.02

Note No. : 8 Inventories (Valued at lower of cost and net realisable value)

(₹ In lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Raw Materials	937.83	877.77
Work In Progress	121.31	72.72
Finished Goods	549.81	264.08
Stores and Spares	633.22	560.81
Total	2,242.17	1,775.38

Notes forming part of financial statements (Contd.)

Note No. : 9 Trade receivables

(₹ In lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
a) Trade receivables Considered good- Unsecured*	2,237.34	1,972.68
b) Trade receivables which have significant increase in Credit Risk	788.24	92.79
Less:Allowance for impairment of receivables	(316.70)	(78.87)
	471.54	13.92
Total	2,708.88	1,986.60

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 balance from related party as at 31st March, 2022 ₹ 8.56 lakh (P.Y. ₹ 28.56 lakh)

As at 31st March, 2022:

(₹ 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	-	-	-	-		

As at 31st March, 2021:

(₹ 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	1,160.26	18.02	661.08	1.24	72.08	1,912.68
(ii) Undisputed Trade receivables- which have significant increase in credit risk	-	-	71.58	-	21.21	92.79
(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	-	-	-	-		

Notes forming part of financial statements (Contd.)

Note No. :10 Cash and cash equivalents

(₹ In lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Balances with banks		
On current and EEFC accounts	375.53	155.13
Cash on hand	1.46	10.41
Total	376.99	165.54

Note No. : 11 Current tax assets(net)

(₹ In lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Advance Tax	37.55	20.94
Less : Provision for taxation	(7.19)	(7.19)
Total	30.34	13.75

Note No. : 12 Equity share capital

(₹ In lakh)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No. of shares	(₹)	No. of shares	(₹)
(a) Authorised				
Equity shares of par value ₹ 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 ₹ 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 ₹ 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 ₹ 10/- each fully paid for consideration other than cash	1,38,67,452	1,386.75	98,70,182	987.02
Equity shares of par value ₹ 10/- each fully paid against conversion of warrants	15,00,000	150.00	-	-
	3,66,40,538	3,664.06	3,11,43,268	3,114.33

(c) Reconciliation of number and amount of equity shares outstanding:

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No. of shares	(₹ In lakh)	No. of shares	(₹ In lakh)
At the beginning of the year	3,11,43,268	3,114.33	3,05,94,623	3,059.46
Shares issued during the year (Conversion of FCCB)	39,97,270	399.73	5,48,645	54.87
Shares issued during the year (Conversion of Warrants)	15,00,000	150.00	-	-
At the end of the year	3,66,40,538	3,664.06	3,11,43,268	3,114.33

(d) The Company has only one class of equity shares having a par value of ₹ 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.

Notes forming part of financial statements (Contd.)

Note No. : 12 Equity share capital (Contd.)

(e) Shareholders holding more than 5 % of the equity shares in the Company :

Name of the shareholder	As at 31st March, 2022		As at 31st March, 2021	
	No. of shares held	% of holding	No. of shares held	% of holding
S L Industries Private Limited	54,19,674	14.79%	54,19,674	17.40%
Sohan Lal Agarwal	38,63,208	10.54%	26,63,208	7.59%
India Max Investment Fund Limited	60,37,407	16.48%	14,85,689	4.77%

(f) 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

Promoter's Shareholding as at 31st March, 2021

Promoter name	No. of Shares	% of total shares	% Change during the year
1 Sohan Lal Agarwal	23,63,208	7.59%	0.13
2 Raj Kumari Agarwal*	20	0.00%	-
3 Chiranji Lall Agarwal	14,020	0.05%	-
4 S. L Industries Pvt. Ltd.	54,19,674	17.40%	-
Total	77,96,922	25.04%	

* 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. Other major changes due to restructuring were as follows:

(i) Principal Value of Bonds were reduced from US$ 16.80 million to US$ 12 million.

(ii) Change in conversion price from ₹ 550/- per share to ₹ 62/- per share at a fixed exchange rate of ₹ 68.032/ US$.

(iii) Extension in tenure of bonds upto 1st May 2022, i.e, bondholders not converting their bonds into shares upto the said date were to be settled in cash by the Company.

(iv) Minimum denomination of bonds fixed at US$ 1,00,000 as a result of which pool factor of 0.7142857142857143 was utilized for conversion into equity shares.

Note No. : 13 Other equity

(₹ In lakh)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
(a) Equity component of Foreign Currency Convertible Bonds (FCCB)				
Balance as per last account	2,478.31		2,818.49	
Less: Issue of equity shares	(2,478.31)		(340.18)	
Closing Balance		-		2,478.31
(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
(d) Securities Premium				
Balance as per last account	15,464.98		15,179.68	
Add: Issue of equity shares against FCCB	2,078.58		285.30	
Add: Issue of equity shares against warrants	600.00		-	
Closing Balance		18,143.56		15,464.98
(e) Retained earnings				
Balance as per last account	(20,929.81)		(27,729.16)	
Prior Period Adjustment (Refer Note 34(12)(b))	(1,844.92)		-	
Restated Balance as per last account	(22,774.73)		(27,729.16)	
Add: Profit for the year	966.99		4,938.82	
Add: Transfer from Other Comprehensive income	49.73		15.62	
Closing Balance		(21,758.01)		(22,774.71)
(f) Other Comprehensive Income-				
Remeasurement of Defined Benefit Plan				
Balance as per last account	-		-	
Add:Other Comprehensive income for the year	49.73		15.62	
Less:Transferred to Retained Earnings	(49.73)		(15.62)	
Closing Balance		-		-
Total		15,494.83		14,277.85

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.

Notes forming part of financial statements (Contd.)

Note No. : 14 Borrowings

(i) Non-current (₹ In lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Term loans		
Secured		
From Entity other than Bank		
Invent Asset Reconstruction Company Ltd. (Invent) #	446.36	1,271.69
Total	446.36	1,271.69

Current Maturities of Long term debts shown under Current - Borrowings (Note - 14(ii))

i) Nature of securities:

i) Term loan from Invent is 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.

ii) Terms of Repayment

Repayment Schedule as at March 31, 2022

Promoter name	Maturity profile		Total
	Less than 1 year	1-5 years	
Secured loan			
Invent Asset Reconstrucrtion 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 ₹ 100.25 lakh on transition to Ind AS for loans recognised using effective interest rate.

Repayment Schedule as at March 31, 2021

Promoter name	Maturity profile		Total
	Less than 1 year	1-5 years	
Secured loan			
Invent Asset Reconstruction Company Ltd.*	950.00	1,425.00	2,375.00

* The figures as stated above are actual loan balances and excludes adjustment to the extent of ₹ 255.52 lakh on transition to Ind AS for loans recognised using effective interest rate.

(ii) Current (₹ In lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Secured		
Current maturities of long-term debts#	1,115.89	847.79
Working Capital Loan		
From Entities other than Bank	-	301.96

Notes forming part of financial statements (Contd.)

Note No. : 14 Borrowings (Contd.)

(ii) Current (Contd.)

(₹ In lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Unsecured		
Other loans and advances (payable on demand)		
From Directors (Refer Note 34.8)	-	150.94
From Related parties (Refer Note 34.8)	1,212.97	85.87
From bodies corporate (other than related parties)*	839.98	800.75
Total	3,168.84	2,187.31

Notes:

1 Working Capital Loan was secured by hypothecation of both present and future current assets (stock and book debts) portfolio to the extent of 1.25 times of working capital loan.

2 #Refer Note No. 14(i) and (ii) for nature of securities and terms of repayment respectively.

3 *Includes interest free borrowings of ₹ 495.53 lakhs.

Note No. : 15 Lease Liabilities

(i) Non-current

(₹ In lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Lease obligation*	-	32.25
Total	-	32.25

* Non current lease obligation earlier was shown under "Other Non- Current Liabilities"

(ii) Current

(₹ In lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Lease obligation*	32.25	29.79
Total	32.25	29.79

* Current lease obligation earlier was shown under "Other Current Liabilities"

Note No. : 16 Provisions

(i) Non-current

(₹ In lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Provision for Employee benefits		
Gratuity (Refer Note 34.4)	175.46	190.61
Total	175.46	190.61

Notes forming part of financial statements (Contd.)

Note No. : 16 Provisions (Contd.)

(ii) Current

(₹ In lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Provision for Employee benefits		
Gratuity	2.55	4.30
Other Provisions		
Provision for contingency*	3.50	–
Provision for Excise Duty	100.00	100.00
Total	106.05	104.30

*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:

(₹ In lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
As per last account	–	–
Created during the year	3.50	–
Closing balance (Current)	3.50	–

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)

(₹ In lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Tax effect of items constituting deferred tax liabilities		
Depreciation	4,931.29	5,075.82
	4,931.29	5,075.82
Tax effect of items constituting deferred tax assets		
Provision for Gratuity	50.36	49.06
Unabsorbed depreciation	2,477.56	3,040.34
	2,527.92	3,089.40
Net deferred tax liabilities / expense	2,403.37	1,986.42

Note No. : 18 Other Current liabilities

(i) Non-current

(₹ In lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Deferred Income	111.40	334.21
Total	111.40	334.21

Notes forming part of financial statements (Contd.)

Note No. : 18 Other Current liabilities (Contd.)

(ii) Current

(₹ In lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Advances from customers	21.93	109.80
Statutory Liabilities	213.82	46.23
Deferred Income	222.81	222.81
Total	458.56	378.84

Note No. : 19 Trade and Other Payables

(₹ In lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Trade payables		
Total outstanding dues of micro and small enterprises	8.21	6.19
Total outstanding dues of creditors other than micro and small enterprises	1,978.73	3,951.16
Other payables		
Total outstanding dues of creditors other than micro and small enterprises	326.07	9.38
Total	2,313.01	3,966.73

As at 31st March, 2022:

(₹ 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		-	-	-	-

As at 31st March, 2021

(₹ 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	6.19	-	-	-	6.19
(ii) Others	2,927.37	236.04	683.47	113.66	3,960.54
(iii) Disputed dues- MSME		-	-	-	-
(iv) Disputed dues- Others		-	-	-	-

Note No. : 20 Other Financial Liabilities

(₹ In lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Other Payables		
Unpaid salary and other payroll dues	211.81	154.17
Accrued expenses	3.85	393.34
Total	215.66	547.51

Note No. : 21 Revenue from operations

(₹ In lakh)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Sale of goods		
Solar Photovoltaic Cells and Modules	21,322.33	15,046.29
Other operating revenues		
Tolling charges	-	313.34
Total	21,322.33	15,359.63

Note No. : 22 Other income

(₹ In lakh)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Interest income on financial assets carried at amortized cost		
Loans	222.81	222.81
Security deposit	-	19.02
Other non-operating income		
Other Interest Income	-	0.01
Sundry balances written back	66.19	12.67
Foreign Exchange Fluctuation	161.41	47.50
Miscellaneous income	8.60	129.33
Total	459.01	431.34

Note No. : 23 Cost of materials consumed

(₹ In lakh)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Opening stock	877.77	590.78
Add: Purchases	14,315.87	8,871.94
Carriage Inward	720.46	466.18
	15,914.10	9,928.90
Less: Closing stock	937.83	877.77
	14,976.27	9,051.13
Silicon Wafers	8,854.13	4,800.51
Silver & Aluminium Paste	3,317.71	2,692.98
Other Materials	2,804.43	1,557.64
Total	14,976.27	9,051.13

Note No. : 24 Stores and Spares consumed

(₹ In lakh)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Opening Stock	560.81	32.33
Add: Purchase	1,223.69	641.73
Carriage Inward	12.27	20.32
Less: Closing Stock	633.22	560.81
Total	1,163.55	133.57

Notes forming part of financial statements (Contd.)

Note No. : 25 Changes in inventories of finished goods and work-in-progress

(₹ In lakh)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Finished Goods		
Opening stock	264.08	141.43
Less : Loss of Stock due to cyclone (Refer note no.: 31(a))	-	97.46
Less : Closing stock	549.81	264.08
Total (A)	(285.73)	(220.11)
Work- in-progress		
Opening stock	72.72	439.39
Less : Closing stock	121.31	72.72
Total (B)	(48.59)	366.67
Total (A+B)	(334.32)	146.56

Note No. : 26 Power and Fuel

(₹ In lakh)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Power and fuel	1,082.86	1,032.56
Electric charges	3.57	3.83
Total	1,086.43	1,036.39

Note No. : 27 Employee benefits expense

(₹ In lakh)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Salaries, allowances, bonus and gratuity	938.39	810.20
Contributions to provident and other funds (Refer note no. 34(4))	69.78	64.06
Staff welfare expenses	36.04	27.30
Total	1,044.21	901.56

Note No. : 28 Finance costs

(₹ In lakh)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Interest		
On financial assets carried at amortised cost	159.35	225.73
On Loans	127.46	203.49
Other borrowing costs *	18.38	478.57
Total	305.19	907.79
*Includes		
i) Interest for late payment of statutory dues (Other than TDS)	3.68	60.39
ii) Interest on TDS	8.06	8.14
iii) One time settlement Charges	-	369.13

Notes forming part of financial statements (Contd.)

Note No. : 29 Depreciation and amortisation expense

(₹ In lakh)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Depreciation of property, plant and equipment	1,504.23	1,506.60
(Refer note no. 5(i))		
Amortisation of Right of use Assets	28.67	28.68
(Refer note no. 5(ii))		
Amortisation of intangible assets	0.55	0.52
(Refer note no. 5(iii))		
Total	1,533.45	1,535.80

Note No. : 30 Other expenses

(₹ In lakh)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Rent	11.01	8.38
Repairs and Maintenance		
Building	22.32	78.75
Machinery	50.73	35.64
Others	10.58	11.99
Insurance	39.17	31.66
Listing Fees	9.62	4.89
Rates & taxes	11.12	20.76
Carriage Outward	8.97	25.48
Director's Sitting fees	4.86	4.86
Donation	-	6.73
Advertisement and Selling Expenses	29.48	130.08
Bank Commission and Charges	1.80	2.59
Printing and Stationery	7.31	5.36
Professional and consultancy charges	107.04	69.63
Payment to Auditor*	8.75	8.05
Telephone charges	5.66	7.45
Travelling and Conveyance	72.04	81.69
Coolie & Cartage	0.09	0.13
CSR Expenditure (Refer Note No. 34(13)	25.17	-
Provision for contingency (Refer Note No. 16(ii)	3.50	-
Hire Charges	8.68	5.76
Security Expenses	16.50	15.08
Sundry Balances written off	19.24	52.93
Loss on discard of Property plant and equipment	-	0.80
Credit impairment for doubtful debt	237.84	73.91
Miscellaneous Expenses	33.00	33.46
Total	744.48	716.06

Notes forming part of financial statements (Contd.)

Note No. : 30 Other expenses (Contd.)

(₹ In lakh)

Payment to Auditor	Year ended 31st March, 2022	Year ended 31st March, 2021
As Auditor	4.00	4.00
For Taxation Matters	1.75	1.80
For other Services	3.00	2.25
Total	8.75	8.05

Note No. : 31 Exceptional Items

(₹ In lakh)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Loss due to Cyclone (Refer note no. 31(a))	-	97.46
Insurance claim received (Refer Note. No. 31(b))	-	(129.49)
Sundry Balances written back (Refer note no. 31(c))	(121.86)	(6,909.76)
Sundry Balances written off (Refer note no. 31(d))	-	1,378.66
Total	(121.86)	(5,563.13)

(a) Due to Amphan flood in May, their was loss of stock in factory amounting to ₹ 97.46 lakh for which necessary claim is filed with the Insurance company. The above excludes repair and other expenses incurred post cyclone which has been debited under relevant line items under other expenses.

(b) The claim received from Insurance Company amounted to ₹ 129.49 lakh against the Company's loss due to amphan flood.

(c) Sundry balances written back amounting to ₹ 121.86 lakh (Previous Year ₹ 6909.76 lakh) includes various credit balance, those were payable to various parties for trade payables and borrowings.

(d) Sundry balances written off amounting to ₹ Nil (Previous Year 1378.66 lakh) includes various debit balance such as loans and advances etc.

Note No. : 32 Tax expense

(₹ In lakh)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Current tax	-	-
Deferred tax (Refer note no. 17)	416.95	1,986.42
Tax Expense	416.95	1,986.42

The reconciliation of estimated income tax to income tax expense is as below:

(₹ In lakh)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Profit before tax	1,383.94	6,925.24
Statutory Income Tax Rate	25.17%	25.17%
Expected income tax expense at statutory income tax rate	348.34	1,743.08
(i)Adjustment of previous years' carry forward losses	(561.92)	(1,730.85)
(ii) Items not allowed as per Income Tax	505.56	469.55
(iii) Items deductible as per Income Tax	(291.97)	(481.79)
(iv) Impact of deferred tax	416.95	1,986.42
Tax Expense recognised in Statement of profit and loss/OCI	416.95	1,986.42

Notes forming part of financial statements (Contd.)

Note No. : 33 Earnings per share

(₹ In lakh)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Amount used as the numerator (₹ in lakh)		
Profit for the year - (A)	966.99	4,938.81
Weighted average number of equity shares outstanding used as the denominator for computing Basic Earnings per share - (B)	3,32,26,709	3,06,89,321
Weighted average number of equity shares outstanding used as the denominator for computing Diluted earnings per share - (C)	3,32,26,709	3,51,40,550
Nominal value of equity shares (₹)	10.00	10.00
Basic earnings per share (₹) (A/B)*	2.91	16.09
Diluted earnings per share (₹) (A/C)*	2.91	14.05

Note No. : 34 Other disclosures and additional regulatory information

1. Contingent liabilities (to the extent not provided for)

(₹ In lakh)

Sl. No.	Particulars	As at 31st March, 2022	As at 31st March, 2021
A.	Contingent liabilities :		
	Claims against the Company not acknowledged as debts :		
	(i) Excise duty and penalty*	187.54	187.54
	(ii) Trade payable- Liquidated damages**	20.00	234.20
	(iii) Tax deducted at source and penalty	-	7.07
	(iv) Income Tax	487.28	-
		694.82	428.81
B.	Capital Commitments and Advances:		
	Capital Commitment	5.85	-
	Capital Advance Given	5.85	-

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.

* The company has paid ₹ 100 Lakh against this demand in the year 2004-05.

** Includes ₹ Nil (Previous year ₹ 214.20 lakh against claim of Exide Industries Ltd. (to the extent for which provision was not made in the books) against an outstanding litigation.

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 2022 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 ₹ 8.21 Lakh (31st March 2021 - 6.19 Lakh) as follows:

(₹ In lakh)

Sl. No.	Particulars	As at 31st March, 2022	As at 31st March, 2021
1	Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end.	8.21	6.19
2	Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end.	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	-	-
		8.22	6.19

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 :

(₹ In lakh)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Employer's Contribution to Provident Fund	59.18	53.90
Employer's Contribution to Employees' State Insurance Scheme	10.60	10.16

Note No. : 34 Other disclosures and additional regulatory information (Contd.)

Retiring gratuity

The Company had an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provided for a lump-sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15/26 days of last drawn basic salary for each completed year of service. Vesting occured upon completion of five years of service. The Company made annual contributions to gratuity funds established as trusts or insurance companies. The Company accounted for the liability for gratuity benefits payable in the future based on an actuarial valuation. The Company was exposed to actuarial risk, investment risk, interest risk, salary escalation risk, demographic risk, regulatory risk.

i. **Actuarial risk:** It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

   Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.

   Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

   Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at there resignation date.

ii. **Investment risk:** For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

iii. **Interest risk:** The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

iv. **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.

v. **Salary Escalation risk:** The present value of the defined benefit plans calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

vi. **Demographic risk:** The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

vii. **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 ₹ 20 Lakh).

   The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at March 31, 2022 by a registered Actuary. 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 March 31, 2022	Valuation As at March 31, 2021
Discount rate(s)	7.20%	6.80%
Expected rate(s) of salary increase	10.00%	10.00%

Notes forming part of financial statements (Contd.)

Note No. : 34 Other disclosures and additional regulatory information (Contd.)

Amounts recognised in statement of profit and loss in respect of these defined benefit plans are as follows:-

(₹ In lakh)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Current service cost	28.18	28.69
Past service cost and (gain)/loss from settlements	-	-
Net interest expense	12.96	11.68
Components of defined benefit costs recognised in profit or loss	41.14	40.37
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	(37.47)	(15.62)
Actuarial (gains) / losses arising from assumptions changes	(11.45)	-
Components of defined benefit costs recognised in other comprehensive income	(48.92)	(15.62)
Total	(7.78)	24.75

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:

(₹ In lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Present value of funded defined benefit obligation	196.75	212.73
Fair value of plan assets	(19.03)	(17.82)
Funded status	177.72	194.91
Restrictions on asset recognised	-	-
Net liability arising from defined benefit obligation	177.72	194.91

Movements in the present value of the defined benefit obligations are as follows:

(₹ In lakh)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Opening defined benefit obligations	190.12	212.72
Current service cost	28.69	28.18
Interest cost	12.82	14.15
Actuarial (gains) / losses arising from experience assumptions	(15.62)	(37.47)
Actuarial (gains) / losses arising from financial assumptions	-	(11.45)
Benefits paid	(3.28)	(9.38)
Closing defined benefit obligation	212.73	196.75

Note No. : 34 Other disclosures and additional regulatory information (Contd.)

Movements in the fair value of the plan assets are as follows:

(₹ In lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Opening fair value of plan assets	17.82	16.68
Interest income	1.21	1.13
Return on plan assets (excluding amounts included in net interest expense)	-	-
Closing fair value of plan assets	19.03	17.81

(₹ In lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Investment Details	GRATUITY	GRATUITY
	FUNDED	FUNDED
Scheme of insurance - conventional products	100%	100%

The following payments are expected contributions to the defined benefit plan in future years:

(₹ In lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
March 31, 2022	-	7.69
March 31, 2023	22.34	7.56
March 31, 2024	7.00	7.25
March 31, 2025	7.88	-
March 31, 2026	6.07	-
March 31, 2027	4.94	-
March 31, 2025 to March 31, 2029	-	79.55
March 31, 2028 to March 31, 2032	64.60	-
Total expected payments	112.83	102.05

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 :

	For the year ended March 31, 2022		For the year ended March 31, 2021	
Assumptions	Discount rate		Discount rate	
Sensitivity Level	+1 % increase	-1 % decrease	+1 % increase	-1 % decrease
Impact on defined benefit obligation (₹ In lakh)	(24.78)	30.55	(26.79)	33.26
% Change compared to base due to sensitivity [+/(-)%]	(12.60)%	15.50%	(12.60)%	15.60%

Note No. : 34 Other disclosures and additional regulatory information (Contd.)

Assumptions	Future salary increases		Future salary increases	
Sensitivity Level	+1 % increase	-1 % decrease	+1 % increase	-1 % decrease
Impact on defined benefit obligation (₹ In lakh)	25.64	(28.12)	28.42	(24.05)
% Change compared to base due to sensitivity [+/(-)%]	13.00%	(11.30)%	13.40%	(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.

   c) The adoption of IND AS 116 resulted in recognition of 'Right of Use' asset of ₹ 114.71 lakh and also Financial lease obligation amounting to ₹ 114.71 lakh.

   d) Changes in Carrying Value of "Right of Use (ROU) Assets is as follows:

(₹ In lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Opening Balance	57.35	86.03
Additions during the year	-	-
Depreciation for the year	(28.68)	(28.68)
Closing Balance	28.67	57.35

   e) Movement in Lease Liabilities: (₹ In lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Opening Balance	62.04	89.56
Additions during the year	-	-
Finance Cost accrued during the year	4.08	6.35
Payment of lease liabilities for the year	33.87	33.87
Closing Balance	32.25	62.04

Notes forming part of financial statements (Contd.)

Note No. : 34 Other disclosures and additional regulatory information (Contd.)

f) The breakup of non-current and current lease liabilities is as follows: (₹ In lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Non-Current Lease Liabilities	-	32.25
Current Lease liabilities	32.25	29.79

g) The details of the contractual maturities of lease liabilities on an undiscounted basis are as follows :

(₹ In lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Less than One Year	33.87	33.87
One to Five year	-	33.88
	33.87	67.75

h) Amount Recognised in statement of profit and loss: (₹ In lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Interest on lease liabilities	4.08	6.35
	4.08	6.35

i) Amount Recognised in statement of cash flows: (₹ In lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Total Cash outflow of leases including cash outflow for short term leases and leases of low value	-	52.46
	-	52.46

j) 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.

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
	Smt Sima Jhunjhunwala - Chief Financial Officer (Resigned on 07-08-2020)
	Smt Sweta Sarraf-Company Secretary (Resigned on 14-07-2020)
	Mr. Sumit Kumar Shaw- Chief Financial Officer (Appointed on 20-10-2020 till 19-09-2021), Additional Director (Appointed on 04-12-2020 till 19-09-2021) Company Secretary (Appointed on 15-01-2021)
Directors	Sreeram Vasanthi (Appointed on 31/07/2020)
	Pratik Kaushik
	Dharmendra Sethia (Appointed on 14/08/2014)
	Deven Kaushik (Appointed on 11/02/2015)
	Ritesh Ojha(Appointed on 14/011/2018)

Note No. : 34 Other disclosures and additional regulatory information (Contd.)

ii) Other related parties	
Close members of KMP	Sangrima Enterprise - Relative of Managing Director is partner in the firm
Significant influence entities	S.L Industries Pvt. Ltd. (Promoter Company)
	Websol Green Projects Private Limited
	Tysom Agencies Private Limited
	Shalimar Hatcheries Ltd.
	Sona Vets Pvt. Ltd.

b) Transactions with Related parties :

(₹ In lakh)

	Nature of transaction/ Name of related party	Significant Influence Entities	Key Managerial Personnel (KMP)	Close members of KMP	Total
(i)	Compensation/ Remuneration of KMP				
	Mr. S.L. Agarwal	-	114.89	-	114.89
		(-)	(86.26)	(-)	(86.26)
	Smt. Sima Jhunjhunwala	-	-	-	-
		(-)	(4.97)	(-)	(4.97)
	Mr. Sumit Kumar Shaw	-	10.67	-	10.67
		(-)	(6.51)	(-)	(6.51)
	Smt. Sweta Sarraf	-	-	-	-
		(-)	(2.25)	(-)	(2.25)
(ii)	Unsecured Loan taken				
	S.L Industries Pvt. Ltd.	-	-	-	-
		(0.10)	-	-	(0.10)
	Mr. S.L. Agarwal	-	-	-	-
		(-)	(150.00)	(-)	(150.00)
	Tysom Agencies Private Limited	1,314.00	-	-	1,314.00
		(732.02)	(-)	(-)	(732.02)
	Websol Green Projects Pvt. Ltd.	400.00	-	-	-
		(-)	(-)	(-)	(-)
(iii)	Unsecured Loan Repayment				
	S.L Industries Pvt. Ltd.	0.04	-	-	0.04
		(18.37)	-	-	(18.37)
	Sona Vets Pvt. Ltd.	-	-	-	-
		(1.11)	-	-	(1.11)
	Shalimar Hatcheries Ltd.	-	-	-	-
		(1.11)	(-)	(-)	(1.11)

Note No. : 34 Other disclosures and additional regulatory information (Contd.)

b) Transactions with Related parties : (Contd.)

(₹ In lakh)

	Nature of transaction/ Name of related party	Significant Influence Entities	Key Managerial Personnel (KMP)	Close members of KMP	Total
	Tysom Agencies Private Limited	616.00	–	–	616.00
		(674.22)	(–)	(–)	(674.22)
	Websol Green Projects Pvt. Ltd.	9.21	–	–	9.21
		(–)	(–)	(–)	(–)
	Mr. S.L. Agarwal (Refer Note 8(f))	–	150.00	–	150.00
		(–)	(–)	(–)	(–)
(iv)	**Sale of Goods**				
	Sangrima Enterprise	–	–	–	–
		(–)	(–)	(17.30)	(17.30)
(v)	**Interest on Unsecured Loans taken**				
	Mr. S.L. Agarwal	–	2.02	–	2.02
		(–)	(1.01)	(–)	(1.01)
	Tysom Agencies Private Limited	28.25	–	–	28.25
		(22.45)	(–)	(–)	(22.45)
	Websol Green Projects Pvt. Ltd.	16.24	(–)	(–)	16.24
		(–)	(–)	(–)	(–)
(vi)	**Reimbursement of Expenses**				
	Mr. S.L. Agarwal	–	3.57	–	3.57
		(–)	(25.36)	(–)	(25.36)
	Websol Green Projects Private Limited	–	–	–	–
		(0.40)	(–)	(–)	(0.40)
(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	–	1.62	–	1.62
		–	(1.62)	–	(1.62)
	Pratik Kaushik	–	1.62	–	1.62
		–	(1.62)	–	(1.62)
(viii)	**Retainership fees**				
	Sreeram Vasanthi	–	6.00	–	6.00
		–	8.00	–	8.00
(ix)	**Proceeds from Share Warranats (Converted into Equity Shares)**				
	Mr. S.L. Agarwal	–	600.00	–	600.00
		–	(–)	–	(–)

Note No. : 34 Other disclosures and additional regulatory information (Contd.)

b) Transactions with Related parties :

(₹ In lakh)

	Nature of transaction/ Name of related party	Significant Influence Entities	Key Managerial Personnel (KMP)	Close members of KMP	Total
(x)	Borrowing outstanding at the end of the year				
	Mr. S.L. Agarwal	–	–	–	–
		(–)	(150.94)	(–)	(150.94)
	Tysom Agencies Private Limited	806.48	–	–	806.48
		(80.24)	(–)	(–)	(80.24)
	Websol Green Projects Private Limited	406.49	(–)	(–)	406.49
		(–)	(–)	(–)	(–)
(xi)	Other Receivables outstanding at the end of the year				
	Websol Green Projects Private Limited	–	–	–	–
		(0.46)	(–)	(–)	(0.46)
(xii)	Trade receivable outstanding at the end of the year				
	Tysom Agencies Private Limited	8.56	–	–	8.56
		(28.56)	(–)	(–)	(28.56)

c) Details of Remuneration paid/ payable to KMP

(₹ In lakh)

Particulars	Mr. S.L. Agarwal	Smt Sima Jhunjhunwala	Smt Sweta Sarraf	Mr. Sumit Kumar Shaw	Total
Short - term employee benefits					
Salary	108.00 (76.46)	– (4.24)	– (2.25)	10.36 (6.11)	118.36 (89.05)
Perquisites	– (3.37)	– (2.22)	– (–)	– (0.20)	– (3.95)
Personal Loan	– (–)	– (–)	– (–)	0.04 (–)	0.04 (–)
	108.00 (79.83)	– (4.62)	– (–)	(6.31)	(93.00)
Post employment benefits					
Contribution to provident fund, gratuity and other funds	6.89 (6.43)	– (0.35)	– (–)	0.27 (0.21)	7.15 (6.98)
Total	114.89 (86.26)	– (4.97)	– (2.25)	10.67 (6.51)	125.56 (99.98)

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.

Notes forming part of financial statements (Contd.)

Note No. : 34 Other disclosures and additional regulatory information (Contd.)

f) Expense has been recognised in current year and previous year for bad or doubtful debts in respect of the amounts owed by following related parties:

Name of Related Party	(₹ in Lakh)
Sona Vets Pvt. Ltd.	(-) 413.06
Shalimar Hatcheries Ltd.	(-) (124.33)

g) 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 ₹ 50 per warrant by subscribing to one Equity share per warrant of face value of ₹ 10 each aggregating to ₹ 1,50,00,000 (Previous year Nil).

h) Figures in brackets-( ) represents for year ended 31st March, 2021

9. Financial instruments - Accounting, Classification and Fair value measurements

A. Financial instruments by category

As at 31st March, 2022 (₹ 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

As at 31st March, 2021 (₹ 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	1,986.60	1,986.60	-	-	1,986.60
	(b) Cash and cash equivalents	10	165.54	165.54	-	-	165.54
	(c) Other financial assets	6	343.93	343.93	-	-	343.93
	Total		2,496.07	2,496.07	-	-	2,496.07

Note No. : 34 Other disclosures and additional regulatory information (Contd.)

As at 31st March, 2021 (₹ In lakh)

Sl. No.	Particulars	Refer Note No.	Total Fair Value	Carrying value			
				Amortized cost	FVTOCI	FVTPL	Total
(2)	Financial liabilities						
(a)	Borrowings	14	3,459.00	3,459.00	-	-	3,459.00
(b)	Lease Liabilities	15	62.04	62.04	-	-	62.04
(c)	Trade payables and other payable	19	3,966.73	3,966.73	-	-	3,966.73
(d)	Other financial liabilities	20	547.51	547.51	-	-	547.51
	Total		8,035.28	8,035.28	-	-	8,035.28

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, loans 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.

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, 2022 Nil (31st March, 2021 : 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.

Note No. : 34 Other disclosures and additional regulatory information (Contd.)

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.

Loans and other financial assets measured at amortized cost includes loans to related parties, 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 (₹ In lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Trade Receivables (Gross)	3,025.58	2,065.47
Less: Expected Credit Loss	(316.70)	(78.87)
Trade Receivables (Net)	2,708.88	1,986.60

Expected Credit Losses (₹ In lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Balance at the beginning of the year	78.87	4.96
Charge/(Credit) in Statement of Profit and Loss	237.83	73.91
Balance at the end of the year	316.70	78.87

Note No. : 34 Other disclosures and additional regulatory information (Contd.)

(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:

(₹ In lakh)

Particulars	Less than 1 year	1-5 years	More than 5 years	Total
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
As at 31st March, 2021				
Borrowings	2,187.31	1,271.69	-	3,459.00
Lease Liabilities	29.79	32.25	-	62.04
Trade payables and other payable	3,966.73	-	-	3,966.73
Other financial liabilities	547.51	-	-	547.51
Total	6,731.34	1,303.94	-	8,035.28

(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 borrowings and trade payables. The foreign currency risk is unhedged.

Unhedged Foreign Currency exposures are as follows :-

(₹ In lakh)

Nature	Currency	As at 31st March, 2022	As at 31st March, 2021
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, loans and advances, interest, etc.	USD (in lakh)	14.03	17.71
	EURO (in lakh)	0.08	0.02

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 is not exposure to any price risk arises from investments held and classified as FVTPL. To manage the price risk arising from investments in mutual funds, the Company diversifies its portfolio of assets.

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, 2022 and 31st March, 2021.

Notes forming part of financial statements (Contd.)

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, 2022 and March 31, 2021

Particulars	Numerator	Denominator	March 31,2022 (₹ In lakh)	March 31, 2021 (₹ In lakh)	Variance (%)	Reason for Variance
Current Ratio	Current Assets	Current Liabilities	0.91	0.57	58.77%	See Footnote 1 below
Debt - Equity Ratio	Total Debt (borrowings and lease liabilities)	Shareholder's Equity	0.19	0.20	(5.96)%	-
Debt Service Coverage Ratio	Earning for Debt Service*	Debt Service#	17.40	2.27	665.96%	See Footnote 2 below
Return on Equity	Net Profit After Taxes	Average Shareholder's Equity	5.29%	33.11%	(27.82)%	See Footnote 3 below
Inventory Turnover Ratio	Revenue from operation	Average Inventory	10.61	10.31	2.95%	-
Trade Receivables turnover ratio	Revenue from operation	Average Accounts Receivable	9.08	8.17	11.22%	-
Trade payables turnover ratio	Purchase of Raw Material & Stores	Average Accounts Payable	5.18	2.10	147.13%	See Footnote 4 below
Net Capital Turnover Ratio	Revenue from operation	Working Capital	(38.58)	(5.00)	670.99%	See Footnote 5 below
Net profit ratio	Net Profit	Revenue	4.54%	32.15%	(27.62)%	See Footnote 6 below
Return on Capital employed	Earnings before interest and taxes (EBIT)	Capital Employed##	7.67%	10.97%	(3.30)%	-

*Net profitafter tax + non cash operating expenses + Finance costs

Includes Interest + Principal repayment

##Includes Net worth +borrowing+ lease liabilities + deferred tax liabilities

Note No. : 34 Other disclosures and additional regulatory information (Contd.)

Reasons for variance in ratios:

1. The current ratio has improved due to continuous payment to creditors and increase in stock and debtors due to increase in sales during the current year.
2. The debt service coverage ratio has increased due to decrease in finance cost and also due to repayments of high interest bearing loans in previous year.
3. The company has further issued shares in the current year and hence the return on equity has decreased compared to last year.
4. Trade payables turnover ratio has increased due to increase in purchases during current year consequent to increase in sales.
5. The current liabilities are more because of considering the repayment obligations during 1 year as a current liabilities.
6. The net profit ratio in the last year has impacted due to exceptional items in the profit and loss resulted in the increase in the profit. However, during current year the company has earned sufficient profit without much exceptional items in theStatement of profit and loss.

b) Restatement as a result of correction of an error (Refer Note 13(5))

The restatement of a line item of the previous financial statements ended 31st March, 2021 pertains to deferred tax charge pertaining to Accounting year 2020-21. Therefore, the Company is not required to attach the balance sheet as at the beginning of the earliest comparative period presented i.e. 01.04.2021.

The aforesaid error has been corrected by restating each of the affected financial statement line items for the prior period as follows:

(₹ In lakh)

Balance Sheet (Extract)	Deferred Tax Liability	Reserves and Surplus
Balance as at 1st April, 2021	141.50	(20,929.81)
Increase/(Decrease)	1,844.92	(1,844.92)
Restated Balance as at 1st April 2021	1,986.42	(22,774.73)

(₹ In lakh)

Statement of Profit or Loss (Extract)	For the year ended 31st March, 2021	Increase / (Decrease)	For the year ended 31st March, 2021 (Restated)
Tax Expenses - Deferred Tax	141.50	1,844.92	1,986.42
Profit for the year	**6,783.74**	**1,844.92**	**4,938.82**

Basic and diluted earnings per share for the prior period have also been restated. The amount of correction for both basic and diluted earnings per share was decrease of ₹ 6.01 and ₹ 5.25 per share respectively.

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.

Note No. : 34 Other disclosures and additional regulatory information (Contd.)

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:

(₹ In lakh)

Particulars	As at 31st March, 2022	As at 31st March, 2021
i) Amount required to be spent by the company during the year	23.36	NA
ii) Amount of Expenditure incurred during 2021-22	25.17	NA
iii) Shortfall at the end of the year	Nil	NA
iv) Total of Previous years shortfall	Nil	NA
v) Reason for shortfall	NA	NA
vi) Nature of CSR activities	Promoting Healthcare including preventive Healthcare and Eradication of poverty	NA
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

15 The Ministry of New and Renewable Energy (MNRE) has introduced the basic customs duty (BCD) on imported solar cells @ 40% and solar cells @ 25% w.e.f. 1st April, 2022. The Government has already announced revision of SEZ policy to enable the units in the SEZ to sell in DTA market and the policy is expected very soon. the management is confident that with the proposed revision in the SEZ policy, this will have a positive impact on the Company. However, this has no significant impact on the on the financial results for the year ended 31st March 2022.

16 The previous year's figures have been regrouped, rearranged and reclassified wherever necessary to comply with the amendment in Division II to the Schedule III to the Companies Act, 2012. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

As per our report of even date attached.

For G. P. Agrawal & Co.
Chartered Accountants
Firm's Registration No. - 302082E

(CA. Radhika Singhania)
Partner
Membership No. 310691

Place of Signature: Pune
Date: 30th day of May, 2022

S. L. Agarwal
Managing Director
DIN No. 00189898

Dharmendra Sethia
Director
DIN No. 06775533

Sumit Kumar Shaw
Company Secretary
MEMBERSHIP NO. : 64215

Notes

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